

[FORM OF REGISTERED BOND WITHOUT COUPONS,
2.65% SERIES DUE 1977.]

DUKE POWER COMPANY

FIRST AND REFUNDING MORTGAGE BOND, 2.65% SERIES
DUE 1977

Due September 1, 1977

No. CR-

\$

Duke Power Company, a New Jersey corporation (hereinafter called the Company), for value received, acknowledges itself indebted and hereby promises to pay to

or registered assigns on September 1,

1977,

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 the interest payment day next preceding the date hereof, 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.

This bond is one of the bonds of the 2.65% Series due 1977 of an authorized issue of bonds of the Company, without limit as to aggregate principal amount, designated generally as its First and Refunding Mortgage Bonds, all issued and to be issued under and equally and ratably secured by an indenture dated as of December 1, 1927, duly executed by the Company to Guaranty Trust Company of New York, as Trustee, to which indenture and all indentures supplemental thereto reference is made for a description of the property mortgaged, the nature and extent of the security, the rights of the holders of the bonds in respect thereof, the terms and conditions upon which the