

**SUPPLEMENTAL INDENTURE**, bearing date as of the first day of April, 1951, made and entered into by and between **DUKE POWER COMPANY**, a corporation duly organized and existing under the laws of the State of New Jersey, hereinafter called the "Company", party of the first part, and **GUARANTY TRUST COMPANY OF NEW YORK**, a corporation duly organized and existing under the laws of the State of New York, having its principal place of business in the Borough of Manhattan, City and State of New York, hereinafter called the "Trustee", as Trustee, party of the second part.

WHEREAS the Company duly executed and delivered its First and Refunding Mortgage, dated as of December 1, 1927, to the Trustee to secure the First and Refunding Mortgage Gold Bonds of the Company, to be issued from time to time in series as provided in said Mortgage, and has from time to time duly executed and delivered supplemental indentures, including a supplemental indenture dated as of February 1, 1949, to the Trustee supplementing and modifying said Mortgage (said Mortgage, as heretofore supplemented and modified, being hereinafter referred to as the "original indenture"); and

WHEREAS bonds of a series known as the "First and Refunding Mortgage Bonds, 2.65% Series Due 1977" (herein called "bonds of the 2.65% Series") and bonds of a series known as the "First and Refunding Mortgage Bonds, 2 $\frac{7}{8}$ % Series Due 1979" (herein called "bonds of the 1979 Series") have heretofore been issued and are the only bonds now outstanding under the original indenture; and

WHEREAS the Company desires to create under the original indenture, as supplemented by this supplemental indenture, a new series of bonds, to be known as its "First and Refunding Mortgage Bonds, 3 $\frac{1}{4}$ % Series Due 1981", and to determine the terms and provisions and the form of the bonds of such series; and

WHEREAS for the purposes hereinabove recited, and pursuant to due corporate action, the Company has duly determined to execute and deliver to the Trustee a supplemental indenture in the form hereof supplementing the original indenture (the orig-