

SUPPLEMENTAL INDENTURE, bearing date as of the first day of January, 1960, 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 MORGAN 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 to Guaranty Trust Company of New York, as Trustee, a First and Refunding Mortgage, dated as of the first day of December, 1927, to secure the bonded indebtedness of the Company therein referred to, which Mortgage is recorded in the Public Registries of the various counties in North Carolina and South Carolina where the mortgaged property is located; and

WHEREAS, the Company has, since the making, executing and delivering of said First and Refunding Mortgage, made, executed and delivered unto Guaranty Trust Company of New York, as Trustee, fifteen separate indentures or supplemental mortgages, dated respectively as of March 12, 1930, July 1, 1935, December 1, 1935, September 1, 1936, January 1, 1941, April 1, 1944, September 1, 1947, September 8, 1947, February 1, 1949, March 1, 1949, April 1, 1951, September 1, 1953, October 1, 1954, January 1, 1955, and May 1, 1956, supplementing and modifying said First and Refunding Mortgage (said First and Refunding Mortgage, as so supplemented and modified, being hereinafter sometimes called the "Mortgage"); and

WHEREAS, in connection with the merger on April 24, 1959, of J. P. Morgan & Co., Incorporated with Guaranty Trust Company of New York, the corporate name of Guaranty Trust Company of New York was changed to Morgan Guaranty Trust Company of New York; and

WHEREAS, by the terms of the Mortgage, it is the duty of the Company to execute, acknowledge and deliver such further deeds, transfers, assurances and assignments, for the better assuring, conveying and confirming unto the Trustee all and singular the mortgaged property as the Trustee may reasonably direct for the purpose of expressly and specifically subjecting the same to the lien of the Mortgage; and,

WHEREAS, the Company has acquired or constructed certain property located in various counties in North Carolina and South Carolina, and the Trustee has requested the Company