STATE OF TO

DATED JANUARY 1, 9141

GUARANTY TRUST COMPANY OF NEW YORK

TRUSTEE

SUPPLEMENTAL MORTGAGE

SUPPLEMENTAL MORTGAGE

THIS INDENTURE, made and entered into this the 1st day of January, A. D. 1941, by and between DUKE POWER COMPANY, a corporation organized and existing under and by virtue of the laws of the State of New Jersey (hereinafter sometimes called the "Company"), party of the first part, and Guaranty Trust Company of New York, a corporation organized and existing under and by virtue of the laws of the State of New York, and having its principal place of business in the Borough of Manhattan, City and State of New York, (hereinafter sometimes called the "Trustee"), party of the second part, Witnesseth:

WHEREAS, the Company did, on or about the 1st day of December 1927, make, execute and deliver unto the party of the second part as Trustee, a first and refunding mortgage (hereinafter sometimes called the "Mortgage"), dated as of that day, to secure the bonded indebtedness of the Company therein referred to and described, which mortgage is recorded in the public registries of the counties in North Carolina and South Carolina, in the books and at the pages as herein set out, to-wit:

| NORTH CAROLINA | |
|---------------------------------------------|----------|
| County Book Page County Book | Page |
| Alamance DT-109 150 Lincoln MD-161 | 1 |
| Alexander DT-29 1 McDowell REM-40 | . 1 |
| Burke REM No. S-5 175-266 Mecklenburg M-686 | 311 |
| Cabarrus REM-49 379 Orange M-79 | 138 |
| Caldwell DT, RE-142 1 Polk 45 | · |
| Chatham REM-HA 461 Randolph 237 | 1 |
| Caswell 92 514-554 Rockingham DT-225 | 483 |
| Catawba DT-221 1 Rowan REM-109 | 1 |
| Cleveland MD-155 1 Rutherford DT-A-9 | 499 |
| Davidson M-101 1 Stanly Misc. REM-105 | 22 |
| Davie Misc. R. 3 1 Stokes D-80 | 1 |
| Durham 163 of M 272 Surry DT-109 | 1 |
| Forsyth DT-234 1 Transylvania DT-26 | 1 |
| Gaston DT-241 1 Union (N. C.) Mort. A-11 | . 1 |
| GuilfordREM-594 1 Wake 853 | 337 |
| Henderson | 1 |
| Iredell | 84 |
| SOUTH CAROLINA | ters |
| County Book Page County Book | Page |
| Abbeville REM-3T 1 Laurens REM-81 | 1 |
| Anderson REM-213 1 Lexington REM-4B | 88 |
| C-1 299 Newberry REM-36 | 305 |
| Cherokee REM-54 1 Oconee REM-3Q | 331 |
| Chester REM-264 1 Pickens REM-3H | 1 |
| Fairfield REM-57 1 Richland REM-HU | 1 |
| Greenville REM-201 1 Spartanburg REM-178 | 1 |
| Greenwood REM-73 1 Union (S. C.) REM-43 | - 1 |
| Kershaw REM-BT 135 York 56 | 155 |
| Lancaster REM-30 1 | |
| | |

Whereas, by the terms of the Mortgage of December 1, 1927, 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 to 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 said indenture; and,

WHEREAS, since the execution of the Mortgage of December 1, 1927, 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 to execute and deliver a supplemental mortgage for the purpose of expressly and specifically subjecting said property to the lien of the Mortgage;

Now, Therefore, This Indenture Witnesseth:

That for and in consideration of the premises and of the sum of Ten (\$10.00) Dollars in hand paid to the party of the first part by the party of the second part, the receipt of which is hereby acknowledged, the party of the first part has granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over, warranted and confirmed and by these presents does grant, bargain, sell, release, convey, assign, transfer, mortgage, pledge, set over, warrant and confirm, unto the party of the second part as Trustee, all of the following described property to-wit:

All of the lands, rights, easements and properties referred to and described as follows, to-wit:

Parcel No. 1 CLIFFSIDE STEAM PLANT

FIRST TRACT: All of that tract of land situate, lying and being in Number One Township, Cleveland County, and High Shoals Township, Rutherford County, State of North Carolina, and more particularly described as follows:

Being a part of the McCraw or Shull land, adjoining lands of John Jones, S. D. Jones, Frank Bailey, and others. Beginning on the south bank of Main Broad River on a stone John Jones' corner, thence with his line S. 9.45 W. 29.21 chains to a black oak and pointers, thence with S. D. Jones' line N. 70 15 W. 15 chains to a large stone and pointers, S. D. Jones and Frank Bailey's corner, thence with Frank Bailey's line N. 70 15 W. 47.65 chains to a stone and pointers on West side of branch, thence N. 53 W. 1.75 chains to a stone, thence N. 4 30 W. 2.30 chains to a stake in the south bank of Main Broad River, thence same course 2.00 chains to a stone in center of Main Broad River, thence down the center of Main Broad River with its various meanders six calls as follows: N. 68 46 E. 25.15 chains to a stone in center of river, thence N. 9 50 W. 6.75 chains to a stone in center of river, thence N. 13 22 E. 6.00 chains to a stone in center of river, thence N. 60 46 E. 10 chains to a stone in the center of the river, thence S. 76 E. 14.00 chains to a stone in center of river opposite mouth of Second Broad River, thence S. 48 21 E. 27.00 chains to a stone in center of river, thence S. 9 45 W. 212 chains to the Beginning, containing One Hundred seventy-eight (178) acres, more or less; and being in all respects the same property conveyed to Duke Power Company by deed of O. P. Earls and wife, dated January 10, 1939, recorded in the office of the Register of Deeds of Rutherford County in Book 169 at page 536, and in the office of the Register of Deeds of Cleveland County in Book 4-U, page 313.

SECOND TRACT: All of that tract of land situate, lying and being in Number One Township, Cleveland County, and High Shoals Township, Rutherford County, State of North Carolina, and more particularly described as follows:

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