

SUPPLEMENTAL INDENTURE bearing date as of the first day of September, 1947, and 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", party of the second part.

WHEREAS the Company duly executed and delivered its First and Refunding Mortgage (hereinafter referred to as the "original indenture"), dated as of December 1, 1927, to the Trustee to secure an authorized issue of First and Refunding Mortgage Gold Bonds of the Company, to be issued from time to time in series as provided in the original indenture; and

WHEREAS the Company desires to amend the original indenture in certain respects, and the Trustee has agreed to such amendment; and

WHEREAS the Company further desires to create under the original indenture, as hereby amended, a new series of bonds, to be known as its "First and Refunding Mortgage Bonds, 2.65% Series Due 1977", 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; and