

- 101.49% if redeemed thereafter and on or before January 31, 1969
- 101.34% if redeemed thereafter and on or before January 31, 1970
- 101.19% if redeemed thereafter and on or before January 31, 1971
- 101.05% if redeemed thereafter and on or before January 31, 1972
- 100.90% if redeemed thereafter and on or before January 31, 1973
- 100.75% if redeemed thereafter and on or before January 31, 1974
- 100.60% if redeemed thereafter and on or before January 31, 1975
- 100.45% if redeemed thereafter and on or before January 31, 1976
- 100.30% if redeemed thereafter and on or before January 31, 1977
- 100.15% if redeemed thereafter and on or before January 31, 1978
- 100.00% if redeemed thereafter and prior to maturity,

together, in each case, with interest accrued thereon to the date fixed for redemption thereof. The bonds of this series are also subject to redemption for the Replacement Fund for bonds of said series provided for in the supplemental indenture dated as of February 1, 1949, providing for said series, or upon application of certain moneys included in the trust estate, at any time or from time to time prior to maturity, at the following redemption prices (expressed as percentages of their principal amounts), respectively:

- 101.31% if redeemed on or before January 31, 1950
- 101.29% if redeemed thereafter and on or before January 31, 1951
- 101.26% if redeemed thereafter and on or before January 31, 1952
- 101.23% if redeemed thereafter and on or before January 31, 1953
- 101.20% if redeemed thereafter and on or before January 31, 1954
- 101.17% if redeemed thereafter and on or before January 31, 1955
- 101.13% if redeemed thereafter and on or before January 31, 1956
- 101.10% if redeemed thereafter and on or before January 31, 1957
- 101.06% if redeemed thereafter and on or before January 31, 1958
- 101.03% if redeemed thereafter and on or before January 31, 1959
- 100.99% if redeemed thereafter and on or before January 31, 1960
- 100.96% if redeemed thereafter and on or before January 31, 1961
- 100.92% if redeemed thereafter and on or before January 31, 1962
- 100.88% if redeemed thereafter and on or before January 31, 1963
- 100.84% if redeemed thereafter and on or before January 31, 1964
- 100.80% if redeemed thereafter and on or before January 31, 1965
- 100.75% if redeemed thereafter and on or before January 31, 1966
- 100.71% if redeemed thereafter and on or before January 31, 1967
- 100.66% if redeemed thereafter and on or before January 31, 1968
- 100.62% if redeemed thereafter and on or before January 31, 1969
- 100.57% if redeemed thereafter and on or before January 31, 1970
- 100.52% if redeemed thereafter and on or before January 31, 1971
- 100.47% if redeemed thereafter and on or before January 31, 1972

This bond is a corporate obligation only and no recourse whatsoever, either directly or through the Company or any trustee, receiver, assignee or any other person, shall be had for the payment of the principal or premium, if any, or interest on this bond, or for the enforcement of any claim based hereon, or otherwise in respect hereof or of the Indenture, against any promoter, subscriber to the capital stock, incorporator, or any past, present or future stockholder, officer or director of the Company as such, or of any successor or predecessor corporation, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment, penalty, subscription or otherwise, any and all such liability of promoters, subscribers, incorporators, stockholders, officers and directors being waived and released by each successive holder hereof by the acceptance of this bond, and as a part of the consideration for the issue hereof, and being likewise waived and released by the terms of the Indenture.

This bond shall not become or be valid or obligatory for any purpose until the Trustee shall have signed the form of certificate endorsed hereon.

IN WITNESS WHEREOF, said Duke Power Company has caused this bond to be signed in its name by its President or one of its Vice-Presidents, and its corporate seal to be hereto affixed, or a facsimile thereof to be hereon engraved, lithographed or printed, and to be attested by its Secretary or one of its Assistant Secretaries.

Dated:

DUKE POWER COMPANY,

By.....

ATTEST: Vice-President.

.....
Secretary.

- 100.41% if redeemed thereafter and on or before January 31, 1973
- 100.36% if redeemed thereafter and on or before January 31, 1974
- 100.31% if redeemed thereafter and on or before January 31, 1975
- 100.25% if redeemed thereafter and on or before January 31, 1976
- 100.19% if redeemed thereafter and on or before January 31, 1977
- 100.13% if redeemed thereafter and on or before January 31, 1978
- 100.00% if redeemed thereafter and prior to maturity,

together, in each case, with interest accrued thereon to the date fixed for redemption thereof. Such redemption is in every case to be effected at the office or agency of the Company in the Borough of Manhattan, The City of New York, upon at least thirty days' prior notice, given as more fully provided in the Indenture, including publication at least once in each week for at least three successive weeks in a daily newspaper printed in the English language and published and of general circulation in said Borough of Manhattan.

If this bond or any portion hereof (\$1,000 or a multiple thereof) is called for redemption and payment is duly provided, this bond or such portion thereof shall cease to bear interest from and after the date fixed for such redemption.

This bond is transferable, as provided in the Indenture, by the registered owner hereof in person or by duly authorized attorney, at the office or agency of the Company in the Borough of Manhattan, The City of New York, upon surrender and cancellation of this bond, and thereupon a new registered bond or bonds without coupons of the same series and of like aggregate principal amount will be issued to the transferee in exchange herefor as provided in the Indenture; or the registered owner of this bond, at his option, may surrender the same for cancellation at said office or agency of the Company and receive in exchange herefor the same aggregate principal amount of registered bonds without coupons of the same series of authorized denominations or coupon bonds of the same series of the denomination of \$1,000, in each case upon payment, if the Company shall so require, of the charges provided for in the Indenture.

[FORM OF TRUSTEE'S CERTIFICATE FOR ALL BONDS OF THE 1979 SERIES.]

This bond is one of the bonds, of the series designated therein, described in the within-mentioned Indenture.

GUARANTY TRUST COMPANY OF NEW YORK,
Trustee,

By
Authorized Officer.

PART TWO.

REPLACEMENT FUND.

SECTION 1. So long as any of the bonds of the 1979 Series are outstanding, the Company will deposit in cash with the Trustee in each year, beginning with the calendar year 1950, on or before April 1 of such year, as and for a Replacement Fund, an amount equal to the sum of the replacement requirements (as hereinafter defined) for all calendar years beginning with the calendar year 1949 and ending with the last calendar year preceding the date on which such deposit is required to be made, after deducting therefrom the sum of the following:

- (1) an amount equal to the aggregate original cost of all fixed property which shall, during the period from and including January 1, 1949 to the end of the calendar year next preceding the date on which such deposit is required to be made, have been retired from service, which amount, however, shall not exceed the aggregate of the gross amounts of additional property (determined on the basis of the cost or fair value to the Company, whichever is less, of each unit of additional