

## MORTGAGE OF REAL ESTATE

judgment made in good faith by them, it or him or by a Responsible Officer or Responsible Officers of the Corporate Trustee unless it shall be proved that the Trustees or either of them were negligent in ascertaining the pertinent facts; and

(d) the Trustees or either of them shall not be personally liable with respect to any action taken or omitted to be taken by them, it or him in good faith in accordance with the direction of the holders of not less than a majority in principal amount of the bonds at the time Outstanding (determined as provided in Section 71 hereof) relating to the time, method, and place of conducting any proceeding for any remedy available to the Trustees or either of them or exercising any trust or power conferred upon the trustees or either of them under this Indenture.

SECTION 90. The recitals of fact contained herein and in the bonds shall be taken as the statements of the Company and the Trustees or either of them assume no responsibility for the correctness of the same. The Trustees or either of them make no representations as to the value of the Mortgaged and Pledged Property or any part thereof, or as to the title of the Company thereto, or as to the validity or adequacy of the security afforded thereby and hereby, or as to the validity of this Indenture or of the bonds or coupons issued hereunder.

Except as herein otherwise may be specifically provided, the Trustees shall be under no duty to file or record or cause to be filed or recorded this Indenture, or any instruments supplemental hereto, or any purchase money mortgage held hereunder, as a mortgage, conveyance or transfer of real or personal property, or otherwise, or to re-file or re-record or renew the same, or to procure any further, other, or additional instruments of further assurance, or to see to the delivery to them of any personal property intended to be mortgaged or pledged hereunder, or to do any other act which may be suitable to be done for the better maintenance or continuance of the Lien or security hereof, or for giving notice of the existence of such Lien, or for extending or supplementing the same or to see that any property intended now or hereafter to be conveyed in trust hereunder is subjected to the Lien hereof. The Trustees shall not be liable for failure of the Company to insure or renew insurance or for the responsibility of insurers, or for the adequacy of any method or plan of protection against loss by fire adopted by the Company as permitted by the provisions of Section 37 hereof, or for the failure of the Company to pay any tax or taxes in respect of the Mortgaged and Pledged Property, or any part thereof, or otherwise, nor shall the Trustees be under any duty in respect to any tax which may be assessed against them or the owners of the bonds Outstanding hereunder in respect of the Mortgaged and Pledged Property. The Trustees shall be under no duty or responsibility with respect to the validity or value of any securities at any time held by them hereunder. The Trustees shall be under no responsibility or duty with respect to the disposition of the bonds authenticated and delivered hereunder or the application of the proceeds thereof or the application of any moneys paid to the Company under any of the provisions hereof. None of the provisions of the Section shall be deemed to relieve the Trustees or either of them of their, its or his duties or obligations under sections 88 and 89 hereof.

SECTION 91. The Trustees or either of them shall not be personally liable in case of entry by them, it or him upon the Mortgaged and Pledged Property for debts contracted or liability or damages incurred in the management or operation of said property.

And Trustee, in its or his individual or any other capacity, may become the owner or pledgee of bonds or coupons secured hereby with the same rights it or he would have if not Trustee.

SECTION 92. Whenever it is provided in this Indenture that the Trustees or either of them shall take any action upon the happening of a specified event or upon the fulfillment of any condition or upon the request of the Company or of bondholders, the Trustees or either of them taking such action shall have full power to give any and all notices and to do any and all acts and things incidental to such action.

SECTION 93. Any notice or demand which by any provision of this Indenture is required or permitted to be given or served by the Trustees or either of them on the Company shall be deemed to have been sufficiently given or served, for all purposes, by being deposited postage prepaid in a postoffice letter box addressed (until another address is filed by the Company with the Corporate Trustee for the purpose of this Section), as follows: Carolina Power & Light Company, Raleigh, North Carolina.

SECTION 94. To the extent permitted by Section 88 and 89 hereof:

(1) The Trustees or either of them may rely and shall be protected in acting upon any Resolution, Treasurer's Certificate, Engineer's Certificate, Independent Engineer's Certificate, Net Earning Certificate, Opinion of Counsel, resolution, certificate, opinion, notice, request, consent, order, appraisal, report, bond or other paper or document believed by them it or him to be genuine and to have been signed or presented by the proper party or parties; and

(2) The Trustees or either of them may consult with counsel and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by them, it or him hereunder in good faith and in accordance with the opinion of such counsel.

The Trustees or either of them shall not be under any responsibility for the selection, appointment or approval of any expert for any of the purposes expressed in this Indenture, except