

SECTION 6. The aggregate principal amount of the bonds of the 1981 Series shall be unlimited.

SECTION 7. The place or places of payment (as to principal, premium, if any, and interest), redemption, transfer, exchange and registration of the bonds of the 1981 Series shall be the office or offices or the agency or agencies of the Company in the Borough of Manhattan, The City of New York, designated from time to time by the Board of Directors of the Company.

SECTION 8. The bonds of the 1981 Series and the coupons attached thereto, and the certificate of the Trustee to be endorsed on the bonds, are to be substantially in the forms following, respectively:

[FORM OF COUPON BOND OF THE 1981 SERIES.]

DUKE POWER COMPANY
FIRST AND REFUNDING MORTGAGE BOND,
3¼% SERIES DUE 1981
Due April 1, 1981

No. EM-

\$1,000

Duke Power Company, a New Jersey corporation (hereinafter called the "Company"), for value received, acknowledges itself indebted and hereby promises to pay to the bearer, or, if this bond be registered as to principal, to the registered owner hereof, on April 1, 1981, One Thousand Dollars, in any coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts, at the office or agency of the Company in the Borough of Manhattan, The City of New York, and to pay interest thereon from April 1, 1951, at the rate of three and one-quarter per cent. per annum, in like coin or currency, at said office or agency, semi-annually on April 1 and October 1 in each year, until the principal hereof becomes due and payable, payable until the maturity of said