

The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Twentieth Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by Duke-North Carolina solely. In general each and every term and condition contained in the Indenture shall apply to and form a part of this Twentieth Supplemental Indenture with the same force and effect as if the same were herein set forth in full with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this the Twentieth Supplemental Indenture.

SECTION 3. Whenever in this Twentieth Supplemental Indenture either of the parties hereto is named or referred to, this shall, subject to any qualifications, exceptions and provisions as are contained in the Indenture, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this Twentieth Supplemental Indenture contained by or on behalf of Duke-North Carolina, or by or on behalf of the Trustee shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

SECTION 4. Nothing in this Twentieth Supplemental Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds and coupons outstanding under the Indenture, any right, remedy or claim under or by reason of this Twentieth Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this Twentieth Supplemental Indenture contained by or on behalf of Duke-North Carolina shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the bonds and coupons outstanding under the Indenture.

SECTION 5. This Twentieth Supplemental Indenture shall be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, Duke Power Company, a North Carolina corporation, the party of the first part hereto, has caused this Twentieth Supplemental Indenture to be signed in its name by its President or a Vice President and its corporate seal to be hereunto affixed, and the same to be attested by its Secretary or an Assistant

Secretary, and Morgan Guaranty Trust Company of New York, the party of the second part hereto, in token of its acceptance of the trust hereby created, has caused this Twentieth Supplemental Indenture to be signed in its name by its President or Vice President and its corporate seal to be hereunto affixed, and the same to be attested by its Secretary or an Assistant Secretary, all as of the day and year first above written.

DUKE POWER COMPANY
By W. B. McShane
President

ATTEST:
Shirley H. Miller
Secretary
Signed, Sealed, Executed, Acknowledged
and Delivered by DUKE POWER COMPANY, in the presence of:

Spencer H. Quinn

MORGAN GUARANTY TRUST COMPANY
OF NEW YORK
By W. B. McShane
Vice President

ATTEST:
Leanna S.
Assistant Secretary
Signed, Sealed, Executed, Acknowledged
and Delivered by MORGAN GUARANTY
TRUST COMPANY OF NEW YORK, in the
presence of:

W. B. McShane