L12418.A(BF)

LAW OFFICES
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1235 WESTLAKES DRIVE
BERWYN, PA 19312

SUITE 2300
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SIESMAYERSTRASSE 44
D 6000 FRANKFURT/MAIN 1
FEDERAL REPUBLIC OF GERMANY

AMERICAN PLAZA II, SUITE 400
57 WEST 200 SOUTH
SALT LAKE CITY, UT 84101

SUITE 900 EAST
555 13TH STREET, N. W.
WASHINGTON, D. C. 20004

ROBERT C. GERLACH
DIRECT DIAL 215 636-1729

1-014A025

JAN 14 10 59 AM '91
MOTOR OPERATING UNIT

January 11, 1991

11733-I
RECORDATION NO. FILED 1425

JAN 14 1991 -11 05 AM

INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission
12th & Constitution Avenue, N.W.
Washington, DC 20423

Attention: Sidney Strickland, Secretary

Dear Secretary Strickland:

On behalf of Pennsylvania Electric Company, enclosed for recording with the Commission pursuant to Section 11303 of Title 49 of the United States Code and 49 C.F.R. Part 1177 are three original executed counterparts of a Secondary Mortgage Document. The Secondary Mortgage Document is the Supplemental Indenture dated as of December 1, 1990, which relates to the following Primary Document recorded at I.C.C. recordation numbers 11733 (34 earlier Supplemental Indentures are recorded at I.C.C. recordation numbers 11733-A through 11733-HH): Indenture of Mortgage and Deed of Trust, dated as of January 1, 1942 between Pennsylvania Electric Company and Bankers Trust Company, Trustee.

The names and addresses of the parties to the documents are as follows:

Mortgagor:	Pennsylvania Electric Company 1001 Broad Street Johnstown, Pennsylvania 15907
Mortgagee:	Bankers Trust Company, Trustee Four Albany Street New York, New York 10006

Included in the property covered by the Primary Mortgage Document is a Schnabel type railroad car with an attached mobile transformer. The AAR number for the railroad car is GPUX100; the serial number for the transformer is GM99769.

This car and transformer are used or intended for use in connection with interstate commerce. Mortgagor owns a 43% undivided interest in such railroad car and transformer as a tenant in common with its affiliates, Metropolitan Edison Company (which owns a 20% interest) and Jersey Central Power and Light Company (which owns a 37% interest).

The railroad car and transformer are not specifically described in the Primary Mortgage Document or in any of the Secondary Mortgage Documents. However, included in the property covered by the Primary Mortgage Document and the enclosed Secondary Mortgage Document is all property or interests therein owned by Pennsylvania Electric Company at the date of said Indenture of Mortgage and Deed of Trust or thereafter acquired by it.

Also enclosed is a check in the amount of $15.00 to cover the recording fee. Please acknowledge this filing by stamping the recordation information on the original executed counterpart of the Secondary Mortgage Document, for return to the undersigned, together with any extra counterparts not needed by the Commission.

A short summary of the enclosed Secondary Mortgage Document to appear in the index is as follows: Supplemental Indenture dated as of December 1, 1990 to Mortgage recorded at I.C.C. recordation number 11733 and covering all equipment including interest in Schnabel type railroad car, AAR number GPUX100, and mobile transformer, serial number GM99769.

Sincerely,

Robert C. Gerlach

Robert C. Gerlach

RCG/lak
Enclosures

cc: Mr. Joudon M. Ford
Mr. Charles J. O'Neill
Mr. John W. Bonarrigo

Interstate Commerce Commission

Washington, D.C. 20423

1/14/91

OFFICE OF THE SECRETARY

Robert C. Gerlach

Ballard,Spahr, Andrews, & Ingersoll

30 South 17th Street 20th Fl.

Philadelphia PA. 19103

Dear Sir:

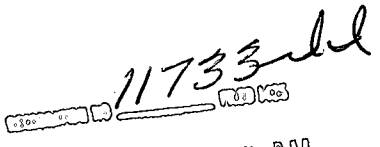
The enclosed dcoument(s) was recorded pursuant to the provisions of Section 11303 of the Insterstate Commerce Act, 49 U.S.C. 11303, on 1/14/91 at 11:05am , and assigned recordation number(s). 11733-II

Sincerely yours,

Sidney L. Strickland, Jr.

Sidney L. Strickland, Jr.
Secretary

EXECUTED IN 60
COUNTERPARTS OF WHICH
THIS IS COUNTERPART NO. 50



PENNSYLVANIA ELECTRIC COMPANY

AND

BANKERS TRUST COMPANY,
Trustee

SUPPLEMENTAL INDENTURE
First Mortgage Bonds, designated
Secured Medium-Term Notes, Series B

Dated as of December 1, 1990

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SUPPLEMENTAL INDENTURE, dated as of December 1, 1990, made and entered into by and between PENNSYLVANIA ELECTRIC COMPANY, a corporation of the Commonwealth of Pennsylvania (hereinafter sometimes called the "Company"), party of the first part, and BANKERS TRUST COMPANY, a corporation of the State of New York (hereinafter sometimes called the "Trustee"), as Trustee under the Mortgage and Deed of Trust hereinafter referred to, party of the second part.

WHEREAS, the Company heretofore executed and delivered its Indenture of Mortgage and Deed of Trust (hereinafter called the "Original Indenture"), dated as of the first day of January, 1942, to the Trustee, to secure the First Mortgage Bonds of the Company, unlimited in aggregate principal amount and issuable in series, from time to time, in the manner and subject to the conditions set forth in the Mortgage (as hereinafter defined) and by said Original Indenture granted and conveyed unto the Trustee, upon the trusts, uses and purposes specifically therein set forth, certain real estate, franchises and other property therein described, including property acquired after the date thereof, except as therein otherwise provided; and

WHEREAS, indentures supplemental to and amendatory of the Original Indenture have been executed and delivered by the Company and the Trustee, namely, Supplemental Indentures dated March 7, 1942, April 28, 1943, August 20, 1943, August 30, 1943, August 31, 1943, April 26, 1944, April 19, 1945, October 25, 1945, as of June 1, 1946, as of November 1, 1949, as of October 1, 1951, as of August 1, 1952, as of June 1, 1953, as of March 1, 1954, as of April 30, 1956, as of May 1, 1956, as of March 1, 1958, as of August 1, 1959, as of May 1, 1960, as of May 1, 1961, October 1, 1964, November 1, 1966, as of June 1, 1967, as of August 1, 1968, as of May 1, 1969, as of April 1, 1970, as of December 1, 1971, as of July 1, 1973, as of June 1, 1974, as of December 1, 1974, as of August 1, 1975, as of December 1, 1975, as of April 1, 1976, as of June 1, 1976, as of July 1, 1976, as of November 1, 1976, as of November 30, 1977, as of December 1, 1977, as of June 1, 1978, as of June 1, 1979, as of September 1, 1984, as of December 1, 1985, as of December 1, 1986, and as of May 1, 1989, respectively; and the Original Indenture as supplemented and amended by said Supplemental Indentures and by this Supplemental Indenture is hereinafter referred to as the Mortgage; and

WHEREAS, the Original Indenture and certain of said Supplemental Indentures have been duly recorded in mortgage books in the respective Offices of the Recorders of Deeds in and for the Counties of Pennsylvania in which this Supplemental Indenture is to be recorded, and in the mortgage records of Garrett County, Maryland; and

WHEREAS, the Mortgage provides for the issuance of bonds thereunder in one or more series, the form of each series of bonds and of the coupons to be attached to the coupon bonds, if any, of each series to be substantially in the forms set forth therein with such omissions, variations and insertions as are authorized or permitted by the Mortgage and determined and specified by the Board of Directors of the Company; and

WHEREAS, the Company by appropriate corporate action in conformity with the terms of the Mortgage has duly determined to create a series of bonds, which shall be designated as "Secured Medium-Term Notes, Series B" (hereinafter sometimes referred to as the "New Series Bonds" or the "bonds of the New Series"), which said bonds of the New Series are to be substantially in the form set forth in Article II hereof with the insertion of numbers, denominations, dated dates, maturities, redemption prices and interest rates as determined in accordance with the terms of the Mortgage; and

WHEREAS, all acts and things prescribed by law and by the charter and by-laws of the Company necessary to make the bonds of the New Series when executed by the Company and authenticated by the Trustee, as in the Mortgage provided, valid, binding and legal obligations of the Company, entitled in all respects to the security of the Mortgage, have been performed or will have been performed prior to execution of such bonds by the Company and authentication thereof by the Trustee; and

WHEREAS, provision is made in Sections 5.11 and 17.01 of the Original Indenture for such further instruments and indentures supplemental to the Original Indenture as may be necessary or proper (a) to carry out more effectually the purposes of the Original Indenture; (b) expressly to subject to the lien of the Original Indenture any property acquired after the date of the Original Indenture and intended to be covered thereby, with the same force and effect as though included in the granting clauses thereof; (c) to set forth the terms and provisions of any series of bonds to be issued and the forms of the bonds and coupons, if any, of such series; (d) to add such further covenants, restrictions or conditions for the protection of the mortgaged and pledged property and the holders of bonds as the Board of Directors of the Company and the Trustee shall consider to be for the protection of the holders of bonds; and (e) to cure any ambiguity of the Original Indenture which shall not adversely affect the interests of the holders of the bonds; and

WHEREAS, the Company has acquired additional property; and it is desired to add certain further covenants, restrictions and conditions for the protection of the mortgaged and pledged

property and the holders of bonds which the Board of Directors of the Company and the Trustee consider to be for the protection of the holders of bonds; and the Company desires to issue from time to time bonds of the New Series; and the Company and the Trustee deem it advisable to enter into this Supplemental Indenture for the purposes of carrying out the purposes of the Original Indenture, of expressly subjecting additional property to the lien of the Mortgage, of setting forth certain terms and provisions of the New Series Bonds and the form of the bonds of the New Series, of setting forth such further covenants, restrictions and conditions and to cure an ambiguity in the Original Indenture so as to permit execution of the bonds of the New Series by manual or facsimile signature; and

WHEREAS, it was intended by the execution and delivery of the Original Indenture and the aforesaid Supplemental Indentures to subject to the lien of the Original Indenture, and to grant to the Trustee a security interest in, all of the property, real, personal and mixed, then owned by the Company or thereafter acquired by the Company, as and to the extent set forth therein, subject to the provisions thereof, except such property as was therein expressly excepted and excluded from the lien and operation thereof; and it is the intention of the parties hereto, by the execution and delivery of this Supplemental Indenture, to provide the Trustee with further assurances by also creating in favor of the Trustee a security interest, pursuant to the provisions of the Uniform Commercial Code, in such of the aforesaid property as may by law be subjected to such a security interest, except such thereof as is expressly excepted and excluded as aforesaid or herein; and

WHEREAS, the execution and delivery of this Supplemental Indenture have been duly authorized by the Board of Directors of the Company, and all conditions and requirements necessary to make this Supplemental Indenture a valid, binding and legal instrument in accordance with its terms, for the purposes herein expressed, and the execution and delivery hereof, in the form and terms hereof, have been in all respects duly authorized;

NOW, THEREFORE, in order further to secure the payment of the principal and interest of all bonds issued and to be issued under the Original Indenture and any indenture supplemental thereto, including this Supplemental Indenture, according to their tenor, purport and effect and the performance and observance of all the covenants and conditions in said bonds and the Original Indenture and indentures supplemental thereto, including this Supplemental Indenture, contained, and for and in consideration of the premises and of the sum of One Dollar ($1.00), lawful money of the United States of America, to the

Company duly paid by the Trustee at or before the ensealing and delivery hereof, and other valuable consideration, the receipt whereof is hereby acknowledged, and intending to be legally bound hereby, the Company has executed and delivered this Supplemental Indenture, and hath granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over and confirmed, and granted a security interest therein, and by these presents doth grant, bargain, sell, release, convey, assign, transfer, mortgage, pledge, set over and confirm and grant a security interest therein, subject to the provisions of the Mortgage, unto Bankers Trust Company, as Trustee, and to its successors in the trust and to its and their assigns forever, all the properties of the Company described or mentioned below, that is to say:

All property, real, personal and mixed, tangible and intangible, owned by the Company on the date of the execution hereof or which may be hereafter acquired by it (except such property as is in the Original Indenture or in any indenture supplemental thereto, including this Supplemental Indenture, expressly excepted from the lien and operation of the Original Indenture).

The property covered by this Supplemental Indenture shall include particularly, among other property, without prejudice to the generality of the language hereinbefore or hereinafter contained, the following described property:

All the electric generating stations, station sites, stations, electric reserve generating stations, substations, substation sites, steam plants, hot water plants, hydro-electric stations, hydro-electric station sites, electric transmission lines, electric distribution systems, steam distribution systems, hot water distribution systems, regulator stations, regulator station sites, office buildings, storeroom buildings, warehouse buildings, boiler houses, plants, plant sites, service plants, coal, other mineral land mining rights and privileges, coal storage yards, pole yards, electric works, power houses, generators, turbines, boilers, engines, furnaces, dynamos, buildings, structures, transformers, meters, towers, poles, tower lines, cables, pole lines, tanks, storage holders, regulators, pipes, pipe lines, mains, pipe fittings, valves, drips, connections, tunnels, conduits, gates, motors, wires, switch racks, switches, brackets, insulators, and all equipment, improvements, machinery, appliances, devices, appurtenances, supplies and miscellaneous property for generating, producing, transforming, converting, storing and distributing electric energy, steam and hot water, together with all furniture and fixtures located in the aforesaid buildings, and all land on which the same or any part thereof are situated;

And all of the real estate, leases, leaseholds (except the last day of the terms of each lease and leasehold), and lands owned by the Company, including land located on or adjacent to any river, stream or other water, together with all flowage rights, flooding rights, water rights, riparian rights, dams and dam sites and rights, flumes, canals, races, raceways, head works and diversion works;

And all of the municipal and other franchises, licenses, consents, ordinances, permits, privileges, rights, servitudes, easements and rights-of-way and other rights in or relating to real estate or the occupancy of the same, owned by the Company;

And all of the other property, real, personal or mixed, owned by the Company, forming a part of any of the foregoing property or used or enjoyed or capable of being used or enjoyed in connection therewith or in anywise appertaining thereto, whether developed or undeveloped, or partially developed, or whether now equipped and operating or not and wherever situated, and all the Company's right, title and interest in and to the land on which the same or any part thereof are situated or adjacent thereto;

And all rights for or relating to the construction, maintenance or operation of any of the foregoing property through, over, under or upon any public streets or highways or other lands, public or private;

And (except as in the Original Indenture or in any indenture supplemental thereto, including this Supplemental Indenture, expressly excepted) all the right, title and interest of the Company presently held or hereafter acquired in and to all other property of any of the foregoing kinds or any other kind or nature appertaining to and/or used and/or occupied and/or enjoyed in connection with any property hereinbefore described;

And all the items of the kinds hereinabove mentioned including those thereof now owned by the Company and those thereof hereafter acquired by the Company.

Without limitation of the generality of the foregoing, all of the parcels of land and interests in land situate as set forth in Schedule A, attached hereto and hereby made a part hereof, and buildings and improvements thereon erected, owned by the Company, and whether used or not used in connection with the Company's operations, all of which real estate was conveyed to the Company or its predecessors in title as set forth by the

conveyances set forth in said Schedule A to which conveyances reference is made for a more particular description.

Also all other land and the buildings and improvements thereon erected hereafter acquired;

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in anywise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder or remainders and (subject to the provisions of Section 9.01 of the Original Indenture) the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

IT IS HEREBY AGREED by the Company that all the property, rights, and franchises hereafter acquired by the Company (except any in the Original Indenture or in any indenture supplemental thereto, including this Supplemental Indenture, expressly excepted) shall (subject to the provisions of Section 9.01 of the Original Indenture), to the extent permitted by law, be as fully embraced within this Supplemental Indenture as if such property, rights and franchises were now owned by the Company and/or specifically described herein and conveyed hereby;

PROVIDED THAT, in addition to the reservations and exceptions herein elsewhere contained, any property hereinbefore mentioned which has been released by the Trustee from the lien of the Mortgage or disposed of by the Company in accordance with the provisions of the Mortgage prior to the date of the execution and delivery of this Supplemental Indenture, and the following, are not and are not intended to be granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed hereunder or to have a security interest created therein, and are hereby expressly excepted from this Supplemental Indenture and from the lien and operation of the Mortgage, viz.: (1) cash and shares of stock and certificates or evidence of interest therein and obligations (including bonds, notes and other securities) not in the Original Indenture or in any indenture supplemental thereto, including this Supplemental Indenture, specifically pledged or covenanted so to be or deposited or delivered hereunder or under any other supplemental indenture; (2) any goods, wares, merchandise, equipment, materials or supplies held or acquired for the purpose of sale or resale in the usual course of business or for consumption in the operation of any properties of the Company, and automobiles and trucks; and (3) all judgments, contracts, accounts and choses in

action, the proceeds of which the Company is not obligated as in the Original Indenture provided to deposit with the Trustee hereunder; provided, however, that the property and rights expressly excepted from this Supplemental Indenture in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted, in the event that the Trustee or a receiver or trustee shall take possession of the mortgaged and pledged property in the manner provided in Article X of the Original Indenture, by reason of the occurrence of a completed default, as defined in said Article X of the Original Indenture;

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed, or in which a security interest has been granted, by the Company as aforesaid, or intended so to be, unto the Trustee and its successors in the trust created in the Original Indenture and its and their assigns forever;

SUBJECT, HOWEVER, to the reservations, exceptions, conditions, limitations and restrictions contained in the several deeds, servitudes, franchises and contracts or other instruments through which the Company acquired and/or claims title to and/or enjoys the use of the properties mentioned above; and subject also to such servitudes, easements, rights and privileges in, over, on, and/or through said properties as have been granted to other persons prior to the date of the execution and delivery of this Supplemental Indenture; and subject also to encumbrances of the character in the Original Indenture defined as "excepted encumbrances" insofar as the same may attach to any of the property embraced herein;

IN TRUST NEVERTHELESS upon the terms, trusts, uses and purposes specifically set forth in the Mortgage;

AND IT IS HEREBY FURTHER COVENANTED AND AGREED, and the Company and the Trustee have mutually agreed, in consideration of the premises, as follows:

ARTICLE I.
NEW SERIES BONDS.

Section 1.01 The Company hereby creates a series of serial bonds, limited in principal amount, as hereinafter provided, to be issued under and secured by the Mortgage, to be designated and to be distinguished from bonds of all other series by the title "First Mortgage Bonds, designated Secured Medium-Term Notes, Series B."

Section 1.02 The aggregate principal amount of bonds of the New Series shall be limited to One Hundred Million Dollars ($100,000,000) to be initially authenticated and delivered from time to time upon delivery to the Trustee of a request for authentication specifying the principal amount of the bonds of the New Series to be issued on the specified date of issuance, the numbers, denominations, dated date or dates, maturity date or dates, redemption prices and interest rate or rates of such bonds of the New Series and the other items specified in Article IV of the Mortgage; provided that no bond of the New Series shall mature on a date less than nine months or more than thirty-five years from the date of issue.

Section 1.03 Each bond of the New Series shall be dated the date of its authentication (an "Issue Date") and shall bear interest from the Issue Date of said bond or from the most recent interest payment date to which interest has been paid or duly provided for with respect to such bond (or the bond or bonds in exchange or substitution for which such bond was issued); except that, so long as there is no existing default in the payment of interest on the bonds of the New Series, any bond of the New Series authenticated by the Trustee between the record date (as defined in Section 1.04 hereof) for any interest payment date for such bond and such interest payment date shall bear interest from such interest payment date; provided, however, that if and to the extent the Company shall default in payment of the interest due on such interest payment date, then any such bond of the New Series shall bear interest to that extent from the most recent interest payment date to which interest has been paid or duly provided for with respect to such bond (or the bond or bonds in exchange or substitution for which such bond was issued), or, if no interest has been paid, then from the Issue Date of such bond.

Section 1.04 Unless previously redeemed pursuant to the provisions hereof and of the Mortgage, each bond of the New Series shall be payable on the maturity thereof, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, and shall bear interest, payable in like coin or currency, at the rate per annum and from the date determined in accordance with Sections 1.02 and 1.03, payable semiannually on February 1 and August 1 of each year and on the maturity date of said bond commencing with the interest payment date following the Issue Date of said bond; provided, however, if the Issue Date of a bond is between the record date for an interest payment date and the interest payment date, interest payments on said bond will commence on the second interest payment date following the Issue Date; and at the highest rate of interest borne by any of the bonds outstanding under the Mortgage from such date of

maturity until they shall be paid or payment thereof shall have been duly provided for. Principal of and interest on the bonds of the New Series shall be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York.

The persons in whose names bonds of the New Series are registered at the close of business on any record date (as hereinafter defined) with respect to any semiannual interest payment date shall be entitled to receive the interest payable on such interest payment date (except that in case of any redemption of bonds of the New Series on a date subsequent to the record date and prior to such interest payment date, interest on such redeemed bonds shall be payable only to the date fixed for redemption thereof and only against surrender of such bonds for redemption in accordance with the notice of such redemption) notwithstanding the cancellation of any bond of the New Series upon any registration of transfer or exchange subsequent to the record date and prior to such interest payment date; provided, however, that if, and to the extent, the Company shall default in the payment of the interest due on any interest payment date, such defaulted interest shall be paid to the persons in whose names outstanding bonds of the New Series are registered on the day immediately preceding the date of payment of such defaulted interest or, at the election of the Company, on a subsequent record date established by notice given by mail by or on behalf of the Company to the holders of bonds of the New Series not less than fifteen days preceding such subsequent record date. Interest payable at the maturity or upon earlier redemption of any bond of the New Series shall be payable to the person to whom principal shall be payable.

The term "record date" shall mean, with respect to any regular semiannual interest payment date, the close of business on the fifteenth day of the calendar month next preceding such interest payment date (or if such fifteenth day is not a business day, the next preceding business day) or, in the case of defaulted interest, the close of business on any subsequent record date established as provided above.

Section 1.05 (a) Each bond of the New Series may be redeemed at the option of the Company, as a whole or from time to time in part, after notice mailed to the registered holder of such bond directed to his registered address not less than thirty days and not more than ninety days before such redemption date, on or after the date and at redemption prices established for such bond in accordance with Section 1.02 together with accrued interest to the date of redemption.

(b) All bonds of the New Series may also be redeemed on any date prior to maturity, as a whole or from time

to time in part, after notice mailed to the registered holder of such bond directed to his registered address not less than thirty days and not more than ninety days before such redemption date by the application therefor of cash deposited with or received by the Trustee pursuant to Sections 5.06, 5.07, 5.08, 5.15, 7.02, 9.02, 9.03, 9.04, 9.05 and 9.07 of the Mortgage, if not otherwise withdrawn, used or applied in accordance with the provisions of the Mortgage, in each case, at the principal amount thereof, together with accrued interest to the date of redemption, provided, however, that on any such redemption the portion of such cash applied to the redemption of bonds of the New Series at such redemption prices shall not exceed that fraction of such cash which is equal to the ratio of (i) the aggregate principal amount of bonds of the New Series outstanding at that time to (ii) the aggregate principal amount of bonds of all series outstanding at that time.

(c) If at the time of the mailing of any such notice of redemption the Company shall not have irrevocably directed the Trustee to apply funds deposited with the Trustee, or held it available to be used, for the redemption of such bonds, to redeem all of such bonds called for redemption, including accrued interest to the date fixed for redemption, such notice may state that it is subject to the receipt of the redemption moneys by the Trustee before the date fixed for redemption and such notice shall be of no effect unless such moneys are so received before such date.

Section 1.06 Bonds of the New Series shall be issuable only as fully registered bonds in denominations of $100,000 and in denominations exceeding such amount in integral multiples of $1,000. Bonds of the New Series shall be exchangeable at the option of the holders thereof, in like aggregate principal amounts and tenor, for bonds of the New Series having the same maturity of other authorized denominations. Bonds of the New Series shall be substantially in the form thereof hereinbefore recited with the insertion of numbers, denominations, dated dates, maturities, redemption prices and interest rates as determined in accordance with the terms of the Mortgage.

Section 1.07 The last sentence of Section 2.03 of the Original Indenture shall not apply to bonds of the New Series. In case less than all of the bonds of the New Series at the time outstanding are called for redemption, the Company shall not be required to transfer or exchange any bonds of the New Series for a period of 10 days before the mailing of a notice of redemption of bonds of the New Series selected for redemption, to transfer or exchange any bond of the New Series called for redemption in its entirety or to transfer or exchange any portion of a bond of the New Series which portion has been called for redemption.

Section 1.08 The Company covenants and agrees that, notwithstanding Section 2.03 of the Original Indenture, it will not charge any sum for or in connection with any exchange or transfer of any bond of the New Series, but may require the payment of a sum sufficient to cover any tax or taxes or other governmental charges incident to any exchange, transfer or registration thereof.

ARTICLE II.

FORM OF THE BONDS OF THE NEW SERIES

The form of the bonds of the New Series and the Trustee's authentication certificate to be endorsed thereon shall be substantially as follows, the maturity dates, denominations, redemption prices and interest rates thereof to be appropriately inserted.

[FORM OF FACE OF NEW SERIES BONDS]

PENNSYLVANIA ELECTRIC COMPANY
First Mortgage Bond, designated Secured
Medium-Term Note, Series B

$ No.

Issue Date: Interest Rate: Maturity Date:

Initial Redemption Date:

PENNSYLVANIA ELECTRIC COMPANY, a corporation of the Commonwealth of Pennsylvania (hereinafter called the Company), for value received, hereby promises to pay to or registered assigns, DOLLARS on the Maturity Date, at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, and to pay interest thereon at the Interest Rate specified above, semi-annually on February 1 and August 1 of each year and on the Maturity Date (each an interest payment date) commencing with the interest payment date following the Issue Date specified above; provided, however, if the Issue Date is between the record date for an interest payment and the payment date, interest payments

will commence on the second interest payment date following the Issue Date; at said office or agency, in like coin or currency, from the Issue Date specified above or from the most recent interest payment date to which interest has been paid or duly provided for with respect to this bond (or the bond or bonds in exchange or substitution for which this bond was issued) until this bond shall mature, according to its terms or on prior redemption or by declaration or otherwise, and at the highest rate of interest borne by any of the bonds outstanding under the Mortgage hereinafter mentioned from such date of maturity until this bond shall be paid or the payment hereof shall have been duly provided for. The interest so payable on any February 1 or August 1 will, subject to certain exceptions provided in said Mortgage, be paid to the person in whose name this bond (or the bond or bonds in exchange or substitution for which this bond was issued) was registered at the close of business on the fifteenth day of the calendar month next preceding such February 1 or August 1 or, if such fifteenth day is not a business day, on the next preceding business day.

Reference is hereby made to the further provisions of this bond set forth on the reverse hereof. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This bond shall not become valid or obligatory for any purpose until BANKERS TRUST COMPANY, the Trustee under the Mortgage, or its successor thereunder, shall have signed the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, PENNSYLVANIA ELECTRIC COMPANY has caused this bond to be signed in its name by the manual or facsimile signature of its President or one of its Vice Presidents and its corporate seal, or a facsimile thereof, to be affixed hereto and attested by the manual or facsimile signature of its Secretary or one of its Assistant Secretaries.

Dated: PENNSYLVANIA ELECTRIC COMPANY

Attest: By_____
Vice President

_____
Assistant Secretary

[FORM OF TRUSTEE'S CERTIFICATE]

TRUSTEE'S AUTHENTICATION CERTIFICATE

This bond is one of the bonds of the series herein designated, provided for in the within-mentioned Mortgage.

BANKERS TRUST COMPANY, Trustee

By_____

[FORM OF REVERSE OF NEW SERIES BONDS]

This bond is one of an issue of bonds of the Company (hereinafter referred to as the "bonds"), not limited in principal amount, issuable in series, which different series and bonds of the same series may mature at different times, may bear interest at different rates, and may otherwise vary as provided in the Mortgage hereinafter mentioned and is one of a series known as its First Mortgage Bonds, designated Secured Medium-Term Notes, Series B (herein sometimes referred to as "bonds of this Series"), all bonds of all series issued and to be issued under and equally and ratably secured (except insofar as any sinking or analogous fund, established in accordance with the provisions of said Mortgage, may afford additional security for the bonds of any particular series) by a Mortgage and Deed of Trust (herein, together with any indentures supplemental thereto, called the "Mortgage") dated as of January 1, 1942, executed by the Company to BANKERS TRUST COMPANY, as Trustee, to which reference is made for a description of the property mortgaged and pledged, the nature and extent of the security, the rights and limitations of rights of the holders of the bonds and of the Company in respect thereof, the rights, duties and immunities of the Trustee, and the terms and conditions upon which the bonds are, and are to be, issued and secured.

The Mortgage contains provisions permitting the Company and the Trustee, with the consent of the holders of not less than seventy-five per centum (75%) in principal amount of all of the bonds at the time outstanding (determined as provided in the Mortgage) evidenced as in the Mortgage provided, or in case the rights under the Mortgage of the holders of bonds of one or more, but less than all, of the series of bonds outstanding shall be affected, then with the consent of the holders of not less than seventy-five per centum (75%) in principal amount of the bonds at the time outstanding of the series affected (determined as

provided in the Mortgage) evidenced as in the Mortgage provided, to execute supplemental indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Mortgage or modifying in any manner the rights of the holders of the bonds and coupons; provided, however, that no such supplemental indenture shall (i) extend the fixed maturity of any bonds, or reduce the rate or extend the time of payment of interest thereon, or reduce the principal amount thereof, without the consent of the holder of each bond so affected, or (ii) reduce the aforesaid percentage of bonds, the holders of which are required to consent to any such supplemental indenture, without the consent of the holders of all bonds then outstanding. Any such consent by the holder of this bond (unless effectively revoked as provided in the Mortgage) shall be conclusive and binding upon such holder and upon all future holders of this bond, irrespective of whether or not any notation of such consent is made upon this bond.

No reference herein to the Mortgage and no provision of this bond or of the Mortgage shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this bond at the time and place and at the rate in the coin or currency herein prescribed.

The bonds of this Series are issuable only as fully registered bonds in denominations of $100,000 and in denominations exceeding such amount in integral multiples of $1,000. At the office or agency to be maintained by the Company in said Borough of Manhattan and in the manner and subject to the limitations provided in the Mortgage, bonds of such series may be exchanged for a like aggregate principal amount of bonds of such series, tenor and maturity of other authorized denominations without charge except for any tax or taxes or other governmental charges incident to such exchange.

This bond may be redeemed, at the option of the Company, on or after the Initial Redemption Date, if any, specified above, as a whole or from time to time in part, after notice mailed to the registered holder hereof directed to his registered address not less than thirty days and not more than ninety days before such redemption date, at the redemption prices (expressed in percentages of principal amount) set forth in the following (or attached) table under "Regular Redemption Prices," together with accrued interest to the date of redemption:

[REGULAR REDEMPTION TABLE
TO BE INSERTED OR ATTACHED]

The bonds of this Series may, subject to certain limitations set forth in the Mortgage, also be redeemed on any date prior to maturity, as a whole or from time to time in part, after notice mailed to the registered holder hereof directed to his registered address not less than thirty days and not more than ninety days before such redemption date by the application therefor of cash deposited with or received by the Trustee pursuant to Sections 5.06, 5.07, 5.08, 5.15, 7.02, 9.02, 9.03, 9.04, 9.05 and 9.07 of the Mortgage, if not otherwise withdrawn, used or applied in accordance with the provisions of the Mortgage, all as provided in the Mortgage, in each case, at the principal amount thereof, together with accrued interest to the date of redemption; provided, however, that on any such redemption the portion of such cash applied to the redemption of bonds of the New Series at a price equal to the principal amount thereof shall not exceed that fraction of such cash which is equal to the ratio of (i) the aggregate principal amount of bonds of the New Series outstanding at that time to (ii) the aggregate principal amount of all bonds of all series outstanding at that time.

The Mortgage provides that any notice of such redemption may state that it is subject to the receipt of the redemption moneys by the Trustee before the date fixed for redemption and such notice shall be of no effect unless such moneys are so received before such date.

The Mortgage provides that if the Company shall deposit with the Trustee in trust for the purpose funds sufficient to pay the principal of all of the bonds of any series, or such of the bonds of any series as have been or are to be called for redemption, and premium, if any, thereon and all interest payable on such bonds to the date on which they become due and payable at maturity or upon redemption or otherwise, and shall comply with the other provisions of the Mortgage in respect thereof, then from the date of such deposit such bonds shall no longer be entitled to any lien or benefit under the Mortgage.

The principal hereof may be declared or may become due prior to the express date of the maturity hereof on the

conditions, in the manner and at the time set forth in the Mortgage, upon the occurrence of a completed default as in the Mortgage provided.

This bond is transferable as prescribed in and subject to the limitations contained in the Mortgage by the registered holder hereof in person, or by his duly authorized attorney, at the office or agency of the Company in said Borough of Manhattan, upon surrender and cancellation of this bond, and thereupon, a new fully registered bond or bonds of authorized denominations of the same series, tenor and maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor as provided in the Mortgage without charge except for any tax or taxes or other governmental charges incident to such transfer. The Company and the Trustee, any paying agent and any bond registrar may deem and treat the person in whose name this bond is registered as the absolute owner and holder hereof, whether or not this bond shall be overdue, for the purpose of receiving payment and for all other purposes and neither the Company nor the Trustee nor any paying agent nor any bond registrar shall be affected by any notice to the contrary.

No recourse shall be had for the payment of the principal of or interest on this bond, or for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Mortgage, against any incorporator or any past, present or future subscriber to the capital stock, stockholder, officer, or director, as such, of the Company or of any successor corporation, either directly or through the Company or any successor corporation, under any rule of law, statute or constitution or by the enforcement of any assessment or otherwise, all such liability of incorporators, subscribers, stockholders, officers and directors, as such, being waived and released by the holder and owner hereof by the acceptance of this bond and being likewise waived and released by the terms of the Mortgage.

[END OF FORM OF BOND OF NEW SERIES]

ARTICLE III.

USE OF FACSIMILE SIGNATURES

Any or all signatures of the officers of the Company upon any of the bonds of the New Series may be either manual or facsimile signatures.

ARTICLE IV.

MISCELLANEOUS.

Section 4.01 The Company covenants and agrees that, so long as any of the bonds of the New Series shall be secured by the lien of the Mortgage, the following provisions of the following aforesaid Supplemental Indentures shall be effective, and the Company will observe and perform each and all of the conditions and of its covenants and agreements therein set forth, as if the bonds of the New Series were specified therein:

(a) Section 1 of Article II of the Supplemental Indenture dated as of November 1, 1949, as amended by paragraph (a) of Section 2.01 of Article II of the Supplemental Indenture dated as of August 1, 1959.

(b) Section 2 of Article II of the Supplemental Indenture dated as of November 1, 1949.

(c) Section 1 of Article III of the Supplemental Indenture dated as of October 1, 1951.

(d) Section 2 of Article II of the Supplemental Indenture dated as of June 1, 1953. Subsection (D) thereof as heretofore amended is hereby further amended to read as follows:

> "(D) the provisions of this Section shall be effective only so long as any of the 1983 Series or of the 3 1/8% Series due 1984 or of the 1986 Series or of the 1988 Series or of the 1989 Series or of the 1990 Series or of the 1991 Series or of the 1994 Series or of the 1996 Series or of the 1997 Series or of the 1998 Series or of the 1999 Series or of the 2000 Series or of the 2001 Series or of the 2003 Series or of the 2004 Series or of the 1975-1984 Series or of the August 1, 1984 Series or of the June 1, 2006 Series or of the July 1, 2006 Series or of the December 1, 2007 Series A or of the December 1, 2007 Series B or of the 2008 Series Bonds or of the June 1, 1999 Series or of the Series A due 2015 or of the Series due 2016 or the Secured Medium-Term Notes, Series A bonds, or the Secured Medium-Term Notes, Series B bonds shall be outstanding, and may be waived by the holders of not less than 75% in aggregate principal amount of all bonds specifically entitled to the benefit of the covenants set forth in this Section (which need not include 75% in principal amount of the then outstanding 1983 Series or 3 1/8% Series due 1984 or 1986 Series or 1988 Series or 1989 Series or 1990 Series or 1991 Series or 1994 Series or 1996 Series or 1997 Series or 1998 Series or 1999 Series or 2000 Series or 2001 Series or 2003

Series or 2004 Series or 1975-1984 Series or August 1, 1984 Series or June 1, 2006 Series or July 1, 2006 Series or December 1, 2007 Series A or December 1, 2007 Series B or 2008 Series or June 1, 1999 Series or Series A due 2015 or Series due 2016 or the Secured Medium-Term Notes, Series A bonds or the Secured Medium-Term Notes, Series B bonds or any other series of bonds specifically entitled to the benefit of such covenants), outstanding at the time of such acquisition, by a consent given in writing or given at a meeting of the holders of the 1983 Series and 3 1/8% Series due 1984 and 1986 Series and 1988 Series and 1989 Series and 1990 Series and 1991 Series and 1994 Series and 1996 Series and 1997 Series and 1998 Series and 1999 Series and 2000 Series and 2001 Series and 2003 Series and 2004 Series and 1975-1984 Series and August 1, 1984 Series and June 1, 2006 Series and July 1, 2006 Series and December 1, 2007 Series A and December 1, 2007 Series B and 2008 Series and June 1, 1999 Series and Series A due 2015 and Series due 2016 and the Secured Medium-Term Notes, Series A bonds and the Secured Medium-Term Notes, Series B bonds and such other bonds, if any, held pursuant to the applicable provisions of Article XVI of the Original Indenture. Moreover, none of the provisions of subsection (B) of this Section shall be applicable to any acquisition of property ordered, approved or permitted by the Securities and Exchange Commission under the provisions of the Public Utility Holding Company Act of 1935 as then in force, or by any successor regulatory body of the United States of America having jurisdiction in the premises."

(e) Section 2 of Article II of the Supplemental Indenture dated as of May 1, 1956.

Section 4.02 The table of contents and the titles of the Articles of this Supplemental Indenture shall not be deemed to be any part thereof.

Section 4.03 As amended and supplemented by the aforesaid indentures supplemental thereto and by this Supplemental Indenture, the Original Indenture is in all respects ratified and confirmed and the Original Indenture and the aforesaid indentures supplemental thereto and this Supplemental Indenture shall be read, taken and construed as one and the same instrument.

Section 4.04 This Supplemental Indenture shall be simultaneously executed in several counterparts, and all such counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

The debtor and its mailing address are Pennsylvania Electric Company, 1001 Broad Street, Johnstown, Pennsylvania 15907. The secured party and an address of the secured party from which information concerning the security interest may be obtained are Bankers Trust Company, Trustee, Four Albany Street, New York, New York 10015.

IN WITNESS WHEREOF, on this 12th day of December, 1990, PENNSYLVANIA ELECTRIC COMPANY, party of the first part, has caused this instrument to be signed in its name and behalf by its President or a Vice President, and its corporate seal to be hereunto affixed and attested by its Secretary in the City of Johnstown, Pennsylvania, and BANKERS TRUST COMPANY, party of the second part, has caused this instrument to be signed in its name

and behalf by an Assistant Vice President and its corporate seal to be hereunto affixed and attested by an Assistant Secretary, in The City of New York, New York.

PENNSYLVANIA ELECTRIC COMPANY,

By _____
Willard R. Stinson
Vice President

[CORPORATE SEAL]

Attest:

_____
W. C. Matthews II
Secretary

In the presence of:

_____
R. M. Wishouse

_____
G. R. Stenger

BANKERS TRUST COMPANY,

By _____
Sandra Shirley
Assistant Vice President

[CORPORATE SEAL]

Attest:

_____
Rosemary Melendez
Assistant Secretary

In the presence of:

_____
Eric Hawner

_____
Margaret Bereza

COMMONWEALTH OF PENNSYLVANIA :
: ss.
COUNTY OF CAMBRIA :

On this 12th day of December, 1990, before me, Georgiann K Knepper, a Notary Public for the State and County aforesaid, the undersigned officer, personally appeared Willard R. Stinson, who acknowledged himself to be a Vice President of Pennsylvania Electric Company, a corporation, and that he as such Vice President, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as Vice President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Georgiann Knepper

NOTARIAL SEAL
GEORGIANN KNEPPER, Notary Public
Johnstown, Cambria County, PA
My Commission Expires June 29, 1993

[NOTARIAL SEAL]

STATE OF NEW YORK :
: ss.
COUNTY OF NEW YORK :

On this 13th day of December, 1990, before me, Desiree Marshall, a Notary Public for the State and County aforesaid, the undersigned officer, personally appeared Sandra Shirley, who acknowledged herself to be an Assistant Vice President of Bankers Trust Company, a corporation, and that she as such Assistant Vice President, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by herself as Assistant Vice President.

I am not a director or officer of said Bankers Trust Company.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Desiree Marshall

DESIREE MARSHALL
Notary Public, State of New York
No. 24—4885294
Qualified in Kings County
Certificate filed in New York County
Commission Expires February 17, 1991

[NOTARIAL SEAL]

COMMONWEALTH OF PENNSYLVANIA :
: ss.
COUNTY OF CAMBRIA :

On the 12th day of December, in the year 1990, before me, personally came Willard R. Stinson, to me known, who, being by me duly sworn, did depose and say that he resides in Johnstown, Pennsylvania; that he is a Vice President of Pennsylvania Electric Company, one of the corporations described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument as such seal is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that he signed his name thereto by like order.

Georgiann Knepper

NOTARIAL SEAL
GEORGIANN KNEPPER, Notary Public
Johnstown, Cambria County, PA
My Commission Expires June 29, 1993

[NOTARIAL SEAL]

STATE OF NEW YORK :
: ss.
COUNTY OF NEW YORK :

On the 13th day of December, in the year 1990, before me, personally came Sandra Shirley, to me known, who, being by me duly sworn, did depose and say that she resides in New York, New York; that she is an Assistant Vice President of Bankers Trust Company, one of the corporations described in and which executed the above instrument; that she knows the seal of said corporation; that the seal affixed to said instrument as such seal is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that she signed her name thereto by like order; at the same time she made oath in due form of law that the consideration stated in said instrument is true and bona fide as therein set forth, and that she is duly authorized by said corporation to execute and acknowledge said instrument and to make such oath.

I am not a director or officer of said Bankers Trust company.

Desiree Marshall

DESIREE MARSHALL
Notary Public, State of New York
No. 24—4885294
Qualified in Kings County
Certificate filed in New York County
Commission Expires February 17, 1991

[NOTARIAL SEAL]

CERTIFICATE OF RESIDENCE

Bankers Trust Company, Mortgagee and Trustee within named, hereby certifies that its precise residence is Four Albany Street, in the borough of Manhattan, in The City of New York, in the State of New York.

BANKERS TRUST COMPANY,

By _____
Assistant Vice President

SCHEDULE A

CAMBRIA COUNTY, PENNSYLVANIA

(148) All that certain parcel of land situate in Conemaugh Township, Cambria County, Pennsylvania, as and to the extent conveyed by Donald F. Partsch and Irene Ann Partsch, husband and wife, to Pennsylvania Electric Company by deed dated May 18, 1989, and recorded in the Office for the Recorder of Deeds in and for Cambria County in Deed Book Vol. 1220, page 338.