

FIRSTENERGY CORP

FORM S-3/A

(Securities Registration Statement (simplified form))

Filed 8/27/2003

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CIK	0001031296
Industry	Electric Utilities
Sector	Utilities
Fiscal Year	12/31

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

**Pre-Effective
Amendment No. 1**
to
FORM S-3
REGISTRATION STATEMENT
Under
THE SECURITIES ACT OF 1933

FirstEnergy Corp.

(Exact name of the registrant as specified in its charter)

Ohio
(State or other jurisdiction of
incorporation or organization)

34-1843785
(I.R.S. employer
identification number)

**76 South Main Street
Akron, Ohio 44308-1890
(800) 646-0400**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

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Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this Registration Statement.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION DATED AUGUST 27, 2003

Prospectus

\$2,000,000,000

FirstEnergy Corp.

**Debt Securities
Common Stock
Share Purchase Contracts
Share Purchase Units**

We may offer and issue debt securities and shares of our common stock from time to time. The debt securities may be convertible into or exchangeable for shares of our common stock or other securities. We may offer contracts to purchase our common stock from time to time either separately or as a part of a unit along with our debt securities or debt obligations of third parties. This prospectus provides a general description of these securities and the general manner in which we will offer them. The specific terms of each security, and the specific manner in which we will offer them, will be determined at the time they are sold and will be included in a prospectus supplement. This prospectus may not be used to sell securities unless accompanied by a prospectus supplement that describes those securities.

Our common stock is listed on the New York Stock Exchange under the symbol "FE". The last reported sale price of our common stock on August 26, 2003 was \$29.19 per share.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

We may offer these securities in amounts, at prices, and on terms determined at the time of the offering. We may sell the securities directly to you, through agents we select, or through underwriters and dealers we select. If we use agents, underwriters or dealers to sell these securities, we will name them and describe their compensation in a prospectus supplement.

The date of this prospectus is _____, 2003.

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You should rely only on the information contained in, or incorporated by reference in, this prospectus and the applicable prospectus supplement. No person is authorized to give any information or make any representation not contained, or incorporated by reference, in this prospectus and the applicable prospectus supplement, and, if given or made, such information or representation must not be relied upon as having been authorized by FirstEnergy. This prospectus and the applicable prospectus supplement are not offers to sell or a solicitation of offers to buy any of the securities offered hereby or thereby in any jurisdiction to any person to whom it is unlawful to make such offer in such jurisdiction. Neither the delivery of this prospectus or the applicable prospectus supplement nor any sale made hereunder or thereunder shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this prospectus. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front of this prospectus.

Unless the context requires otherwise, references to “we,” “us,” “our” and “FirstEnergy” refer specifically to FirstEnergy Corp. and its subsidiaries.

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, referred to in this prospectus as the SEC, utilizing a shelf registration process. Under this shelf process, we may issue, from time to time, up to \$2,000,000,000 of debt securities, shares of our common stock and share purchase contracts and related share purchase units. Each time we issue securities under the registration statement we will provide a prospectus supplement that will contain specific information about the terms of the offering. The prospectus supplement may also add, update or change information contained in this prospectus. You should read this prospectus, the applicable prospectus supplement and the additional information below under the heading “Where You Can Find More Information.”

Our principal executive office is located at 76 South Main Street, Akron, Ohio 44308-1890; telephone: (800) 646-0400.

For more detailed information about the securities, you can read the exhibits to the registration statement. Those exhibits have been filed with the registration statement or incorporated by reference from our other filings with the SEC as indicated in the registration statement’s list of exhibits.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

We caution you that this prospectus and the periodic reports and other documents that are incorporated by reference in this prospectus contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. They are statements about future performance or results (such as statements including, but not limited to, the terms “potential,” “estimate,” “believe,” “expect” and “anticipate” and similar words) when we discuss our financial condition, results of operations and business. Forward-looking statements involve certain risks, assumptions and uncertainties. They are not guarantees of future performance. Factors may cause actual results to differ materially from those expressed in these forward-looking statements. These factors include:

- the speed and nature of increased competition and deregulation in the electric utility industry;
- changes in markets for energy services;
- changing energy and commodity market prices;
- replacement power costs being higher than anticipated or inadequately hedged;
- maintenance costs being higher than anticipated;
- the availability and cost of capital;
- legislative and regulatory changes (including revised environmental requirements);
- adverse regulatory or legal decisions;

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- inability of the Davis-Besse Nuclear Power Station to restart (including because of any inability to obtain a favorable final determination from the Nuclear Regulatory Commission) in the fall of 2003;
- the outcome of various investigations into the causes of the August 14, 2003 power outage and the outcome, cost and other effects of present and potential legal and administrative proceedings and claims related to that outage;
- economic or weather conditions affecting future sales and margins; and
- the inability to accomplish or realize anticipated benefits of strategic goals.

We believe that the expectations reflected in our forward-looking statements are reasonable. However, we cannot assure you that these expectations will prove to be correct. You should consider the factors we have noted above as you read the forward-looking statements in this prospectus.

All subsequent written and oral forward-looking statements attributable to FirstEnergy or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We undertake no obligation to release publicly any revisions to such forward-looking statements to reflect events or circumstances after the date of this prospectus or to reflect the occurrence of unanticipated events.

FIRSTENERGY CORP.

FirstEnergy Corp. was organized under the laws of the State of Ohio in 1996. On November 7, 2001, we merged with GPU, Inc. and we were the surviving company. We are a registered public utility holding company, and as such are subject to regulation by the SEC under the Public Utility Holding Company Act of 1935. Our principal business is the holding, directly or indirectly, of all of the outstanding common stock of our principal electric utility operating subsidiaries, Ohio Edison Company, The Cleveland Electric Illuminating Company, Pennsylvania Power Company, The Toledo Edison Company, Jersey Central Power & Light Company, Metropolitan Edison Company and Pennsylvania Electric Company. Our other principal operating subsidiaries include American Transmission Systems, Incorporated, FirstEnergy Solutions Corp., FirstEnergy Facilities Services Group, LLC, MYR Group, Inc., MARBEL Energy Corporation, FirstEnergy Nuclear Operating Company and GPU Power, Inc. American Transmission Systems owns and operates transmission facilities located within the service areas of Ohio Edison, Cleveland Electric, Toledo Edison and Pennsylvania Power. FirstEnergy Solutions provides energy-related products and services and, through its FirstEnergy Generation Corp. subsidiary, operates our non-nuclear generation business. FirstEnergy Nuclear Operating operates the electric utility subsidiaries' nuclear generating facilities. FirstEnergy Facilities Services Group is the parent company of several heating, ventilating, air conditioning and energy management companies, and MYR is a utility infrastructure construction service company. MARBEL is a fully integrated natural gas company. MARBEL holds FirstEnergy's interest in Great Lake Energy Partners, LLC. GPU Power, Inc. owns and operates generation facilities in Latin America.

Our consolidated revenues are primarily derived from electric service provided by our electric utility subsidiaries. The combined service areas of our electric utility operating subsidiaries encompass approximately 37,200 square miles in Ohio, Pennsylvania and New Jersey. The areas they serve have a combined population of approximately 11.0 million.

As of July 31, 2003, Ohio Edison, Cleveland Electric, Pennsylvania Power, Toledo Edison and FirstEnergy Solutions had 13,387 megawatts (MW) of generation capacity (including the 883 MW of the Davis-Besse Nuclear Power Station, which is currently not in service) to meet customer needs. Pursuant to our corporate separation plan implemented under Ohio utility restructuring legislation, we transferred operational control of the non-nuclear generation assets of those operating subsidiaries to FirstEnergy Generation as of January 1, 2001.

As a result of restructuring legislation in Pennsylvania and New Jersey, GPU had divested essentially all of its generation assets prior to the time we agreed to merge with GPU in August 2000. However, the Pennsylvania and New Jersey restructuring orders require Jersey Central, Pennsylvania Electric and Metropolitan Edison, operating subsidiaries of ours that were formerly owned by GPU, to act as providers of last resort (PLR) by supplying electricity to customers who do not choose an alternate supplier. Jersey Central has entered into contracts for the supply of electricity to meet its PLR obligations through May 31, 2004 (and for one-third of its

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requirements through May 31, 2006) pursuant to an auction approved by the New Jersey Board of Public Utilities. Effective September 1, 2002, Metropolitan Edison and Pennsylvania Electric assigned their PLR responsibility to FirstEnergy Solutions through a wholesale power sale agreement which expires in December 2003 and may be extended for each successive calendar year. Under the terms of the power sale agreement, FirstEnergy Solutions assumed the supply obligation and the energy supply profit and loss risk for the portion of power supply requirements not self-supplied by Metropolitan Edison and Pennsylvania Electric under their non-utility generation (NUG) contracts and other existing power contracts with nonaffiliated third party suppliers. This arrangement reduces Metropolitan Edison's and Pennsylvania Electric's exposure to high wholesale power prices by providing power at or below the shopping credit for their uncommitted PLR energy costs during the term of the agreement to FirstEnergy Solutions. FirstEnergy Solutions has hedged most of Metropolitan Edison's and Pennsylvania Electric's unfulfilled PLR obligations through 2005. Metropolitan Edison and Pennsylvania Electric will continue to defer the cost differences between NUG contract rates and the rates reflected in their capped generation rates.

Our principal executive office is located at 76 South Main Street, Akron, Ohio 44308-1890; telephone: (800) 646-0400.

USE OF PROCEEDS

Unless we state otherwise in any prospectus supplement, we may use the net proceeds we receive from any sale of the offered securities for general corporate purposes, including repaying our debt obligations and making equity contributions to our subsidiaries.

RATIO OF EARNINGS TO FIXED CHARGES

The following table shows our consolidated ratio of earnings to fixed charges for the periods indicated.

	Year Ended December 31,					(Unaudited) Six Months Ended June 30, 2003
	1998	1999	2000	2001	2002	
Ratio of Earnings to Fixed Charges	1.77	2.01	2.10	2.21	1.91	1.40

"Earnings" for purposes of the calculation of Ratio of Earnings to Fixed Charges have been computed by adding to "income before extraordinary items, discontinued operations and cumulative effects of changes in accounting principle" all taxes based on income or profits, total interest charges and the interest element of rentals where determinable plus $1/3$ of rental expense where no readily defined interest element can be determined. "Fixed charges" includes total interest charges, the estimated interest element of rentals and subsidiaries' preferred stock requirements, determined on a "pre-income tax" basis. These ratios exclude fixed charges applicable to the guarantee of the debt of a coal supplier aggregating \$3.828 million for the year ended December 31, 1998. The guarantee and related coal supply contract debt expired December 31, 1999.

DESCRIPTION OF DEBT SECURITIES

The following description sets forth the general terms and provisions of the debt securities that we may offer by this prospectus. The debt securities will be our senior unsecured debt securities and will rank equally with all of our other unsecured and unsubordinated debt. The debt securities will be issued under an indenture, dated as of November 15, 2001, between us and Bank One Trust Company, N.A., as trustee. The indenture gives us broad authority to set the particular terms of each series of debt securities, including the right to modify certain of the terms contained in the indenture. The particular terms of a series of debt securities and the extent, if any, to which the particular terms of the issue modify the terms of the indenture will be described in the prospectus supplement relating to those debt securities.

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The indenture contains the full text of the matters described in this section. Because this section is a summary, it does not describe every aspect of the debt securities or the indenture. This summary is subject to and qualified in its entirety by reference to all the provisions of the indenture, including definitions of terms used in the indenture. You should read the indenture incorporated by reference as an exhibit to the registration statement of which this prospectus is a part. We also include references in parentheses to certain sections of the indenture. Whenever we refer to particular sections or defined terms of the indenture in this prospectus or in a prospectus supplement, these sections or defined terms are incorporated by reference herein or in the prospectus supplement. This summary also is subject to and qualified by reference to the description of the particular terms of the debt securities described in the applicable prospectus supplement or supplements.

If applicable, the prospectus supplement relating to an issue of debt securities will describe any special United States federal income tax considerations relevant to those debt securities.

There is no requirement under the indenture that future issues of our debt securities be issued under the indenture. We will be free to use other indentures or documentation, containing provisions different from those included in the indenture or applicable to one or more issues of debt securities, in connection with future issues of other debt securities.

General

The indenture does not limit the aggregate principal amount of debt securities that we may issue under the indenture. The indenture provides that the debt securities may be issued in one or more series. The debt securities may be issued at various times and may have differing maturity dates and may bear interest at differing rates. We need not issue all debt securities of one series at the same time and, unless otherwise provided, we may reopen a series, without the consent of the holders of the debt securities of that series, for issuances of additional debt securities of that series.

Prior to the issuance of each series of debt securities, the terms of the particular securities will be specified in a supplemental indenture, a board resolution or in one or more officer's certificates authorized pursuant to a board resolution. We refer you to the applicable prospectus supplement for a description of the following terms of the series of debt securities:

- title of the debt securities;
- any limit on the aggregate principal amount of the debt securities;
- the person to whom any interest on the debt securities shall be payable, if other than the person in whose name the debt securities are registered at the close of business on the regular record date for that interest;
- the date or dates on which the principal of the debt securities will be payable or how the date or dates will be determined;
- the rate or rates at which the debt securities will bear interest, if any, or how the rate or rates will be determined and the date or dates from which interest will accrue;
- the dates on which interest will be payable;
- the record dates for payments of interest;
- the place or places, if any, in addition to the office of the trustee, where the principal of, and premium, if any, and interest, if any, on the debt securities will be payable;
- the period or periods within which, the price or prices at which, and the terms and conditions upon which, the debt securities may be redeemed, in whole or in part, at our option;

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- any sinking fund or other provisions or options held by holders of the debt securities that would obligate us to purchase or redeem the debt securities;
- the percentage, if less than 100%, of the principal amount of the debt securities that will be payable if the maturity of the debt securities is accelerated;
- whether the debt securities will be issued in book-entry form, represented by one or more global securities certificates deposited with, or on behalf of, a securities depository and registered in the name of the depository or its nominee, and if so, the identity of the depository;
- any changes or additions to the events of default under the indenture or changes or additions to our covenants under the indenture;
- any collateral security, assurance or guarantee for the debt securities; and
- any other specific terms applicable to the debt securities.

Unless we otherwise indicate in the applicable prospectus supplement, the debt securities will be denominated in United States currency in minimum denominations of \$1,000 and multiples of \$1,000.

Unless we otherwise indicate in the applicable prospectus supplement, there are no provisions in the indenture or the debt securities that require us to redeem, or permit the holders to cause a redemption of, the debt securities or that otherwise protect the holders in the event that we incur substantial additional indebtedness, whether or not in connection with a change in control of our company.

Security and Ranking

We conduct our operations primarily through our subsidiaries and substantially all of our consolidated assets are held by our subsidiaries. Accordingly, our cash flow and our ability to meet our obligations under the debt securities are largely dependent upon the earnings of our subsidiaries and the distribution or other payment of these earnings to us in the form of dividends. Our subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts due on our debt securities or to make any funds available for payment of amounts due on our debt securities.

Because we are a holding company, our obligations under the debt securities will be effectively subordinated to all existing and future liabilities of our subsidiaries. Therefore, our rights and the rights of our creditors, including the rights of the holders of our debt securities, to participate in the liquidation of assets of any subsidiary will be subject to the prior claims of the subsidiary's creditors. To the extent that we may be a creditor with recognized claims against any of our subsidiaries, our claims would still be effectively subordinated to any security interest in, or mortgages or other liens on, the assets of the subsidiary and would be subordinated to any indebtedness, other liabilities, and preferred securities, of the subsidiary, senior to that held by us. As of June 30, 2003 our subsidiaries had approximately \$8 billion aggregate principal amount of indebtedness and \$640 million aggregate stated value of preferred securities outstanding.

Payment and Paying Agents

Unless otherwise indicated in a prospectus supplement, we will pay interest on our debt securities on each interest payment date by wire transfer to an account at a banking institution in the United States that is designated in writing to the trustee by the person entitled to that payment or by check mailed to the person in whose name the debt security is registered as of the close of business on the regular record date relating to the interest payment date, except that interest payable at stated maturity, upon redemption or otherwise, will be paid to the person to whom principal is paid. However, if we default in paying interest on a debt security, we may pay defaulted interest to the registered owner of the debt security as of the close of business on a special record date selected by the trustee, which will be between 10 and 15 days before the date we propose for payment of the defaulted interest, or in any other lawful manner of payment that is consistent with the requirements of any securities exchange on which the debt securities may be listed for trading, if the trustee finds it practicable (See Section 307).

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Redemption

We will set forth any terms for the redemption of debt securities in a prospectus supplement. Unless we indicate differently in a prospectus supplement, and except with respect to debt securities redeemable at the option of the registered holder, debt securities will be redeemable upon notice by mail between 30 and 60 days prior to the redemption date. If less than all of the debt securities of any series or any tranche of a series are to be redeemed, the trustee will select the debt securities to be redeemed and will choose the method of random selection it deems fair and appropriate. (See Sections 301, 403 and 404.)

Debt securities will cease to bear interest on the redemption date. We will pay the redemption price and any accrued interest to the redemption date once you surrender the debt security for redemption. (See Section 405.) If only part of a debt security is redeemed, the trustee will deliver to you a new debt security of the same series for the remaining portion without charge. (See Section 406.)

We may make any redemption conditional upon the receipt by the paying agent, on or prior to the date fixed for redemption, of money sufficient to pay the redemption price. If the paying agent has not received the money by the date fixed for redemption, we will not be required to redeem the debt securities. (See Section 404.)

Registration, Transfer and Exchange

The debt securities will be issued without interest coupons and in denominations that are even multiples of \$1,000, unless otherwise indicated in the applicable prospectus supplement. Debt securities of any series will be exchangeable for other debt securities of the same series of any authorized denominations and of a like aggregate principal amount and tenor, unless otherwise indicated in the applicable prospectus supplement. (See Section 305.)

Unless we otherwise indicate in the applicable prospectus supplement, debt securities may be presented for registration of transfer, duly endorsed or accompanied by a duly executed written instrument of transfer, at the office or agency maintained for this purpose, without service charge except for reimbursement of taxes and other governmental charges as described in the indenture. (See Section 305.)

In the event of any redemption of debt securities of any series, the trustee will not be required to exchange or register a transfer of any debt securities of the series selected, called or being called for redemption except the unredeemed portion of any debt security being redeemed in part. (See Section 305.)

Limitation on Liens

The indenture provides that, except as otherwise specified with respect to a particular series of debt securities, we will not pledge, mortgage, hypothecate or grant a security interest in, or permit any mortgage, pledge, security interest, or other lien upon, any capital stock of any subsidiary now or hereafter directly owned by us, to secure any indebtedness without also equally and ratably securing the outstanding debt securities of that series and all other indebtedness entitled to be so secured. (See Section 608.)

This restriction does not apply to, or prevent the creation or any extension, renewal or refunding of:

- any mortgage, pledge, security interest, lien or encumbrance upon any capital stock created at the time we acquire it or within one year after that time to secure the purchase price for the capital stock;
- any mortgage, pledge, security interest, lien or encumbrance upon any capital stock existing at the time we acquire it, whether or not we assume the secured obligations; or

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- any judgment, levy, execution, attachment or other similar lien arising in connection with court proceedings, provided that:
 - the execution or enforcement of the lien is effectively stayed within 30 days after entry of the corresponding judgment, or the corresponding judgment has been discharged within that 30-day period, and the claims secured by the lien are being contested in good faith by appropriate proceedings timely commenced and diligently prosecuted;
 - the payment of each lien is covered in full by insurance and the insurance company has not denied or contested coverage thereof; or
 - so long as each lien is adequately bonded, any appropriate and duly initiated legal proceedings for the review of the corresponding judgment, decree or order shall not have been fully terminated or the period within which these proceedings may be initiated shall not have expired. (See Section 608.)

Unless we otherwise specify in the prospectus supplement for a particular series of debt securities, we may, without securing the debt securities of that series, pledge, mortgage, hypothecate or grant a security interest in, or permit any mortgage, pledge, security interest or other lien, in addition to liens expressly permitted as described in the preceding paragraphs, upon, capital stock of any subsidiary now or hereafter owned by us to secure any indebtedness, which would otherwise be subject to the foregoing restriction, in an aggregate amount which, together with all other such indebtedness, does not exceed 10% of our consolidated net tangible assets. (See Section 608.) Our consolidated net tangible assets as of June 30, 2003 were approximately \$23 billion.

For purposes of this covenant, “consolidated net tangible assets” means the amount shown as total assets on our consolidated balance sheet, less (i) intangible assets including, without limitation, such items as goodwill, trademarks, trade names, patents, and unamortized debt expense; (ii) current liabilities; and (iii) appropriate adjustments, if any, related to minority interests. These amounts will be determined in accordance with accounting principles generally accepted in the United States.

The foregoing limitation does not limit in any manner:

- our ability to place liens on any of our assets other than the capital stock of subsidiaries that we directly own;
- our ability to cause the transfer of our assets or those of our subsidiaries, including the capital stock covered by the foregoing restrictions; or
- the ability of any of our subsidiaries to place liens on any of their assets.

Consolidation, Merger, Conveyance, Sale or Transfer

We have agreed not to consolidate with or merge into any other entity or convey, sell or otherwise transfer our properties and assets substantially as an entirety to any entity unless:

- the successor is an entity organized and existing under the laws of the United States of America or any State or the District of Columbia;
- the successor expressly assumes by a supplemental indenture the due and punctual payment of the principal of, and premium, if any, and interest, if any, on all outstanding debt securities under the indenture and the performance of every covenant of the indenture that we would otherwise have to perform or observe; and
- immediately after giving effect to the transactions, no event of default with respect to any series of debt securities issued under the indenture and no event which after notice or lapse of time or both would become an event of default with respect to any series of debt securities issued under the indenture, will have occurred and be continuing. (See Section 1101.)

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Modification of the Indenture

Under the indenture or any supplemental indenture, our rights and the rights of the holders of debt securities may be changed with the consent of the holders representing a majority in principal amount of the outstanding debt securities of all series affected by the change, voting as one class, provided that the following changes may not be made without the consent of the holders of each outstanding debt security affected thereby:

- change the fixed date upon which the principal of or the interest on any debt security is due and payable, or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption thereof, or reduce the amount of the principal of an original issue discount security that would be due and payable upon a declaration of acceleration of the maturity thereof, or change the coin or currency (or other property) in which any debt security or any premium, if any, or the interest thereon is payable, or impair the right to institute suit for the enforcement of any payment on or after the date that payment is due and payable or, in the case of redemption, on or after the date fixed for such redemption;
- reduce the stated percentage of debt securities, the consent of the holders of which is required for any modification of the indenture or for waiver by the holders of certain of their rights; or
- modify certain provisions of the indenture. (See Section 1202.)

An “original issue discount security” means any security authenticated and delivered under the indenture which provides for an amount less than the principal amount thereof to be due and payable upon the declaration of acceleration of the maturity thereof.

The indenture also permits us and the trustee to amend the indenture without the consent of the holders of any debt securities for any of the following purposes:

- to evidence the assumption by any permitted successor of our covenants in the indenture and in the debt securities;
- to add to the covenants with which we must comply or to surrender any of our rights or powers under the indenture;
- to add additional events of default;
- to change, eliminate, or add any provision to the indenture; provided, however, if the change, elimination, or addition will adversely affect the interests of the holders of debt securities of any series, other than any series the terms of which permit such change, elimination or addition, in any material respect, the change, elimination, or addition will become effective only:
 - when the consent of the holders of debt securities of the series has been obtained in accordance with the indenture; or
 - when no debt securities of the series remain outstanding under the indenture;
- to provide collateral security for all of the debt securities;
- to establish the form or terms of debt securities of any other series as permitted by the indenture;
- to provide for the authentication and delivery of bearer securities and coupons attached thereto;
- to evidence and provide for the acceptance of appointment of a successor trustee;
- to provide for the procedures required for use of a noncertificated system of registration for all or any series of debt securities;
- to change any place where principal, premium, if any, and interest shall be payable, debt securities may be surrendered for registration of transfer or exchange and notices to us may be served; or
- to cure any ambiguity or inconsistency or to make any other provisions with respect to matters and questions arising under the indenture; provided that such action shall not adversely affect the interests of the holders of debt securities of any series in any material respect. (See Section 1201.)

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Events of Default

An event of default with respect to any series of debt securities is defined in the indenture as being any one of the following:

- failure to pay interest on the debt securities of that series for 30 days after payment is due;
- failure to pay principal of or any premium on the debt securities of that series when due, whether at stated maturity or upon earlier acceleration or redemption;
- failure to perform other covenants in the indenture for 90 days after we are given written notice from the trustee or the trustee receives written notice from the registered owners of at least 33% in principal amount of the debt securities of that series; however, the trustee or the trustee and the holders of such principal amount of debt securities of that series can agree to an extension of the 90-day period and such an agreement to extend will be automatically deemed to occur if we are diligently pursuing action to correct the default;
- certain events of bankruptcy, insolvency, reorganization, receivership or liquidation relating to us; and
- any other event of default included in the supplemental indenture or officer's certificate for that series of debt securities. (See Section 801.)

An event of default regarding a particular series of debt securities does not necessarily constitute an event of default for any other series of debt securities.

We will be required to file with the trustee annually an officer's certificate as to the absence of default in performance of all covenants in the indenture. (See Section 606.) The indenture provides that the trustee may withhold notice to the holders of the debt securities of any default, except in payment of principal of, or premium, if any, or interest on, the debt securities or in the payment of any sinking fund installment with respect to the debt securities, if the trustee in good faith determines that it is in the interest of the holders of the debt securities to do so. (See Section 902.)

The indenture provides that, if an event of default with respect to the debt securities of any series occurs and continues, either the trustee or the holders of 33% or more in aggregate principal amount of the debt securities of that series may declare the principal amount of all the debt securities to be due and payable immediately. However, if the event of default is applicable to all outstanding debt securities under the indenture, only the trustee or holders of at least 33% in principal amount of all outstanding debt securities of all series, voting as one class, and not the holders of any one series, may make such a declaration of acceleration.

At any time after a declaration of acceleration with respect to the debt securities of any series has been made and before a judgment or decree for payment of the money due has been obtained, the event of default giving rise to such declaration of acceleration will be considered waived, and such declaration and its consequences will be considered rescinded and annulled, if:

- we have paid or deposited with the trustee a sum sufficient to pay:
 - all overdue interest, if any, on all debt securities of the series,
 - the principal of and premium, if any, on any debt securities of the series which have otherwise become due and interest, if any, that is currently due, including interest on overdue interest, if any, and
 - all amounts due to the trustee under the indenture; and
- any other event of default with respect to the debt securities of that series has been cured or waived as provided in the indenture.

There is no automatic acceleration, even in the event of our bankruptcy, insolvency or reorganization. (See Section 802.)

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Subject to the provisions of the indenture relating to the duties of the trustee, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request or direction of any of the holders of the debt securities, unless the holders shall have offered to the trustee reasonable indemnity. (See Section 903.)

Subject to the provision for indemnification, the holders of a majority in principal amount of the debt securities of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee with respect to the debt securities of that series. However, if the event of default relates to more than one series of debt securities, only the holders of a majority in aggregate principal amount of all affected series will have the right to give this direction. However, the trustee shall have the right to decline to follow any direction if the trustee shall determine that the action so directed conflicts with any law or the provisions of the indenture or if the trustee shall determine that the action would be prejudicial to holders not taking part in the direction. (See Section 812.)

Satisfaction and Discharge

We will be discharged from our obligations on the debt securities of any series, or any portion of the principal amount of the debt securities of any series, if we

- irrevocably deposit with the trustee sufficient cash or eligible obligations (or a combination of both) to pay the principal, or portion of principal, interest, any premium and any other sums when due on the debt securities at their maturity, stated maturity date, or redemption; and
- deliver to the trustee:
 - a company order stating that the money and eligible obligations deposited in accordance with the indenture shall be held in trust and certain opinions of counsel and of an independent public accountant;
 - if such deposit shall have been made prior to the maturity of the debt securities of the series, an officer's certificate stating our intention that, upon delivery of the officer's certificate, our indebtedness in respect of those debt securities, or the portions thereof, will have been satisfied and discharged as contemplated in the indenture; and
 - an opinion of counsel to the effect that, as a result of a change in law or a ruling of the United States Internal Revenue Service, the holders of the debt securities of the series, or portions thereof, will not recognize income, gain or loss for United States federal income tax purposes as a result of the satisfaction and discharge of our indebtedness and will be subject to United States federal income tax on the same amounts, at the same times and in the same manner as if we had not so satisfied and discharged our indebtedness.

For this purpose, "eligible obligations" include direct obligations of, or obligations unconditionally guaranteed by, the United States entitled to the benefit of the full faith and credit thereof and certificates, depositary receipts or other instruments which evidence a direct ownership interest in such obligations or in any specific interest or principal payments due in respect thereof and which do not contain provisions permitting their redemption or other prepayment at the option of the issuer thereof.

In the event that all of the conditions set forth above have been satisfied for any series of debt securities, or portions thereof, except that, for any reason, we have not delivered the officer's certificate and opinion described under the second bulleted item above, the holders of those debt securities will no longer be entitled to the benefits of certain of our covenants under the indenture, including the covenant described above in "—Limitation on Liens." Our indebtedness under those debt securities, however, will not be deemed to have been satisfied and discharged prior to maturity, and the holders of those debt securities may continue to look to us for payment of the indebtedness represented by those debt securities. (See Section 701.)

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The indenture will be deemed satisfied and discharged when no debt securities remain outstanding and when we have paid all other sums payable by us under the indenture. (See Section 702.) All moneys we pay to the trustee or any paying agent on debt securities which remain unclaimed at the end of two years after payments have become due will be paid to us or upon our order. Thereafter, the holder of those debt securities may look only to us for payment and not the trustee or any paying agent. (See Section 603.)

Resignation or Removal of Trustee

The trustee may resign at any time by giving written notice to us specifying the day upon which the resignation is to take effect. The resignation will take effect immediately upon the later of the appointment of a successor trustee and the specified day. (See Section 910.)

The trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the trustee and us and signed by the holders, or their attorneys-in-fact, representing at least a majority in principal amount of the then outstanding debt securities. In addition, under certain circumstances, we may remove the trustee upon notice to the holder of each debt security outstanding and the trustee, and appointment of a successor trustee. (See Section 910.)

Concerning the Trustee

Bank One Trust Company, N.A. is the trustee under the indenture. We and our affiliates maintain other banking relationships in the ordinary course of business with the trustee and its affiliates.

Governing Law

The indenture and the debt securities will be governed by and construed in accordance with the laws of the State of New York, except to the extent that the law of any other jurisdiction shall be mandatorily applicable.

DESCRIPTION OF COMMON STOCK

Certain provisions of our Amended Articles of Incorporation and Amended Code of Regulations are summarized or referred to below. The summaries are merely an outline, do not purport to be complete, do not relate to or give effect to the provisions of statutory or common law, and are qualified in their entirety by express reference to our Amended Articles of Incorporation and Amended Code of Regulations.

We are authorized by our Amended Articles of Incorporation to issue 375,000,000 shares of common stock, par value \$.10 per share, of which 297,636,276 shares were issued and outstanding as of August 8, 2003. The common stock currently outstanding is, and the common stock offered pursuant to this prospectus will be, fully paid and non-assessable.

We are also authorized by our Amended Articles of Incorporation to issue 5,000,000 shares of preferred stock, par value \$100 per share, of which none are currently issued and outstanding. Our Amended Articles of Incorporation give our board of directors authority to issue preferred stock from time to time in one or more classes or series. Preferred stock could be issued with terms that could delay, defer or prevent a change of control of FirstEnergy.

Dividend Rights

Subject only to any prior rights and preferences of any issued and outstanding shares of our preferred stock, the holders of the common stock are entitled to receive dividends when, as and if declared by our board of directors out of legally available funds. There can be no assurance that funds will be legally available to pay dividends at any given time or that, if funds are available, the board of directors will declare a dividend.

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Liquidation Rights

In the event of our dissolution or liquidation, the holders of our common stock will be entitled to receive, pro rata, after the prior rights of the holders of any issued and outstanding shares of our preferred stock have been satisfied, all of our assets that remain available for distribution after payment in full of all of our liabilities.

Voting Rights

The holders of our common stock are entitled to one vote on each matter submitted for their vote at any meeting of our shareholders for each share of common stock held as of the record date for the meeting. Under our Amended Articles of Incorporation, the voting rights, if any, of our preferred stock may differ from the voting rights of our common stock. The holders of our common stock are not entitled to cumulate their votes for the election of directors. Our Amended Code of Regulations provides that the board of directors be divided into three classes with the term of office of the respective classes to expire in successive years.

In order to amend or repeal, or adopt any provision inconsistent with, the provisions of our Amended Articles of Incorporation dealing with:

- the right of the board of directors to establish the terms of unissued shares or to authorize our acquisition of our outstanding shares;
- the absence of cumulative voting and preemptive rights; or
- the requirement that at least 80% of the voting power of our outstanding shares must approve the foregoing;

at least 80% of the voting power of our outstanding shares must approve. In addition, the approval of at least 80% of the voting power of our outstanding shares must be obtained to amend or repeal the provisions of our Amended Code of Regulations dealing with:

- the time and place of shareholders' meetings, the manner in which special meetings of shareholders are called or the way business is conducted at such meetings;
- the number, election and terms of directors, the manner of filling vacancies on the board of directors, the removal of directors or the manner in which directors are nominated; or
- the indemnification of officers or directors.

Amendment of the provision of the Amended Code of Regulations that requires the approval of 80% of the voting power of our outstanding shares in the instances enumerated above requires the same level of approval.

Adoption of amendments to our Amended Articles of Incorporation (other than those requiring 80% approval as specified above), adoption of a plan of merger, consolidation or reorganization, authorization of a sale or other disposition of all or substantially all of our assets not made in the usual and regular course of its business or adoption of a resolution of dissolution, and any other matter which would otherwise require a two-thirds approving vote, require the approval of two-thirds of the voting power of our outstanding shares, unless our board of directors provides otherwise, in which case, these matters will require the approval of a majority of the voting power of our outstanding shares and the approval of a majority of the voting power of any shares entitled to vote as a class.

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Shareholder Rights Agreements

On November 18, 1997, we authorized and declared a dividend of a one share purchase right for each outstanding share of our common stock. Each right entitles the registered holder to purchase one share of our common stock at a purchase price of \$70 per share, when the rights become exercisable. The following description of the rights is qualified in its entirety by reference to the terms of the rights agreement between us and The Bank of New York, as rights agent.

The rights are not exercisable until the earlier of:

- ten days following a public announcement that a person or group, together with any affiliates or associates of such person or group, has acquired or obtained the right to acquire, beneficial ownership of 15% or more of the outstanding shares of our common stock (an “acquiring person”); or
- ten days following the commencement or announcement of an intention to make a tender offer or exchange offer which would result in any person or group (and related persons) having beneficial ownership of 25% or more of the outstanding shares of our common stock.

The rights will expire on November 28, 2007, unless that date is extended or the rights are earlier redeemed by us and exchanged for shares of our common stock, as described below.

In the event that:

- we merge with or are involved in a business combination transaction with an acquiring person,
- 50% or more of our consolidated assets or earning power are sold to an acquiring person,
- an acquiring person acquires 25% or more of the outstanding shares of our common stock, or
- an acquiring person engages in one or more self-dealing transactions with us,

each holder of a right, other than rights beneficially owned by an acquiring person, which become void, will have the right to receive upon exercise that number of shares of our common stock or stock of the acquiring person, as the case may be, having an average market value during a specified time period of two times the purchase price provided for in the right.

At any time after a person or group acquires beneficial ownership of 15% or more of the outstanding shares of our common stock and prior to the acquisition by such person or group of 50% or more of the then outstanding shares of our common stock, we may exchange all or part of the then outstanding rights (other than rights owned by such person or group which have become void) for shares of our common stock.

At any time prior to the tenth day following the acquisition by a person or group of beneficial ownership of 15% or more of the outstanding shares of our common stock, we may redeem the rights in whole, but not in part, at a price of \$.001 per right.

The rights may have anti-takeover effects. The rights will cause substantial dilution to a person or group that attempts to acquire us unless the rights are redeemed by our board of directors. However, it can be expected that the rights would not interfere with any merger or other business combination approved by our board of directors.

Ohio Law Anti-takeover Provisions

Chapter 1704 of the Ohio General Corporation Law applies to a broad range of business combinations between an Ohio corporation and an interested shareholder. The Ohio law definition of “business combination” includes mergers, consolidations, combinations or majority share acquisitions. An “interested shareholder” is defined as a shareholder who, directly or indirectly, exercises or directs the exercise of 10% or more of the voting power of the corporation.

Chapter 1704 restricts corporations from engaging in business combinations with interested shareholders, unless the articles of incorporation provide otherwise, for a period of three years following the date on which the shareholder became an interested shareholder, unless the directors of the corporation have approved the business

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combination or the interested shareholder's acquisition of shares of the corporation prior to the date the shareholder became an interested shareholder. After the initial three-year moratorium, Chapter 1704 prohibits such transactions absent approval by the directors of the interested shareholder's acquisition of shares of the corporation prior to the date that the shareholder became an interested shareholder, approval by disinterested shareholders of the corporation or the transaction meeting certain statutorily defined fair price provisions.

Under Section 1701.831 of the Ohio General Corporation Law, unless the articles of incorporation provide otherwise, any control share acquisition of a corporation can only be made with the prior approval of the corporation's shareholders. A "control share acquisition" is defined as any acquisition of shares of a corporation that, when added to all other shares of that corporation owned by the acquiring person, would enable that person to exercise levels of voting power in any of the following ranges: at least 20% but less than 33 ¹/₃ %; at least 33 ¹/₃ % but less than 50%; or 50% or more.

Anti-takeover Effect

Some of the supermajority provisions of our Amended Articles of Incorporation and Amended Code of Regulations and the rights or the provisions of Ohio law described above, individually or collectively, may discourage, deter, delay or impede a tender offer or other attempt to acquire control of FirstEnergy even if the transaction would result in the shareholders receiving a premium for their shares over current market prices or if the shareholders otherwise believe the transaction would be in their best interests.

No Preemptive or Conversion Rights

Holders of our common stock have no preemptive or conversion rights and are not subject to further calls or assessments by us. There are no redemption or sinking fund provisions applicable to our common stock.

Listing

Shares of our common stock are traded on the New York Stock Exchange under the symbol "FE."

Transfer Agent and Registrar

The Transfer Agent and Registrar for our common stock is FirstEnergy Securities Transfer Company, our wholly owned subsidiary.

Dividend Information

Cash dividends declared and paid per share of our common stock, for the first two quarters of 2003 and each quarter of 2002, 2001 and 2000 were \$0.375. Dividends on our common stock are paid as declared by our board of directors and are typically paid on the first day of March, June, September and December. Future dividends will depend on our future earnings and the ability of our regulated subsidiaries to pay cash dividends to us which are subject to certain regulatory limitations and also subject to charter and indenture limitations for some of those subsidiaries that may, in general, restrict the amount of retained earnings available for these dividends. These limitations, however, do not currently materially restrict payment of these dividends.

DESCRIPTION OF SHARE PURCHASE CONTRACTS AND SHARE PURCHASE UNITS

We may issue share purchase contracts representing contracts obligating holders to purchase from us, and us to sell to the holders, shares of our common stock at a future date or dates. The price per share of common stock and the number of shares of common stock may be fixed at the time the share purchase contracts are issued or may be determined by reference to a specific formula set forth in the share purchase contracts and described in the applicable prospectus supplement.

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The share purchase contracts may be issued separately or as a part of share purchase units consisting of a share purchase contract and either our debt securities or debt obligations of third parties, including U.S. Treasury securities that are pledged to secure the holders' obligations to purchase our common stock under the share purchase contracts.

The share purchase contracts may require us to make periodic payments to the holders of the share purchase units or vice versa, and those payments may be unsecured or prefunded on some basis. The share purchase contracts may require holders to secure their obligations in a specified manner and, in certain circumstances, we may deliver newly issued prepaid share purchase contracts, often known as prepaid securities, upon release to a holder of any collateral securing such holder's obligations under the original share purchase contract.

The applicable prospectus supplement will describe the materials terms of any share purchase contracts or share purchase units, and, if applicable, prepaid securities. The description in the applicable prospectus supplement will not purport to be complete and will be qualified in its entirety by reference to (a) the share purchase contracts, (b) the collateral arrangements and depositary arrangements, if applicable, relating to such share purchase contracts or share purchase units and (c) if applicable, the prepaid securities and the document pursuant to which the prepaid securities will be issued. These documents will be filed with the SEC promptly after the offering of the share purchase contracts or the share purchase units. Material United States federal income tax considerations applicable to the share purchase contracts and the share purchase units will also be discussed in the applicable prospectus supplement.

PLAN OF DISTRIBUTION

We may sell the securities being offered by this prospectus in the following ways:

- through negotiation with one or more underwriters;
- through one or more agents or dealers designated from time to time;
- directly to purchasers; or
- through any combination of the above.

The distribution of the securities may be effected from time to time in one or more transactions at a fixed price or prices which may be changed, at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices. A prospectus supplement or a supplement thereto will describe the method for distribution of the securities.

If we use any underwriters in the sale of the securities, we will enter into an underwriting agreement, distribution agreement or similar agreement with the underwriters prior to the time of sale, and the names of the underwriters used in the transaction will be set forth in the prospectus supplement or supplement thereto relating to the sale. If an underwriting agreement is executed, the securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. Unless we otherwise indicate in the prospectus supplement, the obligations of any underwriters to purchase particular securities will be subject to certain conditions precedent, and the underwriters will be obligated to purchase all of the securities offered in the prospectus supplement if any are purchased.

If any securities are sold through agents designated by us from time to time, the prospectus supplement or supplement thereto will name any agent, set forth any commissions payable by us to any agent and the obligations of the agent with respect to the securities. Unless otherwise indicated in the prospectus supplement or a supplement thereto, any agent will be acting on a best efforts basis for the period of its appointment.

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If a dealer is utilized in the sale of the securities in respect of which this prospectus is delivered, we will sell such securities to the dealer, as principal. The dealer may then resell such securities to the public at varying prices to be determined by such dealer at the time of sale.

We may sell the securities directly to one or more purchasers. In this case, no underwriters, dealers or agents would be involved.

Any underwriters utilized may engage in stabilizing transactions and syndicate covering transactions in accordance with Rule 104 of Regulation M under the Securities Exchange Act of 1934. Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum. Syndicate covering transactions involve purchases of the particular offered securities in the open market after the distribution has been completed in order to cover syndicate short positions. These stabilizing transactions and syndicate covering transactions may cause the price of the offered securities to be higher than it would otherwise be in the absence of such transactions.

In connection with the sale of the securities, any purchasers, underwriters or agents may receive compensation from us or from purchasers in the form of concessions or commissions. The underwriters will be, and any agents and any dealers participating in the distribution of the securities may be deemed to be, underwriters within the meaning of the Securities Act of 1933. The agreement between us and any purchasers, underwriters or agents will contain reciprocal covenants of indemnity, and will provide for contribution by us in respect of our indemnity obligations, between us and the purchasers, underwriters, or agents against certain liabilities, including liabilities under the Securities Act of 1933.

If we so indicate in the prospectus supplement, we will authorize agents, underwriters or dealers to solicit offers by the types of purchaser specified in the prospectus supplement to purchase offered securities from us at the public offering price set forth in the prospectus supplement pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future. These contracts will be subject to only those conditions set forth in the prospectus supplement, and the prospectus supplement will set forth the commission payable for solicitation of such offers.

Underwriters, dealers and agents may engage in transactions with, or perform services for, us and our affiliates in the ordinary course of business.

Unless otherwise specified in a prospectus supplement, except for our common stock, which is listed on the New York Stock Exchange, the securities will not be listed on a national securities exchange. No assurance can be given that any broker-dealer will make a market in any series of the securities, and, in any event, no assurance can be given as to the liquidity of the trading market for any of the securities. The prospectus supplement will state, if known, whether or not any broker-dealer intends to make a market in the securities. If no such determination has been made, the prospectus supplement will so state.

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LEGAL MATTERS

Certain legal matters in connection with the validity of the securities offered by this prospectus are being passed upon for us by Gary D. Benz, Esq., our Associate General Counsel, and by Pillsbury Winthrop LLP, New York, New York, our special counsel, and for the underwriters, dealers or agents by Thelen Reid & Priest LLP, New York, New York. As of August 19, 2003, Mr. Benz owned 2,699 shares of FirstEnergy common stock. Thelen Reid & Priest LLP has in the past represented FirstEnergy and GPU and continues to represent FirstEnergy and certain of its affiliates.

EXPERTS

The consolidated financial statements of FirstEnergy Corp. as of December 31, 2002 and for the year then ended, incorporated by reference in this prospectus by reference to the Annual Report on Form 10-K/A, Amendment No. 2, of FirstEnergy Corp. filed August 19, 2003 for the year ended December 31, 2002, have been so incorporated in reliance on the report (which contains an explanatory paragraph relating to FirstEnergy Corp.'s restatement of its previously issued consolidated financial statements for the year ended December 31, 2002) of PricewaterhouseCoopers LLP, independent accountants, given on the authority of said firm as experts in auditing and accounting.

With respect to the unaudited consolidated financial information of FirstEnergy Corp. for the three-month periods ended March 31, 2003 and 2002 and for the three-month and six-month periods ended June 30, 2003 and 2002, incorporated by reference in this prospectus from the Form 10-Q/A for the quarter ended March 31, 2003 and the Form 10-Q for the quarter ended June 30, 2003, PricewaterhouseCoopers LLP reported that they have applied limited procedures in accordance with professional standards for a review of such information. However their separate reports dated May 9, 2003, except as to Note 1, which is as of August 18, 2003, and August 18, 2003 for the quarter ended March 31, 2003 and for the quarter and six-month periods ended June 30, 2003, respectively, incorporated by reference herein, state that they did not audit and they do not express an opinion on that unaudited financial information. Accordingly, the degree of reliance on their reports on such information should be restricted in light of the limited nature of the review procedures applied. PricewaterhouseCoopers LLP is not subject to the liability provisions of Section 11 of the Securities Act of 1933 for their reports on the unaudited financial information because those reports are not a "report" or a "part" of the registration statement prepared or certified by PricewaterhouseCoopers LLP within the meaning of Sections 7 and 11 of the Act.

After reasonable efforts, we have not been able to obtain the consent of Arthur Andersen LLP, our former independent public accountants, to the incorporation by reference in this prospectus of their report on our consolidated financial statements for the years ended December 31, 2001 and 2000, and we have dispensed with the requirement to file their consent in reliance upon Rule 437a under the Securities Act. Because Arthur Andersen LLP have not consented to the incorporation by reference of their report in this prospectus, you will not be able to recover against Arthur Andersen LLP under Section 11 of the Securities Act for any untrue statements of a material fact contained in the financial statements audited by Arthur Andersen LLP or any omissions to state a material fact required to be stated therein.

WHERE YOU CAN FIND MORE INFORMATION

We are required by the Securities Exchange Act of 1934 to file annual, quarterly and special reports and other information with the SEC. These reports and other information can be inspected and copied at the SEC's public reference room at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. You may also read and copy these SEC filings by visiting the SEC's Web site at <http://www.sec.gov> or our Web site at <http://www.firstenergycorp.com>. Information contained on our Web site does not constitute part of this prospectus.

We have filed with the SEC a registration statement on Form S-3 under the Securities Act of 1933 with respect to the securities offered by this prospectus. This prospectus does not contain all of the information included in the registration statement. For further information, you should refer to the registration statement.

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The SEC allows us to incorporate by reference in this prospectus the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus. The information included in this prospectus is not complete, and should be read together with the information incorporated by reference. We incorporate by reference in this prospectus the documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, until the termination of this offering; information we file in the future with the SEC will automatically update and supersede this information:

- FirstEnergy's Annual Report on Form 10-K (as amended by the Forms 10-K/A filed on May 9, 2003 and August 19, 2003) for the year ended December 31, 2002;
- FirstEnergy's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2003 (as amended by the Form 10-Q/A filed on August 19, 2003) and June 30, 2003; and
- FirstEnergy's Current Reports on Form 8-K filed January 17, 2003, January 21, 2003, March 11, 2003, March 17, 2003, March 18, 2003, April 16, 2003, April 18, 2003, May 1, 2003, May 9, 2003, May 22, 2003, June 5, 2003, June 11, 2003, June 27, 2003, July 24, 2003, July 25, 2003, August 5, 2003 (two filed on August 5, 2003), August 7, 2003 and August 8, 2003.

You may also request additional copies of these reports or copies of our other SEC filings at no cost by writing or telephoning us at the following address:

FirstEnergy Corp.
76 South Main Street
Akron, Ohio 44308-1890
Attention: Corporate Secretary
(800) 384-5100

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PART II—INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution.

Registration fee	\$ 161,800
Printing costs	100,000*
Legal fees and expenses	150,000*
Accounting fees and expenses	100,000*
Trustee’s fees and expenses (including counsel, transfer agent and registrar fees and expenses)	30,000*
Rating agency fees	730,000*
Blue Sky fees and expenses	15,000*
Miscellaneous expenses	13,200*
	<hr/>
Total	\$ 1,300,000*

* Estimated

Item 15. Indemnification of Directors and Officers.

Section 1701.13(E) of Title 17 of Page’s Ohio Revised Code Annotated gives a corporation incorporated under the laws of Ohio power to indemnify any person who is or has been a director, officer or employee of that corporation, or of another corporation at the request of that corporation, against expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with any threatened, pending or completed action, suit or proceeding, criminal or civil, to which he is or may be made a party because of being or having been such director, officer or employee, provided that in connection therewith, such person is determined to have acted in good faith in what he reasonably believed to be in or not opposed to the best interest of the corporation of which he is a director, officer or employee, and without reasonable cause, in the case of a criminal matter, to believe that his conduct was unlawful. The determination as to the conditions precedent to the permitted indemnification of such person is made by the directors of the indemnifying corporation acting at a meeting at which, for the purpose, any director who is a party to or threatened with any such action, suit or proceeding may not be counted in determining the existence of a quorum and may not vote. If, because of the foregoing limitations, the directors are unable to act in this regard, such determination may be made by the majority vote of the corporation’s voting shareholders (or without a meeting upon two-thirds written consent of such shareholders), by judicial proceeding or by written opinion of independent legal counsel other than an attorney, or a firm having associated with it an attorney, who has been retained by or who has performed services for the corporation or any person to be indemnified during the five years preceding the date of determination.

Regulation 31 of the Registrant’s Amended Code of Regulations provides as follows:

“The Corporation shall indemnify, to the full extent then permitted by law, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a member of the Board of Directors or an officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise. The Corporation shall pay, to the full extent then required by law, expenses, including attorney’s fees, incurred by a member of the Board of Directors in defending any such action, suit or proceeding as they are incurred, in advance of the final disposition thereof, and may pay, in the same manner and to the full extent then permitted by law, such expenses incurred by any other person. The indemnification and payment of expenses provided hereby shall not be exclusive of, and shall be in addition to, any other rights granted to those seeking indemnification under any

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law, the Amended Articles of Incorporation, any agreement, vote of shareholders or disinterested members of the Board of Directors, or otherwise, both as to action in official capacities and as to action in another capacity while he or she is a member of the Board of Directors, or an officer, employee or agent of the Corporation, and shall continue as to a person who has ceased to be a member of the Board of Directors, trustee, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.”

Section 1701.13(E) of Title 17 of Page’s Ohio Revised Code Annotated provides that the indemnification thereby permitted shall not be exclusive of any other rights that directors, officers or employees may have, including rights under insurance purchased by the corporation.

Regulation 32 of the Registrant’s Amended Code of Regulations provides as follows:

“The Corporation may, to the full extent then permitted by law and authorized by the Board of Directors, purchase and maintain insurance or furnish similar protection, including but not limited to trust funds, letters of credit or self-insurance, on behalf of or for any persons described in Regulation 31 against any liability asserted against and incurred by any such person in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify such person against such liability. Insurance may be purchased from or maintained with a person in which the Corporation has a financial interest.”

The Registrant maintains and pays the premium on contracts insuring the Registrant (with certain exclusions) against any liability to directors and officers they may incur under the above indemnity provisions and insuring each director and officer of the Registrant (with certain exclusions) against liability and expense, including legal fees, which he or she may incur by reason of his or her relationship to the Registrant, even if the Registrant does not have the obligation or right to indemnify him or her against such liability or expense.

Item 16. Exhibits.

The following exhibits are incorporated by reference into this registration statement, were previously filed as part of this registration statement or are filed herewith and made a part hereof:

<u>Exhibit No.</u>	<u>Description</u>
1(a)*	Form of Underwriting Agreement (Common Stock).
1(b)*	Form of Underwriting Agreement (Debt Securities).
4(a)**	Amended Articles of Incorporation of FirstEnergy Corp.
4(b)***	FirstEnergy Corp. Amended Code of Regulations (incorporated by reference from Annual Report on Form 10-K/A, Exhibit 3, filed April 16, 2001).
4(c)***	Form of Common Stock Certificate (incorporated by reference from Registration No. 333-40063, Exhibit 4(c), filed November 24, 1997).
4(d)***	Form of Unsecured Debt Securities (incorporated by reference from Exhibit 4(f)).
4(e)***	Rights Agreement, dated as of November 18, 1997, between FirstEnergy Corp. and The Bank of New York and form of Right Certificate (incorporated by reference from Current Report on Form 8-K, dated November 18, 1997, Exhibit 4.1, filed December 1, 1997).
4(f)***	Indenture, dated as of November 15, 2001, between FirstEnergy Corp. and Bank One Trust Company, N.A., as Trustee (incorporated by reference from Registration No. 333-69856, Exhibit 4(a)).

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<u>Exhibit No.</u>	<u>Description</u>
4(g)	Form of Purchase Contract Agreement.
5(a)**	Opinion of Gary D. Benz, Esq., Associate General Counsel of FirstEnergy Corp., as to the securities being registered.
5(b)**	Opinion of Pillsbury Winthrop LLP, special counsel of FirstEnergy Corp., as to the securities being registered.
12	Consolidated Ratio of Earnings to Fixed Charges
15	Letter of PricewaterhouseCoopers LLP re unaudited interim financial information.
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25(b)	Form T-1 Statement of Eligibility of The Bank of New York, as purchase contract agent.

* To be filed by amendment or incorporated by reference in connection with an offering of securities.

** Previously filed.

*** Incorporated by reference herein as indicated.

Item 17. Undertakings.

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers of sales are being made, a post-effective amendment to this registration statement:

- (i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933 (the “Act”);
- (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Securities and Exchange Commission (the “Commission”) pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the “Calculation of Registration Fee” table in the effective registration statement.
- (iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

PROVIDED, HOWEVER, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the registration statement is on Form S-3, Form S-8 or Form F-3, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (the “Exchange Act”) that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

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(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Act, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

Insofar as indemnification for liabilities arising under the Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Pre-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Akron, State of Ohio, on the 27th day of August, 2003.

FIRSTENERGY CORP.
(REGISTRANT)

/s/ H. PETER BURG

H. Peter Burg
Chairman of the Board and
Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Pre-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the date indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<hr/> <p>/s/ H. PETER BURG</p> <hr/> <p>H. Peter Burg</p>	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	August 27, 2003
<hr/> <p>/s/ RICHARD H. MARSH *</p> <hr/> <p>Richard H. Marsh</p>	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	August 27, 2003
<hr/> <p>/s/ HARVEY L. WAGNER *</p> <hr/> <p>Harvey L. Wagner</p>	Vice President, Controller and Chief Accounting Officer (Principal Accounting Officer)	August 27, 2003
<hr/> <p>/s/ ANTHONY J. ALEXANDER *</p> <hr/> <p>Anthony J. Alexander</p>	President, Chief Operating Officer and Director	August 27, 2003
<hr/> <p>Paul T. Addison</p>	Director	August 27, 2003
<hr/> <p>/s/ CAROL A. CARTWRIGHT *</p> <hr/> <p>Carol A. Cartwright</p>	Director	August 27, 2003
<hr/> <p>William T. Cottle</p>	Director	August 27, 2003
<hr/> <p>/s/ ROBERT B. HEISLER, JR. *</p> <hr/> <p>Robert B. Heisler, Jr.</p>	Director	August 27, 2003
<hr/> <p>/s/ RUSSELL W. MAIER *</p> <hr/> <p>Russell W. Maier</p>	Director	August 27, 2003
<hr/> <p>/s/ ROBERT L. LOUGHHEAD *</p> <hr/> <p>Robert L. Loughhead</p>	Director	August 27, 2003

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<u>Signature</u>	<u>Title</u>	<u>Date</u>
<hr/> <p>/ s / J O H N M . P I E T R U S K I *</p> <hr/> <p>John M. Pietruski</p>	Director	August 27, 2003
<hr/> <p>/ s / C A T H E R I N E A . R E I N *</p> <hr/> <p>Catherine A. Rein</p>	Director	August 27, 2003
<hr/> <p>/ s / R O B E R T C . S A V A G E *</p> <hr/> <p>Robert C. Savage</p>	Director	August 27, 2003
<hr/> <p>/ s / G E O R G E M . S M A R T *</p> <hr/> <p>George M. Smart</p>	Director	August 27, 2003
<hr/> <p>/ s / J E S S E T . W I L L I A M S , S R . *</p> <hr/> <p>Jesse T. Williams, Sr.</p>	Director	August 27, 2003
<hr/> <p>/ s / D R . P A T R I C I A K . W O O L F *</p> <hr/> <p>Dr. Patricia K. Woolf</p>	Director	August 27, 2003
<hr/> <p>*By: / s / L U C A S F . T O R R E S</p> <hr/> <p>Lucas F. Torres Attorney-in-fact</p>		August 27, 2003

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INDEX TO EXHIBITS

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* To be filed by amendment or incorporated by reference in connection with an offering of securities.

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*** Incorporated by reference herein as indicated.

Exhibit 4(g)

FIRSTENERGYCORP.

AND

THE BANK OF NEW YORK,
as Share Purchase Contract Agent
and Trustee

SHARE PURCHASE CONTRACT AGREEMENT

Dated as of _____, 2003

TIE SHEET

Section of Trust Indenture Act of 1939, as amended -----	Section of Share Purchase Contract Agreement -----
310(a)	7.8
310(b)	7.9(d) and (g), 11.8
310(c)	Inapplicable
311(a)	11.2(b)
311(b)	11.2(b)
311(c)	Inapplicable
312(a)	11.2(a)
312(b)	11.2(b)
313	11.3
314(a)	11.4
314(b)	Inapplicable
314(c)	11.5
314(d)	Inapplicable
314(e)	1.2
314(f)	11.1
315(a)	7.1(a)
315(b)	7.2
315(c)	7.1(e)
315(d)(1)	7.1(b)
315(d)(2)	7.1(b)
315(d)(3)	11.9
316(a)(1)(A)	11.9
316(a)(1)(B)	11.6
316(b)	6.1
316(c)	11.2
317(a)	Inapplicable
317(b)	Inapplicable
318(a)	11.1(b)

* This Cross-Reference Table does not constitute part of the Share Purchase Contract Agreement and shall not affect the interpretation of any of its terms or provisions.

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EXHIBIT A

EXHIBIT B

EXHIBIT C

SHARE PURCHASE CONTRACT AGREEMENT, dated as of _____, 2003, between FirstEnergy Corp., an Ohio corporation (the "Company"), and The Bank of New York, a New York Banking corporation, acting as Share Purchase Contract agent, attorney-in-fact and trustee for the Holders of Securities from time to time (in any one or more of such capacities, the "Agent").

RECITALS

The Company has duly authorized the execution and delivery of this Agreement and the Certificates evidencing the Securities.

All things necessary to make the Share Purchase Contracts, when the Certificates are executed by the Company and authenticated, executed on behalf of the Holders and delivered by the Agent, as provided in this Agreement, the valid and binding obligations of the Company and the Holders, and to constitute these presents a valid and binding agreement of the Company, in accordance with its terms, have been done.

WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually agreed as follows:

ARTICLE I

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (a) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular; and nouns and pronouns of the masculine gender include the feminine and neuter genders;
- (b) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles in the United States;
- (c) the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision; and
- (d) the following terms have the meanings given to them in this Section 1.1(d):

"Act" when used with respect to any Holder, has the meaning specified in Section 1.4.

"Affiliate" has the same meaning as given to that term in Rule 405 of the Securities Act of 1933, as amended, or any successor rule thereunder.

"Agent" means the Person named as the "Agent" in the first paragraph of this instrument until a successor Agent shall have become such pursuant to the applicable provisions of this Agreement, and thereafter "Agent" shall mean such Person.

"Agreement" means this instrument as originally executed or as it may from time to time be supplemented or amended by one or more agreements supplemental hereto entered into pursuant to the applicable provisions hereof.

"Applicable Benchmark Treasury" on a particular determination date shall mean direct obligations of the United States (which may be obligations traded on a when-issued basis only) having a maturity comparable to the remaining term to maturity of the Debt Securities, which may be two years or between two and one half and two and one quarter years, as applicable, as agreed upon by the Company and the Reset Agent. The yield for the Applicable Benchmark Treasury will be the bid side yield displayed at 10:00 A.M., New York City time, on the third Business Day immediately preceding the applicable Reset Date in the Telerate system (or if the Telerate system is (a) no longer available on the third Business Day immediately preceding such Reset Date or (b) in the opinion of the Reset Agent (after consultation with the Company) no longer an appropriate system from which to obtain such yield, such other nationally recognized quotation system as, in the opinion of the Reset Agent (after consultation with the Company), is appropriate). If such yield is not so displayed, the yield for the Applicable Benchmark Treasury shall be, as calculated by the Reset Agent, the yield to maturity for the Applicable Benchmark Treasury, expressed as a bond equivalent on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis, and computed by taking the arithmetic mean of the secondary market bid rates, as of 10:30 A.M., New York City time, on the third Business Day immediately preceding the applicable Reset Date of three leading United States government securities dealers selected by the Reset Agent (after consultation with the Company) (which may include the Reset Agent or an affiliate thereof).

"Applicable Market Value" has the meaning specified in Section 5.1.

"Applicable Ownership Interest" means, with respect to the U.S. Treasury Securities in a Treasury Portfolio contained in a Share Purchase Unit,

(1) for a Remarketing Treasury Portfolio, (i) a 1/20, or 5%, undivided beneficial ownership interest in a \$1,000 face amount of a principal or interest strip in a U.S. Treasury Security included in the Treasury Portfolio that matures on or prior to [____], 200[_], (ii) for the originally scheduled quarterly interest payment date on the Senior Notes that would have occurred on [____], 200[_] if no remarketing had occurred, a [____]% undivided beneficial ownership interest in a \$1,000 face amount of a principal or interest strip in a U.S. Treasury Security maturing on or prior to [____], 200[_], and (iii) if the Initial Reset Date occurs prior to [____], 200[_], for the originally scheduled quarterly interest payment date on the Senior Notes that would have occurred on [____], 200[_] if no remarketing had occurred, an undivided beneficial ownership interest to be determined by the reset agent, in a \$1,000 face amount of a principal or interest strip in a U.S. Treasury Security maturing on or prior to [____], 200[_], or (2) for a Tax Event Treasury Portfolio, (i) a 1/20, or 5%, undivided beneficial ownership interest in a \$1,000 face amount of a principal or interest strip in a U.S.

Treasury Security included in the Treasury Portfolio that matures on or prior to [____], 200[], and (ii) for each scheduled interest payment date on the Senior Notes that occurs after the Tax Event Redemption Date and on or prior to [____], 200[], a [____]% undivided beneficial ownership interest in a \$1,000 face amount of a principal or interest strip in a U.S. Treasury Security maturing on or prior to that interest payment date.

"Applicable Principal Amount" means (i) on any date prior to the Reset Date, the aggregate principal amount of Debt Securities that are components of Share Purchase Units on such date or (ii) on or after the Reset Date, the aggregate principal amount of the Debt Securities outstanding on such date.

"Authorized Officer" means the Chairman of the Board, the President, any Vice President, the Treasurer, any Assistant Treasurer, or any other officer or agent of the Company duly authorized by the Board of Directors to act in respect of matters relating to this Agreement.

"Authorized Newspaper" means a newspaper in the English language of general circulation in the City of New York and generally published each Business Day. As of the date of this Agreement, the Company anticipates that for purposes of each Reset Announcement Date, the Authorized Newspaper will be the Wall Street Journal.

"Bankruptcy Code" means title 11 of the United States Code, or any other law of the United States that from time to time provides a uniform system of bankruptcy laws.

"Beneficial Owner" means, with respect to a Book-Entry Interest, a Person who is the beneficial owner of such Book-Entry Interest as reflected on the books of the Clearing Agency or on the books of a Person maintaining an account with such Clearing Agency (directly as a Clearing Agency Participant or as an indirect participant, in each case in accordance with the rules of such Clearing Agency).

"Board of Directors" means the board of directors of the Company or a duly authorized committee of that board.

"Board Resolution" means one or more resolutions of the Board of Directors, a copy of which has been certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification and delivered to the Agent.

"Book-Entry Interest" means a beneficial interest in a Global Certificate, ownership and transfers of which shall be maintained and made through book entries by a Clearing Agency as described in Section 3.6.

"Business Day" means any day other than a Saturday, Sunday or any other day on which banking institutions in New York City (in the State of New York) are permitted or required by any applicable law to close.

"Cash Settlement" has the meaning set forth in Section 5.4(a)(i).

"Certificate" means a Share Purchase Unit Certificate or a Treasury Unit Certificate.

"Clearing Agency" means an organization registered as a "Clearing Agency" pursuant to Section 17A of the Exchange Act that is acting as a depository for the Securities and in whose name, or in the name of a nominee of that organization, shall be registered as a Global Certificate and which shall undertake to effect book entry transfers and pledges of the Securities.

"Clearing Agency Participant" means a broker, dealer, bank, other financial institution or other Person for whom from time to time the Clearing Agency effects book entry transfers and pledges of securities deposited with the Clearing Agency.

"Closing Price" has the meaning specified in Section 5.1.

"Collateral" has the meaning specified in Section 2.1 of the Pledge Agreement.

"Collateral Agent" means [_____], as Collateral Agent under the Pledge Agreement until a successor Collateral Agent shall have become such pursuant to the applicable provisions of the Pledge Agreement, and thereafter "Collateral Agent" shall mean the Person who is then the Collateral Agent thereunder.

"Collateral Substitution" means the substitution of the pledged components of one type of Security for pledged components of the other type of Security in connection with establishment or reestablishment of Treasury Units or Share Purchase Units, as described in Sections 3.13 and 3.14 hereof.

"Common Stock" means the Common Stock, par value \$0.10, of the Company, including, where applicable, the preference stock purchase rights appurtenant thereto.

"Company" means the Person named as the "Company" in the first paragraph of this instrument until a successor shall have become such pursuant to the applicable provision of this Agreement, and thereafter "Company" shall mean such successor.

"Company Certificate" means a certificate signed by an Authorized Officer and delivered to the Agent.

"Contract Adjustment Payments" means the amounts payable by the Company in respect of each Share Purchase Contract issued in connection with the Share Purchase Units and the Treasury Units, which amounts shall be equal to [___]% per annum of the Stated Amount; computed on the basis of a 360-day year of twelve 30-day months, plus any Deferred Contract Adjustment Payments accrued pursuant to Section 5.2.

"Corporate Trust Office" means the corporate trust office of the Agent at which, at any particular time, its corporate trust business shall be principally administered, which office at the date hereof is located at 101 Barclay Street, Floor 8W, New York, New York 10286, Attn: Corporate Trust Administration.

"Coupon Rate" with respect to a Debt Security means the percentage rate per annum at which such Debt Security will bear interest.

"Current Market Price" has the meaning specified in Section 5.6(a)(8).

"Debt Securities" means the series of debt securities of the Company to be designated "Series [___] Senior Notes due [____], 200[___]" issued under the Indenture.

"Default" means a default by the Company in any of its obligations under this Agreement.

"Deferred Contract Adjustment Payments" has the meaning specified in Section 5.3.

"Depository" means, initially, DTC until another Clearing Agency becomes its successor.

"DTC" means The Depository Trust Company, the initial Clearing Agency.

"Early Settlement" has the meaning specified in Section 5.9(a).

"Early Settlement Amount" has the meaning specified in Section 5.9(a).

"Early Settlement Date" has the meaning specified in Section 5.9(a).

"Early Settlement Rate" has the meaning specified in Section 5.9(b).

"Exchange Act" means the Securities Exchange Act of 1934 and any statute successor thereto, in each case as amended from time to time, and the rules and regulations promulgated thereunder.

"Expiration Date" has the meaning specified in Section 1.4.

"Expiration Time" has the meaning specified in Section 5.6(a)(6).

"Failed Remarketing" means a remarketing that does not occur because a condition precedent to such remarketing is not fulfilled, or if in spite of using their reasonable efforts, the Remarketing Agents cannot remarket the Debt Securities of Holders of Share Purchase Units at a price not less than 100% of the Remarketing Treasury Portfolio Purchase Price, in the case of the remarketing of Debt Securities on the Initial Remarketing Date, or 100% of the aggregate principal amount of such Debt Securities, in the case of the remarketing of Debt Securities on the Secondary Remarketing Date, in each case, plus accrued and unpaid interest.

"Global Certificate" means a Certificate that evidences all or part of the Securities and is registered in the name of a Depository or a nominee thereof.

"Holder," when used with respect to a Security, means the Person in whose name the Security evidenced by a Share Purchase Unit Certificate and/or a Treasury Unit Certificate is registered on the Share Purchase Unit Register and/or the Treasury Unit Register, as the case may be.

"Indenture" means the Indenture (For Unsecured Debt Securities Series) dated as of November 15, 2001 between the Company and the Indenture Trustee pursuant to which the Debt Securities are to be issued, as originally executed and delivered and as it may from time to time be supplemented or amended by one or more indentures supplemental thereto entered into

pursuant to the applicable provisions thereof and shall include the terms of a particular series of securities established as contemplated by Section 301 thereof.

"Indenture Trustee" means Bank One Trust Company, N.A., as trustee under the Indenture, or any successor thereto.

"Initial Remarketing Date" means the third Business Day immediately preceding the Initial Reset Date.

"Initial Reset Date" means any Business Day, as selected by the Company in its sole discretion, from [____], 200[_] to [____], 200[_].

"Issuer Order" or "Issuer Request" means a written order or request signed in the name of the Company by an Authorized Officer and delivered to the Agent.

"NYSE" has the meaning specified in Section 5.1.

"Officer's Certificate" means a certificate signed by an authorized signatory of the Company establishing the terms of the debt securities of any series pursuant to the Indenture.

"Opinion of Counsel" means an opinion in writing signed by legal counsel, who may be an employee of or counsel to the Company or an Affiliate.

"Outstanding," with respect to any Share Purchase Units or Treasury Units means, as of the date of determination, all Share Purchase Units or Treasury Units evidenced by Certificates theretofore authenticated, executed and delivered under this Agreement, except:

(i) If a Termination Event has occurred, (A) Treasury Units for which Treasury Securities have been deposited with the Agent in trust for the Holders of such Treasury Units and (B) Share Purchase Units for which Debt Securities or the appropriate Applicable Ownership Interest in a Treasury Portfolio (or as contemplated in Section 3.15 hereto with respect to a Holder's interest in the Treasury Portfolio, cash) has been theretofore deposited with the Agent in trust for the Holders of such Share Purchase Units;

(ii) Share Purchase Units and Treasury Units evidenced by Certificates theretofore cancelled by the Agent or delivered to the Agent for cancellation or deemed cancelled pursuant to the provisions of this Agreement; and

(iii) Share Purchase Units and Treasury Units evidenced by Certificates in exchange for or in lieu of which other Certificates have been authenticated, executed on behalf of the Holder and delivered pursuant to this Agreement, other than any such Certificate in respect of which there shall have been presented to the Agent proof satisfactory to it that such Certificate is held by a bona fide purchaser in whose hands the Share Purchase Units or Treasury Units evidenced by such Certificate are valid obligations of the Company;

provided, however, that in determining whether the Holders of the requisite number of the Share Purchase Units or Treasury Units have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Share Purchase Units or Treasury Units owned by the Company or any Affiliate of the Company shall be disregarded and deemed not to be outstanding, except that, in determining whether the Agent shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Share Purchase Units or Treasury Units which a Responsible Officer of the Agent actually knows to be so owned shall be so disregarded. Share Purchase Units or Treasury Units so owned which have been pledged in good faith may be regarded as Outstanding Securities if the pledgee establishes to the satisfaction of the Agent the pledgee's right so to act with respect to such Share Purchase Units or Treasury Units and that the pledgee is not the Company or any Affiliate of the Company.

"Payment Date" means each of (i) [____],[____],[____] and [____], commencing [____], 200[], and (ii) the Initial Reset Date if the remarketing of the Senior Notes on the third business day immediately preceding the Initial Reset Date is successful and the Initial Reset Date is not [____], 200[] or [____], 200[].

"Permitted Investments" has the meaning set forth in Article I of the Pledge Agreement.

"Person" means a legal person, including any individual, corporation, estate, partnership, joint venture, association, joint-stock company, limited liability company, trust, unincorporated association or government or any agency or political subdivision thereof or any other entity of whatever nature.

"Pledge" means the pledge under the Pledge Agreement of the Debt Securities, the Treasury Securities or the appropriate Applicable Ownership Interest in a Treasury Portfolio, in each case constituting a part of the Securities.

"Pledge Agreement" means the Pledge Agreement, dated as of the date hereof, by and among the Company, the Agent, as Share Purchase Contract agent and as attorney-in-fact for the Holders from time to time of Securities, and the Collateral Agent, as the collateral agent, the custodial agent and the securities intermediary.

"Pledged Applicable Ownership Interest in a Treasury Portfolio" has the meaning specified in Section 2.1 of the Pledge Agreement.

"Pledged Debt Securities" has the meaning specified in Section 2.1 of the Pledge Agreement.

"Pledged Treasury Securities" has the meaning specified in Section 2.1 of the Pledge Agreement.

"Predecessor Certificate" means a Predecessor Share Purchase Unit Certificate or a Predecessor Treasury Unit Certificate.

"Predecessor Share Purchase Unit Certificate" of any particular Share Purchase Unit Certificate means every previous Share Purchase Unit Certificate evidencing all or a portion of the rights and obligations of the Company and the Holder under the Share Purchase Units

evidenced thereby; and, for the purposes of this definition, any Share Purchase Unit Certificate authenticated and delivered under Section 3.10 in exchange for or in lieu of a mutilated, destroyed, lost or stolen Share Purchase Unit Certificate shall be deemed to evidence the same rights and obligations of the Company and the Holder as the mutilated, destroyed, lost or stolen Share Purchase Unit Certificate.

"Predecessor Treasury Unit Certificate" of any particular Treasury Unit Certificate means every previous Treasury Unit Certificate evidencing all or a portion of the rights and obligations of the Company and the Holder under the Treasury Units evidenced thereby; and, for the purposes of this definition, any Treasury Unit Certificate authenticated and delivered under Section 3.10 in exchange for or in lieu of a mutilated, destroyed, lost or stolen Treasury Unit Certificate shall be deemed to evidence the same rights and obligations of the Company and the Holder as the mutilated, destroyed, lost or stolen Treasury Unit Certificate.

"Primary Treasury Dealer" means a primary U.S. government securities dealer in New York City.

"Proceeds" has the meaning set forth in Article I of the Pledge Agreement.

"Purchase Price" has the meaning specified in Section 5.1.

"Purchased Shares" has the meaning specified in Section 5.6(a)(6).

"Quotation Agent" means (i) [_____] or its successor, provided, however, that, if the foregoing shall cease to be a Primary Treasury Dealer, the Company shall substitute therefor another Primary Treasury Dealer, and (ii) any other Primary Treasury Dealer selected by the Company.

"Record Date" for the payment of interest, distribution and Contract Adjustment Payments payable on any Payment Date means, as to any Global Certificate, the Business Day next preceding such Payment Date, and as to any other Certificate, a day selected by the Company which shall be at least one Business Day but not more than 60 Business Days prior to such Payment Date (and which shall correspond to the related record date for the Debt Securities).

"Redemption Amount" means for each Debt Security, the product of (i) the principal amount of such Debt Security and (ii) a fraction whose numerator is the applicable Treasury Portfolio Purchase Price and whose denominator is the Applicable Principal Amount.

"Redemption Price" means an amount per Debt Security equal to the Redemption Amount plus accrued and unpaid interest, if any, to the date of redemption.

"Register" means the Share Purchase Unit Register and the Treasury Unit Register.

"Registrar" means the Share Purchase Unit Registrar and the Treasury Unit Registrar.

"Remarketing Agents" has the meaning specified in Section 5.4.

"Remarketing Agreement" means a Remarketing Agreement contemplated by Section 5.4 by and between the Company, the Remarketing Agents and the Share Purchase Contract Agent, including any supplements thereto.

"Remarketing Fee" means an amount not exceeding [__] basis points ([__]%) of (i) the applicable Treasury Portfolio Purchase Price, in the case of any successful remarketing of Debt Securities on the Initial Remarketing Date, or (ii) the aggregate principal amount of the remarketed Debt Securities, in the case of any successful remarketing of Debt Securities on the Secondary Remarketing Date.

"Remarketing Treasury Portfolio" means (a) interest or principal strips of U.S. Treasury Securities that mature on or prior to [____], 200[_] in an aggregate amount equal to the principal amount of the Debt Securities included in Share Purchase Units; (b) with respect to the originally scheduled quarterly interest payment date on the Debt Securities that would have occurred on [____], 200[_], interest or principal strips of U.S. Treasury Securities that mature on or prior to [____], 200[_] in an aggregate amount equal to the aggregate interest payment that would be due on [____], 200[_] on the principal amount of the Debt Securities that would have been included in Share Purchase Units assuming no remarketing and assuming that the interest rate on the Debt Securities was not reset; and (c) if the Initial Reset Date occurs prior to [____], 200[_], with respect to the originally scheduled quarterly interest payment date on the Debt Securities that would have occurred on [____], 200[_], interest or principal strips of U.S. Treasury Securities that mature on or prior to [____], 200[_] in an aggregate amount equal to the aggregate interest payment that would be due on [____], 200[_] on the principal amount of the Debt Securities that would have been included in the Share Purchase Units assuming no remarketing and assuming no reset of the interest rate on the Debt Securities and assuming that interest on the Debt Securities accrued from the Initial Reset Date to, but excluding, [____], 200[_].

"Remarketing Treasury Portfolio Purchase Price" means the lowest aggregate price quoted by a Primary Treasury Dealer to the Quotation Agent on the third Business Day immediately preceding the Initial Reset Date for the purchase of the Remarketing Treasury Portfolio for settlement on the Initial Reset Date.

"Reorganization Event" has the meaning specified in Section 5.6(b).

"Reset Agent" means [____], or such other Reset Agent as the Company shall select from time to time.

"Reset Announcement Date" means the seventh Business Day immediately preceding the Reset Date, the date on which the Reset Spread, and the Applicable Benchmark Treasury will be announced by the Company.

"Reset Date" means the Initial Reset Date, or if the remarketing of the Debt Securities on the Initial Remarketing Date results in a Failed Remarketing, [____], 200[_].

"Reset Rate" means the Coupon Rate to be in effect for the Debt Securities on and after the Reset Date and determined as provided in Section 4.1.

"Reset Spread" means an amount determined by the Reset Agent which, when added to the Applicable Benchmark Treasury in effect on the third Business Day immediately preceding the Reset Date, will produce the rate the Debt Securities should bear in order to have an approximate market value on the third Business Day immediately preceding the Reset Date of [_____] % of (a) the Remarketing Treasury Portfolio Purchase Price, if the Reset Date is the Initial Reset Date or (b) their aggregate principal amount if the Reset Date is [____], 200[____]; provided that (i) the Company may limit the Reset Rate to be no higher than the rate on the Applicable Benchmark Treasury on such Business Day plus [____] basis points ([____] %); (ii) such market value may be less than [____] % if the Company exercises such right to limit the Reset Rate; and (iii) the Reset Rate shall in no event exceed the maximum permitted by applicable law.

"Responsible Officer," when used with respect to the Agent, means any Vice President, Assistant Vice President, Trust Officers or other officer of the Agent assigned by the Agent to the Corporate Trust Administration Division of the Agent (or any successor division or department of the Agent) and who shall have responsibility for the administration of this Agreement.

"Secondary Remarketing Date" means the third Business Day immediately preceding [____], 200[____].

"Security" means a Share Purchase Unit or a Treasury Unit.

"Senior Indebtedness" means indebtedness of any kind of the Company (including the Debt Securities) unless the instrument under which such indebtedness is incurred expressly provides that it is in parity or subordinate in right of payment to the Contract Adjustment Payments.

"Settlement Rate" has the meaning specified in Section 5.1.

"Share Purchase Contract," when used with respect to any Security, means the contract forming a part of such Security and obligating the Company (A) to sell to the Holder of such Security and the Holder of such Security to purchase not later than the Share Purchase Contract Settlement Date, for \$[50] in cash, a number of newly issued shares of Common Stock equal to the applicable Settlement Rate, and (B) to pay the Holder Contract Adjustment Payments on the terms and subject to the conditions set forth in Article Five hereof.

"Share Purchase Contract Settlement Date" means [____], 200[____].

"Share Purchase Contract Settlement Fund" has the meaning specified in Section 5.5.

"Share Purchase Unit" means a Security, initially issued in substantially the form set forth as Exhibit A hereto in the Stated Amount of \$[50], which represents (i) beneficial ownership by the Holder of either (a) (1) one Debt Security in a principal amount of \$[50], or (2) following a successful remarketing of the Debt Securities on the Initial Remarketing Date, on and after the Initial Reset Date an Applicable Ownership Interest in the Remarketing Treasury Portfolio, subject to the Pledge of such Debt Security or Applicable Ownership Interest in the Remarketing Treasury Portfolio by the Holder pursuant to the Pledge Agreement or (b) upon the occurrence of a Tax Event Redemption prior to the Share Purchase Contract Settlement Date, an

Applicable Ownership Interest in a Tax Event Treasury Portfolio, subject to the Pledge of such Applicable Ownership Interest in the Tax Event Treasury Portfolio by the Holder pursuant to the Pledge Agreement, and (ii) the rights and obligations of the Holder under one Share Purchase Contract.

"Share Purchase Unit Certificate" means a certificate evidencing the rights and obligations of a Holder in respect of the number of Share Purchase Units specified on such certificate.

"Share Purchase Unit Register" and "Share Purchase Unit Registrar" have the respective meanings specified in Section 3.5.

"Stated Amount" means \$[50], which is equal to the stated amount of a Share Purchase Unit and the face amount of a Treasury Unit.

"Tax Event" means the receipt by the Company of an opinion of a nationally recognized independent tax counsel experienced in such matters to the effect that, as a result of (a) any amendment to, change in, or announced proposed change in, the laws (or any regulations thereunder) of the United States or any political subdivision or taxing authority thereof or therein affecting taxation, (b) any amendment to or change in an interpretation or application of any such laws or regulations by any legislative body, court, governmental agency or regulatory authority or (c) any interpretation or pronouncement by any such legislative body, court, governmental agency or regulatory authority that provides for a position with respect to any such laws or regulations that differs from the generally accepted position on [____], 200[], which amendment, change or proposed change is effective or which interpretation or pronouncement is announced on or after [____], 200[], there is more than an insubstantial risk that interest payable by the Company on the Debt Securities would not be deductible, in whole or in part, by the Company for United States federal income tax purposes.

"Tax Event Redemption" means, if a Tax Event shall occur and be continuing, the redemption of Debt Securities, in whole but not in part, at the option of the Company on not less than 30 days nor more than 60 days notice.

"Tax Event Redemption Date" means the date on which a Tax Event Redemption is to occur.

"Tax Event Treasury Portfolio" means (a) if the Tax Event Redemption occurs prior to the Initial Reset Date, or if the Senior Notes are not successfully remarketed on the third business day immediately preceding the Initial Reset Date, prior to [____], 200[] (i) interest or principal strips of U.S. Treasury Securities that mature on or prior to [____], 200[] in an aggregate amount equal to the principal amount of Senior Notes included in the Share Purchase Units, and (ii) with respect to each scheduled interest payment date on the Senior Notes that occurs after the Tax Event Redemption and on or before [____], 200[], interest or principal strips of U.S. Treasury Securities which mature on or prior to that interest payment date in an aggregate amount equal to the aggregate interest payment that would be due on the aggregate principal amount of the Senior Notes on that date if the interest rate of the Senior Notes was not reset on any applicable Reset Date; or (b) if the Tax Event Redemption occurs on or after the Initial Reset

Date, or if the Senior Notes are not successfully remarketed on the third business day immediately preceding the Initial Reset Date, on or after [____], 200[_] (i) interest or principal strips of U.S. Treasury Securities that mature on or prior to [____], 200[_] in an aggregate amount equal to the principal amount of Senior Notes outstanding, and (ii) with respect to each scheduled interest payment date on the Senior Notes that occurs after the Tax Event Redemption and on or before [____], 200[_], interest or principal strips of U.S. Treasury Securities which mature on or prior to that interest payment date in an aggregate amount equal to the aggregate interest payment that would be due on the aggregate principal amount of the Senior Notes outstanding on that date.

"Tax Event Treasury Portfolio Purchase Price" means the lowest aggregate price quoted by the Primary Treasury Dealer to the Quotation Agent on the third Business Day immediately preceding the Tax Event Redemption Date for the purchase of the Tax Event Treasury Portfolio for settlement on the Tax Event Redemption Date.

"Termination Date" means the date, if any, on which a Termination Event occurs.

"Termination Event" means the occurrence of any of the following events:

(i) at any time on or prior to the Share Purchase Contract Settlement Date, a judgment, decree or court order shall have been entered granting relief under the Bankruptcy Code, adjudicating the Company to be insolvent, or approving as properly filed a petition seeking reorganization or liquidation of the Company or any other similar applicable Federal or State law, and, unless such judgment, decree or order shall have been entered within 60 days prior to the Share Purchase Contract Settlement Date, such decree or order shall have continued undischarged and unstayed for a period of 60 days; or (ii) at any time on or prior to the Share Purchase Contract Settlement Date, a judgment, decree or court order for the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of the Company or of its property, or for the winding up or liquidation of its affairs, shall have been entered, and, unless such judgment, decree or order shall have been entered within 60 days prior to the Share Purchase Contract Settlement Date, such judgment, decree or order shall have continued undischarged and unstayed for a period of 60 days; or (iii) at any time on or prior to the Share Purchase Contract Settlement Date the Company shall file a petition for relief under the Bankruptcy Code, or shall consent to the filing of a bankruptcy proceeding against it, or shall file a petition or answer or consent seeking reorganization or liquidation under the Bankruptcy Code or any other similar applicable Federal or State law, or shall consent to the filing of any such petition, or shall consent to the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of it or of its property, or shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due.

"Threshold Appreciation Price" has the meaning specified in Section 5.1.

"TIA" means, as of any time, the Trust Indenture Act of 1939, as amended, or any successor statute, as in effect at such time.

"Trading Day" has the meaning specified in Section 5.1.

"Treasury Portfolio" means, as applicable, the Remarketing Treasury Portfolio or a Tax Event Treasury Portfolio.

"Treasury Portfolio Purchase Price" means, as applicable, the Remarketing Treasury Portfolio Purchase Price or the Tax Event Treasury Portfolio Purchase Price.

"Treasury Security" means a zero-coupon U.S. Treasury security having a principal amount at maturity equal to \$1,000 and maturing on [____], 200[] (CUSIP No. []).

"Treasury Units" means a Security, initially issued in substantially the form set forth as Exhibit B hereto in a Stated Amount of \$[50], which represents (i) a 1/20 undivided beneficial ownership in a Treasury Security having a principal amount at maturity equal to \$1,000, and (ii) the rights and obligations of the Company and the Holder under one Share Purchase Contract.

"Treasury Unit Certificate" means a certificate evidencing the rights and obligations of a Holder in respect of the number of Treasury Units specified on such certificate.

"Treasury Unit Register" and "Treasury Unit Registrar" have the respective meanings specified in Section 3.5.

"Underwriting Agreement" means the Underwriting Agreement dated [____], 200[] relating to the Share Purchase Units between the Company and [____], as representative[s] of the underwriters named therein.

"Vice President" means any vice president, whether or not designated by a number or a word or words added before or after the title "vice president."

Section 1.2 Compliance Certificates and Opinions. Except as otherwise expressly provided by this Agreement, upon any application or request by the Company to the Agent to take any action under any provision of this Agreement, the Company shall furnish to the Agent a Company Certificate stating that in the opinion of the Authorized Officer signing such Company Certificate all conditions precedent, if any, provided for in this Agreement relating to the proposed action have been complied with and an Opinion of Counsel stating that, in the opinion of such counsel, all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Agreement relating to such particular application or request, no additional certificate or opinion need be furnished.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Agreement shall include:

- (a) a statement that each individual signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;
- (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(c) a statement that, in the opinion of each such individual, he or she has made such examination or investigation as is necessary to enable such individual to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(d) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

Section 1.3 Form of Documents Delivered to Agent. In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the Company may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company stating that the information with respect to such factual matters is in the possession of the Company unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Agreement, they may, but need not, be consolidated and form one instrument.

Section 1.4 Acts of Holders; Record Dates. (a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Agreement to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Agent and, where it is hereby expressly required, to the Company. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Agreement and (subject to Section 7.1) conclusive in favor of the Agent and the Company, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved in any manner which the Agent deems sufficient.

(c) The ownership of Securities shall be proved by the Share Purchase Unit Register or the Treasury Unit Register, as the case may be.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Certificate shall bind every future Holder of the same Certificate and the Holder of every Certificate issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Agent or the Company in reliance thereon, whether or not notation of such action is made upon such Certificate.

(e) The Company may set any day as a record date for the purpose of determining the Holders of Outstanding Securities entitled to give, make or take any request, demand, authorization, direction, notice, consent, waiver or other action provided or permitted by this Agreement to be given, made or taken by Holders of Securities. If any record date is set pursuant to this paragraph, the Holders of the Outstanding Share Purchase Units and the Outstanding Treasury Units, as the case may be, on such record date, and no other Holders, shall be entitled to take the relevant action with respect to the Share Purchase Units or the Treasury Units, as the case may be, whether or not such Holders remain Holders after such record date; provided that no such action shall be effective hereunder unless taken on or prior to the applicable Expiration Date by Holders of the requisite number of Outstanding Securities on such record date. Nothing in this paragraph shall be construed to prevent the Company from setting a new record date for any action for which a record date has previously been set pursuant to this paragraph (whereupon the record date previously set shall automatically and with no action by any Person be cancelled and of no effect), and nothing in this paragraph shall be construed to render ineffective any action taken by Holders of the requisite number of Outstanding Securities on the date such action is taken. Promptly after any record date is set pursuant to this paragraph, the Company, at its own expense, shall cause notice of such record date, the proposed action by Holders and the applicable Expiration Date to be given to the Agent in writing and to each Holder of Securities in the manner set forth in Section 1.6.

With respect to any record date set pursuant to this Section, the Company may designate any date as the "Expiration Date" and from time to time may change the Expiration Date to any earlier or later day; provided that no such change shall be effective unless notice of the proposed new Expiration Date is given to the Agent in writing, and to each Holder of Securities in the manner set forth in Section 1.6, on or prior to the existing Expiration Date. If an Expiration Date is not designated with respect to any record date set pursuant to this Section, the Company shall be deemed to have initially designated the 180th day after such record date as the Expiration Date with respect thereto, subject to its right to change the Expiration Date as provided in this paragraph. Notwithstanding the foregoing, no Expiration Date shall be later than the 180th day after the applicable record date.

Section 1.5 Notices. Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders or other document provided or permitted by this Agreement to be made upon, given or furnished to, or filed with,

(a) the Agent by any Holder or by the Company shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if made, given, furnished or filed in writing (which may be via facsimile to 212.____.____) and personally delivered or mailed, first-class postage prepaid, to the Agent at The Bank of New York, 101 Barclay Street, New

York, New York 10286, Attention: Vice President, Corporate Trust Administration, or at any other address previously furnished in writing by the Agent to the Holders and the Company;

(b) the Company by the Agent or by any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if made, given, furnished or filed in writing and personally delivered or mailed, first-class postage prepaid, to the Company at FirstEnergy Corp., 76 South Main Street, Akron, Ohio 44308-1890, Attention: Treasurer, or at any other address previously furnished in writing to the Agent by the Company;

(c) the Collateral Agent by the Agent, the Company or any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if made, given, furnished or filed in writing and personally delivered or mailed, first-class postage prepaid, addressed to the Collateral Agent at [_____], Attention: [_____], or at any other address previously furnished in writing by the Collateral Agent to the Agent, the Company and the Holders; or

(d) the Indenture Trustee by the Company shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if made, given, furnished or filed in writing and personally delivered or mailed, first-class postage prepaid, addressed to the Indenture Trustee at Bank One Trust Company, N.A., 100 East Broad Street, 8th Floor Columbus, Ohio 43215, Attention: Corporate Trust Administration, or at any other address previously furnished in writing by the Indenture Trustee to the Company.

Section 1.6 Notice to Holders; Waiver. Where this Agreement provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Holder affected by such event, at its address as it appears in the applicable Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice. In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed to any particular Holder shall affect the sufficiency of such notice with respect to other Holders. Where this Agreement provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Agent, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification as shall be made with the approval of the Agent shall constitute a sufficient notification for every purpose hereunder.

Section 1.7 Effect of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 1.8 Successors and Assigns. All covenants and agreements in this Agreement by the Company shall bind its successors and assigns, whether so expressed or not.

Section 1.9 Separability Clause. In case any provision in this Agreement or in the Securities shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof and thereof shall not in any way be affected or impaired thereby.

Section 1.10 Benefits of Agreement. Nothing in this Agreement or in the Securities, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder and, to the extent provided hereby, the Holders, any benefits or any legal or equitable right, remedy or claim under this Agreement. The Holders from time to time shall be beneficiaries of this Agreement and shall be bound by all of the terms and conditions hereof and of the Securities evidenced by their Certificates by their acceptance of delivery of such Certificates.

Section 1.11 Governing Law. THIS AGREEMENT AND THE SECURITIES SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THEREOF.

Section 1.12 Legal Holidays. In any case where any Payment Date shall not be a Business Day, then (notwithstanding any other provision of this Agreement or the Share Purchase Unit Certificates or the Treasury Unit Certificates) payment of the Contract Adjustment Payments, if any, shall not be made on such date, but such payments shall be made on the next succeeding Business Day with the same force and effect as if made on such Payment Date, and no interest shall accrue or be payable by the Company or any Holder for the period from and after any such Payment Date, except that, if such next succeeding Business Day is in the next succeeding calendar year, such payment shall be made on the immediately preceding Business Day with the same force and effect as if made on such Payment Date.

In any case where the Share Purchase Contract Settlement Date shall not be a Business Day, then (notwithstanding any other provision of this Agreement, the Share Purchase Unit Certificates or the Treasury Unit Certificates), the Share Purchase Contracts shall not be performed on such date, but the Share Purchase Contracts shall be performed on the immediately following Business Day with the same force and effect as if performed on the Share Purchase Contract Settlement Date.

Section 1.13 Counterparts. This Agreement may be executed in any number of counterparts by the parties hereto on separate counterparts, each of which, when so executed and delivered, shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

Section 1.14 Inspection of Agreement. A copy of this Agreement shall be available upon reasonable prior written notice at all reasonable times during normal business hours at the Corporate Trust Office for inspection by any Holder.

ARTICLE II

CERTIFICATE FORMS

Section 2.1 Forms of Certificates Generally. The Share Purchase Unit Certificates (including the form of Share Purchase Contract forming part of the Share Purchase Units evidenced thereby) shall be in substantially the form set forth in Exhibit A hereto, with such letters, numbers or other marks of identification or designation and such legends or endorsements printed, lithographed or engraved thereon as may be required by the rules of any securities exchange on which the Share Purchase Units are listed or any depository therefor, or as may, consistently herewith, be determined by the officers of the Company executing such Share Purchase Unit Certificates, as evidenced by their execution of the Share Purchase Unit Certificates.

The definitive Share Purchase Unit Certificates shall be printed, lithographed or engraved on steel engraved borders or may be produced in any other manner, all as determined by the officers of the Company executing the Share Purchase Units evidenced by such Share Purchase Unit Certificates, consistent with the provisions of this Agreement, as evidenced by their execution thereof.

The Treasury Unit Certificates (including the form of Share Purchase Contracts forming part of the Treasury Units evidenced thereby) shall be in substantially the form set forth in Exhibit B hereto, with such letters, numbers or other marks of identification or designation and such legends or endorsements printed, lithographed or engraved thereon as may be required by the rules of any securities exchange on which the Treasury Units may be listed or any depository therefor, or as may, consistently herewith, be determined by the officers of the Company executing such Treasury Unit Certificates, as evidenced by their execution of the Treasury Unit Certificates.

The definitive Treasury Unit Certificates shall be printed, lithographed or engraved on steel engraved borders or may be produced in any other manner, all as determined by the officers of the Company executing the Treasury Units evidenced by such Treasury Unit Certificates, consistent with the provisions of this Agreement, as evidenced by their execution thereof.

Every Global Certificate authenticated, executed on behalf of the Holders and delivered hereunder shall bear a legend in substantially the following form:

THIS CERTIFICATE IS A GLOBAL CERTIFICATE WITHIN THE MEANING OF THE SHARE PURCHASE CONTRACT AGREEMENT (AS HEREINAFTER DEFINED) AND IS REGISTERED IN THE NAME OF THE CLEARING AGENCY OR A NOMINEE THEREOF. THIS CERTIFICATE MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A CERTIFICATE REGISTERED, AND NO TRANSFER OF THIS CERTIFICATE IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH CLEARING AGENCY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE SHARE PURCHASE CONTRACT AGREEMENT.

Unless this Certificate is presented by an authorized representative of The Depository Trust Company (55 Water Street, New York, New York) to the Company or its agent for registration of transfer, exchange or payment, and any Certificate issued is registered in the name of Cede & Co., or such other name as requested by an authorized representative of The Depository Trust Company, and any payment hereon is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY A PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

Section 2.2 Form of Agent's Certificate of Authentication. The form of the Agent's certificate of authentication of the Share Purchase Units shall be in substantially the form set forth on the form of the Share Purchase Unit Certificates set forth as Exhibit A hereto.

The form of the Agent's certificate of authentication of the Treasury Units shall be in substantially the form set forth on the form of the Treasury Unit Certificates set forth as Exhibit B hereto.

ARTICLE III

THE SECURITIES

Section 3.1 Title and Terms; Denominations. The aggregate number of Share Purchase Units and Treasury Units evidenced by Certificates authenticated, executed on behalf of the Holders and delivered hereunder is limited to [] units (or [] if the over-allotment option provided for in the Underwriting Agreement is exercised in full) except for Certificates authenticated, executed and delivered upon registration of transfer of, in exchange for, or in lieu of, other Certificates pursuant to Section 3.4, 3.5, 3.10, 3.12, 3.13, 5.9 or 8.5.

The Certificates shall be issuable only in registered form and only in denominations of a single Share Purchase Unit or Treasury Unit and any integral multiple thereof.

Section 3.2 Rights and Obligations Evidenced by the Certificates. Each Share Purchase Unit Certificate shall evidence the number of Share Purchase Units specified therein, with each such Share Purchase Unit representing the ownership by the Holder thereof of a beneficial interest in a Debt Security or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, subject to the Pledge of such Debt Security or Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, by such Holder pursuant to the Pledge Agreement, and the rights and obligations of the Holder thereof and the Company under one Share Purchase Contract. The Agent as attorney-in-fact for, and on behalf of, the Holder of each Share Purchase Unit shall pledge, pursuant to the Pledge Agreement, each Debt Security or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, forming a part of such Share Purchase Unit, to the Collateral Agent and grant to the Collateral Agent a security interest in the right, title, and interest of such Holder in such Debt Security or Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, for the benefit of the Company, to secure the obligation of the Holder under one Share Purchase Contract to purchase the Common Stock of the Company. Prior to the purchase of shares of Common Stock under each Share Purchase Contract, such Share Purchase Contract shall not entitle the holder of a Share Purchase Unit Certificate to any of the rights of a holder of

shares of Common Stock, including, without limitation, the right to vote or receive any dividends or other payments or to consent or to receive notice as a shareholder in respect of the meetings of shareholders or for the election of directors of the Company or for any other matter, or any other rights whatsoever as a shareholder of the Company.

Upon the formation of Treasury Units pursuant to Section 3.13, each Treasury Unit Certificate shall evidence the number of Treasury Units specified therein, with each such Treasury Unit representing the ownership by the Holder thereof of a 1/20, or 5%, undivided beneficial interest in a Treasury Security with a principal amount equal to \$[___], subject to the Pledge of such Treasury Security by such Holder pursuant to the Pledge Agreement, and the rights and obligations of the Holder thereof and the Company under one Share Purchase Contract. The Agent as attorney-in-fact for, and on behalf of, the Holder of each Treasury Unit shall pledge, pursuant to the Pledge Agreement, each Treasury Security forming a part of such Treasury Unit, to the Collateral Agent and grant to the Collateral Agent a security interest in the right, title, and interest of such Holder in such Treasury Security for the benefit of the Company, to secure the obligation of the Holder under one Share Purchase Contract to purchase the Common Stock of the Company.

Section 3.3 Execution, Authentication, Delivery and Dating. Subject to the provisions of Sections 3.13 and 3.14 hereof, upon the execution and delivery of this Agreement, and at any time and from time to time thereafter, the Company may deliver Certificates executed by the Company to the Agent for authentication, execution on behalf of the Holders and delivery, together with its Issuer Order for authentication of such Certificates, and the Agent in accordance with such Issuer Order shall authenticate, execute on behalf of the Holders and deliver such Certificates.

The Certificates shall be executed on behalf of the Company by its Chairman of the Board, its President, one of its Vice Presidents, its Treasurer, one of its Assistant Treasurers, its Secretary or one of its Assistant Secretaries. The signature of any of these officers on the Certificates may be manual or facsimile.

Certificates bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Certificates or did not hold such offices at the date of such Certificates.

No Share Purchase Contract evidenced by a Certificate shall be valid until such Certificate has been executed on behalf of the Holder by the manual signature of an authorized signatory of the Agent, as such Holder's attorney-in-fact. Such signature by an authorized signatory of the Agent shall be conclusive evidence that the Holder of such Certificate has entered into the Share Purchase Contracts evidenced by such Certificate.

Each Certificate shall be dated the date of its authentication.

No Certificate shall be entitled to any benefit under this Agreement or be valid or obligatory for any purpose unless there appears on such Certificate a certificate of authentication substantially in the form provided for herein executed by an authorized signatory of the Agent by

manual signature, and such certificate upon any Certificate shall be conclusive evidence, and the only evidence, that such Certificate has been duly authenticated and delivered hereunder.

Section 3.4 Temporary Certificates. Pending the preparation of definitive Certificates, the Company shall execute and deliver to the Agent, and the Agent shall authenticate, execute on behalf of the Holders, and deliver, in lieu of such definitive Certificates, temporary Certificates which are in substantially the forms set forth in Exhibit A or Exhibit B hereto, as the case may be, with such letters, numbers or other marks of identification or designation and such legends or endorsements printed, lithographed or engraved thereon as may be required by the rules of any securities exchange on which the Share Purchase Units or Treasury Units are or may be listed, or as may, consistently herewith, be determined by the officers of the Company executing such Certificates, as evidenced by their execution of the Certificates.

If temporary Certificates are issued, the Company will cause definitive Certificates to be prepared without unreasonable delay. After the preparation of definitive Certificates, the temporary Certificates shall be exchangeable for definitive Certificates upon surrender of the temporary Certificates at the Corporate Trust Office, at the expense of the Company and without charge to the Holder. Upon surrender for cancellation of any one or more temporary Certificates, the Company shall execute and deliver to the Agent, and the Agent shall authenticate, execute on behalf of the Holder, and deliver in exchange therefor, one or more definitive Certificates of like tenor and denominations and evidencing a like number of Share Purchase Units or Treasury Units, as the case may be, as the temporary Certificate or Certificates so surrendered. Until so exchanged, the temporary Certificates shall in all respects evidence the same benefits and the same obligations with respect to the Share Purchase Units or Treasury Units, as the case may be, evidenced thereby as definitive Certificates.

Section 3.5 Registration; Registration of Transfer and Exchange. The Agent shall keep at the Corporate Trust Office a register (the "Share Purchase Unit Register") in which, subject to such reasonable regulations as it may prescribe, the Agent shall provide for the registration of Share Purchase Unit Certificates and of transfers of Share Purchase Unit Certificates (the Agent, in such capacity, the "Share Purchase Unit Registrar") and a register (the "Treasury Unit Register") in which, subject to such reasonable regulations as it may prescribe, the Agent shall provide for the registration of the Treasury Unit Certificates and of transfers of Treasury Unit Certificates (the Agent, in such capacity, the "Treasury Unit Registrar").

Upon surrender for registration of transfer of any Certificate at the Corporate Trust Office, the Company shall execute and deliver to the Agent, and the Agent shall authenticate, execute on behalf of the designated transferee or transferees, and deliver, in the name of the designated transferee or transferees, one or more new Certificates of any authorized denominations, like tenor, and evidencing a like number of Share Purchase Units or Treasury Units as the case may be.

At the option of the Holder, Certificates may be exchanged for other Certificates, of any authorized denominations and evidencing a like number of Share Purchase Units or Treasury Units, as the case may be, upon surrender of the Certificates to be exchanged at the Corporate Trust Office. Whenever any Certificates are so surrendered for exchange, the Company shall

execute and deliver to the Agent, and the Agent shall authenticate, execute on behalf of the Holder, and deliver the Certificates which the Holder making the exchange is entitled to receive.

All Certificates issued upon any registration of transfer or exchange of a Certificate shall evidence the ownership of the same number of Share Purchase Units or Treasury Units, as the case may be, and be entitled to the same benefits and subject to the same obligations, under this Agreement as the Share Purchase Units or Treasury Units, as the case may be, evidenced by the Certificate surrendered upon such registration of transfer or exchange.

Every Certificate presented or surrendered for registration of transfer or for exchange shall (if so required by the Company or the Agent) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company and the Agent, duly executed by the Holder thereof or its attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange of a Certificate, but the Company and the Agent may require payment from the Holder of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Certificates, other than any exchanges pursuant to Sections 3.6 and 8.5 not involving any transfer.

Notwithstanding the foregoing, the Company will not be obligated to execute and deliver to the Agent, and the Agent will not be obligated to authenticate, execute on behalf of the Holder and deliver any Certificate presented or surrendered for registration of transfer or for exchange on or after the Business Day immediately preceding the Share Purchase Contract Settlement Date or on or after the Termination Date. In lieu of delivery of a new Certificate, upon satisfaction of the applicable conditions specified above in this Section and receipt of appropriate registration or transfer instructions from such Holder, the Agent shall (i) if the Share Purchase Contract Settlement Date has occurred, deliver the shares of Common Stock issuable in respect of the Share Purchase Contracts forming a part of the Securities evidenced by such Certificate, (ii) in the case of Share Purchase Units, if a Termination Event shall have occurred prior to the Share Purchase Contract Settlement Date, transfer the aggregate principal amount of the Debt Securities or the aggregate Stated Amount of the appropriate Treasury Portfolio, as applicable, evidenced thereby, or (iii) in the case of Treasury Units, if a Termination Event shall have occurred prior to the Share Purchase Contract Settlement Date, transfer the Treasury Securities evidenced thereby, in each case subject to the applicable conditions and in accordance with the applicable provisions of Article V hereof.

Section 3.6 Book-Entry Interests. The Certificates, on original issuance, will be issued in the form of one or more fully registered Global Certificates, to be delivered to the Depositary or a nominee or custodian thereof by, or on behalf of, the Company. Such Global Certificates shall initially be registered on the books and records of the Company in the name of Cede & Co., the nominee of the Depositary, and no Beneficial Owner will receive a definitive Certificate representing such Beneficial Owner's interest in such Global Certificate, except as provided in Section 3.9. The Agent shall enter into an agreement with the Depositary if so requested by the Company. Unless and until definitive, fully registered Certificates have been issued to Beneficial Owners pursuant to Section 3.9:

(a) the provisions of this Section 3.6 shall be in full force and effect;

(b) the Company shall be entitled to deal with the Clearing Agency for all purposes of this Agreement (including the payment of Contract Adjustment Payments, if any, and receiving approvals, votes or consents hereunder) as the Holder of the Securities and the sole holder of the Global Certificate(s) and shall have no obligation to the Beneficial Owners;

(c) to the extent that the provisions of this Section 3.6 conflict with any other provisions of this Agreement, the provisions of this Section 3.6 shall control; and

(d) the rights of the Beneficial Owners shall be exercised only through the Clearing Agency and shall be limited to those established by law and agreements between such Beneficial Owners and the Clearing Agency and/or the Clearing Agency Participants. The Clearing Agency will make book entry transfers among Clearing Agency Participants and receive and transmit payments of Contract Adjustment Payments to such Clearing Agency Participants.

Section 3.7 Notices to Holders. Whenever a notice or other communication to the Holders is required to be given under this Agreement, the Company or the Company's agent shall give such notices and communications to the Holders and, with respect to any Certificates registered in the name of a Clearing Agency or the nominee of a Clearing Agency, the Company or the Company's agent shall, except as set forth herein, have no obligations to the Beneficial Owners.

Section 3.8 Appointment of Successor Clearing Agency. If any Clearing Agency elects to discontinue its services as securities depository with respect to the Securities, the Company may, in its sole discretion, appoint a successor Clearing Agency with respect to the Securities.

Section 3.9 Definitive Certificates. If (i) a Clearing Agency elects to discontinue its services as securities depository with respect to the Securities and a successor Clearing Agency is not appointed within 90 days after such discontinuance pursuant to Section 3.8, or (ii) the Company elects to terminate the book-entry system through the Clearing Agency with respect to the Securities, then upon surrender of the Global Certificates representing the Book-Entry Interests with respect to the Securities by the Clearing Agency, accompanied by registration instructions, the Company shall cause definitive Certificates to be delivered to Beneficial Owners in accordance with the instructions of the Clearing Agency. The Company shall not be liable for any delay in delivery of such instructions and may conclusively rely on and shall be protected in relying on, such instructions.

Section 3.10 Mutilated, Destroyed, Lost and Stolen Certificates. If any mutilated Certificate is surrendered to the Agent, the Company shall execute and deliver to the Agent, and the Agent shall authenticate, execute on behalf of the Holder, and deliver in exchange therefor, a new Certificate at the cost of the Holder, evidencing the same number of Share Purchase Units or Treasury Units, as the case may be, and bearing a Certificate number not contemporaneously outstanding.

If there shall be delivered to the Company and the Agent (i) evidence to their satisfaction of the destruction, loss or theft of any Certificate, and (ii) such security or indemnity at the cost of the Holder as may be required by them to hold each of them and any agent of either of them harmless, then, in the absence of notice to the Company or the Agent that such Certificate has been acquired by a bona fide purchaser, the Company shall execute and deliver to the Agent, and the Agent shall authenticate, execute on behalf of the Holder, and deliver to the Holder, in lieu of any such destroyed, lost or stolen Certificate, a new Certificate, evidencing the same number of Share Purchase Units or Treasury Units, as the case may be, and bearing a Certificate number not contemporaneously outstanding.

Notwithstanding the foregoing, the Company will not be obligated to execute and deliver to the Agent, and the Agent will not be obligated to authenticate, execute on behalf of the Holder and deliver any Certificate on or after the Business Day immediately preceding the Share Purchase Contract Settlement Date or on or after the Termination Date. In addition, in lieu of delivery of a new Certificate, upon satisfaction of the applicable conditions specified above in this Section and receipt of appropriate registration or transfer instructions from such Holder, the Agent may (i) if the Share Purchase Contract Settlement Date has occurred, deliver the shares of Common Stock issuable in respect of the Share Purchase Contracts forming a part of the Securities evidenced by such Certificate, or (ii) if a Termination Event shall have occurred, transfer the Debt Securities, the Applicable Ownership Interest in the appropriate Treasury Portfolio or the Treasury Securities, as the case may be, forming a part of the Securities represented by such Certificate to such Holder, in each case subject to the applicable conditions and in accordance with the applicable provisions of Article V hereof.

Upon the issuance of any new Certificate under this Section, the Company and the Agent may require payment from the Holder of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Agent) connected therewith.

Every new Certificate issued pursuant to this Section in lieu of any destroyed, lost or stolen Certificate shall constitute an original additional contractual obligation of the Company and of the Holder in respect of the Security evidenced thereby, whether or not the destroyed, lost or stolen Certificate (and the Securities evidenced thereby) shall be at any time enforceable by anyone, and shall be entitled to all the benefits and be subject to all the obligations of this Agreement equally and proportionately with any and all other Certificates delivered hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Certificates.

Section 3.11 Persons Deemed Owners. Prior to due presentment of a Certificate for registration of transfer, the Company and the Agent, and any agent of the Company or the Agent, may treat the Person in whose name such Certificate is registered on the Share Purchase Units Register or the Treasury Units Register, as applicable, as the owner of the Share Purchase Units or Treasury Units evidenced thereby, for the purpose of receiving interest on the Debt Securities or distributions on the maturing quarterly interest strips of the appropriate Treasury Portfolio, as applicable, receiving payments of Contract Adjustment Payments, performance of the Share

Purchase Contracts and for all other purposes whatsoever, whether or not any interest on the Debt Securities or the Contract Adjustment Payments payable in respect of the Share Purchase Contracts constituting a part of the Share Purchase Units or Treasury Units evidenced thereby shall be overdue and notwithstanding any notice to the contrary, and neither the Company nor the Agent, nor any agent of the Company or the Agent, shall be affected by notice to the contrary.

Notwithstanding the foregoing, with respect to any Global Certificate, nothing herein shall prevent the Company, the Agent or any agent of the Company or the Agent, from treating the Clearing Agency as the sole Holder of such Global Certificate or from giving effect to any written certification, proxy or other authorization furnished by any Clearing Agency (or its nominee), as a Holder, with respect to such Global Certificate or impair, as between such Clearing Agency and owners of beneficial interests in such Global Certificate, the operation of customary practices governing the exercise of rights of such Clearing Agency (or its nominee) as Holder of such Global Certificate.

Section 3.12 Cancellation. All Certificates surrendered for delivery of shares of Common Stock on or after the Share Purchase Contract Settlement Date, upon the transfer of Debt Securities, the Applicable Ownership Interest in the appropriate Treasury Portfolio or Treasury Securities, as the case may be, after the occurrence of a Termination Event or pursuant to an Early Settlement, or upon the registration of a transfer or exchange of a Security, or a Collateral Substitution or the re-establishment of a Share Purchase Unit shall, if surrendered to any Person other than the Agent, be delivered to the Agent and, if not already cancelled, shall be promptly cancelled by it. The Company may at any time deliver to the Agent for cancellation any Certificates previously authenticated, executed and delivered hereunder which the Company may have acquired in any manner whatsoever, and all Certificates so delivered shall, upon Issuer Order, be promptly cancelled by the Agent. No Certificates shall be authenticated, executed on behalf of the Holder and delivered in lieu of or in exchange for any Certificates cancelled as provided in this Section, except as expressly permitted by this Agreement. All cancelled Certificates held by the Agent shall upon written request be returned to the Company.

If the Company or any Affiliate of the Company shall acquire any Certificate, such acquisition shall not operate as a cancellation of such Certificate unless and until such Certificate is delivered to the Agent cancelled or for cancellation.

Section 3.13 Establishment or Reestablishment of Treasury Units. A Holder of a Share Purchase Unit may, at any time on or prior to the fifth Business Day immediately preceding the Share Purchase Contract Settlement Date, create or recreate a Treasury Unit and separate the Debt Security or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as applicable, from the related Share Purchase Contract in respect of such Share Purchase Unit by substituting a Treasury Security for the Debt Security, or the Applicable Ownership Interest in the appropriate Treasury Portfolio, that form a part of such Share Purchase Unit in accordance with this Section 3.13; provided, however, that if a successful remarketing of the Debt Securities has occurred on the Initial Remarketing Date or a Tax Event Redemption has occurred, Holders of such Share Purchase Units may make such Collateral Substitutions at any time on or prior to the second Business Day immediately preceding the Share Purchase Contract Settlement Date. Holders may make Collateral Substitutions and establish Treasury Units (i) only in integral

multiples of [20] Share Purchase Units if only Debt Securities are being substituted by Treasury Securities, or (ii) only in integral multiples of [40,000] Share Purchase Units if the Applicable Ownership Interests in the appropriate Treasury Portfolio are being substituted by Treasury Securities. To create [20] Treasury Units (if a Tax Event Redemption has not occurred and the Debt Securities remain a component of the Share Purchase Units), or [40,000] Treasury Units (if a Tax Event Redemption has occurred or the Remarketing Treasury Portfolio has replaced the Debt Securities as a component of the Share Purchase Units as a result of a successful remarketing of such Debt Securities), the Share Purchase Unit Holder shall

(a) if a Treasury Portfolio has not replaced any Debt Securities as a component of Share Purchase Units as a result of a successful remarketing of the Debt Securities or a Tax Event Redemption, deposit with the Collateral Agent a Treasury Security having a principal amount at maturity of \$1,000; or

(b) if a Treasury Portfolio has replaced the Debt Securities as a component of Share Purchase Units as a result of a successful remarketing of the Debt Securities or a Tax Event Redemption, on or prior to the second Business Day immediately preceding the Share Purchase Contract Settlement Date, deposit with the Collateral Agent Treasury Securities having an aggregate principal amount at maturity of \$[_____]; and

(c) in each case, transfer and surrender the related [20] Share Purchase Units, or, in the event a Treasury Portfolio is a component of Share Purchase Units, [40,000] Share Purchase Units, to the Agent accompanied by a notice to the Agent, substantially in the form of Exhibit B to the Pledge Agreement, stating that the Holder has transferred the relevant types and amounts of Treasury Securities to the Collateral Agent and requesting that the Agent instruct the Collateral Agent to release the applicable Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, underlying such Share Purchase Unit, whereupon the Agent shall promptly give such instruction to the Collateral Agent, substantially in the form of Exhibit A to the Pledge Agreement.

Upon receipt of the Treasury Securities described in clause (a) or (b) above and the instructions described in clause (c) above, in accordance with the terms of the Pledge Agreement, the Collateral Agent will release from the Pledge, to the Agent, on behalf of the Holder, Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, that had been components of such Share Purchase Unit, free and clear of the Company's security interest therein, and upon receipt thereof the Agent shall promptly:

(i) cancel the related Share Purchase Units surrendered and transferred;

(ii) transfer the Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, that had been components of such Share Purchase Unit to the Holder; and

(iii) authenticate, execute on behalf of such Holder and deliver a Treasury Unit Certificate executed by the Company in accordance with Section 3.3

evidencing the same number of Share Purchase Contracts as were evidenced by the cancelled Share Purchase Units.

Holders who elect to separate the Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, from the related Share Purchase Contracts and to substitute Treasury Securities for such Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, shall be responsible for any fees or expenses payable to the Collateral Agent for its services as Collateral Agent in respect of the substitution, and the Company shall not be responsible for any such fees or expenses.

In the event a Holder making a Collateral Substitution pursuant to this

Section 3.13 fails to effect a book-entry transfer of the Share Purchase Units or fails to deliver a Share Purchase Unit Certificate to the Agent after depositing the appropriate Treasury Securities with the Collateral Agent, the Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, constituting a part of such Share Purchase Unit, and any interest on such Debt Securities or distributions with respect to the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, shall be held in the name of the Agent or its nominee in trust for the benefit of such Holder, until such Share Purchase Unit is so transferred or the Share Purchase Unit Certificate is so delivered, as the case may be, or, until such Holder provides evidence satisfactory to the Company and the Agent that such Share Purchase Unit Certificate has been destroyed, lost or stolen, together with any indemnity that may be required by the Agent and the Company.

Except as described in this Section 3.13, for so long as the Share Purchase Contract underlying a Share Purchase Unit remains in effect, such Share Purchase Unit shall not be separable into its constituent parts, and the rights and obligations of the Holder in respect of the Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, and Share Purchase Contract comprising such Share Purchase Unit may be acquired, and may be transferred and exchanged, only as an entire Share Purchase Unit.

Section 3.14 Establishment or Reestablishment of Share Purchase Units. A Holder of a Treasury Unit may, at any time on or prior to the fifth Business Day immediately preceding the Share Purchase Contract Settlement Date, create or recreate a Share Purchase Unit by depositing with the Collateral Agent a Debt Security or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, having an aggregate principal amount equal to the aggregate principal amount at maturity of, and in substitution for all, but not less than all, of the Treasury Securities comprising part of the Treasury Unit in accordance with this Section 3.14; provided, however, that if a Treasury Portfolio has replaced the Debt Securities as a component of Share Purchase Units as a result of a successful remarketing of the Debt Securities or a Tax Event Redemption, such Collateral Substitutions may be made at any time on or prior to the second Business Day immediately preceding the Share Purchase Contract Settlement Date. Holders of Treasury Units may make such Collateral Substitutions and establish Share Purchase Units (i) only in integral multiples of [20] Treasury Units if Treasury Securities are being replaced by only Debt Securities, or (ii) only in integral multiples of [40,000] Treasury Units if any Treasury Security is being replaced by the Applicable Ownership Interest in the appropriate Treasury Portfolio. To create [20] Share Purchase Units (if a Tax Event Redemption has not occurred and the Debt Securities remain components of Share Purchase Units), or [40,000] Share

Purchase Units (if a Tax Event Redemption has occurred or the Remarketing Treasury Portfolio has replaced the Debt Securities as a result of a successful remarketing of such Debt Securities), the Treasury Unit Holder shall

(a) if a Treasury Portfolio has not replaced the Debt Securities as a component of Share Purchase Units as a result of a successful remarketing of the Debt Securities on the Initial Remarketing Date or a Tax Event Redemption, on or prior to the fifth Business Day immediately preceding the Share Purchase Contract Settlement Date, deposit with the Collateral Agent \$1,000 in aggregate principal amount of Debt Securities; or

(b) if a Treasury Portfolio has replaced the Debt Securities as a component of Share Purchase Units as a result of a successful remarketing of the Debt Securities or a Tax Event Redemption, on or prior to the second Business Day immediately preceding the Share Purchase Contract Settlement Date, deposit with the Collateral Agent the Applicable Ownership Interest in the Treasury Portfolio for each [40,000] Share Purchase Units being created by the Holder, and having an aggregate principal amount of \$[_____]; and

(c) in each case, transfer and surrender the related [20] Treasury Units, or in the event the Treasury Portfolio is a component of Share Purchase Units, [40,000] Share Purchase Units, to the Agent accompanied by a notice to the Agent, substantially in the form of Exhibit B to the Pledge Agreement, stating that the Holder has transferred the relevant amount of Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, to the Collateral Agent and requesting that the Agent instruct the Collateral Agent to release the Treasury Securities underlying such Treasury Units, whereupon the Agent shall promptly give such instruction to the Collateral Agent, substantially in the form of Exhibit A to the Pledge Agreement.

Upon receipt of the Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, described in clause (a) or (b) above and the instructions described in clause (c) above, in accordance with the terms of the Pledge Agreement, the Collateral Agent will effect the release of the Treasury Securities having a corresponding aggregate principal amount from the Pledge to the Agent free and clear of the Company's security interest therein, and upon receipt thereof the Agent shall promptly:

(i) cancel the related Treasury Units surrendered and transferred;

(ii) transfer the Treasury Securities that had been components of such Treasury Units to the Holder; and

(iii) authenticate, execute on behalf of such Holder and deliver a Share Purchase Unit Certificate executed by the Company in accordance with Section 3.3 evidencing the same number of Share Purchase Contracts as were evidenced by the cancelled Treasury Units.

Holders who elect to separate Treasury Securities from the related Share Purchase Contract and to substitute Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, for such Treasury Securities shall be responsible for any fees or expenses payable to the Collateral Agent for its services as Collateral

Agent in respect of the substitution, and the Company shall not be responsible for any such fees or expenses.

In the event a Holder making a Collateral Substitution pursuant to this

Section 3.14 fails to effect a book-entry transfer of the Treasury Units or fails to deliver a Treasury Unit Certificate to the Agent after depositing the Debt Securities or Applicable Ownership Interest in the appropriate Treasury Portfolio with the Collateral Agent, the Treasury Securities constituting a part of such Treasury Unit Certificate, and any interest on such Treasury Securities, shall be held in the name of the Agent or its nominee in trust for the benefit of such Holder, until such Treasury Unit is so transferred or the Treasury Unit is so delivered, or until such Holder provides evidence satisfactory to the Company and the Agent that such Treasury Unit has been destroyed, lost or stolen, together with any indemnity that may be required by the Agent and the Company.

Except as provided in this Section 3.14, for so long as the Share Purchase Contract underlying a Treasury Unit remains in effect, such Treasury Unit shall not be separable into its constituent parts and the rights and obligations of the Holder of such Treasury Unit in respect of the Treasury Security and Share Purchase Contract comprising such Treasury Unit may be acquired, and may be transferred and exchanged only as an entire Treasury Unit.

Section 3.15 Transfer of Collateral upon Occurrence of Termination Event. Upon the occurrence of a Termination Event and the transfer to the Agent of the Debt Securities, the Applicable Ownership Interest in the appropriate Treasury Portfolio or the Treasury Securities, as the case may be, underlying the Share Purchase Units and the Treasury Units pursuant to the terms of the Pledge Agreement, the Agent shall request transfer instructions with respect to such Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio or Treasury Securities, as the case may be, from each Holder by written request mailed to such Holder at its address as it appears in the Share Purchase Unit Register or the Treasury Unit Register, as the case may be. Upon book-entry transfer of a Share Purchase Unit Certificate or Treasury Unit Certificate or delivery of a Share Purchase Unit Certificate or Treasury Unit Certificate to the Agent with such transfer instructions, the Agent shall transfer the Debt Securities, the Applicable Ownership Interest in the appropriate Treasury Portfolio or Treasury Securities, as the case may be, underlying such Share Purchase Units or Treasury Units, as the case may be, to such Holder by book-entry transfer, or other appropriate procedures, in accordance with such instructions. In the event a Holder of Share Purchase Units or Treasury Units fails to effect such transfer or delivery, the Debt Securities, the Applicable Ownership Interest in the appropriate Treasury Portfolio or Treasury Securities, as the case may be, underlying such Share Purchase Units or Treasury Units, as the case may be, and any interest thereon, shall be held in the name of the Agent or its nominee in trust for the benefit of such Holder, until such Share Purchase Units or Treasury Units are transferred or the Share Purchase Unit Certificate or Treasury Unit Certificate is surrendered or such Holder provides satisfactory evidence that such Share Purchase Unit Certificate or Treasury Unit Certificate has been destroyed, lost or stolen, together with any indemnity that may be required by the Agent and the Company. In the case of a Treasury Portfolio or any Treasury Securities, the Agent may dispose of the subject securities for cash and pay the applicable portion of such cash to the Holders in lieu of such Holders' Applicable Ownership Interest in such Treasury Portfolio, or any Treasury Securities, where such Holder would otherwise have been entitled to receive less than \$1,000 of any such security.

Section 3.16 No Consent to Assumption. Each Holder of a Security, by acceptance thereof, will be deemed expressly to have withheld any consent to the assumption under Section 365 of the Bankruptcy Code or otherwise, of the Share Purchase Contract by the Company, its trustee in bankruptcy, receiver, liquidator or a person or entity performing similar functions, in the event that the Company becomes a debtor under the Bankruptcy Code or subject to other similar State or Federal law providing for reorganization or liquidation.

Section 3.17 CUSIP Numbers. The Company in issuing the Securities may use "CUSIP" numbers (if then generally in use), and, if so, the Agent shall use "CUSIP" in notices of redemption as a convenience to Holders; provided that any such notice may state that no representation is made to as to the correctness of such numbers either as printed on the Securities or as contained in any notice of a redemption that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such numbers. The Company will promptly notify the Agent of any change in the "CUSIP" numbers..

ARTICLE IV

THE DEBT SECURITIES

Section 4.1 Payment of Interest; Rights to Interest Preserved; Interest Rate Reset; Notice. A payment of interest on the Debt Securities or distribution with respect to the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, which is paid on any Payment Date shall, subject to receipt thereof by the Agent from the Collateral Agent as provided by the terms of the Pledge Agreement, be paid to the Person in whose name the Share Purchase Unit Certificate (or one or more Predecessor Share Purchase Unit Certificates) of which such Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, are a part is registered at the close of business on the Record Date for such Payment Date.

Each Share Purchase Unit Certificate evidencing Debt Securities delivered under this Agreement upon registration of transfer of or in exchange for or in lieu of any other Share Purchase Unit Certificate shall carry the rights to payment of interest accrued and unpaid, and to accrue interest, which are carried by the Debt Securities underlying such other Share Purchase Unit Certificate.

In the case of any Share Purchase Unit with respect to which Cash Settlement of the underlying Share Purchase Contract is effected on the Business Day immediately preceding the Share Purchase Contract Settlement Date pursuant to prior notice, or with respect to which Early Settlement of the underlying Share Purchase Contract is effected on an Early Settlement Date, or with respect to which a Collateral Substitution is effected, in each case on a date that is after any Record Date and on or prior to the next succeeding Payment Date, interest on the Debt Securities or distributions with respect to the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, underlying such Share Purchase Unit otherwise payable on such Payment Date shall be payable on such Payment Date notwithstanding such Cash Settlement or Early Settlement or Collateral Substitution, and such interest or distributions shall, subject to receipt thereof by the Agent, be payable to the Person in whose name the Share Purchase Unit

Certificate (or one or more Predecessor Share Purchase Unit Certificates) was registered at the close of business on the Record Date. Except as otherwise expressly provided in the immediately preceding sentence, in the case of any Share Purchase Unit with respect to which Cash Settlement or Early Settlement of the underlying Share Purchase Contract is effected on the Business Day immediately preceding the applicable Share Purchase Contract Settlement Date or an Early Settlement Date, as the case may be, or with respect to which a Collateral Substitution has been effected, payment of interest on the related Debt Securities or distributions with respect to the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, that would otherwise be payable after the Share Purchase Contract Settlement Date or Early Settlement Date shall not be payable hereunder to the Holder of such Share Purchase Unit; provided, however, that to the extent that such Holder continues to hold the separated Debt Security that formerly comprised a part of such Holder's Share Purchase Unit, such Holder shall be entitled to receive the payment of interest on such separated Debt Security.

The Reset Rate on the Debt Securities to be in effect on and after the Reset Date will be determined on the third Business Day immediately preceding the Reset Date (such Reset Rate to be effective from and after the Reset Date). If the Initial Remarketing results in a Failed Remarketing, the Coupon Rate on the Debt Securities will not be reset to the Reset Rate but will continue at the initial Coupon Rate. If the Secondary Remarketing results in a Failed Remarketing, the Reset Rate will be the rate determined by the Reset Agent as the rate the Debt Securities should bear in order for each Senior Note to have an approximate market value of [_____] % of the principal amount of the Debt Securities. The Company may limit the reset rate to [___] basis points over the yield on the Applicable Benchmark Treasury. In addition, the Reset Rate will in no event exceed the maximum rate permitted by applicable law. On each Reset Announcement Date, the Reset Spread and the Applicable Benchmark Treasury to be used to determine the Reset Rate will be announced by the Company. In addition, on any Reset Announcement Date relating to an Initial Reset Date occurring prior to [____], 200[___], the percentage undivided beneficial ownership interest determined by the Reset Agent for purposes of clause (1)(iii) of the definition of "Applicable Ownership Interest" will be announced by the Company. On the Business Day immediately following the Reset Announcement Date, the Company will cause a notice of the Reset Spread, Applicable Benchmark Treasury and, if applicable, percentage undivided beneficial ownership interest in the to be published in an Authorized Newspaper.

Not later than 7 calendar days nor more than 15 calendar days prior to each Reset Announcement Date and the Share Purchase Contract Settlement Date, if the Share Purchase Contract Settlement Date is not also a Reset Date, the Company will request that the Depository (or any successor Clearing Agency or its nominee) notify by first-class mail, postage prepaid, the Beneficial Owners or Clearing Agency Participants holding Share Purchase Units or Treasury Units, of each Reset Announcement Date and any procedures to be followed by such Holders of Securities, who intend to settle their obligation under the Share Purchase Contract with separate cash on the Share Purchase Contract Settlement Date.

Section 4.2 Notice and Voting. Under and subject to the terms of the Pledge Agreement, the Agent will be entitled to exercise the voting and any other consensual rights pertaining to the Pledged Debt Securities but only to the extent instructed by the Holders as described below. Upon receipt of notice of any meeting at which holders of Debt Securities are

entitled to vote or upon any solicitation of consents, waivers or proxies of holders of Debt Securities, the Agent shall, as soon as practicable thereafter, mail to the Holders of Share Purchase Units a notice (a) containing such information as is contained in the notice or solicitation, (b) stating that each Share Purchase Unit Holder on the record date set by the Agent therefor (which, to the extent possible, shall be the same date as the record date for determining the holders of Debt Securities entitled to vote) shall be entitled to instruct the Agent as to the exercise of the voting rights pertaining to the Debt Securities constituting a part of such Holder's Share Purchase Units and (c) stating the manner in which such instructions may be given. Upon the written request of the Holders of Share Purchase Units on such record date, the Agent shall endeavor insofar as practicable to vote or cause to be voted, in accordance with the instructions set forth in such requests, the maximum number of Debt Securities as to which any particular voting instructions are received. In the absence of specific instructions from the Holder of a Share Purchase Unit, the Agent shall abstain from voting the Debt Security constituting a part of such Holder's Share Purchase Unit. The Company hereby agrees, if applicable, to solicit Holders of Share Purchase Units to timely instruct the Agent in order to enable the Agent to vote such Debt Securities.

Section 4.3 Substitution of a Treasury Portfolio for Debt Securities. (a) Upon the occurrence of a Tax Event Redemption prior to the Share Purchase Contract Settlement Date, the Redemption Price payable on the Tax Event Redemption Date with respect to the Applicable Principal Amount of Debt Securities shall be delivered to the Collateral Agent in exchange for the Pledged Debt Securities. Pursuant to the terms of the Pledge Agreement, the Collateral Agent will apply an amount equal to the Redemption Amount of such Redemption Price to purchase on behalf of the Holders of Share Purchase Units the Tax Event Treasury Portfolio and promptly remit the remaining portion of such Redemption Price to the Agent for payment to the Holders of such Share Purchase Units. The Tax Event Treasury Portfolio will be substituted for the outstanding Pledged Debt Securities, and will be held by the Collateral Agent in accordance with the terms of the Pledge Agreement to secure the obligation of each Holder of a Share Purchase Unit to purchase the Common Stock of the Company on the Share Purchase Contract Settlement Date under the Share Purchase Contract constituting a part of such Share Purchase Unit. Following the occurrence of a Tax Event Redemption prior to the Share Purchase Contract Settlement Date, the Holders of Share Purchase Units and the Collateral Agent shall have such security interests, rights and obligations with respect to the Tax Event Treasury Portfolio as the Holder of Share Purchase Units and the Collateral Agent had in respect of the Debt Securities subject to the Pledge thereof as provided in Articles II, III, IV, V and VI of the Pledge Agreement, and any reference herein to the Debt Securities shall be deemed to be reference to such Tax Event Treasury Portfolio. The Company may cause to be made in any Share Purchase Unit Certificates thereafter to be issued such change in phraseology and form (but not in substance) as may be appropriate to reflect the substitution of the Tax Event Treasury Portfolio for Debt Securities as collateral.

(b) Upon the successful remarketing of the Pledged Debt Securities on the Initial Remarketing Date, the proceeds of such remarketing (after deducting any Remarketing Fee) shall be delivered to the Collateral Agent in exchange for the Pledged Debt Securities. Pursuant to the terms of the Pledge Agreement, the Collateral Agent will apply an amount equal to the Remarketing Treasury Portfolio Purchase Price to purchase on behalf of the Holders of Share Purchase Units the Remarketing Treasury Portfolio and promptly remit the remaining

portion of such proceeds to the Agent for payment to the Holders of such Share Purchase Units. The Remarketing Treasury Portfolio will be substituted for the outstanding Pledged Debt Securities, and will be held by the Collateral Agent in accordance with the terms of the Pledge Agreement to secure the obligation of each Holder of a Share Purchase Unit to purchase the Common Stock of the Company on the Share Purchase Contract Settlement Date under the Share Purchase Contract constituting a part of such Share Purchase Unit. Following the successful remarketing of the Pledged Debt Securities on the Initial Remarketing Date, the Holders of Share Purchase Units and the Collateral Agent shall have such security interests, rights and obligations with respect to the Remarketing Treasury Portfolio as the Holder of Share Purchase Units and the Collateral Agent had in respect of the Debt Securities subject to the Pledge thereof as provided in Articles II, III, IV, V and VI of the Pledge Agreement, and any reference herein to the Debt Securities shall be deemed to be reference to such Remarketing Treasury Portfolio. The Company may cause to be made in any Share Purchase Unit Certificates thereafter to be issued such change in phraseology and form (but not in substance) as may be appropriate to reflect the substitution of the Remarketing Treasury Portfolio for Debt Securities as collateral.

Section 4.4 Consent to Treatment for Tax Purposes. Each Holder of a Share Purchase Unit or a Treasury Unit, by its acceptance thereof, covenants and agrees to treat itself as the owner, for United States federal, state and local income and franchise tax purposes, of (i) the related Debt Securities or the appropriate Applicable Ownership Interest in the Treasury Portfolio, in the case of the Share Purchase Units, or (ii) the Treasury Securities, in the case of the Treasury Units. Each Holder of a Share Purchase Unit, by its acceptance thereof, further covenants and agrees to treat the Debt Securities as indebtedness of the Company for United States federal, state and local income and franchise tax purposes.

ARTICLE V

THE SHARE PURCHASE CONTRACTS

Section 5.1 Purchase of Shares of Common Stock. Each Share Purchase Contract shall, unless a Termination Event or an Early Settlement in accordance with Section 5.9 hereof has occurred, obligate the Holder of the related Security to purchase, and the Company to sell, on the Share Purchase Contract Settlement Date, for \$[50] in cash (the "Purchase Price"), a number of newly issued shares of Common Stock equal to the applicable Settlement Rate. The "Settlement Rate" is equal to (a) if the Applicable Market Value (as defined below) is equal to or greater than \$[_____] (the "Threshold Appreciation Price"), [_____] shares of Common Stock per Share Purchase Contract, (b) if the Applicable Market Value is less than the Threshold Appreciation Price, but is greater than \$[____], the number of shares of Common Stock equal to \$[50] divided by the Applicable Market Value and (c) if the Applicable Market Value is less than or equal to \$[____], [_____] shares of Common Stock per Share Purchase Contract, in each case subject to adjustment as provided in Section 5.6 (and in each case rounded upward or downward to the nearest 1/10,000th of a share). As provided in Section 5.10, no fractional shares of Common Stock will be issued upon settlement of Share Purchase Contracts.

The "Applicable Market Value" means the average of the Closing Price per share of Common Stock on each of the 20 consecutive Trading Days ending on the third Trading Day immediately preceding the Share Purchase Contract Settlement Date.

The "Closing Price" of the Common Stock on any date of determination means the closing sale price (or, if no closing price is reported, the last reported sale price) of the Common Stock on the New York Stock Exchange (the "NYSE") on such date or, if the Common Stock is not listed for trading on the NYSE on any such date, as reported in the composite transactions for the principal United States national or regional securities exchange on which the Common Stock is so listed. If the Common Stock is not so listed on a United States national or regional securities exchange, the Closing Price means the last sale price of the Common Stock as reported by the NASDAQ Stock Market, or if the Common Stock is not so reported, the last quoted bid price for the Common Stock in the over-the-counter market as reported by the National Quotation Bureau or similar organization. If such bid price is not available (as of 4:00 p.m, New York City time, the Closing Price means market value of the Common Stock on such date as determined by a nationally recognized independent investment banking firm retained by the Company for this purpose.

A "Trading Day" means a day on which the Common Stock (A) is not suspended from trading on any national or regional securities exchange or association or over-the-counter market at the close of business and (B) has traded at least once on the national or regional securities exchange or association or over-the-counter market that is the primary market for the trading of the Common Stock.

Each Holder of a Share Purchase Unit or a Treasury Unit, by its acceptance thereof, irrevocably authorizes the Agent to enter into and perform the related Share Purchase Contract on its behalf as its attorney-in-fact (including the execution of Certificates on behalf of such Holder), agrees to be bound by the terms and provisions thereof, covenants and agrees to perform its obligations under such Share Purchase Contracts, and consents to the provisions hereof, irrevocably authorizes the Agent to enter into and perform the Pledge Agreement on its behalf as its attorney-in-fact, and consents to and agrees to be bound by the Pledge of the Debt Securities, the Treasury Portfolios or the Treasury Securities, as the case may be, pursuant to the Pledge Agreement, provided that upon a Termination Event, the rights of a Holder of such Security under the Share Purchase Contract may be enforced with such regard to any other rights or obligations. Each Holder of a Share Purchase Unit or a Treasury Unit, by its acceptance thereof, further covenants and agrees, that, to the extent and in the manner provided in Section 5.4 and the Pledge Agreement, but subject to the terms thereof, payments in respect of the principal of and interest on Debt Securities or the Proceeds of the Treasury Securities or the Applicable Ownership Interest in any Treasury Portfolio on the Share Purchase Contract Settlement Date shall be paid by the Collateral Agent to the Company in satisfaction of such Holder's obligations under such Share Purchase Contract and such Holder shall acquire no right, title or interest in such payments.

Upon registration of transfer of a Certificate, the transferee shall be bound (without the necessity of any other action on the part of such transferee, except as may be required by the Agent pursuant hereto), under the terms of this Agreement, the Share Purchase Contracts underlying such Certificate and the Pledge Agreement; and the transferor shall be released from the obligations under this Agreement, the Share Purchase Contracts underlying the Certificates so transferred and the Pledge Agreement. The Company covenants and agrees, and each Holder of a Certificate, by its acceptance thereof, likewise covenants and agrees, to be bound by the provisions of this paragraph.

Section 5.2 Contract Adjustment Payments. Subject to Section 5.3 herein, the Company shall pay, on each Payment Date, except the Initial Reset Date, if the Initial Reset Date is not also a regular quarterly Payment Date, the Contract Adjustment Payments payable in respect of each Share Purchase Contract to the Person in whose name a Certificate (or one or more Predecessor Certificates) is registered on the Register at the close of business on the Record Date next preceding such Payment Date in such coin or currency of the United States as at the time of payment shall be legal tender for the payment of public and private debts. The Contract Adjustment Payments will be payable at the Corporate Trust Office or, at the option of the Company, by check mailed to the address of the Person entitled thereto at such Person's address as it appears on the Share Purchase Unit Register or Treasury Unit Register or by wire transfer to an account appropriately designated in writing by the Person entitled to payment. If any date on which Contract Adjustment Payments are to be made is not a Business Day, then payment of the Contract Adjustment Payment payable on such date will be made on the next day that is a Business Day (and without any interest in respect of such delay), except that if such Business Day is in the next calendar year, such payment will be made on the preceding Business Day.

Upon the occurrence of a Termination Event, the Company's obligation to pay Contract Adjustment Payments (including any accrued or Deferred Contract Adjustment Payments) shall cease.

Each Certificate delivered under this Agreement upon registration of transfer of or in exchange for or in lieu of any other Certificate (including as a result of a Collateral Substitution or the re-establishment of a Share Purchase Unit) shall carry the rights to Contract Adjustment Payments accrued and unpaid, and to accrue Contract Adjustment Payments, and the right to accrue Contract Adjustment Payment, which were carried by the Share Purchase Contracts which were represented by such other Certificates.

Subject to Section 5.9, in the case of any Security with respect to which Early Settlement of the underlying Share Purchase Contract is effected on an Early Settlement Date that is after any Record Date and on or prior to the next succeeding Payment Date, Contract Adjustment Payments, if any, otherwise payable on such Payment Date shall be payable on such Payment Date notwithstanding such Early Settlement, and such Contract Adjustment Payments shall, subject to receipt thereof by the Agent, be payable to the Person in whose name the Certificate evidencing such Security (or one or more Predecessor Certificates) was registered at the close of business on such Record Date. Except as otherwise expressly provided in the immediately preceding sentence, in the case of any Security with respect to which Early Settlement of the underlying Share Purchase Contract is effected on an Early Settlement Date, Contract Adjustment Payments that would otherwise be payable after the Early Settlement Date with respect to such Share Purchase Contract shall not be payable.

Promptly after the calculation of any adjustment to the Contract Adjustment Payments arising from the occurrence of a Reset Date, the Company shall give the Agent notice thereof. All calculations and determinations of the Adjusted Contract Adjustment Payment shall be made by the Company or its Agent and the Agent shall have no responsibility with respect thereto. The Agent shall not at any time be under any duty or responsibility to any Holder of Securities to determine whether any facts exist which may require any adjustment to the Contract Adjustment

Payments, or with respect to the nature or extent or calculation of any such adjustment when made, or with respect to the method employed in making the same.

The Company's obligations with respect to Contract Adjustment Payments (including any accrued or Deferred Contract Adjustment Payments), will be subordinated and junior in right of payment to the Company's obligations under any Senior Indebtedness.

Section 5.3 Deferral of Payment Dates For Contract Adjustment Payments. The Company shall have the right, at any time prior to the Share Purchase Contract Settlement Date, to defer the payment of any or all of the Contract Adjustment Payments otherwise payable on any Payment Date, but only if the Company shall give the Holders and the Agent written notice of its election to defer such payment (specifying the amount to be deferred) at least ten Business Days prior to the earlier of (i) the next succeeding Payment Date or (ii) the date the Company is required to give notice of the Record Date or Payment Date with respect to payment of such Contract Adjustment Payments to the NYSE or other applicable self-regulatory organization or to Holders of the Securities, but in any event not less than one Business Day prior to such Record Date. In connection with any Contract Adjustment Payments so deferred, additional Contract Adjustment Payments on the amounts so deferred will accrue at the rate of [_____] % per annum (computed on the basis of a 360 day year of twelve 30 day months), compounding on each succeeding Payment Date, until paid in full (such deferred installments of Contract Adjustment Payments, if any, together with the accrued additional Contract Adjustment Payments accrued thereon, being referred to herein as the "Deferred Contract Adjustment Payments"). Deferred Contract Adjustment Payments, if any, shall be due on the next succeeding Payment Date except to the extent that payment is deferred pursuant to this Section 5.3. No Contract Adjustment Payments may be deferred to a date that is after the Share Purchase Contract Settlement Date and no such deferral period may end other than on a Payment Date. If the Share Purchase Contracts are terminated upon the occurrence of a Termination Event, the Holder's right to receive Contract Adjustment Payments and Deferred Contract Adjustment Payments will terminate.

In the event that the Company elects to defer the payment of Contract Adjustment Payments on the Share Purchase Contracts until the Share Purchase Contract Settlement Date, each Holder will receive on the Share Purchase Contract Settlement Date, in lieu of a cash payment, a number of shares of Common Stock (in addition to a number of shares of Common Stock equal to the Settlement Rate) equal to (x) the aggregate amount of Deferred Contract Adjustment Payments payable to such Holder divided by (y) the Applicable Market Value.

No fractional shares of Common Stock will be issued by the Company with respect to the payment of Deferred Contract Adjustment Payments on the Share Purchase Contract Settlement Date. In lieu of fractional shares otherwise issuable with respect to such payment of Deferred Contract Adjustment Payments, the Holder will be entitled to receive an amount in cash as provided in Section 5.10.

In the event the Company exercises its option to defer the payment of Contract Adjustment Payments, then, until the Deferred Contract Adjustment Payments have been paid, the Company shall not declare or pay dividends on, make distributions with respect to, or redeem, purchase or acquire, or make a liquidation payment with respect to, any of its capital stock or make guarantee payments with respect to the foregoing (other than (i) redemptions,

purchases or acquisitions of capital stock of the Company in connection with the satisfaction by the Company in connection with any employment contract, benefit plan or other similar arrangement with or for the benefit of employees, officers, directors or agents or a stock purchase or dividend reinvestment plan, or the satisfaction by the Company of its obligations pursuant to any contract or security outstanding on the date of such event requiring the Company to redeem, purchase or acquire its capital stock, (ii) as a result of a reclassification of the Company's capital stock or the exchange or conversion of all or a portion of one class or series of the Company's capital stock for another class or series of the Company's capital stock, (iii) the purchase of fractional interests in shares of the Company's capital stock pursuant to the conversion or exchange provisions of the Company's capital stock or the security being converted or exchanged, (iv) dividends or distributions in capital stock of the Company (or rights to acquire capital stock), or repurchases, redemptions or acquisitions of capital stock in connection with the issuance or exchange of capital stock (or securities convertible into or exchangeable for shares of the Company's capital stock) or (v) redemptions, exchanges or repurchases of any rights outstanding under a shareholder rights plan or payment thereunder of a dividend or distribution of or with respect to rights in the future.

Section 5.4 Payment of Purchase Price. (a) (i) Unless a Treasury Portfolio has replaced the Debt Securities as a component of the Share Purchase Units or a Holder settles the underlying Share Purchase Contract through the early delivery of cash to the Agent in the manner described in Section 5.9, each Holder of a Share Purchase Unit must notify the Agent of its intention to pay in cash ("Cash Settlement") the Purchase Price for the shares of Common Stock to be purchased pursuant to the Share Purchase Contract on a Share Purchase Contract Settlement Date by presenting and surrendering to the Agent the Share Purchase Unit Certificate with a notice in substantially the form of Exhibit C hereto completed and executed. Such presentation, surrender and notice shall be made on or prior to 5:00 p.m., New York City time, on the fifth Business Day immediately preceding the Share Purchase Contract Settlement Date. The Agent shall promptly notify the Collateral Agent of the receipt of such a notice from a Holder intending to make a Cash Settlement.

(ii) A Holder of a Share Purchase Unit who has so notified the Agent of its intention to make a Cash Settlement is required to pay the Purchase Price to the Collateral Agent prior to 11:00 a.m., New York City time, on the fifth Business Day immediately preceding the Share Purchase Contract Settlement Date in lawful money of the United States by certified or cashiers' check or wire transfer, in each case in immediately available funds payable to or upon the order of the Company. Any cash received by the Collateral Agent will be invested promptly by the Collateral Agent in Permitted Investments and paid to the Company on the Share Purchase Contract Settlement Date in settlement of the Share Purchase Contract in accordance with the terms of this Agreement and the Pledge Agreement. Any funds received by the Collateral Agent in respect of the investment earnings from the investment in such Permitted Investments, will be distributed to the Agent when received for payment to the Holder of the related Share Purchase Units on the Share Purchase Contract Settlement Date.

(iii) If a Holder of a Share Purchase Unit fails to notify the Agent of its intention to make a Cash Settlement in accordance with paragraph (a)(i) above, such

failure shall constitute a default under the Share Purchase Contract and the Holder shall be deemed to have consented to the disposition of the Pledged Debt Securities pursuant to the remarketing as described in paragraph (b) below. If a Holder of a Share Purchase Unit does notify the Agent as provided in paragraph (a)(i) above of its intention to pay the Purchase Price in cash, but fails to make such payment as required by paragraph (a)(ii) above, such failure shall also constitute a default; however, the Debt Securities of such a Holder will not be remarketed but instead the Collateral Agent, for the benefit of the Company, will exercise its rights as a secured party with respect to such Debt Securities, including those rights specified in paragraph (c) below.

(iv) Promptly after 3:00 p.m., New York City time, on the fourth Business Day immediately preceding the Share Purchase Contract Settlement Date, the Agent, based on notices received by the Agent pursuant to Section 5.4(a)(i) hereof and notice from the Company regarding cash received by it prior to such time, shall notify the Agent and the and the Indenture Trustee of the aggregate principal amount of Debt Securities to be tendered for purchase in the Remarketing in a notice substantially in the form of Exhibit __ hereto.

(v) Not later than 15 calendar days nor more than 30 calendar days prior to the third Business Day immediately preceding the Share Purchase Contract Settlement Date, the Company shall request DTC (or any successor Clearing Agency), to notify the Beneficial Owners or Clearing Agency Participants] holding Share Purchase Units of the procedures to be followed by Holders of Share Purchase Units who intend to effect a Cash Settlement on or prior to the fifth Business Day immediately preceding the Share Purchase Contract Settlement Date.

(b) In order to dispose of the Debt Securities of Share Purchase Unit Holders who have not notified the Agent of their intention to effect a Cash Settlement with respect to the Share Purchase Contract Settlement Date as provided in paragraph (a)(i) above, the Company shall engage one or more nationally recognized investment banking firms (the "Remarketing Agents") pursuant to a Remarketing Agreement to sell such Debt Securities. In order to facilitate the remarketing, the Agent shall notify the Remarketing Agents, by 10:00 a.m., New York City time, on the fourth Business Day immediately preceding the Share Purchase Contract Settlement Date, of the aggregate principal amount of Debt Securities that are part of Share Purchase Units to be remarketed. Concurrently, the Collateral Agent, pursuant to the terms of the Pledge Agreement, will present for remarketing such Debt Securities to the Remarketing Agents. Upon receipt of such notice from the Agent and such Debt Securities from the Collateral Agent, the Remarketing Agents shall, on the third Business Day immediately preceding the Share Purchase Contract Settlement Date, use their commercially reasonable efforts to remarket such Debt Securities on such date at a price of approximately [____]% (but not less than [100]%) of the aggregate principal amount of such Debt Securities, plus accrued and unpaid interest (including deferred interest), if any, thereon. After deducting any Remarketing Fee, the Remarketing Agents will remit the remaining portion of the proceeds from such remarketing to the Collateral Agent. Such portion of the proceeds, equal to the aggregate principal amount of such Debt Securities, will automatically be applied by the Collateral Agent, in accordance with the Pledge Agreement to satisfy in full such Share Purchase Unit Holders' obligations to pay the Purchase Price for the Common Stock under the related Share Purchase

Contracts on the Share Purchase Contract Settlement Date. Any proceeds in excess of those required to pay the Purchase Price and the Remarketing Fee will be remitted to the Agent for payment to the Holders of the related Share Purchase Units. Share Purchase Unit Holders whose Debt Securities are so remarketed will not otherwise be responsible for the payment of any Remarketing Fee in connection therewith.

If such a remarketing results in a Failed Remarketing in accordance with the terms of the Pledge Agreement, the Collateral Agent, for the benefit of the Company, will exercise its rights as a secured party with respect to such Debt Securities, including those actions specified in paragraph (c) below; provided, that if upon a Failed Remarketing the Collateral Agent exercises such rights for the benefit of the Company with respect to such Debt Securities, any accrued and unpaid interest on such Debt Securities will become payable by the Company to the Agent for payment to the Holder of the Share Purchase Units to which such Debt Securities relate. Such payment will be made by the Company on or prior to 11:00 a.m., New York City time, on the Share Purchase Contract Settlement Date in lawful money of the United States by certified or cashiers' check or wire transfer, in each case, in immediately available funds payable to or upon the order of the Agent. The Company will cause a notice of such Failed Remarketing to be published on the Business Day immediately preceding the Share Purchase Contract Settlement Date in an Authorized Newspaper.

(c) With respect to any Debt Securities beneficially owned by Holders who have elected Cash Settlement but failed to deliver cash as required in

(a)(ii) above, or with respect to Debt Securities which are subject to a Failed Remarketing, the Collateral Agent for the benefit of the Company reserves all of its rights as a secured party with respect thereto and, subject to applicable law and paragraph (h) below, may, among other things, (i) retain such Debt Securities in full satisfaction of the Holders' obligations under the Share Purchase Contracts or (ii) sell such Debt Securities in one or more public or private sales and apply the proceeds of such sale in full satisfaction of the Holders' obligations under the Share Purchase Contracts.

(d) (i) Unless a Holder of a Treasury Unit or Share Purchase Unit (if a Treasury Portfolio has replaced the Debt Securities as a component of the Share Purchase Units) settles the underlying Share Purchase Contract through the early delivery of cash to the Share Purchase Contract Agent in the manner described in

Section 5.9, each Holder of a Treasury Unit or Share Purchase Unit (if a Treasury Portfolio has replaced the Debt Securities as a component of the Share Purchase Units) must notify the Agent of its intention to pay in cash the Purchase Price for the shares of Common Stock to be purchased pursuant to the Share Purchase Contract on the Share Purchase Contract Settlement Date by presenting and surrendering to the Agent the Treasury Unit Certificate or Share Purchase Unit Certificate, as the case may be, with a notice in substantially the form of Exhibit C hereto completed and executed. Such presentation, surrender and notice must be made on or prior to 5:00 p.m., New York City time, on the second Business Day immediately preceding the Share Purchase Contract Settlement Date. The Agent shall promptly notify the Collateral Agent of the receipt of such notice from a Holder intending to make a Cash Settlement.

(ii) A Holder of a Treasury Unit or Share Purchase Unit (if a Treasury Portfolio has replaced the Debt Securities as a component of the Share Purchase Units), who has so notified the Agent of its intention to make a Cash Settlement in accordance

with paragraph (d)(i) above is required to pay the Purchase Price to the Collateral Agent prior to 11:00 a.m., New York City time, on the Business Day immediately preceding the Share Purchase Contract Settlement Date in lawful money of the United States by certified or cashiers' check or wire transfer, in each case, in immediately available funds payable to or upon the order of the Company. Any cash received by the Collateral Agent will be invested promptly by the Collateral Agent in Permitted Investments and paid to the Company on the Share Purchase Contract Settlement Date in settlement of the Share Purchase Contract in accordance with the terms of this Agreement and the Pledge Agreement. Any funds received by the Collateral Agent in respect of the investment earnings from the investment in such Permitted Investments will be distributed to the Agent when received for payment to the Holder.

(iii) If a Holder of a Treasury Unit or Share Purchase Unit (if a Treasury Portfolio has replaced the Debt Securities as a component of the Share Purchase Units), fails to notify the Agent of its intention to make a Cash Settlement in accordance with paragraph (d)(i) above, or if such Holder does notify the Agent as provided in paragraph (d)(i) above of its intention to pay the Purchase Price in cash, but fails to make such payment as required by paragraph (d)(ii) above, then such failure shall constitute a default under the Share Purchase Contract and upon the maturity of the Pledged Treasury Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, held by the Collateral Agent on the Business Day immediately prior to the Share Purchase Contract Settlement Date, the principal amount of the Treasury Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, received by the Collateral Agent will be invested promptly in overnight Permitted Investments. On the Share Purchase Contract Settlement Date an amount equal to the Purchase Price will be remitted to the Company as payment thereof without receiving any instructions from the Holder. In the event the sum of the proceeds from the related Pledged Treasury Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, and the investment earnings earned from such investments is in excess of the aggregate Purchase Price of the Share Purchase Contracts being settled thereby, the Collateral Agent will distribute such excess to the Agent for the benefit of the Holder of the related Treasury Units or Share Purchase Units when received.

(e) Any distribution to Holders of excess funds and interest described above, shall be payable at the Corporate Trust Office maintained for that purpose or, at the option of the Holder, by check mailed to the address of the Person entitled thereto at such address as it appears on the Register.

(f) The Company shall not be obligated to issue any shares of Common Stock in respect of a Share Purchase Contract or deliver any certificate therefor to the Holder unless it shall have received payment in full of the Purchase Price for the shares of Common Stock to be purchased thereunder in the manner herein set forth.

(g) Upon Cash Settlement with respect to a Share Purchase Contract, (i) the Collateral Agent will in accordance with the terms of the Pledge Agreement cause the Pledged Debt Security or the Pledged Applicable Ownership Interest in the appropriate Treasury

Portfolio, as the case may be, or the Pledged Treasury Security underlying the relevant Security to be released from the Pledge by the Collateral Agent free and clear of any security interest of the Company and transferred to the Agent for delivery to the Holder thereof or its designee as soon as practicable and

(ii) subject to the receipt thereof from the Collateral Agent, the Agent shall, by book-entry transfer, or other appropriate procedures, in accordance with instructions provided by the Holder thereof, transfer such Debt Security or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, or such Treasury Security (or, if no such instructions are given to the Agent by the Holder, the Agent shall hold such Debt Security or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, or such Treasury Security, and any distribution thereon, in the name of the Agent or its nominee in trust for the benefit of such Holder).

(h) The obligations of the Holders to pay the Purchase Price on the Share Purchase Contract Settlement Date are non-recourse obligations and are payable solely out of any Cash Settlement or the proceeds of any Collateral pledged to secure the obligations of the Holders with respect to such Purchase Price, and in no event will Holders be liable for any deficiency between the proceeds of Collateral disposition and the Purchase Price.

Section 5.5 Issuance of Shares of Common Stock. Unless a Termination Event shall have occurred, and except with respect to Share Purchase Contracts with respect to which there has been an Early Settlement, on the Share Purchase Contract Settlement Date, upon the Company's receipt of payment in full of the Purchase Price for the shares of Common Stock purchased by the Holders pursuant to the foregoing provisions of this Article and subject to Section 5.6(b), the Company shall issue and deposit with the Agent, for the benefit of the Holders of the Outstanding Securities, one or more certificates representing the newly issued shares of Common Stock registered in the name of the Agent (or its nominee) as custodian for the Holders (such certificates for shares of Common Stock, together with any dividends or distributions for which both a record date and payment date for such dividend or distribution has occurred after the Share Purchase Contract Settlement Date, being hereinafter referred to as the "Share Purchase Contract Settlement Fund") to which the Holders are entitled hereunder.

Subject to the foregoing, upon surrender of a Certificate to the Agent on or after the Share Purchase Contract Settlement Date, together with settlement instructions thereon duly completed and executed, the Holder of such Certificate shall be entitled to receive in exchange therefor a certificate representing that number of whole shares of Common Stock which such Holder is entitled to receive pursuant to the provisions of this Article V (after taking into account all Securities then held by such Holder) together with cash in lieu of fractional shares as provided in Section 5.10 and any dividends or distributions with respect to such shares constituting part of the Share Purchase Contract Settlement Fund, but without any interest thereon, and any Certificate so surrendered shall forthwith be cancelled. Such shares shall be registered in the name of the Holder or the Holder's designee as specified in the settlement instructions provided by the Holder to the Agent. If any shares of Common Stock issued in respect of a Share Purchase Contract are to be registered to a Person other than the Person in whose name the Certificate evidencing such Share Purchase Contract is registered, no such registration shall be made unless the Person requesting such registration has paid any transfer and other taxes required by reason of such registration in a name other than that of the registered Holder of the

Certificate evidencing such Share Purchase Contract or has established to the satisfaction of the Company that such tax either has been paid or is not payable.

Section 5.6 Adjustment of Settlement Rate. (a) Adjustments for Dividends, Distributions, Stock Splits, Etc. (i) In case the Company shall pay or make a dividend or other distribution on the Common Stock in Common Stock, the Settlement Rate, as in effect at the opening of business on the day following the date fixed for the determination of stockholders entitled to receive such dividend or other distribution shall be increased by dividing such Settlement Rate by a fraction of which the numerator shall be the number of shares of Common Stock outstanding at the close of business on the date fixed for such determination and the denominator shall be the sum of such number of shares and the total number of shares constituting such dividend or other distribution, such increase to become effective immediately after the opening of business on the day following the date fixed for such determination. For the purposes of this paragraph (i), the number of shares of Common Stock at any time outstanding shall not include shares held in the treasury of the Company but shall include any shares issuable in respect of any scrip certificates issued in lieu of fractions of shares of Common Stock. The Company will not pay any dividend or make any distribution on shares of Common Stock held in the treasury of the Company.

(ii) In case the Company shall issue rights, options or warrants to all holders of its Common Stock that are not available on an equivalent basis to Holders of the Securities upon settlement of the Share Purchase Contracts underlying such Securities entitling such holders of the Common Stock, entitling them, for a period expiring within 45 days after the record date for the determination of stockholders entitled to receive such rights, options or warrants, to subscribe for or purchase shares of Common Stock at a price per share less than the Current Market Price per share of the Common Stock on the date fixed for the determination of stockholders entitled to receive such rights, options or warrants (other than pursuant to any dividend reinvestment plan or share purchase plan, including such a plan that provides for purchases of Common Stock by non-shareholders), the Settlement Rate, in effect at the opening of business on the day following the date fixed for such determination shall be increased by dividing such Settlement Rate, by a fraction of which the numerator shall be the number of shares of Common Stock outstanding at the close of business on the date fixed for such determination plus the number of shares of Common Stock which the aggregate of the offering price of the total number of shares of Common Stock so offered for subscription or purchase would purchase at such Current Market Price and the denominator shall be the number of shares of Common Stock outstanding at the close of business on the date fixed for such determination plus the number of shares of Common Stock so offered for subscription or purchase, such increase to become effective immediately after the opening of business on the day following the date fixed for such determination. For the purposes of this paragraph (ii), the number of shares of Common Stock at any time outstanding shall not include shares held in the treasury of the Company but shall include any shares issuable in respect of any scrip certificates issued in lieu of fractions of shares of Common Stock. The Company shall not issue any such rights, options or warrants in respect of shares of Common Stock held in the treasury of the Company.

(iii) In case outstanding shares of Common Stock shall be subdivided or split into a greater number of shares of Common Stock, the Settlement Rate, in effect at the opening of business on the day following the day upon which such subdivision or split becomes effective shall be proportionately increased, and, conversely, in case outstanding shares of Common Stock shall each be combined into a smaller number of shares of Common Stock, the Settlement Rate, in effect at the opening of business on the day following the day upon which such combination becomes effective shall be proportionately reduced, such increase or reduction, as the case may be, to become effective immediately after the opening of business on the day following the day upon which such subdivision, split or combination becomes effective.

(iv) In case the Company shall, by dividend or otherwise, distribute to all holders of its Common Stock evidences of its indebtedness or assets (including securities, but excluding any rights or warrants referred to in paragraph (ii) of this Section, any dividend or distribution paid exclusively in cash and any dividend or distribution referred to in paragraph (i) of this Section), the Settlement Rate, in effect at the opening of business on the day following the day on which such dividend or distribution was effected, shall be adjusted so that the same shall equal the rate determined by dividing the Settlement Rate in effect immediately prior to the close of business on the date fixed for the determination of stockholders entitled to receive such distribution by a fraction of which the numerator shall be the Current Market Price per share of the Common Stock on the date fixed for such determination less the then fair market value (as determined by the Board of Directors, whose determination shall be conclusive and described in a Board Resolution) of the portion of the assets or evidences of indebtedness so distributed applicable to one share of Common Stock and the denominator shall be such Current Market Price per share of the Common Stock, such adjustment to become effective immediately prior to the opening of business on the day following the date fixed for the determination of stockholders entitled to receive such distribution. In any case in which this paragraph (iv) is applicable, paragraph (ii) of this Section shall not be applicable.

(v) In case the Company shall, (I) by dividend or otherwise, distribute to all holders of its Common Stock cash (excluding any cash that is distributed in a Reorganization Event to which Section 5.6(b) applies or as part of a distribution referred to in paragraph (iv) of this Section) in an aggregate amount that, combined together with (II) the aggregate amount of any other distributions to all holders of its Common Stock made exclusively in cash within the 12 months preceding the date of payment of such distribution and in respect of which no adjustment pursuant to this paragraph (v) or paragraph (vi) of this Section has been made and (III) the aggregate of any cash plus the fair market value (as determined by the Board of Directors, whose determination shall be conclusive and described in a Board Resolution) of consideration payable in respect of any tender or exchange offer (other than consideration payable in respect of any odd-lot tender offer) by the Company or any of its subsidiaries for all or any portion of the Common Stock concluded within the 12 months preceding the date of payment of the distribution described in clause (I) above and in respect of which no adjustment pursuant to this paragraph (v) or paragraph (vi) of this Section has been made, exceeds [__]% of the product of the Current Market Price per share of the Common Stock on the date for

the determination of holders of shares of Common Stock entitled to receive such distribution times the number of shares of Common Stock outstanding on such date, then, and in each such case, immediately after the close of business on such date for determination, the Settlement Rate, shall be increased so that the same shall equal the rate determined by dividing the Settlement Rate in effect immediately prior to the close of business on the date fixed for determination of the stockholders entitled to receive such distribution by a fraction (i) the numerator of which shall be equal to the Current Market Price per share of the Common Stock on the date fixed for such determination less an amount equal to the quotient of (x) the combined amount distributed or payable in the transactions described in clauses (I), (II) and (III) above and (y) the number of shares of Common Stock outstanding on such date for determination and (ii) the denominator of which shall be equal to the Current Market Price per share of the Common Stock on such date for determination.

(vi) In case (I) a tender or exchange offer made by the Company or any subsidiary of the Company for all or any portion of the Common Stock shall expire and such tender or exchange offer (as amended upon the expiration thereof) shall require the payment to stockholders (based on the acceptance (up to any maximum specified in the terms of the tender or exchange offer) of Purchased Shares (as defined below)) of an aggregate consideration having a fair market value (as determined by the Board of Directors, whose determination shall be conclusive and described in a Board Resolution) that combined together with (II) the aggregate of the cash plus the fair market value (as determined by the Board of Directors, whose determination shall be conclusive and described in a Board Resolution), as of the expiration of such tender or exchange offer, of consideration payable in respect of any other tender or exchange offer (other than consideration payable in respect of any odd-lot tender offer), by the Company or any subsidiary of the Company for all or any portion of the Common Stock expiring within the 12 months preceding the expiration of such tender or exchange offer and in respect of which no adjustment pursuant to paragraph (v) of this Section or this paragraph (vi) has been made and

(III) the aggregate amount of any distributions to all holders of the Company's Common Stock made exclusively in cash (other than regular quarterly cash dividends) within the 12 months preceding the expiration of such tender or exchange offer and in respect of which no adjustment pursuant to paragraph (vi) of this Section or this paragraph (vi) has been made, exceeds [__]% of the product of the Current Market Price per share of the Common Stock as of the last time (the "Expiration Time") tenders could have been made pursuant to such tender or exchange offer (as it may be amended) times the number of shares of Common Stock outstanding (including any tendered shares) on the Expiration Time, then, and in each such case, immediately prior to the opening of business on the day after the date of the Expiration Time, the Settlement Rate, shall be adjusted so that the same shall equal the rate determined by dividing the Settlement Rate immediately prior to the close of business on the date of the Expiration Time by a fraction (i) the numerator of which shall be equal to (A) the product of (I) the Current Market Price per share of the Common Stock on the date of the Expiration Time and (II) the number of shares of Common Stock outstanding (including any tendered shares) on the Expiration Time less (B) the amount of cash plus the fair market value (determined as aforesaid) of the aggregate consideration payable to stockholders based on the transactions described in clauses (I), (II) and (III) above (assuming in the case of

clause (I) the acceptance, up to any maximum specified in the terms of the tender or exchange offer, of Purchased Shares), and (ii) the denominator of which shall be equal to the product of (A) the Current Market Price per share of the Common Stock as of the Expiration Time and (B) the number of shares of Common Stock outstanding (including any tendered shares) as of the Expiration Time less the number of all shares validly tendered and not withdrawn as of the Expiration Time (the shares deemed so accepted, up to any such maximum, being referred to as the "Purchased Shares").

(vii) The reclassification of Common Stock into securities including securities other than Common Stock (other than any reclassification upon a Reorganization Event to which Section 5.6(b) applies) shall be deemed to involve (a) a distribution of such securities other than Common Stock to all holders of Common Stock (and the effective date of such reclassification shall be deemed to be "the date fixed for the determination of stockholders entitled to receive such distribution" and the "date fixed for such determination" within the meaning of paragraph

(iv) of this Section), and (b) a subdivision, split or combination, as the case may be, of the number of shares of Common Stock outstanding immediately prior to such reclassification into the number of shares of Common Stock outstanding immediately thereafter (and the effective date of such reclassification shall be deemed to be "the day upon which such subdivision or split becomes effective" or "the day upon which such combination becomes effective", as the case may be, and "the day upon which such subdivision, split or combination becomes effective" within the meaning of paragraph (3) of this Section).

(viii) The "Current Market Price" per share of Common Stock on any day means the average of the daily Closing Prices for the five consecutive Trading Days selected by the Company commencing not more than 30 Trading Days before, and ending not later than, the earlier of the day in question and the day before the "ex date" with respect to the issuance or distribution requiring such computation. For purposes of this paragraph, the term "ex date," when used with respect to any issuance or distribution, shall mean the first date on which the Common Stock trades regular way the applicable exchange or in the applicable market without the right to receive such issuance or distribution.

(ix) All adjustments to the Settlement Rate, shall be calculated to the nearest 1/10,000th of a share of Common Stock (or if there is not a nearest 1/10,000th of a share to the next lower 1/10,000th of a share). No adjustment in the Settlement Rate shall be required unless such adjustment would require an increase or decrease of at least one percent therein; provided, however, that any adjustments which by reason of this subparagraph are not required to be made shall be carried forward and taken into account in any subsequent adjustment. If an adjustment is made to the Settlement Rate pursuant to paragraph (i), (ii), (iii), (iv), (v),

(vi), (vii) or (x) of this Section 5.6(a), an adjustment shall also be made to the Applicable Market Value solely to determine which of clauses (a),

(b) or (c) of the definition of Settlement Rate in Section 5.1 will apply on the Share Purchase Contract Settlement Date. Such adjustment shall be made by multiplying the Applicable Market Value by a fraction of which the numerator shall be the Settlement Rate immediately after such adjustment pursuant to paragraph (i), (ii), (iii), (iv), (v), (vi), (vii) or (x) of this Section 5.6(a) and the denominator shall be the Settlement Rate

immediately before such adjustment; provided, however, that if such adjustment to the Settlement Rate is required to be made pursuant to the occurrence of any of the events contemplated by paragraph (i), (ii), (iii), (iv), (v), (vi) or (x) of this Section 5.6(a) during the period taken into consideration for determining the Applicable Market Value, appropriate and customary adjustments shall be made to the Settlement Rate.

(x) The Company may make such increases in the Settlement Rate, in addition to those required by this Section, as it considers to be advisable in order to avoid or diminish the effect of any income tax to any holders of shares of Common Stock resulting from any dividend or distribution of stock or issuance of rights or warrants to purchase or subscribe for stock or from any event treated as such for income tax purposes or for any other reasons.

(b) Adjustment for Consolidation, Merger or Other Reorganization Event. In the event of (i) any consolidation or merger of the Company with or into another Person (other than a merger or consolidation in which the Company is the continuing corporation and in which the Common Stock outstanding immediately prior to the merger or consolidation is not exchanged for cash, securities or other property of the Company or another corporation), (ii) any sale, transfer, lease or conveyance to another Person of the property of the Company as an entirety or substantially as an entirety, (iii) any statutory exchange of securities of the Company with another Person (other than in connection with a merger or acquisition) or (iv) any liquidation, dissolution or winding up of the Company other than as a result of or after the occurrence of a Termination Event (any such event, a "Reorganization Event"), the Settlement Rate will be adjusted to provide that each Holder of Securities will receive on the Share Purchase Contract Settlement Date with respect to each Share Purchase Contract forming a part thereof, the kind and amount of securities, cash and other property receivable upon such Reorganization Event (without any interest thereon, and without any right to dividends or distribution thereon which have a record date that is prior to the Share Purchase Contract Settlement Date) by a Holder of the number of shares of Common Stock issuable on account of each Share Purchase Contract if the Share Purchase Contract Settlement Date had occurred immediately prior to such Reorganization Event assuming such Holder of Common Stock is not a Person with which the Company consolidated or into which the Company merged or which merged into the Company or with which such statutory exchange of securities was effected or to which such sale, transfer, lease or conveyance was made, as the case may be (any such Person, a "Constituent Person"), or an Affiliate of a Constituent Person to the extent such Reorganization Event provides for different treatment of Common Stock held by Affiliates of the Company and non-affiliates and such Holder failed to exercise its rights of election, if any, as to the kind or amount of securities, cash and other property receivable upon such Reorganization Event (provided that if the kind or amount of securities, cash and other property receivable upon such Reorganization Event is not the same for each share of Common Stock held immediately prior to such Reorganization Event by other than a Constituent Person or an Affiliate thereof and in respect of which such rights of election shall not have been exercised ("non-electing share"), then for the purpose of this Section the kind and amount of securities, cash and other property receivable upon such Reorganization Event by each non-electing share shall be deemed to be the kind and amount so receivable per share by a plurality of the non-electing shares). In the event of such a Reorganization Event, the Person formed by such consolidation, merger or exchange or the Person which acquires the assets of the Company or, in the event of a liquidation or dissolution of the Company, the

Company or a liquidating trust created in connection therewith, shall execute and deliver to the Agent an agreement supplemental hereto providing that the Holders of each Outstanding Security shall have the rights provided by this Section 5.6. Such supplemental agreement shall provide for adjustments which, for events subsequent to the effective date of such supplemental agreement, shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section. The above provisions of this Section shall similarly apply to successive Reorganization Events.

Section 5.7 Notice of Adjustments and Certain Other Events. (a) Whenever the Settlement Rate is adjusted as herein provided, the Company shall:

(i) forthwith compute the Settlement Rate in accordance with Section 5.6 and prepare and transmit to the Agent a Company Certificate setting forth the Settlement Rate, the method of calculation thereof in reasonable detail, and the facts requiring such adjustment and upon which such adjustment is based; and

(ii) within 10 Business Days following the occurrence of an event that requires an adjustment to the Settlement Rate pursuant to Section 5.6 (or if the Company is not aware of such occurrence, as soon as practicable after becoming so aware), provide a written notice to the Holders of the Securities of the occurrence of such event and a statement in reasonable detail setting forth the method by which the adjustment to the Settlement Rate was determined and setting forth the adjusted Settlement Rate.

(b) The Agent shall not at any time be under any duty or responsibility to any Holder of Securities to determine whether any facts exist which may require any adjustment of the Settlement Rate, or with respect to the nature or extent or calculation of any such adjustment when made, or with respect to the method employed in making the same. The Agent shall not be accountable with respect to the validity or value (or the kind or amount) of any shares of Common Stock, or of any securities or property, which may at the time be issued or delivered with respect to any Share Purchase Contract, and the Agent makes no representation with respect thereto. The Agent shall not be responsible for any failure of the Company to issue, transfer or deliver any shares of Common Stock pursuant to a Share Purchase Contract or to comply with any of the duties, responsibilities or covenants of the Company contained in this Article.

Section 5.8 Termination Event; Notice. The Share Purchase Contracts and all obligations and rights of the Company and the Holders thereunder, including, without limitation, the rights of the Holders to receive and the obligation of the Company to pay any Contract Adjustment Payments or any Deferred Contract Adjustment Payments, and the rights and obligations of the Holders to purchase Common Stock, will immediately and automatically terminate, without the necessity of any notice or action by any Holder, the Agent or the Company, if, on or prior to the Share Purchase Contract Settlement Date, a Termination Event shall have occurred. Upon the occurrence of a Termination Event, the Company shall promptly but in no event later than two Business Days thereafter give written notice thereof to the Agent, the Collateral Agent and to the Holders, at their addresses as they appear in the applicable Register. Upon and after the occurrence of a Termination Event, the Securities shall thereafter represent the right to receive the Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, forming a part of such Securities in the case

of Share Purchase Units, or Treasury Securities in the case of Treasury Units, in accordance with the provisions of Section 4.3 of the Pledge Agreement.

Section 5.9 Early Settlement. (a) A holder of Share Purchase Units may settle the related Share Purchase Contracts in their entirety at any time on or prior to the fifth Business Day immediately preceding the Share Purchase Contract Settlement Date in the manner described herein, but only in integral multiples of [20] Share Purchase Units; provided, however, if a Treasury Portfolio has become a component of the Share Purchase Units, Holders of Share Purchase Units may settle early only in integral multiples of [40,000] Share Purchase Units. A holder of Treasury Units may settle the related Share Purchase Contracts in their entirety at any time on or prior to the second Business Day immediately preceding the Share Purchase Contract Settlement Date in the manner described herein (in either case, "Early Settlement") but only in integral multiples of [20] Treasury Units. The right to Early Settlement is subject to there being in effect, if so required under Federal securities laws, a registration statement covering the shares of Common Stock to be delivered in respect of the Share Purchase Contracts being settled. Upon Early Settlement,

(i) the holder's rights to receive Deferred Contract Adjustment Payments, if any, on the Share Purchase Contracts being settled will be forfeited, (ii) the holder's right to receive additional Contract Adjustment Payments in respect of such Share Purchase Contracts will terminate and (iii) no adjustment will be made to or for the holder on account of Deferred Contract Adjustment Payments, or any amount accrued in respect of Contract Adjustment Payments. In order to exercise the right to effect any Early Settlement with respect to any Share Purchase Contracts, the Holder of the Certificate evidencing Securities shall deliver such Certificate to the Agent at the Corporate Trust Office duly endorsed for transfer to the Company or in blank with the form of Election to Settle Early therein duly completed and executed and accompanied by payment payable to the Company in immediately available funds in an amount (the "Early Settlement Amount") equal to the sum of (i) \$[50] times the number of Share Purchase Contracts being settled (ii) if such delivery is made with respect to any Share Purchase Contracts during the period from the close of business on any Record Date next preceding any Payment Date to the opening of business on such Payment Date, an amount equal to the Contract Adjustment Payments payable on such Payment Date with respect to such Share Purchase Contracts; provided that no payment is required if the Company has elected to defer the Contract Adjustment Payments which would otherwise be payable on the Payment Date. Except as provided in the immediately preceding sentence and subject to the second to last paragraph of Section 5.2, no payment or adjustment shall be made upon Early Settlement of any Share Purchase Contract on account of any Contract Adjustment Payments accrued on such Share Purchase Contract or on account of any dividends on the Common Stock issued upon such Early Settlement. In order for any of the foregoing requirements to be considered satisfied or effective with respect to a Share Purchase Contract underlying any Security on or by a particular Business Day, such requirement must be met at or prior to 5:00 p.m., New York City time, on such Business Day; the first Business Day on which all of the foregoing requirements have been satisfied by 5:00 p.m., New York City time shall be the "Early Settlement Date" with respect to such Security.

(b) Upon Early Settlement of Share Purchase Contracts by a Holder of the related Securities, the Company shall issue, and the Holder shall be entitled to receive [_____] newly issued shares of Common Stock per Share Purchase Unit or Treasury Unit (the "Early Settlement Rate") (regardless of the market price of the Common Stock on the date of Early

Settlement); provided, however, that upon the Early Settlement of the Share Purchase Contracts, the Holder of such related Securities will forfeit the right to receive any Deferred Contract Adjustment Payments. The Early Settlement Rate shall be adjusted in the same manner and at the same time as the Settlement Rate is adjusted, in accordance with Section 5.6. As promptly as practicable after Early Settlement of Share Purchase Contracts in accordance with the provisions of this Section 5.9, the Company shall issue and shall deliver to the Agent at the Corporate Trust Office a certificate or certificates for the full number of shares of Common Stock issuable upon such Early Settlement together with payment in lieu of any fraction of a share, as provided in Section 5.10.

(c) No later than the third Business Day after the applicable Early Settlement Date the Company shall cause (i) the shares of Common Stock issuable upon Early Settlement of Share Purchase Contracts to be issued and delivered, and (ii) the related Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, in the case of Share Purchase Units, or the related Treasury Securities, in the case of Treasury Units, to be released from the Pledge by the Collateral Agent and transferred, in each case to the Agent for delivery to the Holder thereof or its designee.

(d) Upon Early Settlement of any Share Purchase Contracts, and subject to receipt of shares of Common Stock from the Company and the Debt Securities, the Applicable Ownership Interest in the appropriate Treasury Portfolio or Treasury Securities, as the case may be, from the Collateral Agent, as applicable, the Agent shall, in accordance with the instructions provided by the Holder thereof on the applicable form of Election to Settle Early in the Certificate evidencing the related Securities, (i) transfer to the Holder the Debt Securities, Treasury Portfolio or Treasury Securities, as the case may be, forming a part of such Securities, and (ii) deliver to the Holder a certificate or certificates for the full number of shares of Common Stock issuable upon such Early Settlement together with payment in lieu of any fraction of a share, as provided in Section 5.10.

(e) In the event that Early Settlement is effected with respect to Share Purchase Contracts underlying less than all the Securities evidenced by a Certificate, upon such Early Settlement the Company shall execute and the Agent shall authenticate, countersign and deliver to the Holder thereof, at the expense of the Company, a Certificate evidencing the Securities as to which Early Settlement was not effected.

Section 5.10 No Fractional Shares. No fractional shares or scrip representing fractional shares of Common Stock shall be issued or delivered upon settlement on the Share Purchase Contract Settlement Date or upon Early Settlement of any Share Purchase Contracts. If Certificates evidencing more than one Share Purchase Contract shall be surrendered for settlement at one time by the same Holder, the number of full shares of Common Stock which shall be delivered upon settlement shall be computed on the basis of the aggregate number of Share Purchase Contracts evidenced by the Certificates so surrendered. Instead of any fractional share of Common Stock which would otherwise be deliverable upon settlement of any Share Purchase Contracts on the Share Purchase Contract Settlement Date or upon Early Settlement, the Company, through the Agent, shall make a cash payment in respect of such fractional interest in an amount equal to the fractional share times (i) the Threshold Appreciation Price, in the case of an Early Settlement or (ii) the Applicable Market Value, in all other circumstances. The

Company shall provide the Agent from time to time with sufficient funds to permit the Agent to make all cash payments required by this Section 5.10 in a timely manner. Promptly after calculation of the Applicable Market Value, the Company shall give the agent notice thereof. All calculations and determinations of the Applicable Market Value shall be made by the Company or its agent and the Agent shall have no responsibility with respect thereto.

Section 5.11 Charges and Taxes. The Company will pay all stock transfer and similar taxes attributable to the initial issuance and delivery of the shares of Common Stock pursuant to the Share Purchase Contracts and in payment of any Deferred Contract Adjustment Payments; provided, however, that the Company shall not be required to pay any such tax or taxes which may be payable in respect of any exchange of or substitution for a Certificate evidencing a Security or any issuance of a share of Common Stock in a name other than that of the registered Holder of a Certificate surrendered in respect of the Securities evidenced thereby, other than in the name of the Agent, as custodian for such Holder, and the Company shall not be required to issue or deliver such share certificates or Certificates unless or until the Person or Persons requesting the transfer or issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid or that no such tax is due.

ARTICLE VI

REMEDIES

Section 6.1 Unconditional Right of Holders to Receive Contract Adjustment **Payments and to Purchase Common Stock. The Holder of any Share Purchase Unit or Treasury Unit** shall have the right, which is absolute and unconditional (subject to the right of the Company to defer payment thereof pursuant to Section 5.3, the prepayment of Contract Adjustment Payments pursuant to Section 5.9(a) and the forfeiture of any Deferred Contract Adjustment Payments upon Early Settlement pursuant to Section 5.9(b) or upon the occurrence of a Termination Event), to receive payment of each installment of the Contract Adjustment Payments with respect to the Share Purchase Contract constituting a part of such Security on the respective Payment Date for such Security and to purchase Common Stock pursuant to such Share Purchase Contract and, in each such case, to institute suit for the enforcement of any such payment and right to purchase Common Stock, and such rights shall not be impaired without the consent of such Holder.

Section 6.2 Restoration of Rights and Remedies. If any Holder has instituted any proceeding to enforce any right or remedy under this Agreement and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to such Holder, then and in every such case, subject to any determination in such proceeding, the Company and such Holder shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of such Holder shall continue as though no such proceeding had been instituted.

Section 6.3 Rights and Remedies Cumulative. Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Certificates in the last paragraph of Section 3.10, no right or remedy herein conferred upon or reserved to the

Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 6.4 Delay or Omission Not Waiver. No delay or omission of any Holder to exercise any right or remedy upon a default shall impair any such right or remedy or constitute a waiver of any such right. Every right and remedy given by this Article or by law to the Holders may be exercised from time to time, and as often as may be deemed expedient, by such Holders.

Section 6.5 Undertaking for Costs. All parties to this Agreement agree, and each Holder of Share Purchase Units or Treasury Units, by its acceptance of such Share Purchase Units or Treasury Units shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Agreement, or in any suit against the Agent for any action taken, suffered or omitted by it as Agent, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; provided that the provisions of this Section shall not apply to any suit instituted by the Company, to any suit instituted by the Agent, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than [10]% of the Outstanding Securities, or to any suit instituted by any Holder for the enforcement of payment of interest on any Debt Securities or Contract Adjustment Payments on any Share Purchase Contract on or after the respective Payment Date therefor in respect of any Security held by such Holder, or for enforcement of the right to purchase shares of Common Stock under the Share Purchase Contracts constituting part of any Security held by such Holder.

Section 6.6 Waiver of Stay or Extension Laws. The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Agreement; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Agent or the Holders, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE VII

THE AGENT

Section 7.1 Certain Duties and Responsibilities. (a) Prior to a Default and after the curing or waiving of all such Defaults that may have occurred,

(i) the Agent undertakes to perform, with respect to the Securities, such duties and only such duties as are specifically set forth in this Agreement and the

Pledge Agreement, and no implied covenants or obligations shall be read into this Agreement or the Pledge Agreement against the Agent; and

(ii) the Agent may, with respect to the Securities, conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, in the absence of bad faith or negligence on the part of the Agent, upon certificates or opinions furnished to the Agent and conforming to the requirements of this Agreement and the Pledge Agreement, as applicable; but in the case of any certificates or opinions which by any provision hereof are specifically required to be furnished to the Agent, the Agent shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Agreement or the Pledge Agreement, as applicable, but shall have no duty to confirm or investigate the accuracy of mathematical calculations or other facts stated therein.

(b) No provision of this Agreement shall be construed to relieve the Agent from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(i) this Subsection shall not be construed to limit the effect of Subsection (a) of this Section;

(ii) the Agent shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Agent was negligent in ascertaining the pertinent facts; and

(iii) no provision of this Agreement or the Pledge Agreement shall require the Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that adequate indemnity is not provided to it.

(c) Whether or not therein expressly so provided, every provision of this Agreement relating to the conduct or affecting the liability of or affording protection to the Agent shall be subject to the provisions of this Section.

(d) The Agent is authorized to execute, deliver and perform the Pledge Agreement in its capacity as Agent and to grant the Pledge. The Agent shall be entitled to all of the rights, privileges, immunities and indemnities contained in this Agreement with respect to any duties of the Agent under, or actions taken by the Agent pursuant to, such Pledge Agreement.

(e) In case a Default has occurred (that has not been cured or waived), and is actually known by a Responsible Officer of the Agent, the Agent shall exercise such of the rights and powers vested in it by this Agreement, and use the same degree of care and skill in its exercise thereof, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(f) At the request of the Company, the Agent is authorized to execute and deliver one or more Remarketing Agreements to, among other things, effectuate Section 5.4.

Section 7.2 Notice of Default. Within 90 days after the occurrence of any Default hereunder of which a Responsible Officer of the Agent has actual knowledge, the Agent shall transmit by mail to the Company and the Holders of Securities, as their names and addresses appear in the Register, notice of such Default hereunder, unless such Default shall have been cured or waived; provided that, except for a Default in any payment obligation hereunder, the Agent shall be protected in withholding such notice if and so long as a Responsible Officer of the Agent in good faith determines that the withholding of such notice is in the interests of the Holders of the Securities.

Section 7.3 Certain Rights of Agent. Subject to the provisions of Section 7.1:

(a) the Agent may conclusively rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document (whether in original or facsimile form) believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Certificate, Issuer Order or Issuer Request, and any resolution of the Board of Directors of the Company may be sufficiently evidenced by a Board Resolution;

(c) whenever in the administration of this Agreement or the Pledge Agreement the Agent shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Agent (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon a Company Certificate;

(d) the Agent may consult with counsel of its selection and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(e) the Agent shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Agent, in its discretion, may make reasonable further inquiry or investigation into such facts or matters related to the execution, delivery and performance of the Share Purchase Contracts as it may see fit, and, if the Agent shall determine to make such further inquiry or investigation, it shall be given a reasonable opportunity to examine the books, records and premises of the Company, personally or by agent or attorney;

(f) the Agent may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys or an Affiliate and the Agent shall

not be responsible for any misconduct or negligence on the part of any agent or attorney or an Affiliate appointed with due care by it hereunder; and

(g) the rights, privileges, protections, immunities and benefits given to the Agent, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Agent in each of its capacities hereunder.

(h) the Agent shall be under no obligation to exercise any of the rights or powers vested in it by this Agreement at the request or direction of any of the Holders pursuant to this Agreement, unless such Holders shall have offered to the Agent security or indemnity satisfactory to the Agent against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

Section 7.4 Not Responsible for Recitals or Issuance of Securities. The recitals contained herein and in the Certificates shall be taken as the statements of the Company, and the Agent assumes no responsibility for their accuracy. The Agent makes no representations as to the validity or sufficiency of either this Agreement or of the Securities, or of the Pledge Agreement or the Pledge. The Agent shall not be accountable for the use or application by the Company of the proceeds in respect of the Share Purchase Contracts.

Section 7.5 May Hold Securities. Any Registrar or any other agent of the Company, or the Agent and its Affiliates, in their individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Company, the Collateral Agent or any other Person with the same rights it would have if it were not Registrar or such other agent, or the Agent.

The Agent and its Affiliates may (without having to account therefor to the Company or any Holder of Units or holder of Separate Notes) accept deposits from, lend money to, make their investments in and generally engage in any kind of banking, trust or other business with the Company, any Holder of Units and any holder of Separate Notes (and any of their respective subsidiaries or Affiliates) as if it were not acting as the Agent and the Agent and its Affiliates may accept fees and other consideration from the Company, any Holder of Units or any holder of Separate Notes without having to account for the same to any such Person.

Section 7.6 Money Held in Custody. Money held by the Agent in custody hereunder need not be segregated from the other funds except to the extent required by law or provided herein. The Agent shall be under no obligation to invest or pay interest on any money received by it hereunder except as otherwise agreed in writing with the Company.

Section 7.7 Compensation and Reimbursement. The Company agrees:

(a) to pay to the Agent from time to time such compensation for all services rendered by it hereunder [and under the Pledge Agreement] as the parties shall agree from time to time in writing [(which compensation shall not be limited by any provisions of law in regards to the compensation of a trustee of an express trust)];

(b) except as otherwise expressly provided herein, to reimburse the Agent upon its request for all reasonable expenses, disbursements and advances incurred or made by

the Agent in accordance with any provision of this Agreement (including the reasonable compensation and the reasonable expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as shall be determined to have been caused by its own negligence or willful misconduct; and

(c) to fully indemnify the Agent and any predecessor Agent for, and to hold it harmless against, any loss, liability, claim damage or expense incurred without negligence or willful misconduct on its part, arising out of or in connection with the acceptance or administration or the performance of its duties hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder. The Agent shall promptly notify the Company of any third party claim which may give rise to the indemnity hereunder and give the Company the opportunity to participate in the defense of such claim with counsel reasonably satisfactory to the indemnified party, and no such claim shall be settled without the written consent of the Company, which consent shall not be unreasonably withheld.

"Agent" for purposes of this Section 7.7 shall include any predecessor Agent; provided, however, that the negligence or bad faith of any Agent hereunder shall not affect the rights of any other Agent hereunder.

[When the Agent incurs expenses or renders services in an action or proceeding commenced pursuant to Section 4.3 of the Pledge Agreement upon the occurrence of a Termination Event, the expenses (including the reasonable charges and expenses of its counsel) and the compensation for the services are intended to constitute expenses of administration under any applicable Federal or State bankruptcy, insolvency or other similar law.]

The provisions of this Section 7.7 shall survive the termination of this Agreement and the Pledge Agreement and resignation or removal of the Agent.

Section 7.8 Corporate Agent Required; Eligibility. There shall at all times be an Agent hereunder which shall be [(i) not an Affiliate of the Company and (ii)] a corporation organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under such laws to exercise corporate trust powers, having (or being a member of a bank holding company having) a combined capital and surplus of at least \$50,000,000 and subject to supervision or examination by Federal or State authority. [and having a corporate trust office in the Borough of Manhattan, the City of New York, if there such a corporation in the Borough of Manhattan, The City of New York, eligible under this Article and willing to act or reasonable terms] If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Agent shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 7.9 Resignation and Removal; Appointment of Successor. (a) No resignation or removal of the Agent and no appointment of a successor Agent pursuant to this Article shall

become effective until the acceptance of appointment by the successor Agent in accordance with the applicable requirements of Section 7.10.

(b) The Agent may resign at any time by giving written notice thereof to the Company 60 days prior to the effective date of such resignation. If the instrument of acceptance by a successor Agent required by Section 7.10 shall not have been delivered to the Agent within 30 days after the giving of such notice of resignation, the resigning Agent may petition, at the expense of the Company, any court of competent jurisdiction for the appointment of a successor Agent.

(c) The Agent may be removed at any time by Act of the Holders of a majority in number of the Outstanding Securities delivered to the Agent and the Company. If the instrument of acceptance by a successor Agent required by Section 7.10 shall not have been delivered to the Agent within 30 days after such removal, the Agent being removed may petition, at the expense of the Company, any court of competent jurisdiction for the appointment of a successor Agent.

(d) If at any time

(i) the Agent fails to comply with Section 310(b) of the TIA, after written request therefor by the Company or by any Holder who has been a bona fide Holder of a Security for at least six months, or

(ii) the Agent shall cease to be eligible under Section 7.8 and shall fail to resign after written request therefor by the Company or by any such Holder, or

(iii) the Agent shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Agent or of its property shall be appointed or any public officer shall take charge or control of the Agent or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then, in any such case, (i) the Company by a Board Resolution may remove the Agent, or (ii) any Holder who has been a bona fide Holder of a Security for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Agent and the appointment of a successor Agent.

(e) If the Agent shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Agent for any cause, the Company, by a Board Resolution, shall promptly appoint a successor Agent and shall comply with the applicable requirements of Section 7.10. If no successor Agent shall have been so appointed by the Company and accepted appointment in the manner required by Section 7.10, the Agent or any Holder who has been a bona fide Holder of a Security for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Agent.

(f) The Company shall give, or shall cause such successor Agent to give, notice of each resignation and each removal of the Agent and each appointment of a successor Agent by mailing written notice of such event by first-class mail, postage prepaid, to all Holders

as their names and addresses appear in the applicable Register. Each notice shall include the name of the successor Agent and the address of its Corporate Trust Office.

(g) If the Agent has or shall acquire any "conflicting interest" within the meaning of Section 310(b) of the TIA, the Agent and the Company shall in all respects comply with the provisions of Section 310(b) of the TIA.

Section 7.10 Acceptance of Appointment by Successor.

(a) In case of the appointment hereunder of a successor Agent, every such successor Agent so appointed shall execute, acknowledge and deliver to the Company and to the retiring Agent an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Agent shall become effective and such successor Agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, agencies and duties of the retiring Agent; but, on the request of the Company or the successor Agent, such retiring Agent shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Agent all the rights, powers and trusts of the retiring Agent and shall duly assign, transfer and deliver to such successor Agent all property and money held by such retiring Agent hereunder.

(b) Upon request of any such successor Agent, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Agent all such rights, powers and agencies referred to in paragraph (a) of this Section.

(c) No successor Agent shall accept its appointment unless at the time of such acceptance such successor Agent shall be qualified and eligible under this Article.

Section 7.11 Merger, Conversion, Consolidation or Succession to Business. Any Person into which the Agent may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which the Agent shall be a party, or any Person succeeding to all or substantially all the corporate trust business of the Agent, shall be the successor of the Agent hereunder, provided such Person shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Certificates shall have been authenticated and executed on behalf of the Holders, but not delivered, by the Agent then in office, any successor by merger, conversion or consolidation to such Agent may adopt such authentication and execution and deliver the Certificates so authenticated and executed with the same effect as if such successor Agent had itself authenticated and executed such Securities.

Section 7.11 Preservation of Information; Communications to Holders.

(a) The Agent shall preserve, in as current a form as is reasonably practicable, the names and addresses of Holders received by the Agent in its capacity as Registrar.

(b) If three or more Holders (herein referred to as "applicants") apply in writing to the Agent, and furnish to the Agent reasonable proof that each such applicant has owned a Security for a period of at least six months preceding the date of such application, and such application states that the applicants desire to communicate with other Holders with respect to their rights under this Agreement or under the Securities and is accompanied by a copy of the form of proxy or other communication which such applicants propose to transmit, then the Agent

shall mail to all the Holders copies of the form of proxy or other communication which is specified in such request, with reasonable promptness after a tender to the Agent of the materials to be mailed and of payment, or provision for the payment, of the reasonable expenses of such mailing.

Section 7.13 No Obligations of Agent. Except to the extent otherwise provided in this Agreement, the Agent assumes no obligations and shall not be subject to any liability under this Agreement, the Pledge Agreement or any Share Purchase Contract in respect of the obligations of the Holder of any Security thereunder. The Company agrees, and each Holder of a Certificate, by his acceptance thereof, shall be deemed to have agreed, that the Agent's execution of the Certificates on behalf of the Holders shall be solely as agent and attorney-in-fact for the Holders, and that the Agent shall have no obligation to perform such Share Purchase Contracts on behalf of the Holders, except to the extent expressly provided in Article V hereof. Anything contained in this Agreement to the contrary notwithstanding, in no event shall the Agent or its officers, employees or agents be liable for indirect, special, punitive, or consequential loss or damage of any kind whatsoever, including, but not limited to, lost profits, whether or not the likelihood of such loss or damage was known to the Agent and regardless of the form of action.

Section 7.14 Tax Compliance. (a) The Agent, on its own behalf and on behalf of the Company, will comply with all applicable certification, information reporting and withholding (including "backup" withholding) requirements imposed upon it by applicable tax laws, regulations or administrative practice with respect to (i) any payments made with respect to the Securities or (ii) the issuance, delivery, holding, transfer, redemption or exercise of rights under the Securities. Such compliance shall include, without limitation, the preparation and timely filing of required returns and the timely payment of all amounts required to be withheld to the appropriate taxing authority or its designated agent.

(b) The Agent shall comply in accordance with the terms hereto with any written direction received from the Company with respect to the execution or certification of any required documentation and the application of such requirements to particular payments or Holders or in other particular circumstances, and may for purposes of this Agreement conclusively rely on any such direction in accordance with the provisions of Section 7.1(a)(2) hereof.

(c) The Agent shall maintain all appropriate records documenting compliance with such requirements, and shall make such records available, on written request, to the Company or its authorized representative within a reasonable period of time after receipt of such request.

ARTICLE VIII

SUPPLEMENTAL AGREEMENTS

Section 8.1 Supplemental Agreements Without Consent of Holders. Without the consent of any Holders, the Company (when authorized by Board Resolution) and the Agent, at any time and from time to time, may enter into one or more agreements supplemental hereto, in form satisfactory to the Company and the Agent, for any of the following purposes:

(a) to evidence the succession of another Person to the Company, and the assumption by any such successor of the covenants of the Company herein and in the Certificates; or

(b) to add to the covenants of the Company for the benefit of the Holders, or to surrender any right or power herein conferred upon the Company; or

(c) to evidence and provide for the acceptance of appointment hereunder by a successor Agent; or

(d) to make provision with respect to the rights of Holders pursuant to the requirements of Section 5.6(b); or

(e) to cure any ambiguity, to correct or supplement any provisions herein which may be inconsistent with any other provisions herein, or to make any other provisions with respect to such matters or questions arising under this Agreement, provided such action shall not adversely affect the interests of the Holders.

Section 8.2 Supplemental Agreements with Consent of Holders. With the consent of the Holders of not less than a majority of the outstanding Share Purchase Contracts voting together as one class, by Act of said Holders delivered to the Company and the Agent, the Company, when authorized by a Board Resolution, and the Agent may enter into an agreement or agreements supplemental hereto for the purpose of modifying in any manner the terms of the Share Purchase Contracts, or the provisions of this Agreement or the rights of the Holders in respect of the Securities; provided, however, that, except as contemplated herein, no such supplemental agreement shall, without the consent of the Holder of each Outstanding Security affected thereby,

(a) change any Payment Date;

(b) change the amount or the type of Collateral required to be Pledged to secure a Holder's Obligations under the Share Purchase Contract, impair the right of the Holder of any Share Purchase Contract to receive distributions on the related Collateral (except for the rights of Holders of Share Purchase Units to substitute the Treasury Securities for the Pledged Debt Securities or the Applicable Ownership Interest in a Treasury Portfolio or the rights of holders of Treasury Units to substitute Debt Securities or the Applicable Ownership Interest in a Treasury Portfolio for the Pledged Treasury Securities) or otherwise adversely affect the Holder's rights in or to such Collateral or adversely alter the rights in or to such Collateral;

(c) reduce any Contract Adjustment Payments or any Deferred Contract Adjustment Payment, or change any place where, or the coin or currency in which, any Contract Adjustment Payment is payable;

(d) impair the right to institute suit for the enforcement of any Share Purchase Contract;

(e) reduce the number of shares of Common Stock to be purchased pursuant to any Share Purchase Contract, increase the price to purchase shares of Common Stock upon

settlement of any Share Purchase Contract, change the Share Purchase Contract Settlement Date or the right to Early Settlement or otherwise adversely affect the Holder's rights under any Share Purchase Contract; or

(f) reduce the percentage of the outstanding Share Purchase Contracts the consent of whose Holders is required for any such supplemental agreement;

provided, that if any amendment or proposal referred to above would adversely affect only the Share Purchase Units or the Treasury Units, then only the Holders of the affected class of Security as of the record date for the Holders entitled to vote thereon will be entitled to vote on or consent to such amendment or proposal, and such amendment or proposal shall not be effective except with the consent of Holders of not less than a majority of such class; provided further, however, that no such agreement, whether with or without the consent of the Holders, shall affect Section 3.16 hereof.

It shall not be necessary for any Act of the Holders under this Section to approve the particular form of any proposed supplemental agreement, but it shall be sufficient if such Act shall approve the substance thereof and provided, further, however that the unanimous consent of the Holders of each outstanding Share Purchase Contract of the related Share Purchase Unit or Treasury Unit, as the case may be, shall be required to approve any amendment of proposal specified in clauses (a) through (f) above.

Section 8.3 Execution of Supplemental Agreements. In executing, or accepting the additional agencies created by, any supplemental agreement permitted by this Article or the modifications thereby of the agencies created by this Agreement, the Agent shall be provided with and (subject to Section 7.1) shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental agreement is authorized or permitted by this Agreement. The Agent may, but shall not be obligated to, enter into any such supplemental agreement which affects the Agent's own rights, duties or immunities under this Agreement or otherwise.

Section 8.4 Effect of Supplemental Agreements. Upon the execution of any supplemental agreement under this Article, this Agreement shall be modified in accordance therewith, and such supplemental agreement shall form a part of this Agreement for all purposes; and every Holder of Certificates theretofore or thereafter authenticated, executed on behalf of the Holders and delivered hereunder, shall be bound thereby.

Section 8.5 Reference to Supplemental Agreements. Certificates authenticated, executed on behalf of the Holders and delivered after the execution of any supplemental agreement pursuant to this Article may, and shall if required by the Agent, bear a notation in form approved by the Agent as to any matter provided for in such supplemental agreement. If the Company shall so determine, new Certificates so modified as to conform, in the opinion of the Agent and the Company, to any such supplemental agreement may be prepared and executed by the Company and authenticated, executed on behalf of the Holders and delivered by the Agent in exchange for Outstanding Certificates.

ARTICLE IX

CONSOLIDATION, MERGER, SALE OR CONVEYANCE

Section 9.1 Covenant Not to Merge, Consolidate, Sell or Convey Property Except Under Certain Conditions. The Company covenants that it will not merge, consolidate or enter into a share exchange with or into any other Person or sell, assign, transfer, lease or convey all or substantially all of its properties and assets to any Person or group of affiliated Persons in one transaction or a series of related transactions, unless (i) either the Company shall be the continuing entity, or the successor (if other than the Company) shall be a Person, other than an individual, organized and existing under the laws of the United States of America or a State thereof or the District of Columbia and such entity shall expressly assume all the obligations of the Company under the Share Purchase Contracts, the Debt Securities, this Agreement and the Pledge Agreement by one or more supplemental agreements in form reasonably satisfactory to the Agent and the Collateral Agent, executed and delivered to the Agent and the Collateral Agent by such Person, and (ii) the Company or such successor entity, as the case may be, shall not, immediately after such merger, consolidation or share exchange, or such sale, assignment, transfer, lease or conveyance, be in default in its payment obligations or in any material default in the performance of any of its other obligations hereunder, or under any of the Securities or the Pledge Agreement.

Section 9.2 Rights and Duties of Successor Entity. In case of any such merger consolidation, share exchange sale, assignment, transfer, lease or conveyance and upon any such assumption by a successor entity in accordance with Section 9.1, such successor entity shall succeed to and be substituted for the Company with the same effect as if it had been named herein as the Company. Such successor entity thereupon may cause to be signed, and may issue either in its own name or in the name of FirstEnergy Corp. any or all of the Certificates evidencing Securities issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Agent; and, upon the order of such successor entity, instead of the Company, and subject to all the terms, conditions and limitations in this Agreement prescribed, the Agent shall authenticate and execute on behalf of the Holders and deliver any Certificates which previously shall have been signed and delivered by the officers of the Company to the Agent for authentication and execution, and any Certificate evidencing Securities which such successor entity thereafter shall cause to be signed and delivered to the Agent for that purpose. All the Certificates so issued shall in all respects have the same legal rank and benefit under this Agreement as the Certificates theretofore or thereafter issued in accordance with the terms of this Agreement as though all of such Certificates had been issued at the date of the execution hereof.

In case of any such merger consolidation, share exchange, sale, assignment, transfer, lease or conveyance such change in phraseology and form (but not in substance) may be made in the Certificates evidencing Securities thereafter to be issued as may be appropriate.

Section 9.3 Opinion of Counsel Given to Agent. The Agent, subject to Sections 7.1 and 7.3, shall receive an Opinion of Counsel as conclusive evidence that any such merger consolidation, share exchange sale, assignment, transfer, lease or conveyance, and any such assumption, complies with the provisions of this Article and that all conditions precedent to the

consummation of any such merger, consolidation, share exchange sale, assignment, transfer, lease or conveyance have been met.

ARTICLE X

COVENANTS

Section 10.1 Performance Under Share Purchase Contracts. The Company covenants and agrees for the benefit of the Holders from time to time of the Securities that it will duly and punctually perform its obligations under the Share Purchase Contracts in accordance with the terms of the Share Purchase Contracts and this Agreement.

Section 10.2 Maintenance of Office or Agency. The Company will maintain in the Borough of Manhattan, The City of New York an office or agency where Certificates may be (i) presented or surrendered for acquisition of shares of Common Stock upon settlement of the Share Purchase Contracts on the Share Purchase Contract Settlement Date or Early Settlement and for transfer of Collateral upon occurrence of a Termination Event, (ii) surrendered for registration of transfer or exchange, for a Collateral Substitution or re-establishment of a Share Purchase Unit and (iii) where notices and demands to or upon the Company in respect of the Securities and this Agreement may be served. The Company will give prompt written notice to the Agent of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Agent with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office, and the Company hereby appoints the Agent as its agent to receive all such presentations, surrenders, notices and demands.

The Company may also from time to time designate one or more other offices or agencies where Certificates may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in the Borough of Manhattan, The City of New York for such purposes. The Company will give prompt written notice to the Agent of any such designation or rescission and of any change in the location of any such other office or agency. The Company hereby designates as the place of payment for the Securities the Corporate Trust Office and appoints the Agent at its Corporate Trust Office as paying agent in such city.

Section 10.3 Company to Reserve Common Stock. The Company shall at all times prior to the Share Purchase Contract Settlement Date reserve and keep available, free from preemptive rights, out of its authorized but unissued Common Stock the full number of shares of Common Stock issuable against tender of payment in respect of all Share Purchase Contracts constituting a part of the Securities evidenced by Outstanding Certificates.

Section 10.4 Covenants as to Common Stock. The Company covenants that all shares of Common Stock which may be issued against tender of payment in respect of any Share Purchase Contract constituting a part of the Outstanding Securities will, upon issuance, be duly authorized, validly issued, fully paid and nonassessable.

Section 10.5 Statement of Officers of the Company as to Default. The Company will deliver to the Agent, within 120 days after the end of each fiscal year of the Company (which as of the date hereof is December 31) ending after the date hereof, an Officer's Certificate (one of the signers of which shall be the principal executive officer, principal financial officer or principal accounting officer of the Company), stating whether or not to the best knowledge of the signers thereof the Company is in default in the performance and observance of any of the terms, provision and conditions hereof, and if the Company shall be in default, specifying all such defaults and the nature and status thereof of which they may have knowledge. The Company shall deliver to the Agent, as soon as practicable and in any event within five Business Days after the Company becomes aware of the occurrence of any Event of Default or an event which, with notice or the lapse of time or both, would constitute an Event of Default, an Officer's Certificate setting forth the details of such Event of Default or default and the action which the Company proposes to take with respect thereto.

Section 10.6 ERISA. Each Holder from time to time of the Share Purchase Units which is a Plan here by represents that its acquisition of the Share Purchase Units and the holding of the same satisfies the applicable fiduciary requirements of ERISA and that it is entitled to exemption relief from the prohibited transaction provisions of ERISA and the Code in accordance with one or more prohibited transaction exemptions or otherwise will not result in a nonexempt prohibited transaction.

ARTICLE XI

TRUST INDENTURE ACT

Section 11.1 Trust Indenture Act; Application.

(a) This Agreement is subject to the provisions of the TIA that are required or deemed to be part of this Agreement and shall, to the extent applicable, be governed by such provisions; and

(b) if and to the extent that any provision of this Agreement limits, qualifies or conflicts with the duties imposed by Section 310 to 317, inclusive, of the TIA, such imposed duties shall control.

Section 11.2 Lists of Holders of Securities.

(a) The Company shall furnish or cause to be furnished to the Agent (a) semi-annually, not later than [_____] 1 and [_____] 1 in each year, commencing [_____] 1, 200[], a list, in such form as the Agent may reasonably require, of the names and addresses of the Holders ("List of Holders") as of a date not more than 15 days prior to the delivery thereof, and (b) at such other times as the Agent may request in writing, within 30 days after the receipt by the Company of any such request, a List of Holders as of a date not more than 15 days prior to the time such list is furnished; provided that, the Company shall not be obligated to provide such List of Holders at any time the List of Holders does not differ from the most recent List of Holders given to the Agent by the Company. The Agent may destroy any List of Holders previously given to it on receipt of a new List of Holders.

(b) The Agent shall comply with its obligations under Section 311(a) of the TIA, subject to the provisions of Section 311(b) and Section 312(b) of the TIA.

Section 11.3 Reports by the Agent. Not later than [_____]r 1 of each year, commencing [_____] 1, 200[], the Agent shall provide to the Holders such reports, if any, as are required by Section 313(a) of the TIA in the form and in the manner provided by Section 313(a) of the TIA. Such reports shall be as of the preceding September 15. The Agent shall also comply with the requirements of Sections 313(b), (c) and (d) of the TIA.

Section 11.4 Periodic Reports to Agent. The Company shall provide to the Agent such documents, reports and information as required by Section 314(a) (if any) and the compliance certificate required by Section 314(a) of the TIA in the form, in the manner and at the times required by Section 314(a) of the TIA. Delivery of such reports, information and documents to the Agent is for informational purposes only and the Agent receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Agent is entitled to rely exclusively on Officers' Certificates).

Section 11.5 Evidence of Compliance with Conditions Precedent. The Company shall provide to the Agent such evidence of compliance with any conditions precedent provided for in this Agreement as and to the extent required by Section 314(c) of the TIA. Any certificate or opinion required to be given by an officer pursuant to Section 314(c)(1) of the TIA may be given in the form of a Company's Certificate. Any opinion required to be given pursuant to Section 314(c)(2) of the TIA may be given in the form of an Opinion of Counsel.

Section 11.6 Defaults; Waiver. The Holders of a majority of the Outstanding Share Purchase Contracts voting together as one class may, by vote or consent, on behalf of all of the Holders, waive any past Default and its consequences, except a Default:

(a) in the payment on any Security, or

(b) in respect of a provision hereof which under Section 8.2 cannot be modified or amended without the consent of the Holder of each Outstanding Security affected.

Upon such waiver, any such Default shall cease to exist, and any Default arising therefrom shall be deemed to have been cured, for every purpose of this Agreement, but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 11.7 Agent's Knowledge of Defaults. The Agent shall not be deemed to have knowledge of any Default unless a Responsible Officer shall have obtained written notice of such Default.

Section 11.8 Conflicting Interests. [_____] shall be deemed to be specifically described in this Agreement for the purposes of clause (i) of the first proviso contained in Section 310(b) of the TIA.

Section 11.9 Direction of Agent. Sections 316(a)(1)(A) of the TIA is hereby expressly excluded from this Agreement, as permitted by the TIA.

IN WITNESS WHEREOF, the parties hereto have caused this Share Purchase Contract Agreement to be duly executed as of the day and year first above written.

FIRSTENERGY CORP.

By: /s/

Name:
Title:

THE BANK OF NEW YORK,
as Share Purchase Contract Agent and
Trustee

By: /s/

Name:
Title:

EXHIBIT A

FORM OF SHARE PURCHASE UNIT CERTIFICATE

THIS CERTIFICATE IS A GLOBAL CERTIFICATE WITHIN THE MEANING OF THE SHARE PURCHASE CONTRACT AGREEMENT (AS HEREINAFTER DEFINED) AND IS REGISTERED IN THE NAME OF THE CLEARING AGENCY OR A NOMINEE THEREOF. THIS CERTIFICATE MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A CERTIFICATE REGISTERED, AND NO TRANSFER OF THIS CERTIFICATE IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH CLEARING AGENCY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE SHARE PURCHASE CONTRACT AGREEMENT.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO., OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, AND ANY PAYMENT HEREON IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY A PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

No. _____ Cusip No. _____ Number of Share Purchase Units _____

FIRSTENERGY CORP.

[____]% Share Purchase Units

(\$[50] Stated Amount)

This Share Purchase Unit Certificate certifies that _____ is the registered Holder of the number of Share Purchase Units set forth above. Each Share Purchase Unit represents (a) a stock Share Purchase Contract of FirstEnergy Corp., an Ohio corporation (the "Company") (as modified and supplemented and in effect from time to time, a "Share Purchase Contract") and (b) beneficial ownership of either (A) (i) beneficial ownership of a Series [_] Senior Note due [____], 200[_] of the Company ("Debt Security"), having a principal amount of \$[50] or (ii) following a successful remarketing of the Debt Securities on the Initial Remarketing Date, an Applicable Ownership Interest in the appropriate Treasury Portfolio, subject to the pledge of such Debt Security or Applicable Ownership Interest in the appropriate Treasury Portfolio by the Holder pursuant to the Pledge Agreement or (B) upon the occurrence of a Tax Event Redemption prior to the Share Purchase Contract Settlement Date, an Applicable Ownership Interest in the appropriate Treasury Portfolio, subject to the Pledge of such Applicable Ownership Interest in the appropriate Treasury Portfolio by the Holder pursuant to the Pledge Agreement. All capitalized terms used herein without definition herein shall have the meaning set forth in the Share Purchase Contract Agreement referred to below.

Pursuant to the Pledge Agreement, the Debt Securities or the appropriate Applicable Ownership Interest in the Treasury Portfolio, as the case may be, constituting part of each Share Purchase Unit evidenced hereby have been pledged to the Collateral Agent, for the benefit of the Company, to secure the obligations of the Holder under the Share Purchase Contract comprising a portion of such Share Purchase Unit.

The Pledge Agreement provides that all payments of the principal amount of Pledged Debt Securities or the Stated Amount of the Pledged Applicable Ownership Interest (as specified in clause (1) of the definition of such term) in the appropriate Treasury Portfolio, as the case may be, or payments of interest on any Pledged Debt Securities or the Pledged Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, constituting part of the Share Purchase Units received by the Collateral Agent shall be paid by the Collateral Agent by wire transfer in same day funds (i) in the case of (A) payments of interest with respect to Pledged Debt Securities or cash distributions on the Pledged Applicable Ownership Interest (as specified in clauses (1)(ii), (1)(iii) or (2)(ii) of the definition of such term) in the appropriate Treasury Portfolio, as the case may be, and (B) any payments of the principal amount of Pledged Debt Securities or the Stated Amount of the Pledged Applicable Ownership Interest (as specified in clauses (1)(i) or (2)(i) of the definition of such term) in the appropriate Treasury Portfolio, as the case may be, with respect to any Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, that have been released from the Pledge pursuant to the Pledge Agreement, to the Agent to the account designated by the Agent, no later than 2:00 p.m., New York City time, on the Business Day such payment is received by the Collateral Agent (provided that in the event such payment is received by the Collateral Agent on a day that is not a Business Day or after 12:30 p.m., New York City time, on a Business Day, then such payment shall be made no later than 10:30 a.m., New York City time, on the next succeeding Business Day) and (ii) in the case of payments of the principal amount of Debt Securities or the Applicable Ownership Interest (as specified in clauses (1)(i) or (2)(i) of the definition of such term) in the appropriate Treasury Portfolio, as the case may be, to the Company on the Share Purchase Contract Settlement Date (as defined herein) in accordance with the terms of the Pledge Agreement, in full satisfaction of the respective obligations of the Holders of the Share Purchase Units of which such Pledged Debt Securities or the Pledged Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, are a part under the Share Purchase Contracts forming a part of such Share Purchase Units. Payment of interest on any Pledged Debt Securities or cash distribution on the Pledged Applicable Ownership Interest (as specified in clauses (1)(ii), 1(iii) or (2)(ii) of the definition of such term) in the appropriate Treasury Portfolio, as the case may be, forming part of a Share Purchase Unit evidenced hereby which are payable quarterly in arrears on [____], [____], [____] and [____] of each year, commencing [____], 200[____], and on the Initial Reset Date if the remarketing of the Pledged Debt Securities on the third Business Day immediately preceding the Initial Reset Date is successful and the Initial Reset Date is not [____], 200[____] or [____], 200[____] (each a "Payment Date"), shall, subject to receipt thereof by the Agent from the Collateral Agent, be paid to the Person in whose name this Share Purchase Unit Certificate (or a Predecessor Share Purchase Unit Certificate) is registered at the close of business on the Record Date for such Payment Date.

Each Share Purchase Contract evidenced hereby obligates the Holder of this Share Purchase Unit Certificate to purchase, and the Company to sell, not later than [____], 200[____] (the "Share Purchase Contract Settlement Date"), at a price of \$[50] in cash (the "Purchase Price"), a number of newly-issued shares of Common Stock, without par value including, where

applicable, the preference stock purchase rights appurtenant thereto ("Common Stock"), of the Company equal to the applicable Settlement Rate (as defined below), unless on or prior to the Share Purchase Contract Settlement Date there shall have occurred a Termination Event or an Early Settlement with respect to the Share Purchase Units of which such Share Purchase Contract is a part, all as provided in the Share Purchase Contract Agreement and more fully described on the herein.

The Settlement Rate is equal to (a) if the Applicable Market Value (as defined below) is equal to or greater than \$[_____] (the "Threshold Appreciation Price"), [_____] shares of Common Stock per Share Purchase Contract, (b) if the Applicable Market Value is less than the Threshold Application Price but is greater than \$[____], the number of shares of Common Stock per Share Purchase Contract equal to \$[50] divided by the Applicable Market Value, and (c) if the Applicable Market Value is less than or equal to \$[____], [_____] shares of Common Stock per Share Purchase Contract, in each case subject to adjustment as provided in the Share Purchase Contract Agreement. No fractional shares of Common Stock will be issued upon settlement of Share Purchase Contracts, as provided in the Share Purchase Contract Agreement.

The Company shall pay, on each Payment Date other than the Initial Reset Date, if the Initial Reset Date is not also a regular quarterly Payment Date in respect of each Share Purchase Contract forming part of a Share Purchase Unit evidenced hereby, an amount (the "Contract Adjustment Payments") equal to [____]% per annum of the Stated Amount; computed on the basis of a 360-day year of twelve 30-day months, subject to deferral at the option of the Company as provided in the Share Purchase Contract Agreement and more fully described herein. Such Contract Adjustment Payments shall be payable to the Person in whose name this Share Purchase Unit Certificate (or a Predecessor Share Purchase Unit Certificate or a Predecessor Treasury Unit Certificate) is registered on the Register at the close of business on the Record Date for such Payment Date.

Contract Adjustment Payments will be payable at the Corporate Trust Office or, at the option of the Company, by check mailed to the address of the Person entitled thereto at such Person's address as it appears on the Share Purchase Unit Register or by wire transfer to an account appropriately designated in writing by the Person entitled to payment.

Unless the context otherwise requires, each provision of this Security shall be part of the Share Purchase Contracts evidenced hereby. This Security and each Share Purchase Contract evidenced hereby is governed by a Share Purchase Contract Agreement, dated as of [____], 200[___] (as it may be supplemented from time to time, the "Share Purchase Contract Agreement"), between the Company and The Bank of New York, as Share Purchase Contract agent and trustee (including any successor thereunder, herein called the "Agent"), to which Share Purchase Contract Agreement and supplemental agreements thereto reference is hereby made for a description of the respective rights, limitations of rights, obligations, duties and immunities thereunder of the Agent, the Company, and the Holders and of the terms upon which the Share Purchase Unit Certificates are, and are to be, executed and delivered.

Each Share Purchase Contract evidenced hereby, which is settled either through Early Settlement or Cash Settlement, shall obligate the Holder of the related Share Purchase Units to purchase at the applicable Purchase Price, and the Company to sell, a number of newly issued shares of Common Stock equal to the Early Settlement Rate or the applicable Settlement Rate, as applicable.

The "Applicable Market Value" means the average of the Closing Price per share of Common Stock on each of the 20 consecutive Trading Days ending on the third Trading Day immediately preceding the Share Purchase Contract Settlement Date. The "Closing Price" of the Common Stock on any date of determination means the closing sale price (or, if no closing price is reported, the last reported sale price) of the Common Stock on the New York Stock Exchange (the "NYSE") on such date or, if the Common Stock is not listed for trading on the NYSE on any such date, as reported in the composite transactions for the principal United States national or regional securities exchange on which the Common Stock is so listed. If the Common Stock is not so listed on a United States national or regional securities exchange, the Closing Price means the last sale price of the Common Stock as reported by the NASDAQ Stock Market, or if the Common Stock is not so reported, the last quoted bid price for the Common Stock in the over-the-counter market as reported by the National Quotation Bureau or similar organization. If such bid price is not available, the Closing Price means market value of the Common Stock on such date as determined by a nationally recognized independent investment banking firm retained by the Company for this purpose. A "Trading Day" means a day on which the Common Stock (A) is not suspended from trading on any national or regional securities exchange or association or over-the-counter market at the close of business and (B) has traded at least once on the national or regional securities exchange or association or over-the-counter market that is the primary market for the trading of the Common Stock.

In accordance with the terms of the Share Purchase Contract Agreement, the Holder of the Share Purchase Units evidenced hereby shall pay, on the Share Purchase Contract Settlement Date, the applicable Purchase Price for the shares of Common Stock purchased pursuant to each Share Purchase Contract evidenced hereby by effecting a Cash Settlement or, an Early Settlement. A Holder of Share Purchase Units who does not make such payment in accordance with the Share Purchase Contract Agreement or who does not notify the Agent of such Holder's intention, on or prior to 5:00 p.m., New York City time, on the fifth Business Day immediately preceding the Share Purchase Contract Settlement Date, to make an effective Cash Settlement or an Early Settlement, shall have defaulted in its obligations under the related Share Purchase Contract and the Collateral Agent shall exercise its rights as a secured creditor for the benefit of the Company under the Share Purchase Contract Agreement and the Pledge Agreement and shall apply the Proceeds of the sale of the related applicable Pledged Debt Securities held by the Collateral Agent to satisfy the Holder's obligations under such Share Purchase Contract to purchase Common Stock at the Purchase Price.

The Company shall not be obligated to issue any shares of Common Stock in respect of the Share Purchase Contract on the Share Purchase Contract Settlement Date or deliver any certificates therefor to the Holder unless it shall have received payment in full of the aggregate Purchase Price for the shares of Common Stock to be purchased thereunder in the manner herein set forth.

Under and subject to the terms of the Pledge Agreement and the Share Purchase Contract Agreement, the Agent will be entitled to exercise the voting and any other consensual rights pertaining to the Pledged Debt Securities, but only to the extent instructed by the Holders as described in the paragraph below. Upon receipt of notice of any meeting at which holders of Debt Securities are entitled to vote or upon the solicitation of consents, waivers or proxies of holders of Debt Securities, the Agent shall, as soon as practicable thereafter, mail to the Holders of Share Purchase Units a notice (a) containing such information as is contained in the notice or solicitation, (b) stating that each Share Purchase Unit Holder on the record date set by the Agent

therefor shall be entitled to instruct the Agent as to the exercise of the voting rights pertaining to the Debt Securities constituting a part of such Holder's Share Purchase Unit and (c) stating the manner in which such instructions may be given. Upon the written request of the Share Purchase Unit Holders on such record date, the Agent shall endeavor insofar as practicable to vote or cause to be voted, in accordance with the instructions set forth in such requests, the maximum number of Debt Securities as to which any particular voting instructions are received. In the absence of specific instructions from the Holder of a Share Purchase Units, the Agent shall abstain from voting any Debt Securities evidenced by such Share Purchase Units.

Upon the occurrence of a Tax Event Redemption prior to the Share Purchase Contract Settlement Date, the Redemption Price payable on the Tax Event Redemption Date with respect to the Applicable Principal Amount of Debt Securities shall be delivered to the Collateral Agent in exchange for the Pledged Debt Securities. Pursuant to the terms of the Pledge Agreement, the Collateral Agent will apply an amount equal to the Redemption Amount of such Redemption Price to purchase on behalf of the Holders of Share Purchase Units the Tax Event Treasury Portfolio and promptly remit the remaining portion of such Redemption Price, if any, to the Agent for payment to the Holders of such Share Purchase Units. The Tax Event Treasury Portfolio will be substituted for the Pledged Debt Securities, and will be held by the Collateral Agent in accordance with the terms of the Pledge Agreement to secure the obligation of each Holder of a Share Purchase Unit to purchase the Common Stock of the Company on the Share Purchase Contract Settlement Date under the Share Purchase Contract constituting a part of such Share Purchase Unit. Following the occurrence of a Tax Event Redemption prior to the Share Purchase Contract Settlement Date, the Holders of Share Purchase Units and the Collateral Agent shall have such security interests, rights and obligations with respect to the Tax Event Treasury Portfolio as the Holder of Share Purchase Units and the Collateral Agent had in respect of the Debt Securities subject to the Pledge thereof as provided in Articles II, III, IV, V and VI of the Pledge Agreement, and any reference herein to the Pledged Debt Securities shall be deemed to be reference to such Tax Event Treasury Portfolio. The Company may cause to be made in any Share Purchase Unit Certificates thereafter to be issued such change in phraseology and form (but not in substance) as may be appropriate to reflect the substitution of the Tax Event Treasury Portfolio for Debt Securities as collateral.

Upon the successful remarketing of the Pledged Debt Securities on the Initial Remarketing Date, the proceeds of such remarketing (after deducting any Remarketing Fee) shall be delivered to the Collateral Agent in exchange for the Pledged Debt Securities. Pursuant to the terms of the Pledge Agreement, the Collateral Agent will apply an amount equal to the Remarketing Treasury Portfolio Purchase Price to purchase on behalf of the Holders of Share Purchase Units the Remarketing Treasury Portfolio and promptly remit the remaining portion of such proceeds to the Agent for payment to the Holders of such Share Purchase Units. The Remarketing Treasury Portfolio will be substituted for the outstanding Pledged Debt Securities, and will be held by the Collateral Agent in accordance with the terms of the Pledge Agreement to secure the obligation of each Holder of a Share Purchase Unit to purchase the Common Stock of the Company on the Share Purchase Contract Settlement Date under the Share Purchase Contract constituting a part of such Share Purchase Unit. Following the successful remarketing of the Pledged Debt Securities on the Initial Remarketing Date, the Holders of Share Purchase Units and the Collateral Agent shall have such security interests, rights and obligations with respect to the Remarketing Treasury Portfolio as the Holder of Share Purchase Units and the Collateral Agent had in respect of the Debt Securities subject to the Pledge thereof as provided in Articles II, III, IV, V and VI of the Pledge Agreement, and any reference herein to the Debt

Securities shall be deemed to be reference to such Remarketing Treasury Portfolio. The Company may cause to be made in any Share Purchase Unit Certificates thereafter to be issued such change in phraseology and form (but not in substance) as may be appropriate to reflect the substitution of the Remarketing Treasury Portfolio for Debt Securities as collateral.

The Share Purchase Units are issuable only in registered form and only in denominations of a single Share Purchase Unit and any integral multiple thereof. The transfer of any Share Purchase Unit Certificate will be registered and Share Purchase Unit Certificates may be exchanged as provided in the Share Purchase Contract Agreement. The Share Purchase Unit Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents permitted by the Share Purchase Contract Agreement. No service charge shall be required for any such registration of transfer or exchange, but the Company and the Agent may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

A Holder of a Share Purchase Unit may, at any time on or prior to the fifth Business Day immediately preceding the Share Purchase Contract Settlement Date, create or recreate a Treasury Unit and separate the Debt Security or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as applicable, from the related Share Purchase Contract in respect of such Share Purchase Unit by substituting the appropriate Treasury Security for the Debt Security, or the Applicable Ownership Interest in the appropriate Treasury Portfolio, that form a part of such Share Purchase Unit in accordance with the Share Purchase Contract Agreement; provided, however, that if a successful remarketing of the Debt Securities has occurred on the Initial Remarketing Date or a Tax Event Redemption has occurred, Holders of such Share Purchase Units may make such Collateral Substitutions at any time on or prior to the second Business Day immediately preceding the Share Purchase Contract Settlement Date. Holders may make Collateral Substitutions and establish Treasury Units (i) only in integral multiples of [20] Share Purchase Units if only Debt Securities are being substituted by Treasury Securities, or (ii) only in integral multiples of [40,000] Share Purchase Units if the Applicable Ownership Interests in the appropriate Treasury Portfolio are being substituted by Treasury Securities. To create [20] Treasury Units (if a Tax Event Redemption has not occurred and the Debt Securities remain a component of the Share Purchase Units), or [40,000] Treasury Units (if a Tax Event Redemption has occurred or the Remarketing Treasury Portfolio has replaced the Debt Securities as a component of the Share Purchase Units as a result of a successful remarketing of such Debt Securities), the Share Purchase Unit Holder shall:

(a) if a Treasury Portfolio has not replaced any Debt Securities as a component of Share Purchase Units as a result of a successful remarketing of the Debt Securities on the Initial Remarketing Date or a Tax Event Redemption, deposit with the Collateral Agent a Treasury Security having a principal amount at maturity of \$1,000; or

(b) if a Treasury Portfolio has replaced the Debt Securities as a component of Share Purchase Units as a result of a successful remarketing of the Debt Securities on the Initial Remarketing Date or a Tax Event Redemption, on or prior to the second Business Day immediately preceding the Share Purchase Contract Settlement Date, deposit with the Collateral Agent Treasury Securities having an aggregate principal amount at maturity of \$[_____]; and

(c) in each case, transfer and surrender the related [20] Share Purchase Units, or, in the event a Treasury Portfolio is a component of Share Purchase Units, [40,000] Share Purchase Units, to the Agent accompanied by a notice to the Agent, substantially in the form of Exhibit B to the Pledge Agreement, stating that the Holder has transferred the relevant types and amounts of Treasury Securities to the Collateral Agent and requesting that the Agent instruct the Collateral Agent to release the applicable Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, underlying such Share Purchase Unit, whereupon the Agent shall promptly give such instruction to the Collateral Agent, substantially in the form of Exhibit A to the Pledge Agreement.

Upon receipt of the Treasury Securities described in clause (a) or (b) above and the instructions described in clause (c) above, in accordance with the terms of the Pledge Agreement, the Collateral Agent will release from the Pledge, to the Agent, on behalf of the Holder, Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, that had been components of such Share Purchase Unit, free and clear of the Company's security interest therein, and upon receipt thereof the Agent shall promptly:

(i) cancel the related Share Purchase Units surrendered and transferred;

(ii) transfer the Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, that had been components of such Share Purchase Unit to the Holder; and

(iii) authenticate, execute on behalf of such Holder and deliver a Treasury Unit Certificate executed by the Company in accordance with the Share Purchase Contract Agreement evidencing the same number of Share Purchase Contracts as were evidenced by the cancelled Share Purchase Units.

Holders who elect to separate the Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, from the related Share Purchase Contracts and to substitute Treasury Securities for such Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, shall be responsible for any fees or expenses payable to the Collateral Agent for its services as Collateral Agent in respect of the substitution, and the Company shall not be responsible for any such fees or expenses.

A Holder of a Treasury Unit may create or recreate a Share Purchase Unit by depositing with the Collateral Agent a Debt Security or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, having an aggregate principal amount equal to the aggregate principal amount at maturity of, and in substitution for all, but not less than all, of the Treasury Securities comprising part of the Treasury Unit in exchange for the release of such Pledged Treasury Securities in accordance with the terms of the Share Purchase Contract Agreement and the Pledge Agreement.

Subject to the next succeeding paragraph, the Company shall pay, on each Payment Date, except the Initial Reset Date, if the Initial Reset Date is not also a quarterly Payment Date the Contract Adjustment Payments payable in respect of each Share Purchase Contract to the Person in whose name the Share Purchase Unit Certificate evidencing such Share Purchase Contract is registered on the Register at the close of business on the Record Date next preceding such

Payment Date. The Contract Adjustment Payments will be payable at the Corporate Trust Office or, at the option of the Company, by check mailed to the address of the Person entitled thereto at such address as it appears on the Share Purchase Unit Register or by wire transfer to an account appropriately designated in writing by such person.

The Company shall have the right, at any time prior to the Share Purchase Contract Settlement Date, to defer the payment of any or all of the Contract Adjustment Payments otherwise payable on any Payment Date, but only if the Company shall give the Holders and the Agent written notice of its election to defer such payment (specifying the amount to be deferred) as provided in the Share Purchase Contract Agreement. Any Contract Adjustment Payments so deferred shall bear additional Contract Adjustment Payments thereon at the rate of [_____] % per annum (computed on the basis of a 360-day year of twelve 30-day months), compounding on each succeeding Payment Date, until paid in full (such deferred installments of Contract Adjustment Payments, if any, together with the additional Contract Adjustment Payments accrued thereon, are referred to herein as the "Deferred Contract Adjustment Payments"). Deferred Contract Adjustment Payments, if any, shall be due on the next succeeding Payment Date except to the extent that payment is deferred pursuant to the Share Purchase Contract Agreement. No Contract Adjustment Payments may be deferred to a date that is after the Share Purchase Contract Settlement Date.

In the event that the Company elects to defer the payment of Contract Adjustment Payments on the Share Purchase Contracts until the Share Purchase Contract Settlement Date, the Holder of this Share Purchase Unit Certificate will receive on the Share Purchase Contract Settlement Date, in lieu of a cash payment, a number of shares of Common Stock (in addition to the number of shares equal to the Settlement Rate) equal to (x) the aggregate amount of Deferred Contract Adjustment Payments payable to the Holder of this Share Purchase Unit Certificate divided by (y) the Applicable Market Value.

In the event the Company exercises its option to defer the payment of Contract Adjustment Payments, then, until the Deferred Contract Adjustment Payments have been paid, the Company shall not declare or pay dividends on, make distributions with respect to, or redeem, purchase or acquire, or make a liquidation payment with respect to, any of its capital stock or make guarantee payments with respect to the foregoing (other than (i) purchases, redemptions or acquisitions of shares of capital stock of the Company in connection with any employment contract, benefit plan or other similar arrangement with or for the benefit of employees, officers, directors or agents or a stock purchase or dividend reinvestment plan, or the satisfaction by the Company of its obligations pursuant to any contract or security outstanding on the date of such event or agent benefit plans or the satisfaction by the Company of its obligations pursuant to any contract or security outstanding on the date of such event requiring the Company to purchase, redeem or acquire its capital stock, (ii) as a result of a reclassification of the Company's capital stock or the exchange or conversion of one class or series of the Company's capital stock for another class or series of the Company's capital stock, (iii) the purchase of fractional interests in shares of the Company's capital stock pursuant to the conversion or exchange provisions of the Company's capital stock or the security being converted or exchanged, (iv) dividends or distributions in capital stock of the Company (or rights to acquire capital stock) or repurchases, redemptions or acquisitions of capital stock in connection with the issuance or exchange of the Company's capital stock (or securities convertible into or exchangeable for shares of capital stock) or (v) redemptions, exchanges or repurchases of any

rights outstanding under a shareholder rights plan or the declaration or payment thereunder of a dividend or distribution of or with respect to rights in the future.

The Share Purchase Contracts and all obligations and rights of the Company and the Holders thereunder, including, without limitation, the rights of the Holders to receive and the obligation of the Company to pay any Contract Adjustment Payments or any Deferred Contract Adjustment Payments, and the rights and obligations of the Holders to purchase Common Stock, shall immediately and automatically terminate, without the necessity of any notice or action by any Holder, the Agent or the Company, if, on or prior to the Share Purchase Contract Settlement Date, a Termination Event shall have occurred. Upon the occurrence of a Termination Event, the Company shall promptly but in no event later than two Business Days thereafter give written notice to the Agent, the Collateral Agent and to the Holders, at their addresses as they appear in the Share Purchase Unit Register. Upon and after the occurrence of a Termination Event, the Collateral Agent shall release the Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, forming a part of the Share Purchase Units evidenced hereby from the Pledge in accordance with the provisions of the Pledge Agreement.

Subject to and upon compliance with the provisions of the Share Purchase Contract Agreement, a Holder of Share Purchase Units may settle the related Share Purchase Contracts in their entirety at any time on or prior to the fifth Business Day immediately preceding the Share Purchase Contract Settlement Date, but only in integral multiples of [20] Share Purchase Units; provided, however, that if a Treasury Portfolio has become a component of the Share Purchase Units, Holders of Share Purchase Units may settle early only in integral multiples of [40,000] Share Purchase Units at any time on or prior to the second Business Day immediately preceding the Share Purchase Contract Settlement Date. In order to exercise the right to effect any such early settlement ("Early Settlement") with respect to any Share Purchase Contracts evidenced by this Share Purchase Unit Certificate, the Holder of this Share Purchase Unit Certificate shall deliver this Share Purchase Unit Certificate to the Agent at the Corporate Trust Office duly endorsed for transfer to the Company or in blank with the form of Election to Settle Early set forth below duly completed and executed and accompanied by payment payable to the Company in immediately available funds in an amount (the "Early Settlement Amount") equal to the sum of (i) \$[50] times the number of Share Purchase Contracts being settled, plus (ii) if such delivery is made with respect to any Share Purchase Contracts during the period from the close of business on any Record Date next preceding any Payment Date to the opening of business on such Payment Date, an amount equal to the Contract Adjustment Payments payable, if any, on such Payment Date with respect to such Share Purchase Contracts. Upon Early Settlement of Share Purchase Contracts by a Holder of the related Securities, the Pledged Debt Securities or the Pledged Applicable Ownership Interest in the a Treasury Portfolio underlying such Securities shall be released from the Pledge as provided in the Pledge Agreement and the Holder shall be entitled to receive a number of shares of Common Stock on account of each Share Purchase Contract forming part of a Share Purchase Unit as to which Early Settlement is effected equal to the Early Settlement Rate which shall be equal to [____] newly issued shares of Common Stock per Share Purchase Contract (the "Early Settlement Rate"); provided however, that upon the Early Settlement of the Share Purchase Contracts, (i) the Holder thereof will forfeit the right to receive any Deferred Contract Adjustment Payments, if any, on such Share Purchase Contracts, (ii) the Holder's right to receive additional Contract Adjustment Payments in respect of such Share Purchase Contracts will terminate, and (iii) no adjustment will be made to or for the Holder on account of Deferred Contract Adjustment Payments, or any amount accrued in respect of Contract Adjustment Payments. The Early Settlement Rate shall be adjusted in the same

manner and at the same time as the Settlement Rate is adjusted as provided in the Share Purchase Contract Agreement.

Upon registration of transfer of this Share Purchase Unit Certificate, the transferee shall be bound (without the necessity of any other action on the part of such transferee, except as may be required by the Agent pursuant to the Share Purchase Contract Agreement), under the terms of the Share Purchase Contract Agreement and the Share Purchase Contracts evidenced hereby and the transferor shall be released from the obligations under the Share Purchase Contracts evidenced by this Share Purchase Unit Certificate. The Company covenants and agrees, and the Holder, by its acceptance hereof, likewise covenants and agrees, to be bound by the provisions of this paragraph.

The Holder of this Share Purchase Unit Certificate, by its acceptance hereof, irrevocably authorizes the Agent to enter into and perform the related Share Purchase Contracts forming part of the Share Purchase Units evidenced hereby on its behalf as its attorney-in-fact, expressly withholds any consent to the assumption of the Share Purchase Contracts by the Company, its trustee in bankruptcy, receiver, liquidator or a person or entity performing similar functions, in the event that the Company becomes the subject of a case under the Bankruptcy Code or subject to other similar Federal or State law providing for reorganization or liquidation, agrees to be bound by the terms and provisions thereof, covenants and agrees to perform its obligations under such Share Purchase Contracts, consents to the provisions of the Share Purchase Contract Agreement, authorizes the Agent to enter into and perform the Pledge Agreement on its behalf as its attorney-in-fact, and consents to and agrees to be bound by the Pledge of the Pledged Debt Securities or the Pledged Applicable Ownership Interest in a Treasury Portfolio, as the case may be, underlying this Share Purchase Unit Certificate pursuant to the Pledge Agreement. The Holder, by its acceptance hereof, further covenants and agrees, that, to the extent and in the manner provided in the Share Purchase Contract Agreement and the Pledge Agreement, but subject to the terms thereof, payments in respect of the principal of the Pledged Debt Securities, or the portion of the Applicable Ownership Interest (as specified in clauses (1)(i) or 2(i) of the definition of such term) in the appropriate Treasury Portfolio, on the Share Purchase Contract Settlement Date shall be paid by the Collateral Agent to the Company in satisfaction of such Holder's obligations under such Share Purchase Contract and such Holder shall acquire no right, title or interest in such payments.

The Holder of this Share Purchase Unit Certificate, by its acceptance hereof, covenants and agrees to treat itself as the owner, for United States federal, state and local income and franchise tax purposes, of the Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio forming part of the Share Purchase Units evidenced hereby. The Holder of this Share Purchase Unit Certificate, by its acceptance hereof, further covenants and agrees to treat the Debt Securities forming part of the Share Purchase Units evidenced hereby as indebtedness of the Company for United States federal, state and local income and franchise tax purposes.

Subject to certain exceptions, the provisions of the Share Purchase Contract Agreement may be amended with the consent of the Holders of a majority of the Share Purchase Contracts. In addition, certain amendments to the Share Purchase Contract Agreement may be made without any consent of the Holders as provided in the Share Purchase Contract Agreement.

THE SHARE PURCHASE CONTRACTS SHALL FOR ALL PURPOSES BE GOVERNED BY, AND

CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

The Company and the Agent and any agent of the Company or the Agent may treat the Person in whose name this Share Purchase Unit Certificate is registered on the Share Purchase Unit Register as the owner of the Share Purchase Units evidenced hereby for the purpose of receiving payments of interest payable quarterly and on the Initial Reset Date, if the remarketing of the Debt Securities on the third Business Day immediately preceding the Initial Reset Date is successful and the Initial Reset Date is not [____], 200[_] or [____], 200[_], on the Debt Securities receiving payments of Contract Adjustment Payments and any Deferred Contract Adjustment Payments, performance of the Share Purchase Contracts and for all other purposes whatsoever, whether or not any payments in respect thereof be overdue and notwithstanding any notice to the contrary, and neither the Company, the Agent nor any such agent shall be affected by notice to the contrary.

The Share Purchase Contracts shall not, prior to the settlement thereof in accordance with the Share Purchase Contract Agreement, entitle the Holder to any of the rights of a holder of shares of Common Stock.

A copy of the Share Purchase Contract Agreement is available for inspection at the offices of the Agent during regular business hours of the Agent.

Unless the certificate of authentication hereon has been executed by the Agent by manual signature, this Share Purchase Unit Certificate shall not be entitled to any benefit under the Pledge Agreement or the Share Purchase Contract Agreement or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

FIRSTENERGY Corp.

By: _____

Name:

Title:

HOLDER SPECIFIED ABOVE (as to obligations of such Holder under the Share Purchase Contracts evidenced hereby)

By: The Bank of New York,
not individually but solely as
Attorney-in-Fact of such Holder

By: _____

Name:

Title:

Dated:

AGENT'S CERTIFICATE OF AUTHENTICATION

This is one of the Share Purchase Unit Certificates referred to in the within mentioned Share Purchase Contract Agreement.

**THE BANK OF NEW YORK,
as Share Purchase Contract Agent and Trustee**

By: _____

Authorized Signatory

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -	as tenants in common
UNIF GIFT MIN ACT - (a) (minor)	_____Custodian_____
	Under Uniform Gifts to Minors Act

	(State)
TEN ENT -	as tenants by the entireties
JT TEN -	as joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please insert Social Security or Taxpayer I.D. or other Identifying Number of Assignee)

(Please Print or Type Name and Address Including Postal Zip Code of Assignee)

the within Share Purchase Unit Certificate and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Share Purchase Unit Certificate on the books of FirstEnergy Corp. with full power of substitution in the premises.

Dated:

Signature

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Share Purchase Unit Certificates in every particular, without alteration or enlargement or any change whatsoever.

Signature Guarantee: _____

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

SETTLEMENT INSTRUCTIONS

The undersigned Holder directs that a certificate for shares of Common Stock deliverable upon settlement on or after the Share Purchase Contract Settlement Date of the Share Purchase Contracts underlying the number of Share Purchase Units evidenced by this Share Purchase Unit Certificate be registered in the name of, and delivered, together with a check in payment for any fractional share, to the undersigned at the address indicated below unless a different name and address have been indicated below. If shares are to be registered in the name of a Person other than the undersigned, the undersigned will pay any transfer tax payable incident thereto.

Dated: _____

Signature
Signature Guarantee: _____
(if assigned to another person)

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

If shares are to be registered in the name of and delivered to a Person other than the Holder, please (i) print such Person's name and address and (ii) provide a guarantee of your signature:

REGISTERED HOLDER

Please print name and address of Registered Holder:

_____	_____
Name	Name
_____	_____
Address	Address
_____	_____
_____	_____
_____	_____

Social Security or other Taxpayer Identification

Number, if any _____

ELECTION TO SETTLE EARLY

The undersigned Holder of this Share Purchase Unit Certificate hereby irrevocably exercises the option to effect Early Settlement in accordance with the terms of the Share Purchase Contract Agreement with respect to the Share Purchase Contracts underlying the number of Share Purchase Units evidenced by this Share Purchase Unit Certificate specified below. The undersigned Holder directs that a certificate for shares of Common Stock deliverable upon such Early Settlement be registered in the name of, and delivered, together with a check in payment for any fractional share and any Share Purchase Unit Certificate representing any Share Purchase Units evidenced hereby as to which Early Settlement of the related Share Purchase Contracts is not effected, to the undersigned at the address indicated below unless a different name and address have been indicated below. Pledged Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, deliverable upon such Early Settlement will be transferred in accordance with the transfer instructions set forth below. If shares are to be registered in the name of a Person other than the undersigned, the undersigned will pay any transfer tax payable incident thereto.

Dated: _____ Signature

Signature Guarantee: _____

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Number of Securities evidenced hereby as to which Early Settlement of the related Share Purchase Contracts is being elected:

If shares of Common Stock or Share Purchase Unit Certificates are to be registered in the name of and delivered to, and Pledged Debt Securities, or

the Treasury Portfolio,

REGISTERED HOLDER

as the case may be, are to be transferred to, a Person other than the Holder, please print such Person's name and address:

Please print name and address of Registered Holder:

Name	Name
Address	Address

Social Security or other Taxpayer Identification Number, if any _____

Transfer Instructions for Pledged Debt Securities, or the Treasury Portfolio, as the case may be, Transferable Upon Early Settlement or a Termination Event:

EXHIBIT B

FORM OF TREASURY UNIT CERTIFICATE

THIS CERTIFICATE IS A GLOBAL CERTIFICATE WITHIN THE MEANING OF THE SHARE PURCHASE CONTRACT AGREEMENT (AS HEREINAFTER DEFINED) AND IS REGISTERED IN THE NAME OF THE CLEARING AGENCY OR A NOMINEE THEREOF. THIS CERTIFICATE MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A CERTIFICATE REGISTERED, AND NO TRANSFER OF THIS CERTIFICATE IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH CLEARING AGENCY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE SHARE PURCHASE CONTRACT AGREEMENT.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO., OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, AND ANY PAYMENT HEREON IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY A PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

No. _____ Cusip No. _____

Number of Treasury Units _____

FIRSTENERGY CORP.

Treasury Units
(\$[50] Stated Amount)

This Treasury Unit Certificate certifies that _____ is the registered Holder of the number of Treasury Units set forth above. Each Treasury Unit represents (a) a stock Share Purchase Contract of FirstEnergy Corp., an Ohio corporation (the "Company") (as modified and supplemented and in effect from time to time, a "Share Purchase Contract") and (b) a 1/20, or 5% undivided beneficial ownership interest in a Treasury Security. All capitalized terms used herein without definition herein have the meaning set forth in the Share Purchase Contract Agreement referred to below.

Pursuant to the Pledge Agreement, the Treasury Securities constituting part of each Treasury Unit evidenced hereby have been pledged to the Collateral Agent, for the benefit of the Company, to secure the obligations of the Holder under the Share Purchase Contract comprising a portion of such Treasury Unit.

The Pledge Agreement provides that all payments of the principal of any Treasury Securities received by the Collateral Agent shall be paid by the Collateral Agent by wire transfer in same day funds (i) in the case of any principal payments with respect to any Treasury Securities that have been released from the Pledge pursuant to the Pledge Agreement, to the Holders of the applicable Treasury Units to the accounts designated by them in writing for such purpose no later than 2:00 p.m. New York City time, on the Business Day such payment is received by the Collateral Agent (provided that in the event such payment is received by the Collateral Agent on a day that is not a Business Day or after 12:30 p.m., New York City time, on a Business Day, then such payment shall be made no later than 10:30 a.m., New York City time on the next succeeding Business Day), and (ii) in the case of the principal of any Pledged Treasury Securities, to the Company on the Share Purchase Contract Settlement Date (as defined herein) in accordance with the terms of the Pledge Agreement, in full satisfaction of the respective obligations of the Holders of the Treasury Units of which such Pledged Treasury Securities are a part under the Purchaser Contracts forming a part of such Treasury Units.

Each Share Purchase Contract evidenced hereby obligates the Holder of this Treasury Unit Certificate to purchase, and the Company, to sell not later than [____], 200[_] (the "Share Purchase Contract Settlement Date"), at a price of \$[50] in cash (the "Purchase Price"), a number of newly issued shares of Common Stock, without par value, of the Company including, where applicable, the preference stock purchase rights appurtenant thereto ("Common Stock"), equal to the applicable Settlement Rate (as defined below), unless on or prior to the Share Purchase Contract Settlement Date there shall have occurred a Termination Event or an Early Settlement with respect to the Treasury Units of which such Share Purchase Contract is a part, all as provided in the Share Purchase Contract Agreement and more fully described below.

The "Settlement Rate" is equal to (a) if the Applicable Market Value (as defined below) determined with respect to such Share Purchase Contract Settlement Date is equal to or greater than \$[_____] (the "Threshold Appreciation Price"), [_____] shares of Common Stock per Share Purchase Contract, (b) if such Applicable Market Value is less than the Threshold Appreciation Price but is greater than \$[_____] , the number of shares of Common Stock per Share Purchase Contract equal to \$[50] divided by the Applicable Market Value and (c) if the Applicable Market Value is less than or equal to \$[_____] , [_____] shares of Common Stock per Share Purchase Contract, in each case subject to adjustment as provided in the Share Purchase Contract Agreement. No fractional shares of Common Stock will be issued upon settlement of Share Purchase Contracts, as provided in the Share Purchase Contract Agreement.

The Company shall pay on each Payment Date other than the Initial Reset Date is not also a regular quarterly Payment Date in respect of each Share Purchase Contract forming part of a Treasury Unit evidenced hereby an amount (the "Contract Adjustment Payments") equal to [_____] % per annum of the Stated Amount computed on the basis of a 360 day year of twelve 30 day months, subject to deferral at the option of the Company as provided in the Share Purchase Contract Agreement and more fully described below. Such Contract Adjustment Payments shall be payable to the Person in whose name this Treasury Unit Certificate (or a Predecessor Treasury Unit Certificate or a Predecessor Share Purchase Unit Certificate) is registered on the Register at the close of business on the Record Date for such Payment Date.

Contract Adjustment Payments will be payable at the Corporate Trust Office or, at the option of the Company, by check mailed to the address of the Person entitled thereto as such address appears on the Treasury Unit Register or by wire transfer to an account appropriately designated in writing by the Person entitled to payment.

Unless the context otherwise requires, each provision of this Security shall be part of the Share Purchase Contracts evidenced hereby. This Security and each Share Purchase Contract evidenced hereby is governed by a Share Purchase Contract Agreement, dated as of [____], 200 [] (as may be supplemented from time to time, the "Share Purchase Contract Agreement") between the Company and The Bank of New York, as Share Purchase Contract agent and trustee (including any successor thereunder, herein called the "Agent"), to which Share Purchase Contract Agreement and supplemental agreements thereto reference is hereby made for a description of the respective rights, limitations of rights, obligations, duties and immunities thereunder of the Agent, the Company and the Holders and of the terms upon which the Treasury Unit Certificates are, and are to be, executed and delivered.

Each Share Purchase Contract evidenced hereby, which is settled either through Early Settlement or Cash Settlement, shall obligate the Holder of the related Treasury Unit to purchase at the applicable Purchase Price, and the Company to sell, a number of newly issued shares of Common Stock equal to the applicable Early Settlement Rate or the Settlement Rate, as applicable.

The "Applicable Market Value" means the average of the Closing Price per share of Common Stock on each of the 20 consecutive Trading Days ending on the third Trading Day immediately preceding the Share Purchase Contract Settlement Date. The "Closing Price" of the Common Stock on any date of determination means the closing sale price (or, if no closing price is reported, the last reported sale price) of the Common Stock on the New York Stock Exchange (the "NYSE") on such date or, if the Common Stock is not listed for trading on the NYSE on any such date, as reported in the composite transactions for the principal United States national or regional securities exchange on which the Common Stock is so listed. If the Common Stock is not so listed on a United States national or regional securities exchange, the Closing Price means the last sale price of the Common Stock as reported by the NASDAQ Stock Market, or if the Common Stock is not so reported, the last quoted bid price for the Common Stock in the over-the-counter market as reported by the National Quotation Bureau or similar organization. If such bid price is not available, the Closing Price means market value of the Common Stock on such date as determined by a nationally recognized independent investment banking firm retained by the Company for this purpose. A "Trading Day" means a day on which the Common Stock (A) is not suspended from trading on any national or regional securities exchange or association or over-the-counter market at the close of business and (B) has traded at least once on the national or regional securities exchange or association or over-the-counter market that is the primary market for the trading of the Common Stock.

In accordance with the terms of the Share Purchase Contract Agreement, the Holder of the Treasury Units evidenced hereby shall pay, on the Share Purchase Contract Settlement Date, the Purchase Price for the shares of Common Stock purchased pursuant to each Share Purchase Contract evidenced hereby by effecting a Cash Settlement or an Early Settlement of each such Share Purchase Contract or by applying a principal amount of the Pledged Treasury Securities

underlying such Holder's Treasury Units equal to the Stated Amount of such Share Purchase Contract to the purchase of Common Stock. A Holder of Treasury Units who does not make such payment in accordance with the Share Purchase Contract Agreement or who does not notify the Agent of such Holder's intention, on or prior to 5:00 p.m., New York City time, on the fifth Business Day immediately preceding the Share Purchase Contract Settlement Date, to make an effective Cash Settlement or an Early Settlement, shall have defaulted in its obligations under the related Share Purchase Contract, and the Collateral Agent shall exercise its rights as a secured creditor for the benefit of the Company under the Share Purchase Contract Agreement and the Pledge Agreement and shall apply the principal amount at maturity of the related Pledged Treasury Securities held by the Collateral Agent to the Purchase Price of the Common Stock on such Share Purchase Contract Settlement Date.

The Company shall not be obligated to issue any shares of Common Stock in respect of a Share Purchase Contract or deliver any certificates therefor to the Holder unless it shall have received payment in full of the Purchase Price for the shares of Common Stock to be purchased thereunder in the manner set forth in the Share Purchase Contract Agreement.

The Treasury Unit Certificates are issuable only in registered form and only in denominations of a single Treasury Unit and any integral multiple thereof. The transfer of any Treasury Unit Certificate will be registered and Treasury Unit Certificates may be exchanged as provided in the Share Purchase Contract Agreement. The Treasury Unit Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents permitted by the Share Purchase Contract Agreement. No service charge shall be required for any such registration of transfer or exchange, but the Company and the Agent may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

A Holder of a Treasury Unit may, at any time on or prior to the fifth Business Day immediately preceding the Share Purchase Contract Settlement Date, create or recreate a Share Purchase Unit by depositing with the Collateral Agent a Debt Security or the Applicable Ownership Interest in the applicable Treasury Portfolio, as the case may be, having an aggregate principal amount equal to the aggregate principal amount at maturity of, and in substitution for all, but not less than all, of the Treasury Securities comprising part of the Treasury Unit in accordance with the Share Purchase Contract Agreement; provided, however, that if the Treasury Portfolio has replaced the Debt Securities as a component of Share Purchase Units as a result of a successful remarketing of the Debt Securities on the Initial Remarketing Date or a Tax Event Redemption, such Collateral Substitutions may be made at any time on or prior to the second Business Day immediately preceding the Share Purchase Contract Settlement Date. Holders of Treasury Units may make such Collateral Substitutions and establish Share Purchase Units (i) only in integral multiples of [20] Treasury Units if Treasury Securities are being replaced by only Debt Securities, or (ii) only in integral multiples of [40,000] Treasury Units if any Treasury Security is being replaced by the Applicable Ownership Interest in the appropriate Treasury Portfolio. To create [20] Share Purchase Units (if a Tax Event Redemption has not occurred and the Debt Securities remain components of Share Purchase Units), or [40,000] Share Purchase Units (if a Tax Event Redemption has occurred or the Remarketing Treasury Portfolio has replaced the Debt Securities as a result of a successful remarketing of such Debt Securities), the Treasury Unit Holder shall:

(a) if a Treasury Portfolio has not replaced the Debt Securities as a component of Share Purchase Units as a result of a successful remarketing of the Debt Securities on the Initial Remarketing Date or a Tax Event Redemption, on or prior to the fifth Business Day immediately preceding the Share Purchase Contract Settlement Date, deposit with the Collateral Agent \$1,000 in aggregate principal amount of Debt Securities; or

(b) if a Treasury Portfolio has replaced the Debt Securities as a component of Share Purchase Units as a result of a successful remarketing of the Debt Securities on the Initial Remarketing Date or a Tax Event Redemption, on or prior to the second Business Day immediately preceding the Share Purchase Contract Settlement Date, deposit with the Collateral Agent the Applicable Ownership Interest in the Treasury Portfolio for each [40,000] Share Purchase Units being created by the Holder, and having an aggregate principal amount of \$[_____]; and

(c) in each case, transfer and surrender the related [20] Treasury Units, or in the event the Treasury Portfolio is a component of Share Purchase Units, [40,000] Share Purchase Units, to the Agent accompanied by a notice to the Agent, substantially in the form of Exhibit B to the Pledge Agreement, stating that the Holder has transferred the relevant amount of Debt Securities or the appropriate Applicable Ownership Interest in the Treasury Portfolio, as the case may be, to the Collateral Agent and requesting that the Agent instruct the Collateral Agent to release the Treasury Securities underlying such Treasury Units, whereupon the Agent shall promptly give such instruction to the Collateral Agent, substantially in the form of Exhibit A to the Pledge Agreement.

Upon receipt of the Debt Securities or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as the case may be, described in clause (a) or (b) above and the instructions described in clause (c) above, in accordance with the terms of the Pledge Agreement, the Collateral Agent will effect the release of the Treasury Securities having a corresponding aggregate principal amount from the Pledge to the Agent free and clear of the Company's security interest therein, and upon receipt thereof the Agent shall promptly:

(i) cancel the related Treasury Units surrendered and transferred;

(ii) transfer the Treasury Securities that had been components of such Treasury Units to the Holder; and

(iii) authenticate, execute on behalf of such Holder and deliver a Share Purchase Unit Certificate executed by the Company in accordance with the Share Purchase Contract Agreement evidencing the same number of Share Purchase Contracts as were evidenced by the cancelled Treasury Units.

Holders who elect to separate Pledged Treasury Securities from the related Share Purchase Contracts and to substitute Debt Securities or the Applicable Ownership Interest in the Treasury Portfolio, as the case may be, for such Pledged Treasury Securities shall be responsible for any fees or expenses payable to the Collateral Agent for its services as Collateral Agent in respect of the substitution, and the Company shall not be responsible for any such fees or expenses.

A Holder of a Share Purchase Unit may create or recreate a Treasury Unit and separate the Debt Security or the Applicable Ownership Interest in the appropriate Treasury Portfolio, as applicable, from the related Share Purchase Contract in respect of such Share Purchase Unit by substituting a Treasury Security for the Debt Security, or the Applicable Ownership Interest in the appropriate Treasury Portfolio, that form a part of such Share Purchase Unit in accordance with the Share Purchase Contract Agreement.

Subject to the next succeeding paragraph, the Company shall pay, on each Payment Date, except Initial Reset Date, if the Initial Reset Date is not also a quarterly Payment Date, the Contract Adjustment Payments payable in respect of each Share Purchase Contract to the Person in whose name the Treasury Unit Certificate evidencing such Share Purchase Contract is registered on the Register at the close of business on the Record Date next preceding such Payment Date. The Contract Adjustment Payments will be payable at the Corporate Trust Office or, at the option of the Company, by check mailed to the address of the Person entitled thereto at such address as it appears on the Treasury Unit Register or by wire transfer to an account appropriately designated in writing by such person.

The Company shall have the right, at any time prior to the Share Purchase Contract Settlement Date, to defer the payment of any or all of the Contract Adjustment Payments otherwise payable on any Payment Date, but only if the Company shall give the Holders and the Agent written notice of its election to defer such payment (specifying the amount to be deferred) as provided in the Share Purchase Contract Agreement. Any Contract Adjustment Payments so deferred shall bear additional Contract Adjustment Payments thereon at the rate of [_____] % per annum (computed on the basis of a 360-day year of twelve 30-day months), compounding on each succeeding Payment Date, until paid in full (such deferred installments of Contract Adjustment Payments, if any, together with the additional Contract Adjustment Payments accrued thereon, are referred to herein as the "Deferred Contract Adjustment Payments"). Deferred Contract Adjustment Payments, if any, shall be due on the next succeeding Payment Date except to the extent that payment is deferred pursuant to the Share Purchase Contract Agreement. No Contract Adjustment Payments may be deferred to a date that is after the Share Purchase Contract Settlement Date.

In the event that the Company elects to defer the payment of Contract Adjustment Payments on the Share Purchase Contracts until the Share Purchase Contract Settlement Date, the Holder of this Treasury Unit Certificate will receive on the Share Purchase Contract Settlement Date, in lieu of a cash payment, a number of shares of Common Stock (in addition to the number of shares equal to the Settlement Rate) equal to (x) the aggregate amount of Deferred Contract Adjustment Payments payable to the Holder of this Treasury Unit Certificate divided by (y) the Applicable Market Value.

In the event the Company exercises its option to defer the payment of Contract Adjustment Payments, then, until the Deferred Contract Adjustment Payments have been paid, the Company shall not declare or pay dividends on, make distributions with respect to, or redeem, purchase or acquire, or make a liquidation payment with respect to, any of its capital stock or make guarantee payments with respect to the foregoing (other than (i) purchases, redemptions or acquisitions of shares of capital stock of the Company in connection with any employment contract, benefit plan or other similar arrangement with or for the benefit of

employees, officers, directors or agents or a stock purchase or dividend reinvestment plan, or the satisfaction by the Company of its obligations pursuant to any contract or security outstanding on the date of such event or agent benefit plans or the satisfaction by the Company of its obligations pursuant to any contract or security outstanding on the date of such event requiring the Company to purchase, redeem or acquire its capital stock, (ii) as a result of a reclassification of the Company's capital stock or the exchange or conversion of one class or series of the Company's capital stock for another class or series of the Company's capital stock, (iii) the purchase of fractional interests in shares of the Company's capital stock pursuant to the conversion or exchange provisions of the Company's capital stock or the security being converted or exchanged, (iv) dividends or distributions in capital stock of the Company (or rights to acquire capital stock) or repurchases, redemptions or acquisitions of capital stock in connection with the issuance or exchange of the Company's capital stock (or securities convertible into or exchangeable for shares of capital stock) or (v) redemptions, exchanges or repurchases of any rights outstanding under a shareholder rights plan or the declaration or payment thereunder of a dividend or distribution of or with respect to rights in the future.

The Share Purchase Contracts and all obligations and rights of the Company and the Holders thereunder, including, without limitation, the rights of the Holders to receive and the obligation of the Company to pay any Contract Adjustment Payments or any Deferred Contract Adjustment Payments, and the rights and obligations of the Holders to purchase Common Stock shall immediately and automatically terminate, without the necessity of any notice or action by any Holder, the Agent or the Company, if, on or prior to the Share Purchase Contract Settlement Date, a Termination Event shall have occurred. Upon the occurrence of a Termination Event, the Company shall promptly but in no event later than two Business Days thereafter give written notice to the Agent, the Collateral Agent and to the Holders, at their addresses as they appear in the Treasury Unit Register. Upon and after the occurrence of a Termination Event, the Collateral Agent shall release the Treasury Securities from the Pledge in accordance with the provisions of the Pledge Agreement.

Subject to and upon compliance with the provisions of the Share Purchase Contract Agreement, a Holder of Treasury Units may settle the related Share Purchase Contracts in their entirety on or prior to the second Business Day immediately preceding the Share Purchase Contract Settlement Date, but only in integral multiples of [20] Treasury Units. In order to exercise the right to effect any such early settlement ("Early Settlement") with respect to any Share Purchase Contracts evidenced by this Treasury Unit Certificate, the Holder of this Treasury Unit Certificate shall deliver this Treasury Unit Certificate to the Agent at the Corporate Trust Office duly endorsed for transfer to the Company or in blank with the form of Election to Settle Early set forth below duly completed and executed and accompanied by payment payable to the Company in immediately available funds payable to the order of the Company in an amount (the "Early Settlement Amount") equal to the sum of (i) \$[50] times the number of Share Purchase Contracts being settled, (ii) if such delivery is made with respect to any Share Purchase Contracts during the period from the close of business on any Record Date next preceding any Payment Date to the opening of business on such Payment Date, an amount equal to the Contract Adjustment Payments payable, if any, on such Payment Date with respect to such Share Purchase Contracts. Upon Early Settlement of Share Purchase Contracts by a Holder of the related Securities, the Pledged Treasury Securities underlying such Securities shall be released from the Pledge as provided in the Pledge Agreement and the Holder shall be entitled

to receive a number of shares of Common Stock on account of each Share Purchase Contract forming part of a Treasury Unit as to which Early Settlement is effected equal to the Early Settlement Rate which shall be equal to [_____] newly issued shares of Common Stock per Share Purchase Contract (the "Early Settlement Rate"); provided however, that upon the Early Settlement of the Share Purchase Contracts, (i) the Holder thereof will forfeit the right to receive any Deferred Contract Adjustment Payments, if any, on such Share Purchase Contracts, (ii) the Holder's right to receive additional Contract Adjustment Payments in respect of such Share Purchase Contracts will terminate, and (iii) no adjustment will be made to or for the Holder on account of Deferred Contract Adjustment Payments, or any amount accrued in respect of Contract Adjustment Payments. The Early Settlement Rate shall be adjusted in the same manner and at the same time as the Settlement Rate is adjusted, as provided in the Share Purchase Contract Agreement.

Upon registration of transfer of this Treasury Unit Certificate, the transferee shall be bound (without the necessity of any other action on the part of such transferee, except as may be required by the Agent pursuant to the Share Purchase Contract Agreement), under the terms of the Share Purchase Contract Agreement and the Share Purchase Contracts evidenced hereby and the transferor shall be released from the obligations under the Share Purchase Contracts evidenced by this Treasury Unit Certificate. The Company covenants and agrees, and the Holder, by its acceptance hereof, likewise covenants and agrees, to be bound by the provisions of this paragraph.

The Holder of this Treasury Unit Certificate, by its acceptance hereof, irrevocably authorizes the Agent to enter into and perform the related Share Purchase Contracts forming part of the Treasury Units evidenced hereby on its behalf as its attorney-in-fact, expressly withholds any consent to the assumption (i.e., affirmance) of the Share Purchase Contracts by the Company or its trustee in bankruptcy, receiver, liquidator or a person or entity performing similar functions, in the event that the Company becomes the subject of a case under the Bankruptcy Code or subject to other similar Federal or State law providing for reorganization or liquidation, agrees to be bound by the terms and provisions thereof, covenants and agrees to perform its obligations under such Share Purchase Contracts, consents to the provisions of the Share Purchase Contract Agreement, authorizes the Agent to enter into and perform the Pledge Agreement on its behalf as its attorney-in-fact, and consents to the Pledge of the Treasury Securities underlying this Treasury Unit Certificate pursuant to the Pledge Agreement. The Holder, by its acceptance hereof, further covenants and agrees, that, to the extent and in the manner provided in the Share Purchase Contract Agreement and the Pledge Agreement, but subject to the terms thereof, payments in respect to the Stated Amount of the Pledged Treasury Securities on the Share Purchase Contract Settlement Date shall be paid by the Collateral Agent to the Company in satisfaction of such Holder's obligations under such Share Purchase Contract and such Holder shall acquire no right, title or interest in such payments.

The Holder of this Treasury Unit Certificate, by its acceptance hereof, covenants and agrees to treat itself as the owner, for United States federal, state and local income and franchise tax purposes, of the Treasury Securities forming part of the Treasury Units evidenced hereby.

Subject to certain exceptions, the provisions of the Share Purchase Contract Agreement may be amended with the consent of the Holders of a majority of the Share Purchase Contracts.

In addition, certain amendments to the Share Purchase Contract Agreement may be made without any consent of the Holders as provided in the Share Purchase Contract Agreement.

THE SHARE PURCHASE CONTRACTS SHALL FOR ALL PURPOSES BE GOVERNED BY, AND

CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

The Company and the Agent and any agent of the Company or the Agent may treat the Person in whose name this Treasury Unit Certificate is registered on the Treasury Unit Register as the owner of the Treasury Units evidenced hereby for the purpose of receiving payments of interest on the Treasury Securities, receiving payments of Contract Adjustment Payments and any Deferred Contract Adjustment Payments, performance of the Share Purchase Contracts and for all other purposes whatsoever, whether or not any payments in respect thereof be overdue and notwithstanding any notice to the contrary, and neither the Company, the Agent nor any such agent shall be affected by notice to the contrary.

The Share Purchase Contracts shall not, prior to the settlement thereof, in accordance with the Purchase Agreement, entitle the Holder to any of the rights of a holder of shares of Common Stock.

A copy of the Share Purchase Contract Agreement is available for inspection at the offices of the Agent during regular business hours of the Agent.

Unless the certificate of authentication hereon has been executed by the Agent by manual signature, this Treasury Unit Certificate shall not be entitled to any benefit under the Pledge Agreement or the Share Purchase Contract Agreement or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

FIRSTENERGY Corp.

By: _____

Name:

Title:

HOLDER SPECIFIED ABOVE (as to obligations of such Holder under the Share Purchase Contracts evidenced hereby)

By: The Bank of New York,
not individually but solely as
Attorney-in-Fact of such Holder

By: _____

Name:

Title:

Dated:

AGENT'S CERTIFICATE OF AUTHENTICATION

This is one of the Treasury Unit Certificates referred to in the within-mentioned Share Purchase Contract Agreement.

THE BANK OF NEW YORK,
as Share Purchase Contract Agent and
Trustee

By: _____

Authorized Signatory

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM - as tenants in common
- UNIF GIFT MIN ACT - -----Custodian-----
(cust) (minor)
Under Uniform Gifts to Minors Act

(State)
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please insert Social Security or Taxpayer I.D. or other Identifying Number of Assignee)

(Please Print or Type Name and Address Including Postal Zip Code of Assignee)

the within Treasury Unit Certificate and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Treasury Unit Certificate on the books of FirstEnergy Corp. with full power of substitution in the premises.

Dated: _____ Signature

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Treasury Unit Certificates in every particular, without alteration or enlargement or any change whatsoever.

Signature Guarantee:

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

SETTLEMENT INSTRUCTIONS

The undersigned Holder directs that a certificate for shares of Common Stock deliverable upon settlement on or after the Share Purchase Contract Settlement Date of the Share Purchase Contracts underlying the number of Treasury Units evidenced by this Treasury Unit Certificate be registered in the name of, and delivered, together with a check in payment for any fractional share, to the undersigned at the address indicated below unless a different name and address have been indicated below. If shares are to be registered in the name of a Person other than the undersigned, the undersigned will pay any transfer tax payable incident thereto.

Dated: _____ Signature

Signature Guarantee:

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

If shares are to be registered in the name of and delivered to a Person other than the Holder, please print such Person's name and address:

Name

Address

Social Security or other Taxpayer Identification Number, if any

REGISTERED HOLDER

Please print name and address of Registered Holder:

Name

Address

ELECTION TO SETTLE EARLY

The undersigned Holder of this Treasury Unit Certificate hereby irrevocably exercises the option to effect Early Settlement in accordance with the terms of the Share Purchase Contract Agreement with respect to the Share Purchase Contracts underlying the number of Treasury Units evidenced by this Treasury Unit Certificate specified below. The undersigned Holder directs that a certificate for shares of Common Stock deliverable upon such Early Settlement be registered in the name of, and delivered, together with a check in payment for any fractional share and any Treasury Unit Certificate representing any Treasury Units evidenced hereby as to which Early Settlement of the related Share Purchase Contracts is not effected, to the undersigned at the address indicated below unless a different name and address have been indicated below. Pledged Treasury Securities deliverable upon such Early Settlement will be transferred in accordance with the transfer instructions set forth below. If shares are to be registered in the name of a Person other than the undersigned, the undersigned will pay any transfer tax payable incident thereto.

Dated: _____ Signature

Signature Guarantee: _____

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Number of Securities evidenced hereby as to which Early Settlement of the related Share Purchase Contracts is being elected:

If shares of Common Stock or Treasury Unit Certificates are to be registered in the name of and delivered to, and Pledged Treasury Securities are to be transferred to, a Person other than the Holder, please print such Person's name and address:

REGISTERED HOLDER

Please print name and address of Registered Holder:

Name

Name

Address

Address

Social Security or other Taxpayer Identification Number, if any

Transfer Instructions for Pledged Treasury Securities Transferable Upon Early Settlement or a Termination Event:

B-14

EXHIBIT C

NOTICE TO SETTLE BY SEPARATE CASH

Attention:

Re: Securities of FirstEnergy Corp. (the "Company")

The undersigned Holder hereby irrevocably notifies you in accordance with Section 5.4 of the Share Purchase Contract Agreement, dated as of [____], 200[] among the Company, yourselves, as Share Purchase Contract Agent and as Attorney-in-Fact for the Holders of the Share Purchase Contracts, that such Holder has elected to pay to the Collateral Agent, on or prior to 11:00 a.m. New York City time, on the Business Day immediately preceding the Share Purchase Contract Settlement Date, (in lawful money of the United States by (certified or cashiers check or) wire transfer, in immediately available funds), \$_____ as the Purchase Price for the shares of Common Stock issuable to such Holder by the Company under the related Share Purchase Contract on the Share Purchase Contract Settlement Date. The undersigned Holder hereby instructs you to notify promptly the Collateral Agent of the undersigned Holders election to make such cash settlement with respect to the Share Purchase Contracts related to such Holder's [Share Purchase Units] [Treasury Units].

Dated: _____ Signature

Signature Guarantee: _____

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Please print name and address of Registered Holder:

Name Social Security or other Taxpayer
Identification Number, if any

Address

EXHIBIT 12

FIRSTENERGY CORP.

CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES

	Year Ended December 31,					Six Months Ended June 30,
	1998	1999	2000	2001	2002	2003
	(Dollars in Thousands)					
EARNINGS AS DEFINED IN REGULATION S-K:						
Income before extraordinary items, discontinued operations and cumulative effect of accounting changes.....	\$ 441,396	\$ 568,299	\$ 598,970	\$ 654,946	\$ 640,280	\$118,962
Interest and other charges, before reduction for amounts capitalized.....	608,618	585,648	556,194	591,192	985,919	428,722
Provision for income taxes.....	321,699	394,827	376,802	474,457	528,694	111,422
Interest element of rentals charged to income (a).....	283,869	279,519	271,471	258,561	246,416	121,678
Earnings as defined.....	\$1,655,582	\$1,828,293	\$1,803,437	\$1,979,156	\$2,401,309	\$780,784
FIXED CHARGES AS DEFINED IN REGULATION S-K:						
Interest expense.....	\$ 542,819	\$ 509,169	\$ 493,473	\$ 519,131	\$ 910,272	\$400,320
Subsidiaries' preferred stock dividend requirements.....	65,299	76,479	62,721	72,061	75,947	28,402
Adjustments to subsidiaries' preferred stock dividends to state on a pre-income tax basis.....	43,370	44,829	32,098	43,931	26,957	6,326
Interest element of rentals charged to income (a).....	283,869	279,519	271,471	258,561	246,416	121,678
Fixed charges as defined.....	\$ 935,357	\$ 909,996	\$ 859,763	\$ 893,684	\$1,259,592	\$556,726
CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES (b).....	1.77	2.01	2.10	2.21	1.91	1.40

(a) Includes the interest element of rentals where determinable plus 1/3 of rental expense where no readily defined interest element can be determined.

(b) These ratios exclude fixed charges applicable to the guarantee of the debt of a coal supplier aggregating \$3,828,000 for the year ended December 31, 1998. The guarantee and related coal supply contract debt expired December 31, 1999.

EXHIBIT 15

August 27, 2003

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Commissioners:

We are aware that our reports dated May 9, 2003, except as to Note 1, which is as of August 18, 2003, and August 18, 2003 on our reviews of interim financial information of FirstEnergy Corp. as of and for the three-month periods ended March 31, 2003 and 2002 and for the three-month and six-month periods ended June 30, 2003 and 2002, respectively, and included in the Company's quarterly report on Form 10-Q/A for the quarter ended March 31, 2003 and the Company's quarterly report on Form 10-Q for the quarter ended June 30, 2003, respectively, are incorporated by reference in its Registration Statement dated August 27, 2003.

Very truly yours,

PricewaterhouseCoopers LLP

EXHIBIT 23(c)

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated February 28, 2003, except as to Note 2(L), which is as of May 9, 2003, and Note 2(M), which is as of August 18, 2003, relating to the consolidated financial statements, which appears in the FirstEnergy Corp. 2002 Annual Report to Stockholders, as restated, which is incorporated by reference in FirstEnergy Corp.'s Annual Report on Form 10-K/A, Amendment No. 2, for the year ended December 31, 2002. We also consent to the incorporation by reference of our report dated February 28, 2003 relating to the financial statement schedule, which appears in FirstEnergy Corp.'s Annual Report on Form 10-K for the year ended December 31, 2002. We also consent to the references to us under the heading "Experts" in such Registration Statement.

PricewaterhouseCoopers LLP

August 27, 2003

FORM T-1

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS PURCHASE CONTRACT AGENT

CHECK IF AN APPLICATION TO DETERMINE

ELIGIBILITY OF A PURCHASE CONTRACT AGENT PURSUANT TO
SECTION 305(b)(2)

THE BANK OF NEW YORK

(Exact name of purchase contract agent as specified in its charter)

New York (State of incorporation if not a U.S. national bank)	13-5160382 (I.R.S. employer identification no.)
One Wall Street, New York, N.Y. (Address of principal executive offices)	10286 (Zip code)

FirstEnergy Corp.

(Exact name of obligor as specified in its charter)

Ohio (State or other jurisdiction of incorporation or organization)	34-1843785 (I.R.S. employer identification no.)
76 South Main Street Akron, Ohio (Address of principal executive offices)	44308-1890 (Zip code)

Share Purchase Contracts and related Share Purchase Units

(Title of the indenture securities)

1. General information. Furnish the following information as to the Purchase Contract Agent:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of Banks of the State of New York	2 Rector Street, New York, N.Y. 10006, and Albany, N.Y. 12203
Federal Reserve Bank of New York	33 Liberty Plaza, New York, N.Y. 10045
Federal Deposit Insurance Corporation	550 17th Street, N.W. Washington, D.C. 20429
New York Clearing House Association	New York, New York 10005

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the purchase contract agent, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act") and 17 C.F.R. 229.10(d).

1. A copy of the Organization Certificate of The Bank of New York (formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672 and Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637.)

4. A copy of the existing By-laws of the Purchase Contract Agent. (Exhibit 4 to Form T-1 filed with Registration Statement No. 33-31019.)

6. The consent of the Purchase Contract Agent required by Section 321(b) of the Act. (Exhibit 6 to Form T-1 filed with Registration Statement No. 33-44051.)

7. A copy of the latest report of condition of the Purchase Contract Agent published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Purchase Contract Agent, The Bank of New York, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on the 25th day of August, 2003.

THE BANK OF NEW YORK

By: /s/ VAN K. BROWN

Name: VAN K. BROWN
Title: VICE PRESIDENT

EXHIBIT 7

**Consolidated Report of Condition of
THE BANK OF NEW YORK**
of One Wall Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business June 30, 2003, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar Amounts In Thousands
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin.....	\$ 4,257,731
Interest-bearing balances.....	6,048,782
Securities:	
Held-to-maturity securities.....	373,479
Available-for-sale securities.....	18,918,169
Federal funds sold in domestic offices.....	6,689,000
Securities purchased under agreements to resell.....	5,293,789
Loans and lease financing receivables:	
Loans and leases held for sale.....	616,186
Loans and leases, net of unearned income.....	38,342,282
LESS: Allowance for loan and lease losses.....	819,982
Loans and leases, net of unearned income and allowance.....	37,522,300
Trading Assets.....	5,741,493
Premises and fixed assets (including capitalized leases).....	958,273
Other real estate owned.....	441
Investments in unconsolidated subsidiaries and associated companies.....	257,626
Customers' liability to this bank on acceptances outstanding.....	159,995
Intangible assets.....	
Goodwill.....	2,554,921
Other intangible assets.....	805,938
Other assets.....	6,285,971
Total assets.....	\$96,483,434 =====
LIABILITIES	
Deposits:	
In domestic offices.....	\$37,264,787
Noninterest-bearing.....	15,357,289
Interest-bearing.....	21,907,498
In foreign offices, Edge and Agreement subsidiaries, and IBFs.....	28,018,241
Noninterest-bearing.....	1,026,601
Interest-bearing.....	26,991,640
Federal funds purchased in domestic offices.....	739,736
Securities sold under agreements to repurchase.....	465,594
Trading liabilities.....	2,456,565
Other borrowed money: (includes mortgage indebtedness and obligations under capitalized leases).....	8,994,708
Bank's liability on acceptances executed and outstanding.....	163,277
Subordinated notes and debentures.....	2,400,000
Other liabilities.....	7,446,726
Total liabilities.....	\$87,949,634 =====
Minority interest in consolidated subsidiaries.....	519,472

EQUITY CAPITAL	
Perpetual preferred stock and related surplus.....	0
Common stock.....	1,135,284
Surplus.....	2,056,273
Retained earnings.....	4,694,161
Accumulated other comprehensive income.....	128,610
Other equity capital components.....	0

Total equity capital.....	8,014,328

Total liabilities minority interest and equity capital.	\$96,483,434
	=====

I, Thomas J. Mastro, Senior Vice President and Comptroller of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Thomas J. Mastro, Senior Vice President and Comptroller

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Thomas A. Renyi]	
Gerald L. Hassell]	
Alan R. Griffith]	Directors

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