

**SUPPLEMENTAL TRUST INDENTURE NO. 12**

Dated as of May 1, 2008

by and between

PENNSYLVANIA TURNPIKE COMMISSION

and

U.S. BANK NATIONAL ASSOCIATION  
(SUCCESSOR TO WACHOVIA BANK, NATIONAL ASSOCIATION)  
As Trustee

Supplementing

AMENDED AND RESTATED TRUST INDENTURE

Originally Dated as of July 1, 1986

Amended and Restated as of March 1, 2001

Securing

Pennsylvania Turnpike Commission

Turnpike Multi-Modal Revenue Refunding Bonds, Series A-1 of 2008

Turnpike Multi-Modal Revenue Refunding Bonds, Series A-2 of 2008

Turnpike Multi-Modal Revenue Refunding Bonds, Series A-3 of 2008

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This SUPPLEMENTAL TRUST INDENTURE No. 12 (this “Supplemental Indenture No. 12”) is dated as of May 1, 2008, by and between Pennsylvania Turnpike Commission (the “Commission”), an instrumentality of the Commonwealth, and U.S. Bank National Association (successor to Wachovia Bank, National Association), as Trustee (the “Trustee”), a national banking association organized and existing under the laws of the United States of America.

**RECITALS:**

WHEREAS, the Commission has previously issued various series of its Pennsylvania Turnpike Revenue Bonds pursuant to an Indenture of Trust dated as of July 1, 1986 between the Commission and the Trustee, as supplemented and amended from time to time (the “1986 Indenture”); and

WHEREAS, in order to provide the Commission, among other things, greater flexibility in conducting its operations and in financing its capital needs, the Commission and the Trustee entered into an Amended and Restated Trust Indenture dated as of March 1, 2001 amending and restating the 1986 Indenture in its entirety, as amended or supplemented, (the “Restated Indenture”) pursuant to which other series of Turnpike Revenue Bonds have been issued (the Turnpike Revenue Bonds issued pursuant to the 1986 Indenture and the Restated Indenture are referred to collectively as the “Bonds”); and

WHEREAS, the Restated Indenture provides that it may be amended without the consent of the Bondholders through the execution of a Supplemental Indenture for purposes, among others, of issuing Additional Bonds; and

WHEREAS, the Commission has by resolution adopted on February 19, 2008, as amended by resolution adopted by the Commission on May 15, 2008, under the provisions of Section 210 of the Restated Indenture, duly authorized the issuance of Additional Bonds in the aggregate principal amount not to exceed \$235,000,000 in one or more series of Bonds to be issued pursuant to this Supplemental Indenture No. 12 (the Restated Indenture, as amended and supplemented through the date hereof, including being amended and supplemented by this Supplemental Indenture No. 12 and as it may be further amended and supplemented from time to time, is referred to hereinafter as the “Indenture”); and

WHEREAS, the Commission has designated the Additional Bonds to be issued pursuant to the Indenture and this Supplemental Indenture No. 12 the “Pennsylvania Turnpike Commission, Turnpike Multi-Modal Revenue Refunding Bonds, Series A-1 of 2008” issued in the aggregate principal amount of \$116,830,000 (the “A-1 Bonds”), “Pennsylvania Turnpike Commission, Turnpike Multi-Modal Revenue Refunding Bonds, Series A-2 of 2008” issued in the aggregate principal amount of \$58,315,000 (the “A-2 Bonds”) and “Pennsylvania Turnpike Commission, Turnpike Multi-Modal Revenue Refunding Bonds, Series A-3 of 2008” issued in the aggregate principal amount of \$58,310,000 (the “A-3 Bonds” and, together with the A-1 Bonds and A-2 Bonds, the “2008A Bonds”); and

WHEREAS, the Commission is issuing the 2008A Bonds for the purposes of a project (the "Refunding Project") consisting of: (a) refunding the Commission's outstanding Turnpike Revenue Bonds, Series B Multi-Modal Bonds of 2006, currently outstanding the principal amount of \$115,715,000 and its outstanding Turnpike Revenue Bonds Series C Multi-Modal Bonds of 2006, currently outstanding in the principal amount of \$115,715,000 (collectively, the "Refunded Bonds"); (b) funding necessary reserves to the extent required; and (c) paying the costs of issuance of the 2008A Bonds; and

WHEREAS, the Commission is entering into separate Standby Bond Purchase Agreements with JPMorgan Chase Bank, National Association (the "Bank") with respect to the A-1 Bonds, the A-2 Bonds and the A-3 Bonds pursuant to which the Bank agrees to provide liquidity support for the A-1 Bonds, the A-2 Bonds and the A-3 Bonds; and

WHEREAS, all things have been done necessary for making the 2008A Bonds, when authenticated and issued as provided in the Indenture, the valid, binding and legal obligations of the Commission according to the import thereof, and for the creation, execution and delivery of this Supplemental Indenture No. 12.

**NOW, THEREFORE, THIS SUPPLEMENTAL INDENTURE NO. 12 WITNESSETH:**

In addition to the granting clauses set forth in the Indenture, and as from time to time further amended and supplemented, the Commission, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the 2008A Bonds by the Owners thereof, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on, the 2008A Bonds according to their tenor and effect, and to secure the performance and observance by the Commission of all the covenants expressed or implied herein and in the 2008A Bonds, does hereby sell, assign, transfer, set over and pledge to the Trustee, its successors in the trust and to its and their assigns forever, to the extent provided in the Indenture, the Trust Estate;

TO HAVE AND TO HOLD all and singular the Trust Estate whether now owned or hereafter acquired unto the Trustee and its respective successors in trust and assigns forever, so that the principal of, premium, if any, and interest on all Bonds, including any Bank Bonds, shall be equally and proportionately secured hereby, except as may be otherwise provided in the Indenture.

## **ARTICLE 1      DEFINITIONS**

### **1.1      Additional Definitions.**

All terms used as defined terms in the Indenture, or, following the effectiveness of the Indenture, as amended and supplemented from time to time, are used with the same meanings herein (including the use thereof in the recitals and granting clause hereof)

unless expressly given a different meaning herein or unless the context clearly otherwise requires. All terms used herein which are defined in the recitals hereto shall have the meanings given to the same therein unless the context clearly otherwise requires and, in addition, the following terms shall have the meanings specified below:

**“Administrative Expenses”** means those reasonable expenses of the Commission which are properly chargeable to the Commission on account of the 2008ABonds and the Bond Documents as administrative expenses under GAAP and include, without limiting the generality of the foregoing, the following: (a) fees and expenses of the Trustee, the Tender Agent, the Commission, the Liquidity Provider and the Original Purchasers; and (b) reasonable fees and expenses of counsel to the Commission, the Liquidity Provider, the Trustee and the Tender Agent.

**“Authorized Denominations”** means (i) with respect to Fixed Rate Bonds, \$5,000 and any integral multiple thereof, and (ii) with respect to Daily Rate Bonds, Weekly Rate Bonds, Monthly Rate Bonds, Short-Term Rate Bonds and Long-Term Rate Bonds, \$100,000 and any integral multiple of \$5,000 in excess of \$100,000.

**“Bond Documents”** means this Supplemental Indenture No. 12, the 2008A Bonds, the Tax Agreement, the Purchase Contract(s), the Remarketing Agreement(s) and the Liquidity Facility and any and all future renewals and extensions or restatements of, or amendments or supplements to, any of the foregoing.

**“Bond Register”** means the registration books of the Commission kept by the Trustee to evidence the registration and transfer of Bonds.

**“Bond Registrar”** means the Trustee when acting as such, and any other bank or trust company designated and at the time serving as bond registrar under this Supplemental Indenture No. 12.

**“Bondowner,” “Holder,” “Owner” or “Registered Owner”** means the Person in whose name a Bond is registered on the Bond Register.

**“Bond Year”** shall have the meaning assigned to such term in the Tax Agreement.

**“Business Day”** means a day other than (i) a Saturday and Sunday, (ii) a day on which the Trustee, the Tender Agent, the Remarketing Agent, the Credit Facility Issuer, the Liquidity Facility Issuer or banks and trust companies in New York, New York are authorized or required to remain closed, or (iii) a day on which the New York Stock Exchange is closed.

**“Cede & Co.”** means Cede & Co., as nominee name of The Depository Trust Company, New York, New York.

**“Certificate of Commission Representative”** means a written certificate signed by a Commission Representative, which certificate shall be deemed to constitute a

representation of, and shall be binding upon, the Commission with respect to matters set forth therein.

**“Certified Public Accountant”** or **“Accountant”** shall mean any firm of certified accountants actively engaged in the business of public accounting and duly certified as certified public accountants under the laws of the Commonwealth.

**“Clearing Fund”** means the fund by that name created by Section 7.1 of the Indenture.

**“Closing Date”** means the date of initial delivery of and payment for the 2008A Bonds.

**“Commission Representative”** means any authorized Commission member or authorized officer of the Commission designated to act by a certified resolution of the Commission.

**“Conversion Date”** means a date on which the 2008A Bonds begin to bear interest at Daily Rates, Weekly Rates, Monthly Rates, Short-Term Rates, Long-Term Rates or Fixed Rates as provided in Section 3.7.

**“Costs of Issuance”** means issuance costs with respect to the 2008A Bonds described in Section 147(g) of the Internal Revenue Code, including the following (but excluding, among others, costs of the Liquidity Facility and fees of the Liquidity Facility counsel):

(a) underwriters’ spread (whether realized directly or derived through purchase of 2008A Bonds at a discount below the price at which they are expected to be sold to the public);

(b) counsel fees (including bond counsel, underwriters’ counsel, Commission’s counsel, and Trustee’s counsel);

(c) financial advisor fees of any financial advisor to the Commission incurred in connection with the issuance of the 2008A Bonds;

(d) rating agency fees;

(e) trustee, registrar, tender agent, escrow agent and paying agent fees;

(f) accountant fees and other expenses related to issuance of the 2008A Bonds;

(g) printing costs (for the 2008A Bonds and of the preliminary and final official statement relating to the 2008A Bonds); and

(h) fees and expenses of the Commission incurred in connection with the issuance of the 2008A Bonds.



“**Counsel**” shall mean, with respect to the Commission, counsel, duly authorized to engage in the practice of law, who may be, but need not be, retained regularly by the Commission, or duly appointed by the Commission.

“**Daily Interest Period**” means each period described in Section 3.6 during which the 2008A Bonds of a Series bear interest at a particular Daily Rate.

“**Daily Rate**” means the per annum interest rate for the 2008A Bonds of a series during a Daily Interest Period determined on a daily basis as provided in Section 3.6.

“**Daily Rate Bonds**” means 2008A Bonds bearing interest at a Daily Rate.

“**Daily Rate Period**” means the period during which Daily Rates are in effect for the 2008A Bonds of a series.

“**Defaulted Interest**” means interest on any 2008 Bond which is payable but not paid on the date due.

“**Event of Default**” means with respect to this Supplemental Indenture No. 12, any “Event of Default” as defined in Section 801 of the Indenture [other than an Event of Default with notice to tender permitted under the Liquidity Agreement].

“**Expiration Date**” means the date upon which the Liquidity Provider’s obligation to purchase a series of 2008A Bonds under the Liquidity Facility is scheduled to expire (taking into account any extensions of the Expiration Date) in accordance with its terms, other than by reason of conversion to a different rate period, a substitution of a Substitute Liquidity Facility, an “event of default” or an “event of termination” specified in the Liquidity Facility., or the deposit of a Substitute Liquidity Facility with the Trustee.

“**Extraordinary Services**” and “**Extraordinary Expenses**” means all services rendered and all reasonable expenses properly incurred by the Trustee or any of its agents under this Supplemental Indenture No. 12, other than Ordinary Services and Ordinary Expenses.

“**Favorable Opinion of Bond Counsel**” means an opinion of nationally recognized bond counsel acceptable to the Commission, addressed to the Commission, the Remarketing Agent, the Liquidity Provider, and the Trustee, to the effect that the action proposed to be taken is authorized or permitted by this Supplemental Indenture No. 12, the Indenture and the Act and will not adversely affect the exclusion of interest on the 2008A Bonds from gross income for purposes of federal income taxation under Section 103 of the Internal Revenue Code.

“**Fiscal Year**” means the fiscal year of the Commission, currently the 12-month period beginning on the first day of June of each calendar year and ending on the last day of May of the following calendar year.

**“Fitch”** means Fitch Ratings, and its successors and assigns, or, if such firm shall be dissolved or liquidated or shall no longer perform the functions of a securities rating service, Fitch means any other nationally recognized securities rating service designated by the Commission, with notice to the Trustee.

**“Fixed Rate”** means a non-variable interest rate or rates to maturity established in accordance with Section 3.6(i).

**“Fixed Rate Bonds”** means 2008A Bonds bearing interest at a Fixed Rate.

**“Fixed Rate Period”** means the period of time, which shall end at the maturity date for the 2008A Bonds of a series during which such 2008A Bonds bear interest at a Fixed Rate.

**“GAAP”** means those generally accepted accounting principles applicable in the preparation of financial statements as promulgated by the Financial Accounting Standards Board or such other body recognized as authoritative by the American Institute of Certified Public Accountants or any successor body.

**“Holder”** shall have the same meaning as the term “Bondowner.”

**“Indenture”** the Amended and Restated Trust Indenture amended and restated as of March 1, 2001, as amended and supplemented.

**“Independent”** shall mean, with respect to the Certified Public Accountant and the Consultants, a Person who is not a member of the Commission, an officer or employee of the Commission or which is not a partnership, corporation or association having a partner, director, officer, member or substantial stockholder who is a member of the Commission, a corporate officer or employee of the Commission; provided, however, that the fact that such Person is retained regularly by or transacts business with the Commission shall not make such Person an employee within the meaning of this definition.

**“Interest Payment Date”** means:

(i) as to Daily Rate Bonds, Weekly Rate Bonds and Monthly Rate Bonds, the first Business Day of each calendar month, any day that is a Conversion Date from a Daily Rate Period, a Weekly Rate Period or a Monthly Rate Period, as appropriate, the redemption date and the maturity date for the 2008A Bonds;

(ii) as to Short-Term Rate Bonds, the first Business Day after the last day of each Short-Term Interest Period, the redemption date and the maturity date for the 2008A Bonds;

(iii) as to Long-Term Rate Bonds, each June 1 and December 1, any day that is a Conversion Date from a Long-Term Rate Period, the redemption date and the maturity date for the 2008A Bonds; and

(iv) as to Fixed Rate Bonds, each June 1 and December 1 through and including the redemption date or maturity date for the 2008A Bonds; and

(v) with respect to Liquidity Provider Bonds, the first Business Day of each calendar month.

**“Interest Rate Period”** means (i) a Daily Rate Period (comprised of separate Daily Interest Periods), (ii) a Weekly Rate Period (comprised of separate Weekly Interest Periods), (iii) a Monthly Rate Period (composed of separate Monthly Interest Periods), (iv) a Short-Term Rate (comprised of separate Short-Term Interest Periods), (v) a Long-Term Rate Period (comprised of separate Long-Term Interest Periods), or (vi) a Fixed Rate Period.

**“Internal Revenue Code”** means the Internal Revenue Code of 1986, as amended, and, when appropriate, any statutory predecessor or successor thereto, and all applicable regulations (whether proposed, temporary or final) thereunder and any applicable official rulings, announcements, notices, procedures and judicial determinations relating to the foregoing.

**“Liquidity Account”** means the account by that name in the Purchase Fund established pursuant to Section 9.3(a).

**“Liquidity Facility”** means, with respect to Daily Rate Bonds, Weekly Rate Bonds, Short-Term Rate Bonds or Long-Term Rate Bonds, any standby bond purchase agreement, line of credit or other similar agreement, and any related reimbursement agreement, among the Liquidity Provider, the Commission and the Tender Agent then in effect providing for the purchase of, or the funding of amounts to purchase, 2008A Bonds on Purchase Dates applicable to 2008A Bonds for the then relevant Interest Rate Period, as the same may from time to time be amended or supplemented in accordance with its terms and the terms of this Supplemental Indenture No. 12.

**“Liquidity Facility Request”** shall have the meaning assigned to that term in Section 9.3(c)(i).

**“Liquidity Provider”** means any commercial bank, other financial institution, the Commission (if the Commission is providing liquidity for any 2008A Bonds itself) or other institution issuing a Liquidity Facility then in effect in its capacity as issuer of that Liquidity Facility.

**“Liquidity Provider Bondowner”** means the Owner of any Liquidity Provider Bonds.

**“Liquidity Provider Bonds”** means 2008A Bonds purchased by the Liquidity Provider pursuant to a Liquidity Facility and the terms hereof but excluding 2008A Bonds no longer considered Liquidity Provider Bonds pursuant to the terms of the Liquidity Facility.

**“Liquidity Provider Rate”** means the interest rate(s) applicable from time to time to Liquidity Provider Bonds as determined in accordance with the Liquidity Facility; provided that no Liquidity Provider Rate shall exceed the Maximum Rate.

**“Long-Term Interest Period”** means each period described in Section 3.6(a)(i) during which 2008A Bonds of a series accrue interest at a particular Long-Term Rate.

**“Long-Term Rate”** means the per annum interest rate to be determined on the 2008A Bonds of a series for a term of at least 12 months pursuant to Section 3.6(c)(i).

**“Long-Term Rate Bonds”** means any 2008A Bonds bearing interest at a Long-Term Rate.

**“Long-Term Rate Period”** means the period during which Long-Term Rates are in effect for the 2008A Bonds.

**“Market Agent”** shall be as defined in Section 3.4.

**“Maximum Rate”** means (a) with respect to Liquidity Provider Bonds, the lesser of (i) the maximum rate permitted by law and (ii) the rate for Liquidity Provider Bonds as set forth in the applicable Liquidity Facility, and (b) with respect to any 2008A Bonds other than Liquidity Provider Bonds, the lesser of 12% per annum or the maximum rate utilized to determine the amount available under the Liquidity Facility, if any.

**“Monthly Interest Period”** means each period described in Section 3.3 during which the 2008A Bonds of a series bear interest at a particular Monthly Rate.

**“Monthly Rate”** means the per annum interest rate for the 2008A Bonds of a series during a Monthly Interest Period determined on a monthly basis as provided in Section 3.6.

**“Monthly Rate Bonds”** means 2008A Bonds bearing interest at a Monthly Rate.

**“Monthly Rate Period”** means the period during which Monthly Rates are in effect for the 2008A Bonds of a series.

**“Moody’s”** means Moody’s Investors Services, Inc., and its successors and assigns, or, if such firm shall be dissolved or liquidated or shall no longer perform the functions of a securities rating service, Moody’s means any other nationally recognized securities rating service designated by the Commission, with written notice to the Commission and the Trustee.

**“Official Statement”** means the Official Statement dated May 21, 2008 with respect to the 2008A Bonds.

**“Opinion of Counsel”** means an opinion in writing signed by legal counsel acceptable to the Commission and the Trustee who may be an employee of or counsel to the Commission.

**“Ordinary Services”** and **“Ordinary Expenses”** means those services normally rendered and those expenses normally incurred, by a trustee under instruments similar to this Supplemental Indenture No. 12, but not those services (other than a drawing on a Liquidity Facility) rendered and those expenses incurred following the occurrence and during the continuation of an Event of Default under Section 801 of the Indenture.

**“Original Purchasers”** means the purchasers listed as such in the Purchase Contract.

**“Outstanding”** means, when used with reference to 2008A Bonds, as of a particular date, all Bonds theretofore authenticated and delivered, except:

(i) 2008A Bonds theretofore canceled by the Trustee or delivered to the Trustee for cancellation pursuant to the provisions hereof;

(j) 2008A Bonds which are deemed to have been paid in accordance with the provisions hereof; and

(k) 2008A Bonds in exchange for or in lieu of which other 2008A Bonds have been authenticated and delivered pursuant to the provisions hereof.

**“Owner”** has the same meaning as the term **“Bondowner.”**

**“Participants”** means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

**“Paying Agent”** means U.S. Bank National Association, and any other commercial bank or trust institution organized under the laws of any state of the United States of America or any national banking association designated by this Supplemental Indenture No. 12 or any Supplemental Indenture as paying agent for the 2008A Bonds at which the principal of and redemption premium, if any, and interest on such 2008A Bonds shall be payable.

**“Payment Default”** means an Event of Default described in Section 801(a) of the Indenture.

**“Person”** means any natural person, firm, joint venture, association, partnership, business, trust, corporation, public body, agency or political subdivision thereof or any other similar entity.

**“Prevailing Market Conditions”** means, to the extent relevant (in the professional judgment of the Remarketing Agent) at the time of establishment of a rate or rates for 2008A Bonds as provided in Section 3.6(c)(i), (a) interest rates on comparable securities then being issued and traded, (b) other financial market rates and indices that may have a bearing on rates of interest; (c) general financial market conditions (including then current forward supply figures) that may have a bearing on rates of interest, and (d)

the financial condition, results of operation and credit standing of the Commission and the Liquidity Provider to the extent such standing has a bearing on rates of interest.

**“Prime Rate”** means the rate from time to time publicly announced by the Trustee’s primary commercial banking affiliate as its “prime rate” or “base rate.”

**“Principal Office”** means, with respect to any entity performing functions under any Bond Document, the principal office of that entity or its affiliate at which those functions are performed.

**“Purchase Contract”** means the Purchase Contract among the Commission and the Original Purchasers with respect to the Bonds.

**“Purchase Date”** means each date on which 2008A Bonds are subject to optional or mandatory purchase pursuant to Section 9.2 or Section 9.3.

**“Purchase Fund”** means the fund by that name created by Section 9.3(a) and held by the Tender Agent.

**“Purchase Price”** means, with respect to a 2008 Bond subject to purchase on a Purchase Date, an amount equal to the principal amount thereof plus (if such Purchase Date is not an Interest Payment Date therefor) accrued and unpaid interest thereon to such Purchase Date.

**“Qualified Financial Institution”** means a bank, trust company, national banking association, insurance company or other financial services company or entity, and whose unsecured short-term debt obligations are rated in either of the two highest categories by Fitch, Moody’s or S&P.

**“Rate Period”** means the period during which the Daily Rate, the Weekly Rate, the Monthly Rate, the Fixed Rate, the Short-Term Rate or the Long-Term Rate is in effect for the 2008A Bonds of a Series.

**“Rating Agency”** shall mean each nationally recognized securities rating agency then maintaining a rating on the 2008A Bonds at the request of the Commission, and initially means S&P, Moody’s and Fitch.

**“Record Date”** means (i) with respect to each Interest Payment Date for Daily Rate Bonds, Weekly Rate Bonds, Monthly Rate Bonds or Short-Term Rate Bonds, the Business Day immediately preceding that Interest Payment Date, and (ii) with respect to each Interest Payment Date for Fixed Rate Bonds or Long-Term Rate Bonds, the 15th day of the month immediately preceding such Interest Payment Date.

**“Registered Owner”** shall have the same meaning as the term “Bondowner.”

**“Remarketing Agent”** means any firm at the time serving as Remarketing Agent pursuant to Article 10 hereof.

**“Remarketing Agreement”** means, with respect to Daily Rate Bonds, Weekly Rate Bonds, Monthly Rate Bonds, Short-Term Rate Bonds or Long-Term Rate Bonds, any agreement between the Commission and a Remarketing Agent whereby the Remarketing Agent agrees to perform the duties of the Remarketing Agent under this Supplemental Indenture No. 12 with respect to those 2008A Bonds.

**“Replacement Bonds”** means 2008A Bonds issued to the beneficial owners of the Bonds in accordance with Section 4.3.

**“Responsible Officer”** shall mean the Chairman, any Vice Chairman, the Secretary, any Assistant Secretary, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, or any other officer of the Commission or other person designated by a Certified Resolution of the Commission, a copy of which shall be on file with the Trustee, to act for any of the foregoing, either generally or with respect to the execution of any particular document or other specific matter.

**“S&P”** means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors and assigns, or, if such firm shall be dissolved or liquidated or shall no longer perform the functions of a securities rating service, S&P shall mean any other nationally recognized securities rating service designated by the Commission, with notice to the Trustee.

**“Securities Depository”** means, initially, The Depository Trust Company, New York, New York, and its successors and assigns and any successor Securities Depository appointed pursuant to Article 5.

**“Series”** means the Turnpike Multi-Modal Revenue Refunding Bonds, Series A-1 of 2008, the Turnpike Multi-Modal Revenue Refunding Bonds, Series A-2 of 2008 and the Turnpike Multi-Modal Revenue Refunding Bonds, Series A-3 of 2008.

**“Series Issue Date”** shall have the meaning provided in Section 3.2(a)(ii) with respect to the 2008A Bonds.

**“2008A Bonds”** means the bonds authorized for issuance pursuant to Section 3.1(a).

**“Short-Term Interest Period”** means each period determined as provided in Section 3.6 during which the 2008A Bonds of a series bear interest at a particular Short-Term Rate.

**“Short-Term Rate”** means the per annum interest rate for the 2008A Bonds of a series during a Short-Term Rate Period determined on a periodic basis as provided in Section 3.6(c).

**“Short-Term Rate Bonds”** means any 2008A Bonds bearing interest at a Short-Term Rate.

**“Short-Term Rate Period”** means the period during which Short-Term Rates are in effect for the 2008A Bonds of a series.

**“Special Record Date”** means the date fixed by the Trustee pursuant to Section 4.1(f) for the payment of Defaulted Interest.

**“Substitute Liquidity Facility”** means a substitute Liquidity Facility replacing a Liquidity Facility in accordance with Section 12.2(c).

**“Substitution Date”** means a date on which a Substitute Liquidity Facility (or the Commission acting as its own Liquidity Facility) is accepted by the Tender Agent and becomes effective with respect to the 2008A Bonds, or a date on which an existing Liquidity Facility assigns all or a portion of its rights and/or obligations to an assignee Liquidity Facility.

**“Supplemental Indenture”** means any indenture supplemental or amendatory to the Indenture entered into by the Commission and the Trustee pursuant thereto.

**“Tax Agreement”** means the Tax Regulatory Agreement and Non-Arbitrage Certificate executed and delivered by the Commission containing representations and covenants regarding the preservation of the tax-exempt status of the interest on the 2008A Bonds, the investment of proceeds of the 2008A Bonds, and the calculation and payment of rebate amounts under Section 148(f) of the Internal Revenue Code.

**“Tender Agent”** means, initially, the Trustee, and any successor Tender Agent as determined or designated under or pursuant to this Supplemental Indenture No. 12.

**“Termination Date”** means, in the case of a letter of credit, the stated termination date in such letter of credit or earlier as set forth in such letter of credit, and, in the case of a Liquidity Facility, the date which is (1) no less than seven calendar days (or if such seventh calendar day is not a Business Day, the next Business Day) after the date on which the Trustee receives written notice from the Liquidity Provider which advises the Trustee of the occurrence and continuance of an “event of default”, or, in the case of a facility that provides only liquidity support and not credit support, such as a standby bond purchase agreement, an “event of termination” under and as defined in the Liquidity Facility which permits the Liquidity Provider to terminate the Liquidity Facility after notice to the Trustee under the terms of the Liquidity Facility, and (2) no later than the Business Day prior to the date on which the Liquidity Facility will terminate.

**“Trust Estate”** means the Trust Estate described in the Granting Clauses of the Indenture.

**“Trustee”** means U.S. Bank National Association, a national banking association organized and existing under the laws of the United States of America and its successor and any entity resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at the time serving as successor trustee hereunder.



**“Undelivered Bond”** means any 2008 Bond which is subject to purchase pursuant to Article 9 on a Purchase Date and which is not tendered and delivered for purchase on that Purchase Date but as to which the Tender Agent holds in the Purchase Fund sufficient funds to pay the Purchase Price of that 2008 Bond.

**“Undelivered Bond Payment Account”** means the account by that name in the Purchase Fund established pursuant to Section 9.3(a).

**“Value,”** as of any particular time of determination, means,

(l) for securities:

(i) the closing bid price quoted by Interactive Data Systems, Inc. (or such other nationally recognized entity that succeeds to such role); or

(ii) a valuation performed by a nationally recognized and accepted pricing service whose valuation method consists of the composite average of various bid price quotes on the valuation date; or

(iii) the lower of two dealer bids on the valuation date; the dealers or their parent holding companies must be rated at least investment grade by Moody’s and S&P and must be market makers in the securities being valued; or

(iv) a valuation performed by a pricing service acceptable to the Trustee; or

(v) for any security maturing within 30 days of the valuation date, the maturity value of the security including interest to be paid on the maturity date.

(m) as to certificates of deposit and bankers’ acceptances: the face amount thereof, plus accrued interest;

(n) with respect to any investment agreement, the total amount that may be withdrawn therefrom for the purposes of the fund in which it is held; and

(o) as to any investment not specified above, the value thereof established by prior agreement between the Commission and the Trustee.

**“Weekly Interest Period”** means each period described in Section 3.6 during which the 2008A Bonds of a series bear interest at a particular Weekly Rate.

**“Weekly Rate”** means the per annum interest rate for the 2008A Bonds of a series during a Weekly Interest Period determined on a weekly basis as provided in Section 3.6.

**“Weekly Rate Bonds”** means 2008A Bonds bearing interest at a Weekly Rate.

**“Weekly Rate Period”** means the period during which Weekly Rates are in effect for the 2008A Bonds of a series.

**“Written Request”** means a request in writing signed by the Commission Representative or any other officers designated by the Commission to sign such Written Request.

## 1.2 Rules of Construction; Time of Day.

In this Supplemental Indenture No. 12, unless otherwise indicated, (i) defined terms may be used in the singular or the plural, (ii) the use of any gender includes all genders, (iii) the words “hereof”, “herein”, “hereto”, “hereby” and “hereunder” (except in the form of 2008A Bonds) refer to this Supplemental Indenture No. 12, and (iv) all references to particular Articles or Sections are references to the Articles or Sections of this Supplemental Indenture No. 12 unless otherwise specified. References to any time of the day in this Supplemental Indenture No. 12 shall refer to eastern standard time or eastern daylight saving time, as in effect in The City of New York, New York on such day. All references to rating categories established by a Rating Agency shall be without reference to subcategories.

## ARTICLE 2 RESERVED

## ARTICLE 3 MULTI-MODAL BONDS

### 3.1 Amount of Bonds; Purpose.

(a) An aggregate principal amount of \$233,455,000, and not more, of 2008A Bonds consisting of A-1 Bonds in an aggregate principal amount of \$116,830,000, and not more, the A-2 Bonds in an aggregate principal amount of \$58,315,000, and not more, and the A-3 Bonds in an aggregate principal amount of \$58,310,000, and not more, are authorized for issuance pursuant to this Supplemental Indenture No. 12 all of which will be issued on the Series Issue Date. The Bonds shall be issued and secured under this Supplemental Indenture No. 12 for the purposes set forth in the Recitals.

(b) Designation, Denominations, Numbering and Dating. The 2008A Bonds shall initially be designated “Pennsylvania Turnpike Multi-Modal Turnpike Revenue Refunding Bonds, Series A of 2008.” The 2008A Bonds shall contain substantially the terms recited in the form of 2008 Bond attached hereto as **Exhibit A**. The respective Series of the 2008A Bonds shall be issuable as fully registered 2008A Bonds without coupons in Authorized Denominations and shall be numbered consecutively from A-1, A-2 and A-3 upward in the order of their issuance. Any future changes in the designation of the 2008A Bonds shall be as determined by the Commission.

### 3.2 General

(a) The 2008A Bonds are hereby authorized to be issued and secured hereunder as follows:

(i) The 2008A Bonds shall bear interest from their dated date determined in accordance with the provisions hereof, provided that, if either Series of the 2008A Bonds are converted to Daily Rate Bonds, Weekly Rate Bonds, Monthly Rate Bonds, Short-Term Rate Bonds, Long-Term Rate Bonds or Fixed Rate Bonds, such 2008A Bonds shall bear interest from and after that conversion in accordance with Section 3.6.

(ii) The 2008A Bonds shall have a Series Issue Date which shall be May 22, 2008, the date of original issuance and first authentication and delivery against payment therefor, and which shall be set forth on the face side of all 2008A Bonds authenticated by the Authenticating Agent. 2008A Bonds issued prior to the first Interest Payment Date following the Series Issue Date shall have a "Dated Date" which shall be the same as the Series Issue Date. 2008A Bonds issued on or subsequent to the first Interest Payment Date following the Series Issue Date shall have a "Dated Date" which is the same as the Interest Payment Date next preceding the date of authentication thereof, unless such date of authentication shall be an Interest Payment Date to which interest on the 2008A Bonds has been paid in full or duly provided for, in which case they shall have a "Dated Date" which is the same as such date of authentication; provided that if, as shown by the records of the Paying Agent, interest on the 2008A Bonds shall be in default, 2008A Bonds issued in exchange for 2008A Bonds surrendered for transfer or exchange shall have a "Dated Date" which is the same as the date to which interest has been paid in full on the 2008A Bonds or, if no interest has been paid on the 2008A Bonds, the Series Issue Date of the 2008A Bonds .

3.3 RESERVED.

3.4 RESERVED.

3.5 RESERVED.

3.6 Multi-Modal Bonds. Determination of Interest Rates.

(a) General

(i) The 2008A Bonds shall bear interest at Daily Rates, Weekly Rates, Monthly Rates, Short-Term Rates, Long-Term Rates or Fixed Rates, determined as provided in this Section, from and including their date or from and including the most recent Interest Payment Date to which interest has been paid or duly provided for; provided that in no event will the interest rate on any 2008A Bonds exceed the Maximum Rate. Interest on the 2008A Bonds shall be payable in arrears on each Interest Payment Date, commencing on the first Interest Payment Date after the date of original issuance of the 2008A Bonds.

(ii) The 2008A Bonds initially shall be Weekly Rate Bonds consisting of the A-1 Bonds, the A-2 Bonds and the A-3 Bonds.

(iii) All 2008A Bonds of a particular Series shall operate at any one time in the same Interest Rate Period but both Series need not be in the same Interest Rate Period.

(iv) All 2008A Bonds shall accrue interest at Weekly Rates unless and until the Interest Rate Period for the 2008A Bonds is converted to a different Interest Rate Period pursuant to Section 2.04.

(v) The amount of interest payable with respect to any 2008A Bonds on any Interest Payment Date shall be computed (1) during a Daily Interest Period, Weekly Interest Period, Monthly Interest Period or Short-Term Interest Period, on the basis of a 365- or 366-day year for the number of days actually elapsed, based on the calendar year in which the Daily Interest Period, Weekly Interest Period, Monthly Interest Period or Short-Term Interest Period ends, and (3) during Fixed Rate Periods and Long-Term Rate Periods, on the basis of a 360-day year of twelve 30-day months.

(vi) All determinations of interest rates, amounts of interest payable on the 2008A Bonds and rate periods pursuant to this Supplemental Indenture No. 12 shall be conclusive and binding upon the Commission, the Trustee, the Tender Agent, the Paying Agent, the Remarketing Agent, the Liquidity Provider and the Owners of the 2008A Bonds to which such rates are applicable. The Commission, the Trustee, the Tender Agent, the Liquidity Provider, and the Remarketing Agent, shall not be liable to any Bondowner for failure to give any notice specified in this Supplemental Indenture No. 12 or for the failure of any Bondowner to receive any such notice.

(b) RESERVED.

(c) Determination by Remarketing Agent:

(i) The interest rate for Daily Rate Bonds, Weekly Rate Bonds, Monthly Rate Bonds, Short-Term Rate Bonds, Long-Term Rate Bonds and Fixed Rate Bonds for each interest period shall be determined by the Remarketing Agent as the lowest rate of interest which, in the judgment of the Remarketing Agent, would cause such 2008A Bonds to have a market value as of the date of determination equal to the principal amount thereof, taking into account Prevailing Market Conditions, provided that in no event will the interest rate on any such 2008A Bonds exceed the Maximum Rate.

(ii) In the event the Remarketing Agent fails for any reason to determine the interest rate for any interest period:

1) The interest rate and the Interest Rate Period then in effect for Daily Rate Bonds, Weekly Rate Bonds, Monthly Rate Bonds or Short-Term Rate Bonds will remain in effect for the next interest period and each succeeding interest period thereafter until the Trustee is notified of a new Daily Rate, Weekly Rate, Monthly Rate or Short-Term Rate, as appropriate, determined by the Remarketing Agent.

2) The interest rate then in effect for Long-Term Rate Bonds will be (1) converted to Short-Term Rates equal to 100% of the prime short-term rate (30 days) for the most recent date shown in the table captioned "Short-Term Tax-Exempt Yields" in the edition of The Bond Buyer or the dealer short-term rate (30 days) published in the most recent edition of The Wall Street Journal, or if The Bond Buyer and The Wall Street Journal are no longer published, any other published similar rate as is determined by the Trustee in its sole discretion to be appropriate, published on the day on which such rate is determined or is otherwise required to be determined, if such rate is not published on that day, the most recent publication of such rate, with Short-Term Interest Periods of 30 days, until the Trustee is notified of a new Short-Term Rate and Short-Term Interest Period determined for such 2008 Bond by the Remarketing Agent or if the rate is converted to another in accordance with Section 3.7, but only if the Commission furnishes to the Trustee a Favorable Opinion of Bond Counsel, or (2) if the opinion described in clause (1) is not furnished, converted to a Long-Term Rate for a Long-Term Interest Period ending on the day prior to the next succeeding June 1 or December 1 which is more than 366 days later equal to 100% of the Kenny Information Services one-year tax-exempt index as communicated to the Trustee by Kenny Information Services, and if such index is not provided to the Trustee, equal to 70% of the closing yield for one-year Treasury Bills shown in the table captioned "U.S. Securities Prices" in the edition of The Bond Buyer (or if The Bond Buyer or such table is no longer published, any other published similar rate as is determined by the Trustee in its sole discretion to be appropriate) published on the day on which such rate is required to be determined or is otherwise required to be determined, or if such rate is not published on that day, the most recent publication of such rate, until the Trustee is notified of a new Long-Term Rate and Long-Term Interest Period.

(iii) Notice of the interest rate for each Daily Rate Bond, Weekly Rate Bond, Monthly Rate Bond, Short-Term Rate Bond and Long-Term Rate Bond shall be communicated by the Remarketing Agent to the Commission, the Trustee, the Liquidity Provider by telecopier or other electronic communication or by telephone promptly confirmed in writing, (1) in the case of Daily Rate Bonds on the date such interest rate is determined by 10:00 a.m., New York City time, and (2) in the case of Weekly Rate Bonds, Monthly Rate Bonds, Short-Term Rate Bonds, Long-Term Rate Bonds or Fixed Rate Bonds, not later than 5:00 p.m., New York City time, on the date such interest rate is determined, and shall be available to Bondowners after such time, from the Remarketing Agent at its Principal Offices and shall also be communicated by the Remarketing Agent to any Bondowner upon request.

(d) Daily Rates.

(i) Whenever 2008A Bonds are to bear interest accruing at a Daily Rate, Daily Interest Periods shall commence on each Business Day and shall extend to, but not include, the next succeeding Business Day.

(ii) The interest rate for each Daily Interest Period shall be effective from and including the commencement date thereof and shall remain in effect to, but not including, the next succeeding Business Day.

(iii) Each such interest rate shall be determined by the Remarketing Agent between 8:30 a.m. and 9:30 a.m., New York City time, on the commencement date of the Daily Interest Period to which it relates.

(e) Weekly Rates.

(i) Whenever 2008A Bonds are to bear interest accruing at a Weekly Rate, Weekly Interest Periods shall commence on Thursday of each week and end on Wednesday of the following week; provided, however, that (A) in the case of a conversion to a Weekly Rate Period, the initial Weekly Interest Period for such 2008A Bonds shall commence on the Conversion Date and end on the next succeeding Wednesday and (B) in the case of a conversion from a Weekly Rate to a Daily Rate, an Auction Rate, a short-Term Rate or a Long-Term Rate, the last Weekly Interest Period prior to conversion shall end on the last day immediately preceding the Conversion Date.

(ii) The interest rate for each Weekly Interest Period shall be effective from and including the commencement date of such period and shall remain in effect through and including the last day thereof.

(iii) Each such interest rate shall be determined by the Remarketing Agent by 4:00 p.m., New York City time, on the Business Day immediately preceding the commencement date of the Weekly Interest Period to which it relates.

(f) Monthly Rates.

(i) Whenever 2008A Bonds are to bear interest accruing at a Monthly Rate, Monthly Interest Periods shall commence on the first Business Day of the applicable month and end on the last day preceding the earliest of the commencement date of the next Monthly Interest Period, the date of maturity and the date of any mandatory purchase; provided, however, that in the case of a conversion to a Monthly Rate Period, the initial Monthly Interest Period for such 2008A Bonds shall commence on the Conversion Date.

(ii) The Interest rate for each Monthly Interest Period shall be effective from and including the commencement date of such period and shall remain in effect through and including the last day thereof.

(iii) Each such interest rate shall be determined by the Remarketing Agent by 4:00 p.m., New York City time, on the Business Day immediately preceding the commencement date of the Monthly Interest Period to which it relates.

(g) Short-Term Rates.

Short-Term Rates on, and Short-Term Interest Periods for, Short-Term Rate Bonds shall be determined as follows:

(i) Each Short-Term Interest Period shall be determined by the Remarketing Agent on the first Business Day of that Short-Term Interest Period as that

Short-Term Interest Period which will, in the judgment of the Remarketing Agent, produce the greatest likelihood of the lowest net interest cost during the term of the Bonds; provided that each Short-Term Interest Period (A) shall be from 1 to 270 days in length but shall not exceed the number of days of interest coverage provided by the Liquidity Facility minus five days, shall not extend beyond the date that is five days before the Expiration Date of the Liquidity Facility and shall not exceed the remaining number of days prior to the Conversion Date if the Remarketing Agent has given or received notice of any conversion to a different Interest Rate Period, (B) shall commence on a Business Day (except in the case of a conversion to a Short-Term Rate Period, the initial Short-Term Interest Period shall commence on the Conversion Date), shall end on a day preceding a Business Day, and (C) in any event shall end no later than the day preceding the maturity date for the applicable Bonds. The Remarketing Agent may, in the reasonable exercise of its judgment, determine a Short-Term Interest Period that results in a Short-Term Rate on the applicable 2008A Bonds that is higher than would be borne by 2008A Bonds with a shorter Short-Term Interest Period in order to increase the likelihood of achieving the lowest net interest cost during the term of the 2008A Bonds by assuring the effectiveness of such Short-Term Rate for a longer Short-Term Interest Period. The determination of a Short-Term Interest Period by the Remarketing Agent shall be based upon Prevailing Market Conditions including the relative market yields of 2008A Bonds and other securities that bear interest at a variable rate or at fixed rates that, in the reasonable exercise of the judgment of the Remarketing Agent are otherwise comparable to the 2008A Bonds, or any fact or circumstance relating to the 2008A Bonds or affecting the market for the 2008A Bonds or affecting such other comparable securities in a manner that, in the reasonable exercise of the judgment of the Remarketing Agent, will affect the market for the 2008A Bonds. The Remarketing Agent in its discretion, may consider such information and resources as it deems appropriate in making the determinations described in this paragraph, including consultations with the Commission, but the Remarketing Agent's determination of the Short-Term Interest Period will be based solely upon the reasonable exercise of the Remarketing Agent's judgment.

(ii) The interest rate for each Short-Term Interest Period shall be effective from and including the commencement date of that interest period and shall remain in effect through and including the last day thereof.

(iii) All Short-Term Rate Bonds of a series shall bear interest accruing at the same Short-Term Rate, and for the same Short-Term Interest Period.

(iv) Each such interest rate shall be determined by the Remarketing Agent by 4:00 p.m., New York City time, on the Business Day immediately preceding the commencement date of the Short-Term Interest Period to which it relates.

(h) Long-Term Rates. A Long-Term Rate for Long-Term Rate Bonds shall be determined for each Long-Term Interest Period as follows:

(i) Long-Term Interest Periods shall commence on a Conversion Date and subsequently on a June 1 or December 1 which is at least 12

calendar months after the Conversion Date to a Long-Term Rate Period, and end on the day preceding either the commencement date of the following Long-Term Interest Period or the Conversion Date on which a different Interest Rate Period shall become effective or the maturity date for the 2008A Bonds.

(ii) The Long-Term Rate for each Long-Term Interest Period shall be effective from and including the commencement date thereof and remain in effect to and including the last day thereof. Each such Long-Term Rate shall be determined on the Business Day immediately preceding the commencement date of such period.

(iii) Long-Term Interest Periods (other than a Long-Term Interest Period extending to the maturity date for the 2008A Bonds) shall not extend to a date beyond the fifth day next preceding the Expiration Date of the Liquidity Facility.

(iv) The term of each Long-Term Interest Period shall be specified in writing by the Commission to the Remarketing Agent, the Trustee and the Tender Agent, at least 20 days before its commencement; provided that the term may not be more than one year if the term of the immediately preceding Long-Term Interest Period was one year or less, and the term shall not be one year if the term of the immediately preceding Long-Term Interest Period was more than one year, unless in each case the Commission has provided a Favorable Opinion of Bond Counsel to the Trustee.

(i) Fixed Rate of 2008A Bonds. The Fixed Rate, and the schedule of principal payments for 2008A Bonds bearing interest at the Fixed Rate, shall be determined as set forth in this Subsection (i). 2008A Bonds bearing interest at a Fixed Rate may not be converted to any other type of Interest Rate Period pursuant to Section 3.7 and will not be covered by any Liquidity Facility.

The Fixed Rate Period shall commence on a Conversion Date and shall extend to the earlier of the date of redemption or the maturity date for the 2008A Bonds. The Fixed Rate shall be set forth in the firm underwriting or purchase contract described in Section 3.7 hereof.

Upon conversion, the firm of bond underwriters or recognized institutional investors who agree to underwrite or purchase the 2008A Bonds in accordance with Section 3.7 hereof shall deliver to the Commission and the Trustee a certificate that includes (a) a schedule specifying the principal amount of Bonds to be called for mandatory sinking fund redemption (or to mature in accordance with subparagraph (iii) below) on December 1 of each year, commencing on the first December 1 occurring at least six months after the Fixed Rate Conversion Date, through and including the maturity date for the 2008A Bonds, and (b) a schedule specifying the interest on the 2008A Bonds to be paid on each Interest Payment Date, through and including the maturity date for the 2008A Bonds. In determining the amount of interest and principal that shall be payable on such dates, such firm of bond underwriters or institutional investors shall use the following guidelines:



(i) The interest rate on each 2008 Bond then being converted shall be the lowest interest rate that will enable such 2008 Bond upon conversion to be remarketed at par, assuming that all 2008A Bonds then being converted to a Fixed Rate will be subject to mandatory sinking fund redemption in part on December 1 of each year (commencing on the first December 1 occurring at least six months after the Conversion Date) through and including the maturity date for such 2008A Bonds, all such 2008A Bonds shall pay interest semiannually on each Interest Payment Date, all such 2008A Bonds shall bear interest at the same rate (except as otherwise provided in subparagraph (iii) below), and all such 2008A Bonds shall only be remarketed at par; and

(ii) The schedule of principal payments and mandatory sinking fund redemption payments shall be set to achieve annual level debt service (including both principal and interest), as nearly as practicable taking into account the minimum Authorized Denominations of the 2008A Bonds then being converted to a Fixed Rate, for all remaining periods ending each year on December 1 (commencing on the first December 1 occurring at least six months after the Conversion Date) through and including the maturity date for such 2008A Bonds and, subject to subparagraph (iii) below, such 2008A Bonds shall be subject to mandatory sinking fund redemption in accordance with that schedule. All such 2008A Bonds shall be subject to mandatory sinking fund redemption (or serial maturities pursuant to subparagraph (iii) below) in accordance with the applicable schedule set forth in Section 8.5 hereof.

(iii) The foregoing subparagraphs (i) and (ii) notwithstanding, upon provision of a Favorable Opinion of Bond Counsel, Bonds that would otherwise be scheduled to be redeemed pursuant to mandatory sinking fund redemption provisions may be scheduled to mature on the same dates and the Remarketing Agent may establish more than one Fixed Rate to apply to the 2008A Bonds of a series being converted to Fixed Rate Bonds, in accordance with this Section, taking into account the scheduled mandatory redemption dates or serial maturity dates to be assigned to the 2008A Bonds.

(iv) If the designation referred to in subparagraph (i) above cannot be made or the Favorable Opinion of Bond Counsel described in subparagraph (iii) above has not been delivered to the Trustee by the Commission, then no conversion shall be effected.

(v) Default Rate. While there exists a Payment Default, the interest rate on a Series of the 2008A Bonds, other than 2008A Bonds then bearing interest at a Fixed Rate, will be the Maximum Rate.

(vi) Liquidity Provider Bonds. Notwithstanding the above provisions of this Section, Liquidity Provider Bonds shall bear interest at the lesser of the Liquidity Provider Rate or the Maximum Rate. The Liquidity Provider Rate shall be supplied in writing to the Trustee by the Liquidity Provider. If the Remarketing Agent has notified the Owner of any Liquidity Provider Bonds that it has located a purchaser for some or all of that Owner's Liquidity Provider Bonds, that Owner must deliver those Liquidity Provider Bonds to the Tender Agent for purchase. Upon such delivery and receipt of the Purchase Price by that Owner from the proceeds of remarketing such

2008A Bonds, the Tender Agent shall notify the Trustee that the 2008A Bonds so purchased and remarketed are no longer “Liquidity Provider Bonds” and the Trustee shall note on the registration books for the 2008A Bonds that those 2008A Bonds are not Liquidity Provider Bonds and shall register them in the name of the new Owner and shall receive confirmation from the Liquidity Provider that such 2008A Bonds are subject to purchase under the Liquidity Facility. Notwithstanding anything herein to the contrary, only the Liquidity Provider or any Liquidity Provider Bondowner may receive interest on any 2008A Bonds at the Liquidity Provider Rate.

### 3.7 Conversions Between Rate Periods.

The Commission may elect to convert any series of the 2008A Bonds from one type of Interest Rate Period (other than from a Fixed Rate Period) to another type of Interest Rate Period, as follows:

(a) Notices by Commission. The Commission shall give written notice of any proposed conversion to the Trustee not fewer than seven Business Days (fourteen Business Days in the case of a proposed conversion to a Short Term Rate Period or a Long Term Rate Period) prior to the date the notice to affected Owners must be given pursuant to Section 3.7(b) of the proposed conversion.

(b) Notices by Trustee. Upon receipt of the notice specified in Section 3.7(a) from the Commission, the Trustee shall promptly give written notice of the proposed conversion to the affected Owners, the Tender Agent, the Remarketing Agent, the Liquidity Provider and any rating service that has notified the Trustee in writing that it has established a rating for the 2008A Bonds. The Trustee shall give notice (which may be combined, where applicable, with any other notice required hereunder), by first class mail of the proposed conversion to the affected Owners of 2008A Bonds not less than 10 days before the proposed Conversion Date. Such notice shall state:

(i) the proposed Conversion Date and the proposed Interest Rate Period to be effective on such date;

(ii) that such 2008A Bonds will be subject to mandatory tender for purchase on the Conversion Date;

(iii) the conditions, if any, to the conversion pursuant to Subsection (c), and the consequences of such conditions not being fulfilled pursuant to Subsection (d);

(iv) if the 2008A Bonds are in certificated form, information with respect to required delivery of 2008 Bond certificates and payment of the Purchase Price; and

(v) the new Interest Payment Dates and Record Dates.

(c) Conditions to Conversion. No conversion of Interest Rate Periods will become effective unless:

(i) If the conversion is from a Short-Term Rate Period, (1) the Trustee has received, prior to the date on which notice of conversion is required to be given to Owners, the written confirmation from the Remarketing Agent that it has not established and will not establish any Short-Term Interest Periods extending beyond the day before the Conversion Date and (2) the Conversion Date shall be the Interest Payment Date for such Short-Term Rate Bonds; and

(ii) If the conversion is either (A) from a Short-Term Rate Period, Monthly Rate Period, Weekly Rate Period or a Daily Rate Period to a Long-Term Rate Period or a Fixed Rate Period, or (B) from a Long-Term Rate Period to a Short-Term Rate Period, a Monthly Rate Period, a Weekly Rate Period or a Daily Rate Period, the Trustee, and the Commission has been provided, no later than one day before the Conversion Date, with a Favorable Opinion of Bond Counsel, which opinion shall be confirmed in writing on the Conversion Date; and

(iii) If the conversion is to a Daily Rate Period, a Weekly Rate Period, a Short-Term Rate Period or a Long-Term Rate Period, (A) the Commission shall have appointed (1) a Remarketing Agent for the 2008A Bonds in accordance with Section 10.1 and (2) a Qualified Financial Institution or the Commission to act as Liquidity Provider in accordance with Section 12.2(a); (B) the Commission shall have furnished to the Trustee (1) an executed Remarketing Agreement whereby the Remarketing Agent agrees to perform the duties of the Remarketing Agent under this Supplemental Indenture No. 12, (2) a Liquidity Facility in form and substance reasonably satisfactory to the Remarketing Agent, in an amount equal to the aggregate principal amount of applicable Outstanding 2008A Bonds, plus an amount equal to at least 34 days interest (183 days interest if the conversion is to Long-Term Rate Bonds) or, if the conversion is to Short-Term Rate Bonds, the maximum number of days of a Short-Term Interest Period, as provided in Section 3.6(g)(i), plus five days, on all applicable 2008A Bonds at the Maximum Rate for the 2008A Bonds other than Liquidity Provider Bonds, under which the Liquidity Provider is required to purchase 2008A Bonds tendered for purchase in accordance with this Supplemental Indenture No. 12, together with an Opinion of Counsel, to the effect that the Liquidity Facility has been duly authorized, executed and delivered by the Liquidity Provider, is a valid and binding and enforceable obligation of the Liquidity Provider (subject as to enforcement to customary exceptions regarding bankruptcy, insolvency and similar laws and principles of equity), and that the Liquidity Facility will not require any 2008A Bonds (or any securities evidenced thereby) to be registered under the Securities Act of 1933, as amended, or this Supplemental Indenture No. 12 to be qualified under the Trust Indenture Act of 1939, as amended; and

(iv) RESERVED

(v) if the conversion is to a Fixed Rate Period, the Commission shall notify in writing the Trustee of its irrevocable election to effect such a conversion, specifying in the notice the Conversion Date on which the Fixed Rate Period is to commence, and delivering with such notice a firm underwriting or purchase contract from a recognized firm of bond underwriters or recognized institutional investors, which can be the Remarketing Agent, to underwrite or purchase all of the Bonds at a price of

100% of the principal amount thereof at an agreed upon interest rate which such underwriter or institutional investor certifies is the lowest rate that will permit the 2008A Bonds to be sold at par on the first day of the Fixed Rate Period and containing a mandatory sinking fund redemption schedule prepared in accordance with Section 3.6(i). Upon receipt by the Trustee of such notice from the Commission, the Trustee shall promptly cause the same information contained in such notice to be delivered to the Tender Agent, the Remarketing Agent, the Liquidity Provider and any rating service that has notified the Trustee in writing that it has established a rating for the 2008A Bonds; and

(vi) The conversion shall not occur unless the Conversion Date is a date on which the 2008A Bonds being converted could be redeemed without premium pursuant to Section 8.4(a); and

(vii) If the conversion is to a Short-Term Rate Period, (A) must engage, at its expense, a commercial paper trustee and the paying agent (the "Issuing Agent"), reasonably acceptable to the Trustee and the Paying Agent, having access to the Securities Depository's electronic money market issuing and payment system and otherwise eligible to serve as an issuing and paying agent under the Securities Depository's policies and procedures for the issuance and payment of commercial paper; and (B) the Remarketing Agent must arrange for the execution and delivery to the Securities Depository of its required letter of representation for the eligibility of the 2008A Bonds in the Short-Term Rate Period in the Securities Depository's book entry system and the provision of any needed CUSIP numbers; and (C) the Commission shall take all other action needed to comply with the Securities Depository's requirements applicable to the issuance and payment of the Bonds while in the Short-Term Rate Period; and (D) the Commission shall enter into any amendment of this Supplemental Indenture No. 12 that is needed to comply with the Securities Depository's or any rating agency's requirements concerning the issuance and payment of the 2008A Bonds in the Short-Term Rate Period; and

(viii) If the conversion is from a Long-Term Rate Period, the Conversion Date shall be the Interest Payment Date following the end of such Long-Term Rate Period; and

(ix) The Conversion Date shall be an Interest Payment Date for the Rate Period from which the conversion is to be made.

(d) Failure of Conditions to Conversion. In the event any condition precedent to a conversion is not fulfilled, (i) the Conversion Date shall not occur, (ii) the mandatory tender pursuant to Section 9.4(a)(i) shall not occur, and (iii) any affected 2008 Bond shall continue in the then existing Interest Rate Period with the length of the interest period and the interest rate being determined in accordance with Section 3.6 including Section 3.6(c)(ii) to the extent applicable. Notice of withdrawal of a conversion notice shall be given by the Commission, to the Trustee, the Remarketing Agent, the Tender Agent, and the Liquidity Provider by telephone, promptly confirmed in writing, and shall thereafter be promptly given to the Bondowners by the Trustee by first-class

mail. No failure or cancellation of conversion pursuant to this Subsection (d) shall constitute an Event of Default.

### 3.8 Defeasance of 2008A Bonds.

In the case of any defeasance of the 2008A Bonds bearing interest at a rate other than a Fixed Rate, in addition to the other requirements of Article XI of the Indenture, funds must be deposited in escrow in an amount sufficient to cover all future payments to bondholders at the maximum interest rate allowable on the 2008A Bonds as provided herein. In addition, in such event, the Commission shall agree in the escrow deposit agreement to call the 2008A Bonds for redemption or purchase not later than their first possible mandatory redemption or optional purchase date. The Rating Agency shall be notified of any changes or amendments to the escrow deposit arrangement including, without limitation, entering into a forward purchase contract or changing the definition of eligible securities.

## ARTICLE 4 ADDITIONAL BOND PROVISIONS

### 4.1 Method and Place of Payment of 2008A Bonds.

(a) All 2008A Bonds shall provide that principal (or redemption price) and interest in respect thereof shall be payable only out of the Trust Estate. The Commission shall cause a copy of the text of the opinion of Bond Counsel delivered in connection with the issuance of the 2008A Bonds to be printed on or attached to such 2008A Bonds, and shall cause to be placed on deposit with the Authenticating Agent executed counterparts of such opinion. The Authenticating Agent shall certify to the correctness of the copy appearing on the 2008A Bonds by manual or facsimile signature. Pursuant to recommendations promulgated by the Committee on Uniform Security Identification Procedures, "CUSIP" numbers may be printed on the 2008A Bonds. The 2008A Bonds may bear endorsement or legend satisfactory to the Paying Agent as may be required to conform to usage or law with respect thereto.

(b) Upon the execution and delivery hereof, the Commission shall execute the 2008A Bonds and deliver them to the Authenticating Agent for authentication. At the direction of the Commission, the Authenticating Agent shall authenticate the 2008A Bonds and deliver them to the purchasers thereof.

(c) The principal of and redemption premium, if any, and interest on the 2008A Bonds shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts.

(d) The principal of and the redemption premium, if any, on all 2008A Bonds shall be payable by check or draft at maturity or upon earlier redemption to the Persons in whose names such 2008A Bonds are registered on the Bond Register at the maturity or redemption date thereof, upon the presentation and surrender of such 2008A Bonds at the Principal Office of the Trustee or of any Paying Agent named in the Bonds.

(e) The interest payable on each 2008 Bond on any Interest Payment Date shall be paid by the Trustee to the Person in whose name such Bond is registered on the Bond Register at the close of business on the Record Date for such interest, (i) by check or draft mailed on the applicable Interest Payment Date to such Registered Owner at his address as it appears on such Bond Register or at such other address as is furnished to the Trustee in writing by such Owner or (ii) by electronic transfer in immediately available funds, if the 2008A Bonds are held by a Securities Depository, or at the written request addressed to the Trustee by any Owner of 2008A Bonds in the aggregate principal amount of at least \$1,000,000, such request to be signed by such Owner, containing the name of the bank (which shall be in the continental United States), its address, its ABA routing number, the name and account number to which credit shall be made and an acknowledgment that an electronic transfer fee is payable, and to be filed with the Trustee no later than ten Business Days before the applicable Record Date preceding such Interest Payment Date. Interest on Short-Term Rate Bonds shall be paid only upon presentation and surrender of those 2008A Bonds. Interest on any Liquidity Provider Bond that ceases to be a Liquidity Provider Bond during an interest period shall be paid to the Person who is the Owner at the close of business on the Record Date at the rate borne by 2008A Bonds of the same series other than Liquidity Provider Bonds.

(f) Defaulted Interest with respect to any 2008 Bond shall cease to be payable to the Owner of such 2008 Bond on the relevant Record Date and shall be payable to the Owner in whose name such 2008 Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed in the following manner. The Commission shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each 2008 Bond and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence hereof), and shall deposit with the Trustee at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment; money deposited with the Trustee shall be held in trust for the benefit of the Owners of the 2008A Bonds entitled to such Defaulted Interest as provided in this Section. Following receipt of such funds the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Commission of such Special Record Date and, in the name and at the expense of the Commission, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Owner of a 2008 Bond entitled to such notice at the address of such owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

#### 4.2 Execution and Authentication of 2008A Bonds.

(a) The 2008A Bonds shall be executed on behalf of the Commission by the manual or facsimile signature of [Governor of the Commonwealth and] the Chairman of the Commission and attested by the manual or facsimile signature of the Secretary or Treasurer of the Commission, and shall have the corporate seal of the Commission affixed thereto or imprinted thereon. In case any officer whose signature or facsimile thereof appears on any 2008 Bond shall cease to be such officer before the delivery of such 2008 Bond, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if such person had remained in office until delivery. Any 2008 Bond may be signed by such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such 2008 Bond although at the date of such 2008 Bond such persons may not have been such officers.

(b) The 2008A Bonds shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in Exhibit A hereto, which shall be manually executed by the Trustee. No 2008 Bond shall be entitled to any security or benefit under this Supplemental Indenture No. 12 or shall be valid or obligatory for any purpose unless and until such Certificate of Authentication shall have been duly executed by the Trustee. Such executed Certificate of Authentication upon any 2008 Bond shall be conclusive evidence that such 2008 Bond has been duly authenticated and delivered under this Supplemental Indenture No. 12. The Certificate of Authentication on any 2008 Bond shall be deemed to have been duly executed if signed by any authorized officer or signatory of the Trustee, but it shall not be necessary that the same officer or signatory sign the Certificate of Authentication on all of the 2008A Bonds that may be issued hereunder at any one time.

#### 4.3 Registration, Transfer and Exchange of 2008A Bonds.

(a) The Trustee is hereby appointed Bond Registrar and as such shall keep the Bond Register at its Principal Office.

(b) Any 2008 Bond may be transferred only upon the Bond Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the Commission shall execute and the Trustee shall authenticate and deliver in exchange for such 2008 Bond a new 2008 Bond or 2008A Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this Supplemental Indenture No. 12 and of the same maturity and series, bearing interest at the same rate and having the same Interest Rate Period.

(c) Any 2008A Bonds, upon surrender thereof at the Principal Office of the Trustee, together with an assignment duly executed by the Registered Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee, may, at the option of the Registered Owner thereof, be exchanged for an equal aggregate principal amount of 2008A Bonds of the same maturity and series, of any denomination

or denominations authorized by this Supplemental Indenture No. 12, bearing interest at the same rate and having the same Interest Rate Period.

(d) In all cases in which 2008A Bonds shall be exchanged or transferred hereunder, the Commission shall execute and the Trustee shall authenticate and deliver at the earliest practicable time 2008A Bonds in accordance with this Supplemental Indenture No. 12. All 2008A Bonds surrendered in any such exchange or transfer shall forthwith be canceled by the Trustee.

(e) The Commission, the Trustee or the Securities Depository may make a charge against the Bondowner requesting the same for every such transfer or exchange of 2008A Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such transfer or exchange, and such charge shall be paid before any such new 2008 Bond shall be delivered. The fees and charges of the Trustee for making any transfer or exchange hereunder and the expense of any bond printing necessary to effect any such transfer or exchange shall be paid by the Commission. In the event any Bondowner fails to provide a correct taxpayer identification number to the Trustee, the Trustee may impose a charge against such Bondowner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Internal Revenue Code, such amount may be deducted by the Trustee from amounts otherwise payable to such Bondowner hereunder or under the 2008A Bonds.

(f) The Trustee shall not be required to (i) transfer or exchange any 2008 Bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of such 2008 Bond and ending at the close of business on the day of such mailing, or (ii) transfer or exchange any 2008 Bond so selected for redemption in whole or in part, or during a period beginning at the opening of business on any Record Date for such 2008 Bond and ending at the close of business on the relevant Interest Payment Date therefor.

(g) The Person in whose name any 2008 Bond shall be registered on the Bond Register shall be deemed and regarded as the absolute owner of such 2008 Bond for all purposes, and payment of or on account of the principal or Purchase Price of and redemption premium, if any, and interest on any such 2008 Bond shall be made only to or upon the order of the Registered Owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such 2008 Bond, including the interest thereon, to the extent of the sum or sums so paid.

(h) At reasonable times upon prior Written Request and under reasonable regulations established by the Trustee, the Bond Register may be inspected and copied by the Commission or by the Owners (or a designated representative thereof) of 10% or more in principal amount of 2008A Bonds then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the satisfaction of the Trustee.



#### 4.4 Temporary 2008A Bonds.

(a) Until definitive 2008A Bonds are ready for delivery, the Commission may execute, and upon the Written Request of the Commission, the Trustee shall authenticate and deliver, in lieu of definitive 2008A Bonds, but subject to the same limitations and conditions as definitive 2008A Bonds, temporary printed, engraved, lithographed or typewritten 2008A Bonds.

(b) If temporary 2008A Bonds shall be issued, the Commission shall cause the definitive 2008A Bonds to be prepared and to be executed and delivered to the Trustee, and the Trustee, upon presentation to it at its Principal Office of any temporary 2008 Bond shall cancel the same and authenticate and deliver in exchange therefor, without charge to the Owner thereof, a definitive 2008 Bond of the same maturity and bearing interest at the same rate as the temporary Bond surrendered. Until so exchanged the temporary 2008A Bonds shall in all respects be entitled to the same benefit and security of this Supplemental Indenture No. 12 as the definitive 2008A Bonds to be issued and authenticated hereunder.

#### 4.5 Mutilated, Lost, Stolen or Destroyed 2008A Bonds.

In the event any 2008 Bond shall become mutilated, or be lost, stolen or destroyed, the Commission shall execute and the Trustee shall authenticate and deliver a new 2008 Bond of like series, date and tenor as the 2008 Bond mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated 2008 Bond, such mutilated 2008 Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed 2008 Bond, there shall be first furnished to the Commission and the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together, in either such case, with such security or indemnity as may be required by the Trustee to save the Commission and the Trustee harmless. In the event any such 2008 Bond shall have matured or been selected for redemption, instead of issuing a substitute 2008 Bond the Trustee in its discretion may, instead of issuing a new 2008 Bond, pay, with funds available under this Supplemental Indenture No. 12 for such purpose, such Bond without surrender thereof (except in the case of a mutilated 2008 Bond). Upon the issuance of any substitute 2008 Bond, the Commission and the Trustee may require the payment of an amount by the Bondowner sufficient to reimburse the Commission and the Trustee for any tax or other governmental charge that may be imposed in relation thereto and any other reasonable fees and expenses incurred in connection therewith.

#### 4.6 Cancellation and Destruction of Bonds Upon Payment.

All 2008A Bonds which have been paid or redeemed or which the Trustee has purchased or which have otherwise been surrendered to the Trustee under this Supplemental Indenture No. 12, either at or before maturity, shall be canceled and destroyed by the Trustee in compliance with all applicable laws and regulations and the record retention requirements of the Trustee upon the payment, redemption or purchase of such 2008A Bonds and the surrender thereof to the Trustee. The Trustee shall execute

a certificate in triplicate describing the 2008A Bonds so canceled and destroyed, and shall file executed counterparts of such certificate with the Commission.

## **ARTICLE 5      BOOK-ENTRY; SECURITIES DEPOSITORY**

(a) The Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no beneficial owner will receive certificates representing their respective interests in the 2008A Bonds, except in the event the Trustee issues Replacement Bonds as provided in Subsection (b). It is anticipated that during the term of the 2008A Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal and Purchase Price of, premium, if any, and interest on, the 2008A Bonds to the Participants until and unless the Trustee authenticates and delivers Replacement 2008A Bonds to the beneficial owners as described in Subsection (b).

(b) If the Commission determines (A) that the Securities Depository is unable to properly discharge its responsibilities, or (B) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (C) that the continuation of a book-entry system to the exclusion of any 2008A Bonds being issued to any Bondowner other than Cede & Co. is no longer in the best interests of the beneficial owners of the Bonds, or if the Trustee receives written notice from Participants having interests in not less than 50% of the 2008A Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect to the Trustee by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Bondowner other than Cede & Co. is no longer in the best interests of the beneficial owners of the 2008A Bonds, then the Trustee, based on information provided to it by the Securities Depository, shall notify the beneficial owners of the 2008A Bonds of such determination or such notice and of the availability of certificates to beneficial owners of the 2008A Bonds requesting the same, and the Trustee shall register in the name of and authenticate and deliver 2008A Bonds (the "Replacement Bonds") to the beneficial owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (i)(A) or (i)(B) of this Subsection (b), the Commission, with the consent of the Trustee, may select a successor Securities Depository in accordance with Subsection (c) to effect book-entry transfers. In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository or its nominee is the Registered Owner of at least one 2008 Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Trustee, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Trustee or the Commission are unable to locate a qualified successor of the Securities Depository in accordance with the following paragraph, then the Trustee shall authenticate and cause delivery of Replacement Bonds to the Commission, as provided herein. The Trustee may rely on information from the Securities Depository and

its Participants as to the names, addresses, taxpayer identification numbers of and principal amount held by the beneficial owners of the 2008A Bonds. The cost of printing Replacement Bonds shall be paid for by the Commission.

In the event the Securities Depository resigns or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the Commission may appoint a successor Securities Depository provided the Trustee receives written evidence satisfactory to the Trustee with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Trustee upon its receipt of a 2008 Bond or 2008A Bonds for cancellation shall cause the delivery of 2008A Bonds to the successor Securities Depository in appropriate denominations and form as provided herein.

## **ARTICLE 6        CONDITIONS PRECEDENT TO ISSUANCE OF 2008A BONDS**

Before the 2008A Bonds shall be authenticated by the Authenticating Agent and delivered by the Trustee to the purchasers thereof, there shall be filed with the Trustee the following documents:

(a) a copy, certified by the Secretary-Treasurer of the Commission, of the resolution or resolutions adopted by the Commission authorizing (1) the execution and delivery of a Supplemental Indenture providing for, among other things, the date, rate or rates of interest on, interest payment dates, maturity dates and redemption provisions of such 2008A Bonds, and (2) the issuance, sale, execution and delivery of the 2008A Bonds;

(b) an order, signed by the Chairman or any Vice Chairman of the Commission (the "Order of the Chairman of the Commission"), directing the authentication and delivery of such 2008A Bonds to or upon the order of the purchasers named in the resolution mentioned in clause (a) above and which order shall set forth, among other things:

(i) the amount of proceeds to be received by the Commission from the sale of the 2008A Bonds, including accrued interest to the extent payable, which shall be separately stated;

(ii) the amounts to be expended for costs and expenses in connection with the issuance of the 2008A Bonds which are to be paid from the 2008 Clearing Fund, including but not limited to the initial Administrative Expenses and Trustee's fees; and

(c) an Opinion of Bond Counsel to the effect that:

(i) the issuance of the 2008A Bonds is permitted under the Indenture;

(ii) each of this Supplemental Indenture No. 12 and the 2008A Bonds has been duly authorized, executed and delivered and is a valid, binding and enforceable obligation of the Commission, subject to bankruptcy, equitable principles and other standard legal opinion exceptions; and

(iii) interest on the 2008A Bonds is not included in gross income for federal income tax purposes under the Code;

(d) a request and authorization, signed by a Commission Official, as required by Section 210(d) of the Indenture;

(e) a certificate of the Commission, signed by a Commission Official, as required by Section 210(e) of the Indenture;

(f) an executed contract for the purchase of the 2008A Bonds, and all documents, certificates and opinions required to be delivered pursuant to the terms thereof;

(g) an executed copy of this Supplemental Indenture No. 12;

(h) a Certificate of the Commission signed by a Commission Official, as required by Section 210(f) of the Indenture; and

(i) such further documents, moneys, and securities as are required by the provisions of the Indenture or this Supplemental Indenture No. 12.

## **ARTICLE 7      DISPOSITION OF PROCEEDS; CREATION OF FUNDS AND ACCOUNTS**

### **7.1      Establishment of 2008 Clearing Fund.**

There is hereby established with the Trustee a fund to be designated the “2008 Clearing Fund.” All of the net proceeds of the 2008A Bonds shall be deposited by the Trustee into the 2008 Clearing Fund. The Trustee shall deposit any additional amounts required to be deposited therein by the Commission. The Trustee is authorized and directed:

1. to transfer to U.S. Bank National Association, as escrow agent for the Refunded Bonds the amount set forth in a closing statement signed by a Commission Official (the “Closing Statement”) as being the amount necessary to effect the refunding and defeasance of the Refunded Bonds;

2. to transfer to the 2008 Account of the Debt Service Reserve Fund the amount set forth in the Closing Statement and to invest such amount in the investment described therein; and

3. to pay costs incurred by the Commission in connection with the issuance of the 2008A Bonds including, but not limited to, those set forth in the Closing Statement.

Any moneys remaining in the 2008 Clearing Fund as of 180 days after the date of issuance of the 2008A Bonds shall then at such time be transferred to the 2008 Account of the Debt Service Fund.

#### 7.2 2008 Account of the Debt Service Fund.

There is hereby created a separate 2008 Account of the Debt Service Fund for deposit and disbursement of funds for debt service on the 2008A Bonds.

#### 7.3 Rebate Fund.

Upon written request of the Commission, the Trustee shall establish a Fund to be designated the "2008Rebate Fund" which shall be held separate and apart from all other Funds established under the Indenture. The Trustee shall make deposits to and disbursements from the 2008 Rebate Fund in accordance with the Tax Regulatory Certificate and shall invest the 2008 Rebate Fund pursuant to the written instructions given to it by the Commission. The immediately preceding sentence of this Section may be superseded or amended by a new Tax Regulatory Certificate delivered by the Commission and accompanied by an opinion of Bond Counsel addressed to the Trustee to the effect that the use of such new Tax Regulatory Certificate will not cause the interest on the 2008A Bonds to become includable in gross income of the recipient thereof for purposes of federal income taxation under Section 103 of the Code.

#### 7.4 RESERVED

#### 7.5 Investment of Funds.

Moneys on deposit with respect to the 2008A Bonds in funds or accounts established pursuant to this Article 7 shall be invested solely in Permitted Investments to the extent permitted by applicable law.

**ARTICLE 8      REDEMPTION OF 2008A BONDS**

8.1      RESERVED.

8.2      Mandatory Sinking Fund Redemption 2008A Bonds.

Mandatory Redemption. The A-1 Bonds maturing on December 1, 2022 shall be subject to mandatory sinking fund redemption prior to maturity by the Commission in part on December 1 (or if December 1 is not a Business Day, the next Business Day) of the respective years and in the amount set forth below, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date:

**2008 Series A-1 Bonds**

**Maturing December 1, 2022**

<b>Year (December 1)</b>	<b>Principal Amount</b>
2008	\$6,700,000.00
2009	6,450,000.00
2010	6,730,000.00
2011	6,970,000.00
2012	7,295,000.00
2013	7,605,000.00
2014	7,930,000.00
2015	8,280,000.00
2016	8,650,000.00
2017	9,020,000.00
2018	9,415,000.00
2019	9,830,000.00
2020	10,265,000.00
2021	10,710,000.00
2022*	980,000.00
	<hr/>
	\$116,830,000.00

**\* Stated Maturity**

The A-2 Bonds maturing on December 1, 2022 shall be subject to mandatory sinking fund redemption prior to maturity by the Commission in part on December 1 (or if December 1 is not a Business Day, the next Business Day) of the respective years and in the amount set forth below, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date:

**2008 Series A-2 Bonds**  
**Maturing December 1, 2022**

<b>(December 1)</b>	<b>Principal Amount</b>
2008	\$2,525,000.00
2009	3,320,000.00
2010	3,465,000.00
2011	3,560,000.00
2012	3,730,000.00
2013	3,885,000.00
2014	4,045,000.00
2015	4,220,000.00
2016	4,410,000.00
2017	4,595,000.00
2018	4,795,000.00
2019	5,000,000.00
2020	5,220,000.00
2021	5,445,000.00
2022*	100,000.00
	<b>\$58,315,000.00</b>

The A-3 Bonds maturing on December 1, 2022 shall be subject to mandatory sinking fund redemption prior to maturity by the Commission in part on December 1 (or if December 1 is not a Business Day, the next Business Day) of the respective years and in the amount set forth below, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date:

**2008 Series A-3 Bonds**  
**Maturing December 1, 2022**

<b>Year</b> <b>(December 1)</b>	<b>Principal Amount</b>
2008	\$2,525,000.00
2009	3,320,000.00
2010	3,465,000.00
2011	3,560,000.00
2012	3,730,000.00

2013	3,885,000.00
2014	4,045,000.00
2015	4,220,000.00
2016	4,410,000.00
2017	4,595,000.00
2018	4,790,000.00
2019	5,000,000.00
2020	5,220,000.00
2021	5,445,000.00
2022*	100,000.00
	<hr/>
	\$58,310,000.00

\* Stated Maturity

### 8.3 Partial Redemption.

Except as to any Mandatory Sinking Fund Redemption as described above, any partial redemption may be in any order of maturity and in any principal amount within a maturity as designated by the Commission and in the case of any 2008A Bonds subject to mandatory redemption, the Commission shall be entitled to designate whether such payments shall be credited against principal amounts due at maturity or against particular scheduled mandatory redemption obligations with respect to such 2006 Fixed Rate Bonds.

### 8.4 Redemption of 2008A Bonds.

(a) Optional Redemption. The 2008A Bonds are subject to optional redemption as follows:

(i) Daily Rate Bonds, Weekly Rate Bonds, Monthly Rate Bonds, and Liquidity Provider Bonds are subject to redemption and payment prior to maturity, at the option of the Commission upon written direction from the Commission, in whole or in part on any date at the redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

(ii) Short-Term Rate Bonds are subject to redemption and payment prior to maturity, at the option of the Commission in whole or in part on any Interest Payment Date at the redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

(iii) Long-Term Rate Bonds are subject to redemption in whole or in part, on the day after the end of each Long-Term Interest Period, at the option of the Commission, at a redemption price equal to 100% of the principal amount redeemed, plus interest accrued to the redemption date.



(iv) Long-Term Rate Bonds and Fixed Rate Bonds are subject to redemption and payment prior to maturity, at the option of the Commission, on and after the no-call period shown below, in whole or in part at any time at the respective redemption prices set out below, plus accrued interest thereon to the redemption date (unless an alternate optional redemption schedule is determined pursuant to this subparagraph (iv)):

<b><u>Fixed Rate Period or Long-Term Interest Period</u></b>	<b><u>No-Call Period</u></b>	<b><u>Premium</u></b>
Equal to or greater than 13 years	10 years	0% at all times
Equal to or greater than 10 years but less than 13 years	8 years	0% at all times
Equal to or greater than 7 years but less than 10 years	5 years	0% at all times
Equal to or greater than 4 years but less than 7 years	3 years	0% at all times
Equal to or greater than 2 years but less than 4 years	1 year	0% at all times
Greater than 1 year but less than 2 years	1 year	0% at all times
One year	non-callable	

Notwithstanding the foregoing, if before the first day of a Long-Term Interest Period or Fixed Rate Period an alternate optional redemption schedule is delivered by the Commission to the Trustee setting forth redemption dates and redemption prices during that Fixed Rate Period or Long-Term Interest Period together with a certificate of the Remarketing Agent certifying that the redemption terms set forth therein are advantageous for the Remarketing Agent to remarket those Bonds for that period and a Favorable Opinion of Bond Counsel, then the Bonds shall be subject to redemption during that period in accordance with that optional redemption schedule rather than the schedule set forth above.

(b) [RESERVED]

(c) Credits against Scheduled Mandatory Redemption Obligations. At the option of the Commission, to be exercised by delivery of a Certificate of Commission Representative to the Trustee on or before the 45th day next preceding any scheduled mandatory redemption date, it may (1) deliver to the Trustee for cancellation 2008A

Bonds of a series subject to scheduled mandatory redemption on that date or portions thereof in Authorized Denominations or (2) specify a principal amount of 2008A Bonds of a series or portions thereof in Authorized Denominations which prior to said date have been purchased or redeemed (otherwise than pursuant to this Section) and canceled by the Trustee at the request of the Commission and not theretofore applied as a credit against any scheduled mandatory redemption payment. Each 2008 Bond of a series or portion thereof so delivered or previously redeemed shall be credited by the Trustee at the principal amount thereof against the obligation of the Commission to redeem 2008A Bonds on the scheduled mandatory redemption date or dates designated in writing to the Trustee by the Commission Representative occurring at least 45 days after delivery of such designation to the Trustee, provided that if no such designation is made, such credit shall not be credited against such obligation.

#### 8.5 Selection of 2008A Bonds to be Redeemed.

(a) 2008A Bonds shall be redeemed only in Authorized Denominations. If less than all 2008A Bonds of a series are to be redeemed and paid prior to maturity, such 2008A Bonds shall be selected by the Trustee by such method as the Trustee shall deem fair and appropriate; provided that Liquidity Provider Bonds and Commission Bonds, in that order, shall be redeemed before other 2008A Bonds are redeemed.

(b) In the case of a partial redemption of 2008A Bonds when 2008A Bonds of a series of denominations greater than the minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each principal amount equal to the minimum Authorized Denomination shall be treated as though it was a separate 2008 Bond of the minimum Authorized Denomination. If it is determined that a portion, but not all, of the principal amount represented by any 2008 Bond is to be selected for redemption, then upon notice of intention to redeem such portion, the Owner of such 2008 Bond or such Owner's attorney or legal representative shall forthwith present and surrender such 2008 Bond to the Trustee (1) for payment of the redemption price (including the premium, if any, and interest to the date fixed for redemption) of the principal amount called for redemption, and (2) for exchange, without charge to the Owner thereof for a new 2008 Bond or 2008A Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such 2008 Bond shall fail to present such 2008 Bond to the Trustee for payment and exchange as aforesaid, said 2008 Bond shall, nevertheless, become due and payable on the redemption date to the extent of the principal amount called for redemption (and to that extent only).

(c) The Trustee shall call 2008A Bonds for redemption and payment as herein provided upon receipt by the Trustee at least 45 days prior to the redemption date of a Written Request of the Commission. Such request shall specify the principal amount of 2008A Bonds and their maturities so to be called for redemption, the applicable redemption price or prices and the provision or provisions above referred to pursuant to which such 2008A Bonds are to be called for redemption. The foregoing provisions of this paragraph shall not apply in the case of any mandatory redemption of

2008A Bonds pursuant to Section 8.2, and 2008A Bonds, subject to the exercise by the Commission of its rights under Section 8.2, shall be called by the Trustee for redemption pursuant to such mandatory redemption requirements without the necessity of any action by the Commission and whether or not the Trustee shall hold in the Debt Service Fund moneys available and sufficient to effect the required redemption.

8.6 Notice and Effect of Call for Redemption. Official notice of any such redemption shall be given by the Trustee on behalf of the Commission by mailing a copy of an official redemption notice by first class mail at least 30 days and not more than 60 days prior to the redemption date to each Registered Owner of the 2008A Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Trustee.

All official notices of redemption shall be dated and shall state:

- (a) the redemption date;
- (b) the redemption price;
- (c) if less than all Outstanding 2008A Bonds of a series are to be redeemed, the identification number and the respective principal amounts of the 2008A Bonds to be redeemed;
- (d) that on the redemption date the redemption price will become due and payable upon each such 2008 Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and
- (e) the place where such 2008A Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the Principal Office of the Trustee for the payment of 2008A Bonds.

Any notice of redemption of any 2008A Bonds pursuant to this Section 8.6 may specify that the redemption is contingent upon the deposit of moneys with the Trustee in an amount sufficient to pay the redemption price of all the 2008A Bonds or portions of 2008A Bonds which are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the 2008A Bonds or portions of 2008A Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Commission shall default in the payment of the redemption price) such 2008A Bonds or portions of 2008A Bonds shall cease to bear interest. Upon surrender of such 2008A Bonds for redemption in accordance with said notice, such 2008A Bonds shall be paid by the Trustee at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any 2008 Bond, there shall be prepared for the Registered Owner a new 2008 Bond or 2008A Bonds of the same maturity in the amount of the unpaid principal. All 2008A Bonds which have been redeemed shall be canceled and destroyed by the Trustee in accordance with Section 4.6 and shall not be reissued. A

second notice of redemption shall be given within 60 days after the redemption date in the manner required herein to the Bondowners of redeemed Bonds which have not been presented for payment within 30 days after the redemption date.

In addition to the foregoing notice, further notice shall be given by the Trustee on behalf of the Commission as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed:

Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all 2008A Bonds being redeemed (provided that the notice may contain the Trustee's standard disclaimer as to the correctness and use of the CUSIP numbers); (ii) the date of issue of the 2008A Bonds as originally issued; (iii) the rate of interest borne by each 2008 Bond being redeemed; (iv) the maturity date of each 2008 Bond being redeemed; and (v) any other descriptive information needed to identify accurately the 2008A Bonds being redeemed.

Each further notice of redemption shall be sent at least 30 days before the redemption date by registered or certified mail, overnight delivery service or facsimile to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the 2008A Bonds, to one or more national information services that disseminate notices of redemption of obligations such as the 2008A Bonds and to such information repositories as specified by a Commission Representative in order that the Commission may comply with its applicable confining disclosure undertakings with respect to the 2008A Bonds..

Upon the payment of the redemption price of 2008A Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue, series and maturity, the 2008A Bonds being redeemed with the proceeds of such check or other transfer.

For so long as the Securities Depository is effecting book-entry transfers of the 2008A Bonds, the Trustee shall provide the notices specified in this Section only to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the beneficial owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a beneficial owner of a 2008 Bond (having been mailed notice from the Trustee, a Participant or otherwise) to notify the beneficial owner of the 2008 Bond so affected, shall not affect the validity of the redemption of such Series 2008 Bond.

Failure to give any notice to any Owner, or any defect therein, shall not affect the validity of any proceedings for the redemption of any other 2008A Bonds. Any notice mailed shall be conclusively presumed to have been duly given and shall become effective upon mailing, whether or not any Owner receives the notice.

**ARTICLE 9      TENDERS AND MANDATORY PURCHASE OF 2008A  
BONDS**

9.1      Tender Agent

There shall be a Tender Agent appointed by the Commission for the 2008A Bonds as provided in this Section at all times that any 2008A Bonds are Daily Rate Bonds, Weekly Rate Bonds, Monthly Rate Bonds, Short-Term Rate Bonds or Long-Term Rate Bonds. The Tender Agent shall be a commercial bank, national association or trust company organized and doing business under the laws of the United States of America or of any state thereof, authorized under such laws to exercise corporate trust powers, subject to supervision or examination by federal or state Commission, and authorized to perform all of the duties imposed upon it by this Supplemental Indenture No. 12, and having a combined capital and surplus of at least \$75,000,000. If such corporation or association publishes reports of condition at least annually, pursuant to law or to the requirements of such supervising or examining Commission, then for the purposes of this Section, the combined capital and surplus of such corporation or association shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Tender Agent shall perform the duties imposed upon the Tender Agent by this Supplemental Indenture No. 12, but only upon the terms and conditions set forth herein, including the following:

(a)      hold all 2008A Bonds delivered to it hereunder in trust for the benefit of the respective Owners which shall have so delivered such 2008A Bonds until moneys representing the Purchase Price of such 2008A Bonds shall have been delivered to or for the account of or to the order of such Owners;

(b)      hold all moneys delivered to it hereunder for the purchase of 2008A Bonds in trust solely for the benefit of the Person which shall have so delivered such moneys until the 2008A Bonds purchased with such moneys shall have been delivered to or for the account of such Person;

(c)      hold all moneys, other than proceeds of payments under the Liquidity Facility, delivered to it hereunder for the purchase of 2008A Bonds as agent of, and in escrow for the exclusive benefit of, the Person which shall have so delivered such moneys until the 2008A Bonds purchased with such moneys shall have been delivered to or for the account of such Person;

(d)      hold all moneys delivered to it hereunder from payments under the Liquidity Facility for the purchase of 2008A Bonds as agent of, and in escrow for the exclusive benefit of, the Bondowners who shall deliver 2008A Bonds to it for purchase until the 2008A Bonds purchased with such moneys shall have been delivered to or for the account of the Liquidity Provider;

(e) keep such books and records as shall be consistent with customary corporate trust industry practice that shall accurately reflect the transactions hereunder and to make such books and records available for inspection by the Commission, the Trustee, the Remarketing Agent, and the Liquidity Provider during normal business hours upon reasonable prior written notice;

(f) hold all Liquidity Provider Bonds delivered to it hereunder as agent of, and in escrow for the benefit of, the Liquidity Provider;

(g) deliver any notices required by this Supplemental Indenture No. 12 to be delivered by the Tender Agent; and

(h) perform all other duties of the Tender Agent under this Supplemental Indenture No. 12.

The Tender Agent shall be entitled to reasonable compensation for its services as Tender Agent as agreed upon with the Commission.

The Tender Agent at any time may resign and be discharged of the duties and obligations imposed upon the Tender Agent by this Supplemental Indenture No. 12, by giving written notice thereof to the Commission, the Trustee, the Remarketing Agent, and the Liquidity Provider at least 30 days prior to the effective date of such resignation. The Tender Agent shall resign immediately at any time that it shall cease to be eligible in accordance with the provisions of this Section.

The Tender Agent may be removed at any time by the Trustee by an instrument in writing delivered to the Tender Agent, the Commission, the Trustee, the Remarketing Agent and the Liquidity Provider.

If the Tender Agent shall resign, be removed or become incapable of acting for any cause, the Trustee, with the written consent of the Commission and the Liquidity Provider (which consents shall not be unreasonably withheld), shall promptly appoint a successor Tender Agent by an instrument in writing delivered to the Commission, the Remarketing Agent, the Liquidity Provider, and the retiring Tender Agent. Every such successor Tender Agent appointed pursuant to the provisions of this Section shall meet the eligibility requirements of this Section. No successor Tender Agent shall accept its appointment unless at the time of such acceptance such successor Tender Agent shall be qualified and eligible under this Article.

Every successor Tender Agent appointed hereunder shall execute and deliver to the Commission, the Trustee, the Remarketing Agent, the Liquidity Provider, and the retiring Tender Agent an instrument accepting such appointment, designating its Principal Office and accepting the duties and obligations imposed upon it hereunder. No resignation or removal of the Tender Agent and no appointment of a successor Tender Agent pursuant to this Section shall become effective until the acceptance of appointment by the successor Tender Agent hereunder.

The Trustee shall give notice of each resignation and each removal of the Tender Agent and each appointment of a successor Tender Agent by mailing written notice of such event by first class mail, within 30 days of the resignation or removal of the Tender Agent or the appointment of a successor Tender Agent, to the Commission, the Liquidity Provider, the Remarketing Agent, each rating service at the time providing a rating for the 2008A Bonds and the Owners of 2008A Bonds as their names and addresses appear in the Bond Register maintained by the Trustee. Each notice shall include the name of the successor Tender Agent and the address of its principal corporate trust office.

In the event of the resignation or removal of the Tender Agent, and the appointment of a successor Tender Agent, the retiring Tender Agent shall pay over, assign and deliver any moneys and 2008A Bonds held by it in such capacity to its successor.

In the event that the Tender Agent shall resign or be removed, or be dissolved, or if the property or affairs of the Tender Agent shall be taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and the Trustee shall not have appointed a successor as Tender Agent, the Trustee, notwithstanding the provisions of the third paragraph of this Section, shall ipso facto be deemed to be the Tender Agent for all purposes of this Supplemental Indenture No. 12 until the appointment by the Trustee of the successor Tender Agent.

Any corporation or association into which the Tender Agent in its individual capacity may be merged or converted or with which it may be consolidated, or any merger, conversion or consolidation to which the Tender Agent in its individual capacity shall be a party, or any corporation or association to which all or substantially all the corporate trust business of the Tender Agent in its individual capacity may be sold or otherwise transferred, shall be the Tender Agent under this Supplemental Indenture No. 12 without further act.

## 9.2 Optional Tenders During Daily Rate Periods, Weekly Rate Periods and Monthly Rate Periods.

(a) Owners of Daily Rate Bonds, Weekly Rate Bonds or Monthly Rate Bonds may elect to have their Daily Rate Bonds, Weekly Rate Bonds or Monthly Rate Bonds (other than Commission Bonds or Liquidity Provider Bonds), or portions thereof in Authorized Denominations, purchased at the Purchase Price on the following Purchase Dates and upon the giving of the following telephonic, telecopy or written notices meeting the further requirements set forth in Subsection (b):

(i) Daily Rate Bonds (other than Commission Bonds or Liquidity Provider Bonds) may be tendered for purchase at the Purchase Price payable in immediately available funds on any Business Day upon telephonic, telecopy or written notice of tender to the Tender Agent and the Remarketing Agent not later than 9:30 a.m., New York City time, on the designated Purchase Date.

(ii) Weekly Rate Bonds or Monthly Rate Bond (other than Commission Bonds or Liquidity Provider Bonds) may be tendered for purchase at the Purchase Price payable in immediately available funds on any Business Day upon delivery of a written notice of tender to the Tender Agent and the Remarketing Agent not later than 5:00 p.m., New York City time, on a Business Day not fewer than seven days prior to the designated Purchase Date.

(b) Each notice of tender:

(i) shall, in case of a written notice, be delivered to the Tender Agent and the Remarketing Agent at their Principal Offices and be in form satisfactory to the Tender Agent and the Remarketing Agent;

(ii) shall state, whether delivered in writing or by telephone or telecopier, (A) the principal amount of the Daily Rate Bond, Weekly Rate Bond or Monthly Rate Bond to which the notice relates and the CUSIP number of that Bond, (B) that the Owner irrevocably demands purchase of that 2008 Bond or a specified portion thereof in an Authorized Denomination, (C) the Purchase Date on which that 2008 Bond or portion thereof is to be purchased and (D) payment instructions with respect to the Purchase Price; and

(iii) shall automatically constitute, whether delivered in writing or by telephone or telecopier, (A) an irrevocable offer to sell the 2008 Bond (or portion thereof) to which such notice relates on the Purchase Date to any purchaser selected by the Remarketing Agent (or to the applicable Liquidity Provider in the case of purchases made with funds paid under the applicable Liquidity Facility), at a price equal to the Purchase Price, (B) an irrevocable authorization and instruction to the Tender Agent to effect transfer of such 2008 Bond (or portion thereof) upon receipt by the Tender Agent of funds sufficient to pay the Purchase Price on the Purchase Date, (C) an irrevocable authorization and instruction to the Tender Agent to effect the exchange of the 2008 Bond to be purchased in whole or in part for other 2008A Bonds in an equal aggregate principal amount so as to facilitate the sale of that 2008 Bond (or portion thereof to be purchased), (D) an acknowledgment that such Owner will have no further rights with respect to that 2008 Bond (or portion thereof) upon deposit of an amount equal to the Purchase Price thereof with the Tender Agent on the Purchase Date, except for the right of such Owner to receive the Purchase Price upon surrender of that 2008 Bond to the Tender Agent, and (E) an agreement of such Owner to deliver such Daily Rate Bonds, Weekly Rate Bonds or Monthly Rate Bonds, with all necessary endorsements for transfer and signature guarantees, to the Tender Agent at its Principal Office not later than 1:00 p.m., New York City time, on the Purchase Date.

The determination of the Tender Agent and the Remarketing Agent as to whether a notice of tender has been properly delivered pursuant to the foregoing shall be conclusive and binding upon the Owner. The Tender Agent or the Remarketing Agent may waive any irregularity or nonconformity in any notice of tender.



(c) The right of Bondowners to tender Daily Rate Bonds, Weekly Rate Bonds or Monthly Rate Bonds for purchase pursuant to this Section shall terminate upon the earliest of (i) the fifth day next preceding the Expiration Date (or unless on or prior to the fifth day next preceding the Expiration Date, the Expiration Date is extended), (ii) a Conversion Date for conversion to an Interest Rate Period other than a Daily Rate Period, a Weekly Rate Period or a Monthly Rate Period and (iii) the Termination Date. The right of Bondowners to tender Daily Rate Bonds, Weekly Rate Bonds or Monthly Rate Bonds for purchase pursuant to this Section may be terminated or suspended under the circumstances described in the applicable Liquidity Facility.

(d) Notwithstanding anything to the contrary herein, all Daily Rate Bonds, Weekly Rate Bonds or Monthly Rate Bonds as to which a written notice specifying the Purchase Date has been delivered pursuant to this Section (and which have not been tendered to the Tender Agent) shall be deemed tendered on the Purchase Date specified. From and after the specified Purchase Date of a 2008 Bond or 2008A Bonds tendered to the Tender Agent or deemed tendered pursuant to this Section, the former Owner of such a 2008 Bond shall be entitled solely to the payment of the Purchase Price of 2008 Bond tendered or deemed tendered which Purchase Price shall be payable only as set forth in Section 9.4.

(e) The Tender Agent shall promptly return any notice of tender delivered pursuant to this Section (together with the 2008A Bonds submitted therewith) that is incomplete or improperly completed or not delivered within the times required by this Section to the Person or Persons submitting such notice and 2008A Bonds upon surrender of the receipt, if any, issued therefor.

(f) Notwithstanding the foregoing, if the 2008A Bonds are held in a book-entry form at the Securities Depository, the right to optionally tender Daily Rate Bonds, Weekly Rate Bonds or Monthly Rate Bonds may be exercised by the beneficial owners of those 2008A Bonds. Such right shall be exercised by delivery by a beneficial owner to the Tender Agent and the Remarketing Agent no later than the times specified in Subsection (a) of the notice described in Subsection (b) stating that such beneficial owner will cause its beneficial interest (or portion thereof in an Authorized Denomination) to be tendered, the amount of such interest to be tendered, the date on which such interest will be tendered and the identity of the Participant through which the beneficial owner maintains its interest. Upon delivery of such notice, the beneficial owner must make arrangements to have its beneficial ownership interest in the 2008A Bonds being tendered to the Tender Agent to be transferred on the records of the Securities Depository to the Tender Agent at or prior to 1:00 p.m., New York City time, on the Purchase Date.

### 9.3 Purchase of 2008A Bonds by Tender Agent.

(a) The Tender Agent shall establish a special trust fund to be designated the Purchase Fund (the "Purchase Fund"). Within the Purchase Fund, the Tender Agent shall establish four separate accounts to be designated the Remarketing Account, the Liquidity Account, the Commission Account and the Undelivered Bond

Payment Account. The Tender Agent shall establish separate accounts for each series of the 2008A Bonds. Only the Tender Agent shall have any right of withdrawal from the Purchase Fund; and the Purchase Fund and such right of withdrawal shall be for the sole and exclusive benefit of the Owners of the 2008A Bonds subject to purchase on Purchase Dates (and the Liquidity Provider to the extent provided in Subsection (e)); and the Commission shall have no legal, beneficial or equitable interest in the Purchase Fund. Amounts in a particular account of the Purchase Fund shall not be commingled with amounts in any other account of the Purchase Fund. Any moneys received by the Tender Agent by reason of the remarketing by the Remarketing Agent of 2008A Bonds subject to purchase on a Purchase Date shall be deposited by the Tender Agent in the Remarketing Account of the Purchase Fund and applied by the Tender Agent in accordance with Subsections (d) and (e). Any moneys received by the Tender Agent representing amounts paid by the Liquidity Provider under the applicable Liquidity Facility for the purchase of 2008A Bonds subject to purchase on a Purchase Date shall be deposited by the Tender Agent in the Liquidity Account of the Purchase Fund and applied by the Tender Agent in accordance with Subsections (d) and (e). Any moneys received by the Tender Agent representing amounts paid by the Commission for the purchase of 2008A Bonds subject to purchase on a Purchase Date shall be deposited by the Tender Agent in the Commission Account of the Purchase Fund and applied by the Tender Agent in accordance with Subsections (d) and (e). Moneys shall be transferred to the Undelivered Bond Payment Account from the other accounts of the Purchase Fund or to the Liquidity Provider in accordance with Subsection (e); and moneys shall be applied from the Undelivered Bond Payment Account in accordance with Subsection (f). The Trustee, the Tender Agent and the Remarketing Agent shall otherwise have no lien on, and no rights with respect to, the funds held in the Purchase Fund or any account thereof. Moneys on deposit in the Purchase Fund or any account thereof shall be held by the Tender Agent uninvested or, as directed by a Commission Official, invested by the Tender Agent in United States Treasury obligations maturing in sufficient time to make payments as required therefrom.

(b) Upon receipt of any telephonic, telecopy or written notice of tender relating to Daily Rate Bonds, Weekly Rate Bonds or Monthly Rate Bonds, the Tender Agent shall notify the Trustee, the Remarketing Agent, the Commission and the Liquidity Provider by telephonic notice of the amount of such 2008A Bonds to be tendered pursuant to such notice and the Remarketing Agent shall confirm such telephonic notice by telecopier or other telecommunications device by 10:00 a.m., New York City time, on the Purchase Date, with the Remarketing Agent including in such telephonic notice and the confirmation thereof the amount of the Purchase Price of such 2008A Bonds and the portion, if any, thereof representing accrued and unpaid interest on such 2008A Bonds to the Purchase Date. Upon receipt of written notice of tender relating to Weekly Rate Bonds or Monthly Rate Bonds, the Tender Agent shall, not later than 5:00 p.m., New York City time, on the next Business Day, send notice of such tender to the Commission, the Trustee and the Liquidity Provider by telecopier or other telecommunications device, with the Remarketing Agent including in such notice the amount of the Purchase Price of such 2008A Bonds and the portion, if any, thereof representing accrued and unpaid interest on such 2008A Bonds to the Purchase Date. Simultaneously with the giving (pursuant to Section 9.4) of notice of any mandatory tender of 2008A Bonds pursuant to

Section 9.4, the Trustee shall give notice by telephone or telecopier, promptly confirmed by a written notice, to the Tender Agent, the Remarketing Agent, the Liquidity Provider and the Commission specifying the Purchase Date, the aggregate principal amount and Purchase Price of each 2008A Bonds subject to mandatory tender on such Purchase Date, and the portion, if any, of such Purchase Price representing accrued and unpaid interest on such 2008A Bonds to such Purchase Date.

(c) Not later than 11:30 a.m., New York City time, on each Purchase Date, the Tender Agent shall determine the amount, if any, by which the Purchase Price of the 2008A Bonds to be purchased on such Purchase Date exceeds the amount of the proceeds of the remarketing of such 2008A Bonds by the Remarketing Agent on deposit in the Remarketing Account of the Purchase Fund at such time, and notify the Trustee of such amount by telephonic notice; and

(i) if an applicable Liquidity Facility is in effect on such Purchase Date, then (A) not later than 12:00 p.m., New York City time, on such Purchase Date, the Trustee shall request (such request being referred to as a "Liquidity Facility Request") the purchase by the applicable Liquidity Provider under the applicable Liquidity Facility, or the funding by the applicable Liquidity Provider under the applicable Liquidity Facility of moneys for the purchase, of 2008A Bonds having a Purchase Price equal to the amount of such excess (by submitting to the Liquidity Provider in accordance with the applicable Liquidity Facility all documents as are required for such purpose), provided however that the Trustee shall never make such a request for Liquidity Provider Bonds or Bonds owned by the Commission, and (B) not later than 2:00 p.m., New York City time, on such Purchase Date, the Trustee shall deposit the proceeds of the Liquidity Facility Request received by the Trustee in the Liquidity Account of the Purchase Fund; or

(ii) if no applicable Liquidity Facility is in effect on such Purchase Date, then (A) not later than 12:00 p.m., New York City time, on such Purchase Date, the Tender Agent shall notify the Commission that the amount of such excess is the amount payable by the Commission to the Tender Agent for purposes of causing the Tender Agent to purchase on behalf of the Commission Bonds having a Purchase Price equal to such excess, and (B) not later than 2:00 p.m., New York City time, on such Purchase Date, the Tender Agent shall deposit the amount, if any, received by the Tender Agent from the Commission for such purpose in the Commission Account of the Purchase Fund.

(d) Not later than 2:30 p.m., New York City time, on each Purchase Date, the Tender Agent shall disburse the Purchase Price of Bonds to be purchased on such Purchase Date to the Owners thereof (upon surrender thereof for payment of such Purchase Price), from the following sources and in the following order of priority:

(i) Moneys on deposit in the Remarketing Account of the Purchase Fund (representing the proceeds of the remarketing by the Remarketing Agent of such 2008A Bonds);

(ii) If an applicable Liquidity Facility is in effect on such Purchase Date, moneys on deposit in the Liquidity Account of the Purchase Fund (representing the proceeds of a Liquidity Facility Request); and

(iii) Moneys on deposit in the Commission Account (representing amounts paid by the Commission to the Tender Agent for the purchase of such 2008A Bonds).

If the funds available (from the sources indicated above) for the purchase of 2008A Bonds subject to purchase on a Purchase Date are insufficient to purchase all of the 2008A Bonds subject to purchase on such Purchase Date (including Undelivered Bonds), then, no purchase of any 2008A Bonds shall occur on such Purchase Date and, on such Purchase Date, the Tender Agent shall (i) return all of such 2008A Bonds that were tendered to the Owners thereof, (ii) return all moneys received by the Tender Agent for the purchase of such 2008A Bonds to the respective Persons that provided such moneys (in the respective amounts in which such moneys were so provided), and (iii) notify the Trustee of the foregoing. If the applicable Liquidity Facility is in effect, no such failure to purchase 2008A Bonds shall constitute an Event of Default.

(e) Any moneys remaining in the Remarketing Account, the Liquidity Account or the Commission Account and representing (but not exceeding) the Purchase Price of 2008A Bonds subject to purchase on the applicable Purchase Date but not tendered and delivered for purchase on the applicable Purchase Date (following the payments described in Subsection (d)) shall be transferred by the Tender Agent to the Undelivered Bond Payment Account not later than 3:30 p.m., New York City time, on the applicable Purchase Date (and retained therein, subject to Subsection (a), for application in accordance with Subsection (f)). Any moneys remaining in the Remarketing Account, the Liquidity Account and the Commission Account on a Purchase Date (after the payments described in Subsection (d) and the transfer described in the preceding sentence of this Subsection (e)) shall be wire transferred by the Tender Agent, in immediately available funds, prior to the close of business on such Purchase Date, to the Remarketing Agent, the Liquidity Provider and the Commission, respectively.

(f) Moneys transferred to the Undelivered Bond Payment Account of the Purchase Fund on any Purchase Date shall be applied, on or after such Purchase Date, by the Tender Agent to pay the Purchase Price of Undelivered Bonds in respect of which they were so transferred, upon the surrender of such 2008A Bonds to the Tender Agent for such purpose.

(g) Any holder of Liquidity Provider Bonds shall not transfer or otherwise release such Liquidity Provider Bonds until such holder has received written notice from the Liquidity Provider that the full amount of the applicable Liquidity Facility has been reinstated.

#### 9.4 Mandatory Purchase of 2008A Bonds.

(a) All of the 2008A Bonds of a series shall be subject to mandatory tender for purchase by the Tender Agent at the Purchase Price on the following Purchase Dates:

- (i) each Conversion Date;
- (ii) the first day after the last day of each Short-Term Interest Period;
- (iii) the first day after the last day of each Long-Term Interest Period;
- (iv) the fifth day next preceding each Expiration Date (unless, prior to the fifth day next preceding that Expiration Date, that Expiration Date is extended);
- (v) each Substitution Date by a draw on the applicable Liquidity Facility being replaced and substituted and not on the new Substitute Liquidity Facility; and
- (vi) any Termination Date.

(b) 2008A Bonds to be purchased pursuant to Subsection (a) shall be delivered by the Owners thereof to the Tender Agent (together with necessary assignments and endorsements) at or prior to 1:00 p.m., New York City time, on the applicable Purchase Date.

(c) Any 2008A Bonds to be purchased by the Tender Agent pursuant to this Section that are not delivered for purchase on or prior to the Purchase Date, for which there has been irrevocably deposited in trust with the Trustee or the Tender Agent an amount sufficient to pay the Purchase Price of such 2008A Bonds, shall be deemed to have been delivered to the Tender Agent for purchase, and the Owners of such 2008A Bonds shall not be entitled to any payment (including any interest to accrue on or after the Purchase Date) other than the respective Purchase Prices of such 2008A Bonds, and such 2008A Bonds shall not be entitled to any benefits of this Supplemental Indenture No. 12, except for payment of such Purchase Price out of the moneys deposited for such payment as aforesaid.

(d) In addition to any other requirements set forth in this Supplemental Indenture No. 12, notices of mandatory tender mailed to Bondowners shall:

- (i) specify the proposed Purchase Date and the event which gives rise to the proposed Purchase Date;
- (ii) state that such 2008A Bonds shall be subject to mandatory tender for purchase on such date;

(iii) state that Owners may not elect to retain 2008A Bonds subject to mandatory tender;

(iv) state that all 2008A Bonds subject to mandatory tender shall be required to be delivered to the designated corporate trust office of the Tender Agent at or before 1:00 p.m., New York City time, on the Purchase Date;

(v) state that if the Owner of any 2008 Bond subject to mandatory tender fails to deliver such 2008 Bond to the Tender Agent for purchase on the Purchase Date, and if the Tender Agent is in receipt of funds sufficient to pay the Purchase Price thereof, such 2008 Bond (or portion thereof) shall nevertheless be deemed purchased on the Purchase Date and ownership of such 2008 Bond (or portion thereof) shall be transferred to the purchaser thereof,

(vi) state that any Owner that fails to deliver such 2008 Bond for purchase shall have no further rights thereunder or under this Supplemental Indenture No. 12 except the right to receive the Purchase Price thereof upon presentation and surrender of such 2008 Bond to the Tender Agent and that the Trustee will place a stop transfer against the 2008A Bonds subject to mandatory tender registered in the name of such Owner(s) on the registration books;

(vii) in the case of mandatory tender upon any proposed conversion of 2008A Bonds, state that such conversion and such mandatory tender will not occur if certain events and conditions specified in Section 3.7(c) do not occur or are not satisfied (and summarize those events and conditions);

(viii) RESERVED;

(ix) in the case of mandatory tender on the fifth day next preceding the Expiration Date, state that such mandatory tender will not occur, if, on or prior to such fifth day, the Expiration Date is extended; and

(x) in the case of mandatory tender on a Substitution Date, state the information required by Section 12.2.

(e) Notice of mandatory tender of 2008A Bonds by reason of a proposed Conversion Date shall be given in accordance with Sections 3.7; and notice of mandatory tender of 2008A Bonds by reason of a proposed Substitution Date shall be given in accordance with Section 12.2. Notice of mandatory tender of 2008A Bonds by reason of other events described in Subsection (a) shall be given by the Trustee no fewer than 10 days prior to the applicable Purchase Date (i) to the Owners of the 2008A Bonds (at their addresses as they appear on the registration books of the Trustee as of the date of such notice) by first-class mail, and (ii) to, the Commission, the Remarketing Agent, the Tender Agent and the Liquidity Provider by first-class mail;

(i) if, following the giving of notice of mandatory tender of 2008A Bonds pursuant to Subsection (a), an event occurs which, in accordance with the terms of this Supplemental Indenture No. 12, causes such mandatory tender not to occur,

then (i) the Trustee shall so notify the Owners of the 2008A Bonds (at their addresses as they appear on the registration books of the Trustee on the date of such notice), by first-class mail, as soon as may be practicable after the applicable Purchase Date, and (ii) the Tender Agent shall return to their Owners any 2008A Bonds tendered to the Tender Agent in connection with such mandatory tender of 2008A Bonds.

## **ARTICLE 10      REMARKETING AGENT.**

10.1 Appointment of Remarketing Agent. At the time of a proposed conversion of the 2008A Bonds pursuant to Section 3.7 to Daily Rate Bonds, Weekly Rate Bonds, Monthly Rate Bonds, Short-Term Rate Bonds or Long-Term Rate Bonds, the Commission shall appoint a Remarketing Agent with the prior written consent of the Liquidity Provider (which consent shall not be unreasonably withheld). Successor Remarketing Agents may be appointed from time to time by the Commission with the prior written consent of the Liquidity Provider (which consent shall not be unreasonably withheld). The Remarketing Agent shall be a corporation or other legal entity organized and doing business under the laws of the United States of America or of any state thereof, authorized under such laws to perform all duties imposed upon the Remarketing Agent by this Supplemental Indenture No. 12, and shall be either (a) a member of the National Association of Securities Dealers, Inc. and registered as a Municipal Securities Dealer under the Securities Exchange Act of 1934, as amended, or (b) a national banking association, commercial bank or trust company. So long as the 2008A Bonds are held in book-entry form at the Securities Depository, the Remarketing Agent must be a Participant in the Securities Depository with respect to the 2008A Bonds.

10.2 Remarketing Agreement. Each Remarketing Agent appointed in accordance with this Supplemental Indenture No. 12 shall designate its Principal Office and signify its acceptance of the duties and obligations imposed upon it as described herein by a written instrument of acceptance delivered to the Commission, the Trustee, the Tender Agent, the Commission, and the Liquidity Provider or by executing and delivering a Remarketing Agreement, in either case under which the Remarketing Agent will agree, particularly:

(a) to hold all moneys delivered to it hereunder for the purchase of 2008A Bonds in trust for the exclusive benefit of the Person or Persons that shall have so delivered such moneys until the 2008A Bonds purchased with such moneys shall have been delivered to or for the account of such Person or Persons;

(b) to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Commission, the Trustee, the Tender Agent and the Commission at all reasonable times; to determine (a) the Daily Rates, Weekly Rates, Monthly Rates, Short-Term Rates and Long-Term Rates, and (b) if engaged as Remarketing Agent in connection with the conversion to Fixed Rate Bonds, the Fixed Rate(s), and give notice of such rates in accordance with Section 3.6;

(c) to remarket Daily Rate Bonds, Weekly Rate Bonds and Monthly Rate Bonds at rates no higher than the Maximum Rate if an applicable Liquidity Facility secures the 2008A Bonds, and to remarket Short-Term Rate Bonds and Long-Term Rate Bonds for Short-Term Periods or Long-Term Interest Rate Periods, as appropriate, ending not later than the 5<sup>th</sup> day next preceding the Expiration Date of the applicable Liquidity Facility supporting payments of Purchase Price of such 2008A Bonds;

(d) to offer for sale and use its best efforts to find purchasers for the 2008A Bonds tendered for purchase, any such sale to be made at this Purchase Price to the purchase date, in accordance with the terms of this Supplemental Indenture No. 12;

(e) to deliver to the Tender Agent all 2008A Bonds held by it in accordance with the terms of this Supplemental Indenture No. 12 and the Remarketing Agreement; and

(f) to perform such other duties and responsibilities (including with respect to Liquidity Facility Bonds) as are provided in this Supplemental Indenture No. 12 to be performed by the Remarketing Agent.

Notwithstanding the foregoing, a Remarketing Agent may be engaged for only certain types of Interest Rate Periods, and in that event the Remarketing Agent shall not be required to perform the duties of the Remarketing Agent for any other type of Interest Rate Period.

10.3 Co-Remarketing Agents. One or more firms may serve as Co-Remarketing Agents for a Series of 2008A Bonds hereunder provided that each Co-Remarketing Agent satisfies the requirements of Section 10.1. If Co-Remarketing Agents have been appointed and are performing the duties of Remarketing Agent hereunder, all references herein to the Remarketing Agent shall be deemed to refer to all the Remarketing Agents acting jointly; provided that the Remarketing Agreement may provide that one firm may perform certain specified duties hereunder in its sole capacity.

10.4 Resignation and Removal. The Remarketing Agent may at any time resign and be discharged of the duties and obligations described in this Supplemental Indenture No. 12 by giving at least [60] days notice to the Commission, the Trustee, the Tender Agent, the Liquidity Provider and all rating agencies then providing ratings for the 2008A Bonds; provided that the Remarketing Agent shall continue to serve as Remarketing Agent until such time as a successor Remarketing Agent shall have been appointed and shall have accepted such appointment. The Remarketing Agent may be removed at any time upon the Written Request of the Commission and upon written notice to the Remarketing Agent, the Tender Agent, the Trustee and the Liquidity Provider; provided, however, that no such removal shall be or become effective unless and until a successor Remarketing Agent shall have been appointed and accepted such appointment in accordance with this Article 10.

10.5 Successor Remarketing Agent. If and so long as no successor Remarketing Agent is appointed by the Commission after the office of Remarketing Agent becomes



vacant, the Tender Agent or Trustee, at the expense of the Commission, may petition a court to appoint a successor Remarketing Agent.

10.6 Transactions. The Remarketing Agent may in good faith hold the 2008A Bonds or any other form of indebtedness issued by the Commission; own, accept or negotiate any drafts, bills of exchange, acceptances or obligations thereof, and make disbursements therefor and enter into any commercial or business arrangement therewith; all without any liability on the part of the Remarketing Agent for any real or apparent conflict of interest by reason of any such actions.

10.7 Sale of Bonds by Remarketing Agent.

(a) Upon the receipt by the Remarketing Agent of (i) notice of tender of Daily Rate Bonds, Weekly Rate Bonds or Monthly Rate Bonds pursuant to Section 9.2, or (ii) notice of mandatory tender of Bonds pursuant to Section 9.4, the Remarketing Agent shall offer for sale and use its best efforts to solicit purchases of 2008A Bonds subject to purchase on the applicable Purchase Date at a price equal to the Purchase Price; provided that the Remarketing Agent shall neither offer for sale nor solicit purchases of 2008A Bonds subject to mandatory tender on the 5<sup>th</sup> day next preceding an Expiration Date or the Termination Date [during the period commencing on the date of mailing of notice of mandatory tender and the related Purchase Date]; and provided further that, prior to the Expiration Date, the Remarketing Agent shall not offer for sale or sell any 2008A Bonds to the Commission or any Affiliate.

(b) The Remarketing Agent shall direct that the proceeds of all purchases of 2008A Bonds solicited and arranged by the Remarketing Agent be paid to the Tender Agent (for deposit in the Remarketing Account of the Purchase Fund), at or prior to 11 a.m., New York City time, on the applicable Purchase Date, in immediately available funds (and, promptly upon receipt thereof, the Tender Agent shall deposit such proceeds in the Remarketing Account of the Purchase Fund).

(c) At or prior to 4:30 p.m., New York City time, on the Business Day next preceding each Purchase Date (at or prior to 10:30 a.m., New York City time, on the Purchase Date with respect to 2008A Bonds bearing interest at a Daily Rate), the Remarketing Agent shall give notice by telephone (promptly confirmed by telecopy, telex, telegram or other communication device) to the Trustee, the Tender Agent, the Liquidity Provider and the Commission specifying: (i) the aggregate principal amount and Purchase Price of 2008A Bonds subject to purchase on such Purchase Date for which the Remarketing Agent has received indications of interest from prospective purchasers, and (ii) the aggregate principal amount and Purchase Price of 2008A Bonds subject to purchase on such Purchase Date for which the Remarketing Agent has not received indications of interest from prospective purchasers.

The Remarketing Agent shall offer for sale and use its best efforts to arrange for the sale and remarketing of all Liquidity Provider Bonds at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest thereon (at the rate that would be borne by such Liquidity Provider Bonds if such Liquidity Provider Bonds were not

Liquidity Provider Bonds). In connection with each remarketing of Liquidity Provider Bonds by the Remarketing Agent:

(i) The Tender Agent shall (A) provide to the Commission, the Liquidity Provider, the Trustee and the Remarketing Agent not less than one Business Day prior notice of such remarketing, and (B) pay, or cause to be paid to the Liquidity Provider, by wire transfer of immediately available funds, the proceeds of such remarketing;

(ii) The Commission shall (A) in consultation with the Liquidity Provider, calculate the amounts payable to the Liquidity Provider pursuant to the applicable Liquidity Facility by reason of, and on the date of such remarketing (such amounts being referred to as the "Remarketing Payment Amount"), and (B) pay to the Liquidity Provider, or direct the Trustee to withdraw from the Debt Service Fund and pay to the Liquidity Provider, in either case, on the date of such remarketing and by wire transfer of immediately available funds, an amount of money which, when added to the proceeds of such remarketing being delivered to the Liquidity Provider on the date of such remarketing, equals the Remarketing Payment Amount;

(iii) The Tender Agent shall confirm with the Liquidity Provider the receipt by the Liquidity Provider of the Remarketing Payment Amount, the reinstatement of the applicable Liquidity Facility in respect of such Liquidity Provider Bonds and the authorization of the Liquidity Provider to release such Liquidity Provider Bonds; and

(iv) After, and only after, receipt by the Tender Agent of confirmation by the Liquidity Provider of the reinstatement of the applicable Liquidity Facility to cover such Liquidity Provider Bonds following remarketing thereof and authorization by the Liquidity Provider of such transfer or such authentication and delivery, the Tender Agent shall (A) while a book-entry system is in effect with respect to the 2008A Bonds, cause the ownership interest in such Liquidity Provider Bonds to be transferred to or for the benefit of such purchaser or purchasers as are specified by the Remarketing Agent for such purpose, and (B) while a book-entry system is not in effect with the Securities Depository with respect to the 2008A Bonds, cause the Trustee to authenticate other 2008A Bonds in lieu of such Liquidity Provider Bonds and to deliver the same to or upon the instruction of the Remarketing Agent.

The Remarketing Agent shall offer for sale and use its best efforts to arrange for the sale and remarketing of (i) all 2008A Bonds subject to purchase on a Purchase Date that are purchased with moneys provided by the Commission to the Tender Agent for such purpose (as described in Section 9.3(c)(ii)), and (ii) all 2008A Bonds that are purchased by the Commission pursuant to the applicable Liquidity Facility and not surrendered by the Commission for cancellation.

## **ARTICLE 11      TRANSFER OF 2008A BONDS.**

### **11.1    Purchase Transfers**

(a)    Upon application of the moneys described in Section 9.3(d)(i) to the purchase of 2008A Bonds on a Purchase Date pursuant to Section 9.3(d)(i) (and/or to the transfer thereof to the Undelivered Bond Payment Account on a Purchase Date pursuant to Section 9.3(e)), the Tender Agent shall cause the Trustee to register the transfer of 2008A Bonds purchased therewith in the names of the purchasers thereof in accordance with information provided by the Remarketing Agent for such purpose and to have such transferred 2008A Bonds available for delivery against payment therefor.

(b)    Upon application of the moneys described in Section 9.3(d)(ii) to the purchase of 2008A Bonds on a Purchase Date pursuant to Section 9.3(d)(ii) (and/or to the transfer thereof to the Undelivered Bond Payment Account on a Purchase Date pursuant to Section 9.3(e)), (i) the 2008A Bonds purchased (or, in the case of such transfer, provided to be purchased) with such moneys shall constitute Liquidity Provider Bonds (unless and until such 2008A Bonds cease to be Liquidity Provider Bonds as described in the definition thereof), and (ii) if a book-entry system is in effect with the Securities Depository with respect to the 2008A Bonds, the ownership interest in such Liquidity Provider Bonds shall be transferred on the books of the Securities Depository to or for the account of the Tender Agent or a Participant acting on behalf of the Tender Agent and the Tender Agent shall, and shall cause such Participant to, mark its own books and records to reflect the beneficial ownership of such Liquidity Provider Bonds by the Liquidity Provider, and (iii) if a book-entry system is not in effect with the Securities Depository with respect to the 2008A Bonds, such 2008A Bonds shall be delivered by the Tender Agent to the Trustee for registration of transfer and shall be registered by the Trustee in the name of the Liquidity Provider, or any nominee of the Liquidity Provider, and delivered by the Trustee to the Tender Agent and held by the Tender Agent as the custodian of the Liquidity Provider. The Tender Agent shall release and redeliver or transfer Liquidity Provider Bonds (being remarketed by the Remarketing Agent) as provided in Article 9. Any other disposition of Liquidity Provider Bonds shall be made only at the written direction or with the prior written consent of the Liquidity Provider.

(c)    Upon the application of moneys described in Section 9.3(d)(iii) to the purchase of Bonds on a Purchase Date pursuant to Section 9.3(d)(iii) (and/or to the transfer thereof to the Undelivered Bond Payment Account on a Purchase Date pursuant to Section 9.3(e)), the 2008A Bonds purchased (or, in the case of such transfer, provided to be purchased) with such moneys shall be registered in the name of the Commission and shall, at the direction of the Commission, be delivered to the Trustee for cancellation (and canceled by the Trustee) or delivered to the Tender Agent for the account of the Commission and remarketed in accordance with Section 10.7.

Any 2008A Bonds canceled by the Trustee pursuant to this Section and any 2008A Bonds surrendered by the Commission to the Trustee for cancellation shall be

allocated to the next succeeding scheduled mandatory redemption obligation pursuant to Section 8.2, then as a credit against such future scheduled mandatory redemption obligation pursuant to Section 8.4(c) as the Commission may specify in a Certificate of Commission Representative. Prior to the Expiration Date, the Trustee shall notify the Liquidity Provider of the aggregate principal amount of 2008A Bonds so canceled and shall submit to the Liquidity Provider such documents, if any, as are required in accordance with the terms of the applicable Liquidity Facility to cause the amounts available under the applicable Liquidity Facility to be reduced in respect of such 2008A Bonds so canceled.

## **ARTICLE 12 THE LIQUIDITY FACILITY**

### **12.1 Liquidity Facility Requests**

(a) The Trustee shall make Liquidity Facility Requests in accordance with Section 9.3(c). The Commission shall not terminate or reduce the amounts available under the applicable Liquidity Facility except by reason of the redemption, cancellation and/or defeasance of 2008A Bonds.

(b) The Commission shall maintain an applicable Liquidity Facility in effect in accordance with Section 12.2(a) at all times it is required to do so.

(c) The Commission may furnish a Substitute Liquidity Facility in substitution for the then existing applicable Liquidity Facility upon satisfaction of the conditions set forth in Section 12.2. The Trustee shall give notice to the Owners of the 2008A Bonds (at their addresses as they appear on the registration books of the Trustee as of the date of such notice), by first-class mail, of the proposed substitution of a Substitute Liquidity Facility for the applicable Liquidity Facility then in effect and the related Substitution Date (stating the issuer or issuers and the term of such Substitute Liquidity Facility) at least 10 days prior to such Substitution Date. Such notice shall also constitute the notice of mandatory tender of the 2008A Bonds on the related Substitution Date; provided, however, that in addition to the information required by Section 9.4(d), such notice shall state that such mandatory tender of the 2008A Bonds will not occur if, on or prior to the proposed Substitution Date, (i) the Tender Agent does not receive such Substitute Liquidity Facility, together with the supporting substitution documents, in which event such Substitute Liquidity Facility shall be deemed cancelled, or (ii) if the Tender Agent receives the written evidence from each Rating Agency then having a rating assigned to the 2008A Bonds that the substitution occurring on such Substitution Date will not, in and of itself, result in a reduction, suspension or withdrawal by such Rating Agency of the short-term rating then assigned by such Rating Agency to the 2008A Bonds. If, by reason of the conditions to such mandatory tender of the 2008A Bonds (as stated in such notice), there is no mandatory tender of the 2008A Bonds on the proposed Substitution Date, (i) the Tender Agent shall so notify the Trustee, (ii) the Trustee shall so notify the Owners of the 2008A Bonds (at their addresses as they appear on the registration books of the Trustee as of the date of such notice) by first-class mail, and (iii) the Tender Agent shall return to their Owners any 2008A Bonds tendered to the

Tender Agent in connection with such mandatory tender of the 2008A Bonds. No applicable Liquidity Facility is required if the requirements of Section 12.2 are met for the expiration of any applicable Liquidity Facility without substitution of a Substitute Liquidity Facility.

## 12.2 Liquidity Facility; Substitute Liquidity Facility.

(a) During any time that 2008A Bonds are Daily Rate Bonds, Weekly Rate Bonds, Monthly Rate Bonds, Short-Term Rate Bonds or Long-Term Rate Bonds, the Commission shall maintain a Liquidity Facility issued by a Qualified Financial Institution or the Commission may deliver a Substitute Liquidity Facility, in an amount equal to the aggregate principal amount of all Outstanding 2008A Bonds, plus an amount equal to at least 34 days interest (183 days interest if the 2008A Bonds are Long-Term Rate Bonds and 270 days interest if the 2008A Bonds are Short-Term Rate Bonds) on all 2008A Bonds Outstanding at the Maximum Rate other than Liquidity Provider Bonds under which the Liquidity Provider is required to purchase 2008A Bonds tendered for purchase in accordance with the Bond Indenture. The Commission will not voluntarily terminate the applicable Liquidity Facility while 2008A Bonds are Daily Rate Bonds, Weekly Rate Bonds, Monthly Rate Bonds, Short-Term Rate Bonds or Long-Term Rate Bonds without at least 60 days prior written notice to the Trustee and without providing for a Substitute Liquidity Facility prior to the effective date of such termination.

(b) Subject to any restrictions contained in an applicable Liquidity Facility, at any time the Commission may furnish a Substitute Liquidity Facility in substitution for an existing applicable Liquidity Facility subject to the following limitations and the other limitations set forth in this Section:

(i) The Substitute Liquidity Facility must be provided by a Qualified Financial Institution or the Commission.

(ii) The principal amount of the Substitute Liquidity Facility must be not less than that required hereunder and the terms of the Substitute Liquidity Facility regarding the purchase, holding and sale of 2008A Bonds thereunder must be in all material respects the same as those of the existing applicable Liquidity Facility.

(iii) The bank or financial institution providing the Substitute Liquidity Facility and the form and content of the Substitute Liquidity Facility must be acceptable to the Bond Trustee and the Remarketing Agent consents shall not be unreasonably withheld. The term of the Substitute Liquidity Facility must be at least [90 or 364] days.

(iv) On or prior to the effective date of an applicable Liquidity Facility, the Commission shall furnish to the Trustee:

(A) an Opinion of Counsel acceptable to the Trustee to the effect that the applicable Liquidity Facility has been duly authorized, executed and delivered by the Liquidity Provider and is a valid and binding obligation of the Liquidity

Provider enforceable in accordance with its terms (subject as to enforceability to standard exceptions respecting bankruptcy, insolvency and similar laws and principles of equity) and that the exemption of the 2008A Bonds (or any securities evidenced thereby) from the registration requirements of the Securities Act of 1933, as amended, and the exemption of this Supplemental Indenture No. 12 from qualification under the Trust Indenture Act of 1939, as amended, shall not be impaired by such Substitute Liquidity Facility or that the applicable Liquidity Facility registration or qualification requirements of such acts have been satisfied, and

(B) a Favorable Opinion of Bond Counsel.

(C) Evidence of ratings by Rating Agency.

(v) The Commission shall give written notice to the Trustee, the Tender Agent, the Liquidity Provider, the Remarketing Agent and each rating service then maintaining a rating on the 2008A Bonds, not less than 30 days prior to the effective date of any replacement of an applicable Liquidity Facility with a Substitute Liquidity Facility and not less than 30 days prior to the Expiration Date of an applicable Liquidity Facility then in effect, specifying that the Commission intends to replace the applicable Liquidity Facility with a Substitute Liquidity Facility on or before the Expiration Date of the applicable Liquidity Facility then in effect. Upon receipt of such notice, the Trustee shall promptly mail a notice of the anticipated delivery of the Substitute Liquidity Facility by first-class mail to the Remarketing Agent. A draft of each Substitute Liquidity Facility and appropriate information concerning the issuer of the Substitute Liquidity Facility shall be submitted by the Commission to each rating service then maintaining a rating on the 2008A Bonds.

(vi) The Commission shall cause to be delivered to the Bond Trustee not less than 30 days prior to the Expiration Date of an existing Liquidity Facility (A) a commitment by the Liquidity Provider that will issue the Substitute Liquidity Facility, and (B) written notice from each rating service that has notified the Trustee in writing that it has established a rating on the 2008A Bonds stating whether the substitution of the Substitute Liquidity Facility will result in a reduction or withdrawal of its short-term rating then in effect on the 2008A Bonds. The 2008A Bonds shall not be subject to mandatory tender as provided herein, if the proposed Substitute Liquidity Facility will not result in a withdrawal or reduction of that rating service's then current short-term rating for the 2008A Bonds.

(c) The Commission shall exercise its best efforts to arrange for the delivery to the Trustee of a Substitute Liquidity Facility to replace any applicable Liquidity Facility then in effect at or before the expiration thereof prior to the end of any then current Interest Rate Period or upon the occurrence of any of the following events or circumstances:

(i) if the Liquidity Provider has rescinded, terminated or repudiated the applicable Liquidity Facility, or the Liquidity Provider or any governmental agency with jurisdiction over the applicable Liquidity Facility is

challenging the validity of the applicable Liquidity Facility or if the Liquidity Provider is in default under the applicable Liquidity Facility.

(ii) If the Liquidity Provider refuses to extend the Expiration Date with respect to the current applicable Liquidity Facility then in effect, but the term of such Substitute Liquidity Facility need not (but may) begin prior to the Expiration Date of the current Liquidity Facility then in effect. The Commission shall not terminate the current applicable Liquidity Facility until the term of the Substitute Liquidity Facility has begun.

(iii) Receipt by the Trustee of written notice from the Liquidity Provider that an “event of default” or an “event of termination” as defined in the applicable Liquidity Facility has occurred and is continuing under the applicable Liquidity Facility.

(iv) Failure of the Liquidity Provider to honor its obligation under the applicable Liquidity Facility to purchase 2008A Bonds.

(d) The Commission may provide its own Liquidity Facility if the Commission has agreed to pay the Purchase Price of any tendered 2008A Bonds itself. As a result, any references herein to “the Bank” or to “the Liquidity Facility” (or similar term) shall be ignored or shall be construed as referencing the Commission for as long as the Commission has agreed to pay the Purchase Price of any tendered 2008A Bonds itself. References to a “draw” or “drawing” (or a similar term) on the applicable Liquidity Facility, for example, shall be construed in the absence of an applicable Liquidity Facility to be a notice to the Commission of the need to provide funds for the purchase of 2008A Bonds. If the Commission provides its own Liquidity Facility, then the Bonds are subject to mandatory tender under the same terms as that of providing a Substitute Liquidity Facility herein.

12.3 Waiver of Bank Defaults. If an event of default under the applicable Liquidity Facility has been caused by the Liquidity Provider, the Trustee shall obtain from the Liquidity Provider written notice of full reinstatement of the applicable Liquidity Facility and rescission of the notice of non-reinstatement as a condition to waiving any such event of default.

## **ARTICLE 13 COVENANTS OF THE COMMISSION**

### **13.1 Payment of Principal of and Interest on 2008A Bonds.**

The Commission shall promptly pay or cause to be paid the principal or redemption price of, and the interest on, every 2008 Bond issued hereunder according to the terms thereof, but shall be required to make such payment or cause such payment to be made only out of Revenues or otherwise from the Trust Estate.

### **13.2 Corporate Existence; Compliance with Laws.**

The Commission shall maintain its corporate existence; shall use its best efforts to maintain and renew all its rights, powers, privileges and franchises; and shall comply with all valid and applicable laws, acts, rules, regulations, permits, orders, requirements and directions of any legislative, executive, administrative or judicial body relating to the Commission's participation in the Refunding Project or the issuance of the 2008A Bonds.

### 13.3 Further Assurances.

Except to the extent otherwise provided in the Indenture, the Commission shall not enter into any contract or take any action by which the rights of the Trustee or the 2008 Bondholders may be impaired and shall, from time to time, execute and deliver such further instruments and take such further action as may be required to carry out the purposes of this Supplemental Indenture No. 12.

### 13.4 Bonds Not to Become Arbitrage Bonds.

The Commission covenants to the holders of the 2008A Bonds that, notwithstanding any other provision of this Supplemental Indenture No. 12 or any other instrument, it will not make any investment or other use of the proceeds of the 2008A Bonds which, if such investment or use had been reasonably expected on the Series Issue Date, would have caused the 2008A Bonds to be arbitrage bonds under Section 148 of the Code and the rules and regulations thereunder, and the Commission further covenants that it will comply with the requirements of such Section, rules and regulations. The foregoing covenants shall extend throughout the term of the 2008A Bonds to all funds and accounts created under this Supplemental Indenture No. 12 and all moneys on deposit to the credit of any such fund or account, and to any other amounts which are 2008 Bond proceeds for purposes of Section 148 of the Code and the rules and regulations thereunder.

### 13.5 Financing Statements.

The Commission shall, at the request of the Trustee, cause financing statements relating to this Supplemental Indenture No. 12 to be filed, in such manner and at such places as may be required by law fully to protect the security of the holders of the 2008A Bonds and the right, title and interest of the Trustee in and to the Trust Estate or any part thereof. From time to time, the Trustee may, but shall not be required to, obtain an opinion of Counsel setting forth what, if any, actions by the Commission or Trustee should be taken to preserve such security. The Commission shall execute or cause to be executed any and all further instruments as may be required by law or as shall reasonably be requested by the Trustee for such protection of the interests of the 2008 Bondholders, and shall furnish satisfactory evidence to the Trustee of filing and refiling of such instruments and of every additional instrument which shall be necessary to preserve the security of the 2008 Bondholders and the right, title and interest of the Trustee in and to the Trust Estate or any part thereof until the principal of and interest on the 2008A Bonds issued hereunder shall have been paid. The Trustee shall execute or join in the execution of any such further or additional instruments and file or join in the filing thereof at such



time or times and in such place or places as it may be advised by an opinion of Counsel will preserve such security and right, title and interest until the aforesaid principal and interest shall have been paid.

## **ARTICLE 14      AMENDMENT**

### **14.1    Execution of Bonds**

The first paragraph of Section 203 of the Restated Indenture is hereby amended to read as follows:

“The Bonds shall be signed by the manual or facsimile signatures of the Chairman of the Commission and attested by the manual or facsimile signatures of the Secretary and Treasurer of the Commission. The Bonds may bear the seal of the Commission or a facsimile thereof affixed to or imprinted on the Bonds. In case any officer whose signature or a facsimile of whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery.”

## **ARTICLE 15      MISCELLANEOUS PROVISIONS**

### **15.1    No Rights Conferred on Others.**

Nothing herein contained shall confer any right upon any person other than the parties hereto and the Owners of the 2008A Bonds.

### **15.2    Legal, etc. Provisions Disregarded.**

In case any provision in this Supplemental Indenture No. 12 or the 2008A Bonds shall for any reason be held invalid, illegal or unenforceable in any respect, this Supplemental Indenture No. 12 shall be construed as if such provision were not included herein.

### **15.3    Notices.**

General. All notices and other communications provided for hereunder shall be in writing and sent by United States certified or registered mail, return receipt requested, or by telegraph, telex, telecopier or private delivery service or personal service, addressed as follows:

If to the Commission:

Pennsylvania Turnpike Commission  
P.O. Box 67676  
Harrisburg, PA 17106-7676

Attention: Chief Financial Officer  
Telecopier: (717) 986-8754

If to the Trustee:

U.S. Bank National Association  
123 5. Broad Street, 11<sup>th</sup> Floor  
Philadelphia, PA 19109  
Attention: Corporate Trust Department  
Telecopier: (215) 670-6340

If to the Liquidity Provider:

JPMorgan Chase Bank, National Association  
270 Park Avenue, 48th Floor  
New York, New York 10017  
Attention: VP, Municipal Credit Group  
Telephone: (212) 270-4948  
Telecopy: (212) 270-4251

with a copy to:

JPMorgan Chase Bank, National Association  
Loan and Agency Services  
1111 Fannin, 10th Floor  
Houston, Texas 77002  
Attention: Mamie Herrera/Christine Locher  
Telephone: (713) 750-2218/2503  
Telecopy: (713) 750-2782

If to Standard & Poor's

Standard & Poor's  
55 Water Street  
38th Floor  
New York, NY 10041

[publin@structured@standardandpoors.com](mailto:publin@structured@standardandpoors.com)

Either party hereto may change the address to which notices to it are to be sent by written notice given to the other persons listed in this Section. All notices shall, when mailed as aforesaid, be effective on the date indicated on the return receipt, and all notices given by other means shall be effective when received.

15.4 Successors and Assigns.

All the covenants, promises and agreements in this Supplemental Indenture No. 12 contained by or on behalf of the Commission, or by or on behalf of the Trustee, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

#### 15.5 Headings for Convenience Only.

The descriptive headings in this Supplemental Indenture No. 12 are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

#### 15.6 Counterparts.

This Supplemental Indenture No. 12 may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

#### 15.7 Information Under Uniform Commercial Code.

The following information is stated in order to facilitate filings under the Uniform Commercial Code:

The secured party is U.S. Bank National Association, Trustee. Its address from which information concerning the security interest may be obtained is set forth in Section 15.3. The debtor is Pennsylvania Turnpike Commission. Its mailing address is set forth in Section 15.3.

#### 15.8 Applicable Law.

This Supplemental Indenture No. 12 shall be governed by and construed in accordance with the laws of the Commonwealth.

#### 15.9 Notice to Rating Service.

The Trustee shall promptly notify each Rating Agency then rating the 2008A Bonds at the request of the Commission of any material amendment or supplement to the Indenture, this Supplemental Indenture No. 12, any Liquidity Facility or any mortgage, deed of trust, security or guaranty securing payments due thereunder; of any change in Tender Agent; of any conversion to a Rate Period not covered by the Liquidity Facility; of any mandatory tender; of any expiration, termination, substitution or extension of any Liquidity Facility; of any change in the Trustee; of any acceleration of the 2008A Bonds; of the payment in full of 2008A Bonds and any other information a Rating Agency may reasonably request in order to maintain the rating on the 2008A Bonds.



IN WITNESS WHEREOF, Pennsylvania Turnpike Commission has caused this Supplemental Indenture No. 12 to be executed by its Director of Treasury Management and attested by its Assistant Secretary/Treasurer or other authorized officer, and U.S. Bank National Association, as Trustee, has caused this Supplemental Indenture No. 12 to be executed by one of its Vice Presidents and attested by one of its Authorized Officers all as of the day and year first above written.

ATTEST:


PENNSYLVANIA TURNPIKE  
COMMISSION

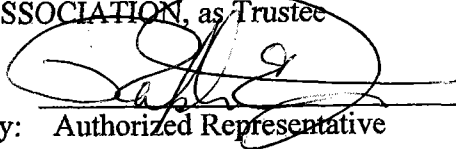
By: \_\_\_\_\_  
Authorized Officer

By:   
Director of Treasury Management

ATTEST:

U.S. BANK NATIONAL  
ASSOCIATION, as Trustee

By:   
Authorized Representative

By:   
Authorized Representative

**EXHIBIT A**  
**TO TRUST INDENTURE**  
**(FORM OF 2008A BOND)**

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the Commission 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 is made to Cede & Co., any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful since the registered owner hereof, Cede & Co., has an interest herein.

Series Issue Date: May 23, 2008

Dated Date: May 23, 2008

No: A-\_\_

Interest Rate: (as provided herein)

Registered Owner: CEDE & CO.

Maturity Date: December 1, 2022

Principal Amount:

CUSIP No.:

PENNSYLVANIA TURNPIKE COMMISSION  
TURNPIKE MULTI-MODAL REVENUE REFUNDING BOND, SERIES A-\_\_ OF 2008  
(the "Bonds")

Pennsylvania Turnpike Commission (the "Commission"), an instrumentality of the Commonwealth of Pennsylvania (the "Commonwealth"), for value received, hereby promises to pay to the registered owner hereof, or registered assigns, on the maturity date shown hereon, the principal amount shown hereon, unless redeemed prior thereto as hereinafter provided, upon presentation and surrender hereof at the designated corporate trust office of U.S. Bank National Association, as trustee (the "Trustee") under an Amended and Restated Trust Indenture dated as of March 1, 2001, as amended, between the Commission and the Trustee, as previously supplemented (the "Restated Indenture") and as further supplemented by a Supplemental Indenture No. 12 dated as of May 1, 2008 between the Commission and the Trustee (the "Supplemental Indenture No. 12" and, together with the Restated Indenture and all amendments and supplements thereto, the "Indenture"), and to pay by check or draft drawn on U.S. Bank National Association (together with any successors, the "Paying Agent"), interest on such principal sum, at the interest rate as described herein and in the Supplemental Indenture No. 12. The principal of and interest on this Bond shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The principal of and redemption premium, if any, on this Bond shall be payable by check or draft to the Registered Owner at the maturity or redemption date hereof upon presentation and surrender of this Bond at the Principal Office of the Trustee.

The Commission has designated the Additional Bonds (as defined in the Restated Indenture) to be issued pursuant to the Restated Indenture and Supplemental Indenture No. 12 as

the "Pennsylvania Turnpike Commission, Turnpike Multi-Modal Revenue Refunding Bonds, Series A-1 of 2008" issued in the aggregate principal amount of \$116,830,000 (the "A-1 Bonds"), "Pennsylvania Turnpike Commission, Turnpike Multi-Modal revenue refunding bonds, Series A-2 of 2008" issued in the aggregate principal amount of \$58,315,000 (the "A-2 Bonds") and "Pennsylvania Turnpike Commission, Turnpike Multi-Modal Revenue Refunding bonds, Series A-3 of 2008" issued in the aggregate principal amount of \$58,310,000 (the "A-3 Bonds" and, together with the A-1 Bonds and A-2 Bonds, the "2008A Bonds").

[The purchase price of any 2008A Bond in a Daily Rate Period, a Weekly Rate Period or a Monthly Rate Period which is tendered or deemed tendered for purchase will be payable, to the extent that remarketing proceeds are not sufficient therefor, from funds made available by JPMorgan Chase Bank, National Association (the "Bank") pursuant to three substantially identical Standby Bond Purchase Agreements (one for each of the 2008A-1 Bonds, 2008A-2 Bonds and the 2008A-3 Bonds) delivered at the time of initial issuance and delivery of the 2008A Bonds (each a "Standby Bond Purchase Agreement"). The Bank, under the terms of the Standby Bond Purchase Agreements, will purchase those 2008A-1 Bonds, 2008A-2 Bonds or 2008A-3 bonds, as the case may be, which are optionally tendered for purchase or are subject to mandatory purchase but not remarketed by the applicable Remarketing Agent. The Standby Bond Purchase Agreements are scheduled to expire on May 21, 2009.]

The interest payable on this Bond on any Interest Payment Date shall be paid by the Trustee to the Registered Owner appearing on the registration books of the Commission (the "Bond Register") maintained by the Trustee, as Bond Registrar, at the close of business on the Record Date for such interest next preceding such Interest Payment Date and shall be paid (1) by check or draft of the Trustee mailed on the applicable Interest Payment Date to such Registered Owner at his address as it appears on such Bond Register or at such other address furnished in writing by such Registered Owner to the Trustee or (2) by electronic transfer in immediately available funds, if the Bonds are held by The Depository Trust Company or another securities depository, or at the written request addressed to the Trustee by any Owner of Bonds in the aggregate principal amount of at least \$1,000,000 such request to be signed by such Owner, containing the name of the bank (which shall be in the continental United States), its address, its ABA routing number, the name and account number to which credit shall be made and an acknowledgment that an electronic transfer fee is payable, and to be filed with the Trustee no later than one Business Day before the applicable Record Date preceding such Interest Payment Date. Interest on Short-Term Rate Bonds shall be paid only upon presentation and surrender of those Bonds. Interest on any Liquidity Provider Bond that ceases to be a Liquidity Provider Bond during an interest period shall be paid to the Person who is the Owner at the close of business on the Regular Record Date at the rate borne by Bonds other than Liquidity Provider Bonds.

THE BONDS ARE OBLIGATIONS OF THE COMMISSION AND SHALL NOT BE DEEMED TO BE DEBT OF THE COMMONWEALTH. THE BONDS SHALL BE PAYABLE SOLELY FROM THE REVENUES (AS DEFINED IN THE INDENTURE) OF THE COMMISSION FOR THAT PURPOSE. THE FAITH AND CREDIT OF THE COMMONWEALTH ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL, REDEMPTION PRICE OR PURCHASE PRICE HEREOF OR THE INTEREST HEREOF, AND THE COMMONWEALTH IS NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATED TO LEVY OR TO PLEDGE ANY FORM OF TAXATION



WHATEVER THEREFOR, OR TO MAKE ANY APPROPRIATION FOR PAYMENT OF THE BONDS.

This Bond is one of a duly authorized issue of bonds of the Commission designated "Pennsylvania Turnpike Commission Turnpike Multi-Modal Revenue Refunding Bonds, Series [A-\_\_] of 2008" (the "Bonds"), issued in the aggregate principal amount of \$\_\_\_\_\_ under and pursuant to an Act of the General Assembly of the Commonwealth of Pennsylvania approved May 21, 1937, P.L. 774, No. 211, as amended and supplemented, *inter alia*, by the Act of the General Assembly of the Commonwealth approved September 30, 1985, P.L. 240, No. 81, (the "Enabling Acts"), under and pursuant to resolutions of the Commission and under and pursuant to the Indenture, for the purpose of financing a project (the "Refunding Project") consisting of (a) refunding the Commission's outstanding Turnpike Revenue Bonds, Series B Multi-Modal Bonds of 2006, currently outstanding the principal amount of \$115,715,000 and its outstanding Turnpike Revenue Bonds Series C Multi-Modal Bonds of 2006, currently outstanding in the principal amount of \$115,715,000 (collectively, the "Refunded Bonds"); (b) funding necessary reserves to the extent required; and (d) paying the costs of issuance of the 2008A Bonds. An executed counterpart of the Supplemental Indenture No. 12 is on file at the office of the Commission and at the designated corporate trust offices of the Trustee and the Paying Agent. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the Bonds, the collection and disposition of the Revenues, the funds charged with and pledged to the payment of the interest on, the principal of and the premium, if any, on the Bonds, the nature and extent of the security, the terms and conditions on which the Bonds are issued, the rights, duties and obligations of the Commission and the Trustee and the rights of the owners of the Bonds. By the acceptance of this Bond, the registered owner hereof and, if a book-entry system is being used for the Bonds, any participant in the owner and any person claiming a beneficial interest under or through such owner or participant assents to all of the provisions of the Indenture.

Whenever the due date for payment of interest or principal of the Bonds (as hereinabove defined) or the date fixed for redemption of any Bond shall be a Saturday, a Sunday, a legal holiday or a day on which the Trustee or the Paying Agent is authorized by law to close, then payment of such interest, principal or redemption price need not be made on such date, but may be made on the next succeeding day which is not a Saturday, a Sunday, a legal holiday, or a day on which the Trustee or the Paying Agent is authorized by law to close, with the same force and effect as if made on the due date for payment of principal, interest or redemption price, and no interest shall accrue thereon for any period after such due date. Principal of, premium, if any, and interest on this Bond are payable only from moneys deposited or to be deposited under the Indenture, in such coin or currency of the United States of America as at the time and place of payment is legal tender for payment of public and private debts.

The Indenture provides for the issuance, under the conditions, limitations and restrictions therein set forth, of Additional Bonds, Convertible Bonds and subordinated indebtedness (each as described in the Indenture) for the purposes set forth therein.

The Bonds are equally and ratably secured by a pledge by the Commission of the Trust Estate (as defined in the Indenture), including the Revenues (as defined in the Indenture), which term currently includes, among other things, solely tolls from the Turnpike System's Main Line

and the Northeast Extension and any other roads for which the Commission has operational responsibilities and is collecting tolls, but shall not include tolls from such other roads (other than the Main Line and the Northeast Extension) as are designated by the Commission as not being part of the Turnpike System for purposes of the Indenture. Any Additional Bonds issued under the Indenture, other than Convertible Bonds, will be equally and ratably secured under the Indenture with the Bonds and all other Bonds issued and outstanding under the Indenture.

**Interest Rates.** The Bonds shall bear interest at a Daily Rate, Weekly Rate, Monthly Rate, Short-Term Rate, Long-Term Rate or Fixed Rate, determined as provided in the Indenture, from and including their date or from and including the most recent Interest Payment Date to which interest has been paid or duly provided for; provided that in no event will the interest rate on any Bonds exceed the Maximum Rate. The Bonds may operate at any time in one or more Interest Rate Periods, provided that all Bonds of a Series shall operate in the same Interest Rate Period at any given time. Interest on the Bonds shall be payable in arrears on each Interest Payment Date, commencing on the first Interest Payment Date after the date of original issuance of the Bonds. The amount of interest payable with respect to any Bonds on any Interest Payment Date shall be computed (1) during Daily Interest Periods, Weekly Interest Periods, Monthly Interest Periods or Short-Term Interest Periods, on the basis of a 365- or 366-day year for the number of days actually elapsed, based on the calendar year in which the Daily Interest Period, Weekly Interest Period, Monthly Interest Period or Short-Term Interest Period ends, and (2) during a Fixed Rate Period and a Long-Term Rate Period, on the basis of a 360-day year of twelve 30-day months.

**Tender for Purchase.** While the bonds bear interest at Daily Rates, Weekly Rates or Monthly Rates, the Owners thereof, at their option, may also tender their Bonds for purchase as provided in the Supplemental Indenture No. 12.

**Redemption.** The Bonds are subject to optional redemption prior to their stated maturity as provided in the Indenture.

In the case of an optional redemption, the notice may state (1) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Trustee no later than the redemption date or (2) that the Commission retains the right to rescind such notice at any time prior to the scheduled redemption date if the Commission delivers a certificate of a Commission Representative to the Trustee instructing the Trustee to rescind the redemption notice (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described below.

**Mandatory Redemption.** The A-1 Bonds maturing on December 1, 2022 shall be subject to mandatory sinking fund redemption prior to maturity by the Commission in part on December 1 (or if December 1 is not a Business Day, the next Business Day) of the respective years and in the amount set forth below, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date:

**2008 Series A-1 Bonds  
Maturing December 1, 2022**

<b>Year (December 1)</b>	<b>Principal Amount</b>
2008	\$6,700,000.00
2009	6,450,000.00
2010	6,730,000.00
2011	6,970,000.00
2012	7,295,000.00
2013	7,605,000.00
2014	7,930,000.00
2015	8,280,000.00
2016	8,650,000.00
2017	9,020,000.00
2018	9,415,000.00
2019	9,830,000.00
2020	10,265,000.00
2021	10,710,000.00
2022*	980,000.00
	<hr/>
	\$116,830,000.00

**\* Stated Maturity**

The A-2 Bonds maturing on December 1, 2022 shall be subject to mandatory sinking fund redemption prior to maturity by the Commission in part on December 1 (or if December 1 is not a Business Day, the next Business Day) of the respective years and in the amount set forth below, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date:

<b>2008 Series A-2 Bonds Maturing December 1, 2022</b>	
<b>(December 1)</b>	<b>Principal Amount</b>
2008	\$2,525,000.00
2009	3,320,000.00
2010	3,465,000.00
2011	3,560,000.00
2012	3,730,000.00
2013	3,885,000.00
2014	4,045,000.00
2015	4,220,000.00
2016	4,410,000.00
2017	4,595,000.00
2018	4,795,000.00
2019	5,000,000.00
2020	5,220,000.00
2021	5,445,000.00
2022*	100,000.00
	<hr/>
	\$58,315,000.00

The A-3 Bonds maturing on December 1, 2022 shall be subject to mandatory sinking fund redemption prior to maturity by the Commission in part on December 1 (or if December 1 is not a Business Day, the next Business Day) of the respective years and in the amount set forth below, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date:

**2008 Series A-3 Bonds  
 Maturing December 1, 2022**

<b>Year (December 1)</b>	<b>Principal Amount</b>
2008	\$2,525,000.00
2009	3,320,000.00
2010	3,465,000.00
2011	3,560,000.00
2012	3,730,000.00
2013	3,885,000.00
2014	4,045,000.00
2015	4,220,000.00
2016	4,410,000.00
2017	4,595,000.00
2018	4,790,000.00
2019	5,000,000.00
2020	5,220,000.00
2021	5,445,000.00
2022*	100,000.00
	<hr/> \$58,310,000.00

\* Stated Maturity

Any Conditional Redemption may be rescinded in whole or in part at any time prior to the redemption date if the Commission delivers a certificate of a Commission Official to the Trustee instructing the Trustee to rescind the redemption notice. The Trustee shall give prompt notice of such rescission to the affected Bondholders. Any Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an Event of Default. Further, in the case of a Conditional Redemption, the failure of the Commission to make funds available in part or in whole on or before the redemption date shall not constitute an Event of Default.

The owner of this Bond by the acceptance hereof specifically agrees that the Trustee shall be under no obligation to take any action with respect to any event of default occurring under the terms of this Bond or the Indenture, other than to give notice of certain defaults as provided in the Indenture, unless requested so to do in writing by the owners of not less than ten percent (10%) in principal amount of the Bonds then Outstanding under the Indenture with respect to

which the event of default has occurred and upon receipt of satisfactory indemnity as provided in the Indenture.

The owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

Upon the occurrence of an event of default, and on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all Bonds then outstanding under the Indenture may become or may be declared due and payable before the stated maturities thereof, together with the interest accrued thereon.

Modifications or alterations of the Indenture or of any indenture supplemental thereto may be made by the Commission and the Trustee only to the extent and in the circumstances permitted by the Indenture.

All acts, conditions and things required by the constitution and statutes of the Commonwealth and the rules and regulations of the Commission to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Indenture have happened, exist and have been performed as so required.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been signed by the Bond Registrar or its Agent.

IN WITNESS WHEREOF, the Pennsylvania Turnpike Commission has caused this Bond to be executed in its name by the facsimile signatures of the Chairman of said Commission, and a facsimile of the official seal of said Commission to be affixed hereto and attested by the manual or facsimile signature of its Secretary/Treasurer or Assistant Secretary/Assistant Treasurer.

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Chairman,  
Pennsylvania Turnpike Commission

ATTEST:

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(Assistant) Secretary/(Assistant) Treasurer,  
Pennsylvania Turnpike Commission

(SEAL)

## CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Supplemental Indenture No. 12. The text of opinion printed on the reverse hereof is the text of opinion of Bond Counsel, Dilworth Paxson LLP of Philadelphia, Pennsylvania, dated and delivered on the date of original delivery of and payment for the Bonds, an executed counterpart of which is on file with the Trustee and the Bond Registrar.

Authenticating Agent

By

\_\_\_\_\_  
Authorized Signatory or  
Authenticating Agent

Date of Authentication:

## ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within 2008 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints, \_\_\_\_\_ attorney to transfer the said 2008 Bond on the bond register, with full power of substitution in the premises.

Assignor's Signature:

Dated:

Signature guaranteed:

Social Security

Number or Employer

Identification Number of Assignee:

NOTICE: The signature(s) must be guaranteed by a member of an approved Signature Guarantee Medallion Program.



**[TEXT OF OPINION OF BOND COUNSEL]**