

**SUPPLEMENTAL TRUST INDENTURE NO. 50**

Dated as of June 1, 2019

by and between

**PENNSYLVANIA TURNPIKE COMMISSION**

and

**U.S. 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

\$139,815,000

Pennsylvania Turnpike Commission  
Variable Rate Turnpike Revenue Bonds,  
Second Series of 2019

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## SUPPLEMENTAL TRUST INDENTURE NO. 50

This **SUPPLEMENTAL TRUST INDENTURE NO. 50** (this “Supplemental Indenture”) is dated as of June 1, 2019, by and between **PENNSYLVANIA TURNPIKE COMMISSION** (the “Commission”), an instrumentality of the Commonwealth of Pennsylvania (the “Commonwealth”), and **U.S. BANK NATIONAL ASSOCIATION** (successor trustee to First Union National Bank), 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 (the “Restated Indenture”), as amended and supplemented, pursuant to which other series of Turnpike Revenue Bonds have been issued (the Turnpike Revenue Bonds issued pursuant to the 1986 Indenture and the Indenture (as defined below) 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 (as defined in the Restated Indenture) for purposes, among others, of issuing Additional Bonds (as defined in the Restated Indenture); and

**WHEREAS**, the Commission has, by resolutions adopted on March 19, 2019 (the “Resolution”), duly authorized the issuance of Additional Bonds in an aggregate principal amount not to exceed \$200,000,000 (based on par amount) in one or more series; and

**WHEREAS**, the Commission has designated a portion of the Additional Bonds to be issued pursuant to the Restated Indenture and this Supplemental Indenture (the Restated Indenture, as amended and supplemented through the date hereof, including being amended and supplemented by this Supplemental Indenture and as it may be further amended and supplemented from time to time, is referred to hereinafter as the “Indenture”) as the “Pennsylvania Turnpike Commission Variable Rate Turnpike Revenue Bonds, Second Series of 2019” (the “Second Series Bonds”) issued in the aggregate principal amount of \$139,815,000; and

**WHEREAS**, the Commission is issuing the Second Series Bonds for the purposes of financing: (a) the costs of the current refunding and redemption of a portion of the Commission’s outstanding Variable Rate Turnpike Revenue Bonds, Series B of 2013 (the “2013B Bonds”), consisting of the 2013B Bonds scheduled to mature on December 1, 2019 (the “Refunded 2013B Bonds”); (b) the costs of the current refunding and redemption of a portion of the Commission’s outstanding Variable Rate Turnpike Revenue Bonds, Series B-1 of 2014 (the “2014B-1 Bonds”), consisting of the 2014B-1 Bonds scheduled to mature on December 1, 2019 (the “Refunded 2014B-1 Bonds”); and (c) the payment of the costs of issuing the Second Series Bonds (collectively, the “Second Series Project”); and

**WHEREAS**, the Commission is entering into a Reimbursement Agreement in connection with a separate Letter of Credit dated June 4, 2019, with TD Bank, N.A. (the “Bank”), with respect to the Second Series Bonds pursuant to which the Bank has agreed to provide credit and liquidity support for the Second Series Bonds; and

**WHEREAS**, all things have been done which are necessary for making the Second Series 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 execution and delivery of this Supplemental Indenture;

**NOW, THEREFORE, THIS SUPPLEMENTAL INDENTURE**

**WITNESSETH:**

In addition to and in confirmation of the granting clauses set forth in the Indenture, 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 Second Series 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 Second Series 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 Second Series 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 (as defined in the Restated Indenture);

**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 (as defined in the Restated Indenture) shall be equally and proportionately secured hereby, except as may be otherwise provided in the Indenture.

**ARTICLE 1 - DEFINITIONS**

**1.01 Additional Definitions.**

All terms used as defined terms in the Indenture are used with the same meanings herein (including the use thereof in the recitals and granting clauses 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:

“Acceleration Date” shall have the meaning set forth in Section 2.12.

“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.

“Bank” means initially TD Bank, N.A., together with its successors and assigns and thereafter any commercial bank, other financial institution, the Commission (if the Commission is providing liquidity for any Second Series Bonds itself) or other Qualified Financial Institution issuing a Substitute Letter of Credit.

“Bank Bonds” means Second Series Bonds purchased by the Bank pursuant to a Letter of Credit and the terms hereof but excluding Second Series Bonds no longer considered Bank Bonds pursuant to the terms of the Letter of Credit.

“Bank Holder” means the Owner of any Bank Bonds.

“Bank Rate” means the interest rate(s) applicable from time to time to Bank Bonds as determined in accordance with the Letter of Credit; provided that no Bank Rate shall exceed the Maximum Rate.

“Bond Counsel” means McNeese Wallace & Nurick LLC, Harrisburg, Pennsylvania.

“Bond Documents” means this Indenture, the Second Series Bonds, the Remarketing Agreement, the Letter of Credit, the Reimbursement Agreement and any and all future renewals and extensions or restatements of, or amendments or supplements to, any of the foregoing.

“Business Day” means a day other than: (i) a Saturday, Sunday, legal holiday or day on which banking institutions in the city in which the Trustee has its Principal Office are authorized or required by law or executive order to close; or (ii) a day on which the New York Stock Exchange is closed.

“Conversion Date” means a date on which the Second Series Bonds begin to bear interest at Daily Rates, Weekly Rates (other than in connection with the original issuance of the Second Series Bonds), Monthly Rates, Short-Term Rates, Long-Term Rates or Fixed Rates as provided in Section 2.04 and the date on which a Substitute Letter of Credit begins.

“Daily Interest Period” means each period described in Section 2.03(c) during which the Second Series Bonds bear interest at a particular Daily Rate.

“Daily Rate” means the per annum interest rate for the Second Series Bonds during a Daily Interest Period determined on a daily basis as provided in Section 2.03(c).

“Daily Rate Bonds” means Second Series Bonds bearing interest at a Daily Rate.

“Daily Rate Period” means the period during which Daily Rates are in effect for the Second Series Bonds.

“Dated Date” shall have the meaning set forth in Section 2.02(c).

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

“Electronic Means” mean facsimile transmission, email transmission or other similar electronic means of communication providing evidence of transmission, including a telephone communication confirmed by any other method set forth in this definition.

“Expiration Date” means the date upon which the Bank’s obligation to purchase Second Series Bonds under the Letter of Credit 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 with a Substitute Letter of Credit, an “event of default” or an “event of termination” specified in the Letter of Credit, or the deposit of a Substitute Letter of Credit with the Trustee.

“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 Bank, and the Trustee, to the effect that the action proposed to be taken is authorized or permitted by the Indenture and will not adversely affect the exclusion of interest on the Second Series Bonds from gross income for purposes of federal income taxation under the Code.

“Fixed Rate” means a non-variable interest rate or rates to maturity established in accordance with Section 2.03(h).

“Fixed Rate Bonds” means Second Series Bonds bearing interest at a Fixed Rate.

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

“Indenture” means the Restated Indenture, as amended and supplemented through the date hereof, including being amended and supplemented by this Supplemental Indenture and as it may be further amended and supplemented from time to time.

“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 Second Series Bonds;

(ii) as to Short-Term Rate Bonds, the first Business Day after the last day of each Short-Term Interest Period, any date that is a Conversion Date from a Short-Term Rate Period, and the redemption date and the maturity date for the Second Series 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, and the redemption date and the maturity date for the Second Series Bonds;

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

(v) with respect to Bank 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 Period (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.

“Issuing Agent” shall have the meaning set forth in Section 2.04(c)(viii).

“Letter of Credit” means the irrevocable direct pay Letter of Credit, dated the date of issuance of the Second Series Bonds, issued by the Bank pursuant to the provisions of the Reimbursement Agreement, or, in the event of delivery of a Substitute Letter of Credit for a particular Series, such Substitute Letter of Credit.

“Letter of Credit Account” means the account by that name in the Purchase Fund established pursuant to Section 3.03(a).

“Letter of Credit Request” means a request submitted by the Trustee to the Bank in accordance with the terms of the Letter of Credit and as further described in Section 3.02(c) (in connection with the payment of interest on a Second Series Bond on an Interest Payment Date), Section 3.03(c) (in connection with a payment of the Purchase Price of a Second Series Bond on a Purchase Date) and Section 4.01(f) (in connection with a payment of principal and accrued but unpaid interest on a Second Series Bond on a maturity date, optional redemption date or Acceleration Date), as applicable.

“Long-Term Interest Period” means each period described in Section 2.03(g) during which Second Series Bonds accrue interest at a particular Long-Term Rate.

“Long-Term Rate” means the per annum interest rate to be determined on the Second Series Bonds for a term of at least 12 months pursuant to Section 2.03(g).

“Long-Term Rate Bonds” means any Second Series 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 Second Series Bonds.

“Maximum Rate” means (i) with respect to Bank Bonds, the lesser of (A) the maximum rate permitted by law and (B) the rate for Bank Bonds as set forth in the applicable Letter of Credit, and (ii) with respect to any Second Series Bonds other than Bank Bonds, 12%.

“Monthly Interest Period” means each period described in Section 2.03(e) during which the Second Series Bonds bear interest at a particular Monthly Rate.

“Monthly Rate” means the per annum interest rate for the Second Series Bonds during a Monthly Interest Period determined on a monthly basis as provided in Section 2.03(e).

“Monthly Rate Bonds” means Second Series Bonds bearing interest at a Monthly Rate.

“Monthly Rate Period” means the period during which Monthly Rates are in effect for the Second Series Bonds.

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

“Paying Agent” means initially the Trustee and thereafter that Person appointed as Paying Agent pursuant to Section 911 of the Restated Indenture.

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

“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 Second Series Bonds as provided in Section 2.03(b)(i), (i) interest rates on comparable securities then being issued and traded; (ii) other financial market rates and indices that may have a bearing on rates of interest; (iii) general financial market conditions (including then current forward supply figures) that may have a bearing on rates of interest; and (iv) the financial condition, results of operation and credit standing of the Commission and the Bank to the extent such standing has a bearing on rates of interest.

“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, or the office specifically designated for such functions with respect to the applicable Bond Documents.

“Purchase Date” means each date on which Second Series Bonds are subject to optional or mandatory tender for purchase pursuant to Section 5.02 or Section 5.03.

“Purchase Fund” means the fund by that name created by Section 3.03(a) and held by the Tender Agent.



“Purchase Price” means, with respect to a Second Series 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.

“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 Second Series Bonds.

“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.

“Representation Letter” means the representation letter from the Commission, the Trustee and the Paying Agent to DTC dated the Series Issue Date or, if the Commission has executed and delivered a Blanket Letter of Representations in favor of DTC, such Blanket Letter of Representations.

“Reimbursement Agreement” means the Reimbursement Agreement with the Bank in connection with the Letter of Credit or any such agreement entered into with respect to a Substitute Letter of Credit.

“Remarketing Agent” means any firm at the time serving as Remarketing Agent pursuant to Article 6.

“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 with respect to those Second Series Bonds.

“Second Series Clearing Fund” means the fund so designated established pursuant to Section 3.01.

“Second Series Rebate Fund” means the fund so designated established pursuant to Section 3.04.

“Second Series Tax Certificate” means the Tax Certificate, dated the Series Issue Date, executed by the Commission in connection with the issuance of the Second Series Bonds, as amended from time to time.

“Series Issue Date” shall have the meaning set forth in Section 2.02(c).

“Short-Term Interest Period” means each period determined as provided in Section 2.03(f) during which the Second Series Bonds bear interest at a particular Short-Term Rate.

“Short-Term Rate” means the per annum interest rate for the Second Series Bonds during a Short-Term Rate Period determined on a periodic basis as provided in Section 2.03(f).

“Short-Term Rate Bonds” means any Second Series 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 Second Series Bonds.

“Special Record Date” means the date fixed by the Trustee pursuant to Section 2.06(e) for the payment of Defaulted Interest.

“Substitute Letter of Credit” means an irrevocable, direct pay letter of credit for any Second Series Bonds replacing any existing Letter of Credit in accordance with Section 8.02.

“Substitution Date” means a date on which a Substitute Letter of Credit is accepted by the Tender Agent and becomes effective with respect to the Second Series Bonds, or a date on which the provider of an existing Letter of Credit assigns all or a portion of its rights and/or obligations to an assignee for the Letter of Credit, in each case in accordance with Section 8.02.

“Tender Agent” means, initially, the Trustee, and any successor Tender Agent as determined or designated under or pursuant to this Supplemental Indenture.

“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.

“Undelivered Bond” means any Second Series Bond which is subject to purchase pursuant to Article 3 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 Second Series Bond.

“Undelivered Bond Payment Account” means the account by that name in the Purchase Fund established pursuant to Section 3.03(a).

“Weekly Interest Period” means each period described in Section 2.03(d) during which the Second Series Bonds bear interest at a particular Weekly Rate.

“Weekly Rate” means the per annum interest rate for the Second Series Bonds during a Weekly Interest Period determined on a weekly basis as provided in Section 2.03(d).

“Weekly Rate Bonds” means Second Series Bonds bearing interest at a Weekly Rate.

“Weekly Rate Period” means the period during which Weekly Rates are in effect for the Second Series Bonds.

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

## **1.02 Rules of Construction; Time of Day.**

In this Supplemental Indenture, unless otherwise indicated: (a) defined terms may be used in the singular or the plural; (b) the use of any gender includes all genders; (c) the words “hereof”, “herein”, “hereto”, “hereby” and “hereunder” (except in the forms of Second Series Bonds) refer to this Supplemental Indenture; and (d) all references to particular Articles, Sections or Exhibits are references to the Articles, Sections or Exhibits of this Supplemental Indenture unless otherwise specified. References to any time of the day in this Supplemental Indenture 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 – CONCERNING THE SECOND SERIES BONDS**

### **2.01 Amount, Form and Issuance of Second Series Bonds.**

(a) An aggregate principal amount of \$139,815,000 of Second Series Bonds are authorized for issuance pursuant to this Supplemental Indenture all of which will be issued on the Series Issue Date.

The Second Series Bonds shall be issued and secured under the Indenture for the purposes set forth in the Recitals. The Second Series Bonds shall contain substantially the terms recited in the form of Second Series Bond attached hereto as Exhibit A. All Second Series 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 Second Series Bonds to be printed on or attached to such Second Series 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 Second Series 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 Second Series Bonds. The Second Series 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 Second Series Bonds and deliver them to the Authenticating Agent for authentication. At the direction of the Commission, the Authenticating Agent shall authenticate the Second Series Bonds and deliver them to the purchasers thereof.

#### **2.02 Designation, Denominations, Interest Accrual and Dating.**

(a) The Second Series Bonds shall initially be designated "Pennsylvania Turnpike Commission Variable Rate Turnpike Revenue Bonds, Second Series of 2019." The Second Series Bonds shall be issuable as fully registered bonds without coupons in Authorized Denominations. Any future changes in the designation of the Second Series Bonds shall be as determined by the Commission.

(b) The Second Series Bonds shall bear interest from their dated date determined in accordance with the provisions hereof, provided that, if Second Series 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 Second Series Bonds shall bear interest from and after that conversion in accordance with Section 2.03.

(c) The Second Series Bonds shall have a "Series Issue Date" which shall be June 4, 2019, the date of original issuance and first authentication and delivery against payment therefor, and which shall be set forth on all Second Series Bonds authenticated by the Authenticating Agent. Any Second Series 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. Any Second Series 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 Second Series 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 any of the Second Series Bonds shall be in default, Second Series Bonds issued in exchange for Second Series 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 Second Series Bonds or, if no interest has been paid on the Second Series Bonds, the Series Issue Date of such Second Series Bonds.

#### **2.03 Determination of Interest Rates.**

(a) General.

(i) The Second Series 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 Second Series Bonds exceed the Maximum Rate. Interest on the Second Series 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 Second Series Bonds.

(ii) The Second Series Bonds initially shall be Weekly Rate Bonds.

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

(iv) The amount of interest payable with respect to any Second Series Bonds on any Interest Payment Date shall be computed (A) 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 (B) during Fixed Rate Periods and Long-Term Rate Periods, on the basis of a 360-day year of twelve 30-day months.

(v) All determinations of interest rates, amounts of interest payable on the Second Series Bonds and Rate Periods pursuant to this Supplemental Indenture shall be conclusive and binding upon the Commission, the Trustee, the Tender Agent, the Paying Agent, the Remarketing Agent, the Bank and the Owners of the Second Series Bonds to which such rates are applicable. The Commission, the Trustee, the Tender Agent, the Bank, and the Remarketing Agent shall not be liable to any Owner for failure to give any notice specified in this Supplemental Indenture or for the failure of any Owner to receive any such notice.

(b) 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 Second Series Bonds to have a market value as of the date of determination equal to the principal amount thereof (plus, in the case of conversion to Fixed Rate or Long-Term Rate, a net remarketing premium for all such Second Series Bonds taken as a whole is also permissible) taking into account Prevailing Market Conditions, provided that in no event will the interest rate on any such Second Series 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:

(A) If the applicable Second Series Bonds are bearing interest at a Daily Rate, Weekly Rate, Monthly Rate or Short-Term Rate, the applicable Second Series Bonds shall bear interest at a rate equal to the prior week's rate, unless there is a failure by the Remarketing Agent to set the rate for two consecutive Weekly Rate Periods or seven consecutive Daily Rate Periods, in which case the applicable Second Series Bonds shall bear interest at (i) a rate equal to 110% of the SIFMA Index, until the Trustee is notified of a new Daily Rate, Weekly Rate, Monthly Rate or Short-Term Rate, determined by the Remarketing Agent; or (ii) an alternative reference rate accepted by the financial markets and approved by the Commission, the Trustee and the Remarketing Agent.

(B) If the applicable Second Series Bonds are bearing interest at a Long-Term Rate (i) the Rate Period shall be converted to a Weekly Rate Period and shall bear interest at a rate equal to (1) 110% of the SIFMA Index, or (2) an alternative reference rate

accepted by the financial markets and approved by the Commission, the Trustee and the Remarketing Agent, but in each case only if the Commission furnishes to the Trustee a Favorable Opinion of Bond Counsel, or (ii) if the opinion described in clause (i) is not furnished, the Rate Period will remain in the Long-Term Rate Period and the applicable Second Series Bonds shall bear interest at a rate equal to the "Revenue Bond Index" as published in The Bond Buyer as of a recent date or, if such index is no longer published, then a comparable index selected by the Commission and acceptable to the Remarketing Agent, if any.

(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 and the Bank by Electronic Means, (1) in the case of Daily Rate Bonds on the date such interest rate is determined by 10:00 a.m., 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. on the date such interest rate is determined, and shall be available to Owners after such time, from the Remarketing Agent at its Principal Office and shall also be communicated by the Remarketing Agent to any Owner upon request.

(c) Daily Rates.

(i) Whenever Second Series 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., on the commencement date of the Daily Interest Period to which it relates.

(d) Weekly Rates.

(i) Whenever Second Series 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 Second Series 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, 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., on the Business Day immediately preceding the commencement date of the Weekly Interest Period to which it relates.

(e) Monthly Rates.

(i) Whenever Second Series 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 Second Series 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., on the Business Day immediately preceding the commencement date of the Monthly Interest Period to which it relates.

(f) 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 Second Series 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 Letter of Credit minus five days, shall not extend beyond the date that is five days before the Expiration Date of the Letter of Credit 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), and 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 Second Series 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 Second Series Bonds that is higher than would be borne by Second Series 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 Second Series 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 Second Series 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 Second Series Bonds, or any fact or circumstance relating to the Second Series Bonds or affecting the market for the Second Series 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 Second Series 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 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., on the Business Day immediately preceding the commencement date of the Short-Term Interest Period to which it relates.

(g) 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 Second Series 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 by the Remarketing Agent by 4:00 p.m., 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 Second Series Bonds) shall not extend to a date beyond the fifth day next preceding the Expiration Date of the Letter of Credit, if any.

(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.

(h) Fixed Rate of Second Series Bonds.

The Fixed Rate, and the schedule of principal payments for Second Series Bonds bearing interest at the Fixed Rate, shall be determined as set forth in this Section. Second Series Bonds bearing interest at a Fixed Rate may not be converted to any other type of Interest Rate Period pursuant to Section 2.04 and will not be covered by any Letter of Credit.

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 Second Series Bonds. The Fixed Rate shall be set forth in the firm underwriting or purchase contract described in Section 2.04(c)(iv).

Upon conversion, the firm of bond underwriters or recognized institutional investors who agree to underwrite or purchase the Second Series Bonds in accordance with Section 2.04(c)(iv) shall deliver to the Commission and the Trustee a certificate that includes (A) a schedule specifying the principal amount of Second Series 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 Second Series Bonds, and (B) a schedule specifying the interest on the Second Series Bonds to be paid on each Interest Payment Date, through and including the maturity date for the Second Series 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 the Second Series Bonds then being converted shall be the lowest interest rate, taking into account current market conditions, that will enable such Second Series Bonds, taken as a whole, upon conversion to be remarketed at a total price which shall be 100% or more of the principal amount of the Second Series Bonds being remarketed, assuming that all Second Series 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 Second Series Bonds, all such Second Series Bonds shall pay interest semiannually on each Interest Payment Date and all such Second Series Bonds shall bear interest at the same rate (except as otherwise provided in subparagraph (iii) below); 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 Second Series 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 Second Series Bonds and, subject to subparagraph (iii) below, such Second Series Bonds shall be subject to mandatory sinking fund redemption in accordance with that schedule. All such Second Series 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 4.01(b).

(iii) The foregoing subparagraphs (i) and (ii) notwithstanding, upon provision of a Favorable Opinion of Bond Counsel, Second Series 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 Second Series Bonds 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 Second Series 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.

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

(j) Bank Bonds. Notwithstanding the above provisions of this Section, Bank Bonds shall bear interest at the lesser of the Bank Rate or the Maximum Rate. The Bank Rate shall be supplied in writing to the Trustee by the Bank. If the Remarketing Agent has notified the Owner of any Bank Bonds that it has located a purchaser for some or all of that Owner's Bank Bonds, that Owner must deliver those Bank 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 Second Series Bonds, the Tender Agent shall notify the Trustee that the Second Series Bonds so purchased and remarketed are no longer "Bank Bonds" and the Trustee shall note on the registration books for the Second Series Bonds that those Second Series Bonds are not Bank Bonds and shall register them in the name of the new Owner and shall receive confirmation from the Bank that such Second Series Bonds are subject to purchase under the Letter of Credit. Notwithstanding anything herein to the contrary, only the Bank or any Bank Holder may receive interest on any Second Series Bonds at the Bank Rate.



**2.04 Conversions Between Rate Periods.**

The Commission may elect to convert any series of the Second Series 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 2.04(b) of the proposed conversion.

(b) Notices by Trustee. Upon receipt of the notice specified in Section 2.04(a) from the Commission, the Trustee shall promptly give written notice of the proposed conversion, via Electronic Means or by written notice, to the Tender Agent, the Remarketing Agent, the Bank and any Rating Agency that has notified the Trustee in writing that it has established a rating for the Second Series 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 Second Series 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 Second Series Bonds will be subject to mandatory tender for purchase on the Conversion Date;

(iii) the conditions, if any, to the conversion pursuant to Section 2.04(c), and the consequences of such conditions not being fulfilled pursuant to Section 2.04(d);

(iv) if the Second Series Bonds are in certificated form, information with respect to required delivery of Second Series 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, (A) 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 (B) 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 have 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 Second Series Bonds in accordance with Section 6.01 and (2) if the conversion is to a Daily Rate Period, a Weekly Rate Period, a Monthly Rate Period or a Short-Term Rate Period, a Qualified

Financial Institution or the Commission to act as Bank in accordance with Section 8.02(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, (2) if the conversion is to a Daily Rate Period, a Weekly Rate Period, a Monthly Rate Period or a Short-Term Rate Period, a Letter of Credit in form and substance reasonably satisfactory to the Remarketing Agent, in an amount equal to the aggregate principal amount of applicable Outstanding Second Series Bonds, plus an amount equal to at least 52 days interest (or, if the conversion is to Short-Term Rate Bonds, 270 days), on all Second Series Bonds Outstanding at the Maximum Rate (other than Bank Bonds), under which the Bank is required to purchase Second Series Bonds tendered for purchase in accordance with this Supplemental Indenture, together with an opinion of Counsel, to the effect that the Letter of Credit has been duly authorized, executed and delivered by the Bank, is a valid, binding and enforceable obligation of the Bank (subject as to enforcement to customary exceptions regarding bankruptcy, insolvency and similar laws and principles of equity), and that the Letter of Credit will not require any Second Series Bonds (or any securities evidenced thereby) to be registered under the Securities Act of 1933, as amended, or this Supplemental Indenture to be qualified under the Trust Indenture Act of 1939, as amended; and

(iv) 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 may be the Remarketing Agent, to underwrite or purchase all of the Bonds at a total price for such Bonds taken as a whole which shall be at 100% or more 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 Second Series Bonds to be sold on the first day of the Fixed Rate Period and containing a mandatory sinking fund redemption schedule prepared in accordance with Section 2.03(h). 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 Bank and any Rating Agency that has notified the Trustee in writing that it has established a rating for the Second Series Bonds; and

(v) In the case of any conversion to a Long-Term Rate Period, the underwritten total price of such Second Series Bonds taken as a whole for such Long-Term Rate Period shall be at 100% or more of the principal amount of the Second Series Bonds being sold as is the case in an underwritten sale to purchasers in a Fixed Rate Period as provided in Section 2.04(c)(iv); and

(vi) In the case of a conversion of Second Series Bonds to a Long-Term Rate Period, Fixed Rate Period or any other period not covered by the then existing applicable Letter of Credit, no drawings shall be made on such Letter of Credit after the completion of such conversion; and

(vii) The conversion shall not occur unless the Conversion Date is a date on which the Second Series Bonds being converted could be redeemed without premium pursuant to Section 4.01(a); and

(viii) If the conversion is to a Short-Term Rate Period: (A) the Commission must engage, at its expense, a commercial paper trustee and 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 Second Series 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 that is needed to comply with the Securities Depository's and any Rating Agency's requirements concerning the issuance and payment of the Second Series Bonds in the Short-Term Rate Period; and

(ix) 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

(x) 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 5.03(a)(i) shall not occur, and (iii) any affected Second Series Bond shall continue in the then existing Interest Rate Period with the length of the Interest Rate Period and the interest rate being determined in accordance with Section 2.03 including Section 2.03(b)(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 Bank by telephone, promptly confirmed in writing, and shall thereafter be promptly given to the Owners by the Trustee via Electronic Means or by first-class mail. No failure or cancellation of conversion pursuant to this Section shall constitute an Event of Default.

#### **2.05 Book-entry Bonds.**

(a) Except as provided in subparagraph (c) of this Section, the registered owner of all of the Second Series Bonds shall be DTC and the Second Series Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Payment of interest on any Second Series Bond registered as of each Record Date in the name of Cede & Co. shall be made by wire transfer of immediately available funds to the account of Cede & Co. on the relevant Interest Payment Date for the Second Series Bonds at the address indicated on the Record Date for Cede & Co. in the Bond Register kept by the Paying Agent.

(b) The Second Series Bonds shall be initially issued in the form of separate single fully registered bond certificates, authenticated by the Authenticating Agent, in the amount of each separately stated series and maturity. Upon initial issuance, the ownership of such Second Series Bonds shall be registered in the Bond Register kept by the Trustee, as the Bond Registrar, in the name of Cede & Co., as nominee of DTC. The Trustee, the Paying Agent and the Commission shall treat DTC (or its nominee) as the sole and exclusive Owner of the Second Series Bonds registered in its name for the purposes of payment of the principal or redemption price of or interest on the Second Series Bonds, selecting the Second Series Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under the Indenture, registering the transfer of Second Series Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever, and neither the Trustee, the Paying Agent nor the Commission shall be affected by any notice to the contrary. Neither the Trustee, the Paying Agent nor the Commission shall have any responsibility or obligation to any DTC participant, any Person claiming a beneficial ownership interest in the Second Series Bonds under or through DTC or any DTC participant, or any other Person which is not shown on the registration books of the Trustee as being a Second Series Bondholder, with respect to: (i) the accuracy of any records maintained by DTC or any DTC participant; (ii) the payment of DTC or any DTC participant of any amount in respect of the principal or redemption price of or interest on the Second Series Bonds; (iii) any notice which is permitted or required to be given to Bondholders under the Indenture; (iv) the selection by DTC or any DTC participant of any Person to receive payment in the event of a partial redemption of the Second Series Bonds; or (v) any consent given or other action taken by DTC as Holder of the Second Series Bonds. The Paying Agent shall pay all principal of and premium, if any, and interest on the Second Series Bonds only to or "upon the order of" (as that term is used in the Uniform Commercial Code as adopted in the Commonwealth) DTC and all such payments shall be valid and effective to fully satisfy and discharge the Commission's obligations with

respect to the principal of and premium, if any, and interest on the Second Series Bonds to the extent of the sum or sums so paid. No Person other than DTC shall receive an authenticated Second Series Bond evidencing the obligation of the Commission to make payments of principal of and premium, if any, and interest pursuant to the Indenture. Upon delivery by DTC to the Trustee, the Paying Agent and the Commission of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the name "Cede & Co." in the Indenture shall be deemed to be changed to reflect such new nominee of DTC.

(c) In the event the Commission determines, and notifies the Trustee and the Paying Agent of such determination, that it is in the best interest of the Commission or the Beneficial Owners of Second Series Bonds that the Beneficial Owners be able to obtain Second Series Bond certificates, the Trustee shall notify DTC, whereupon DTC will notify the DTC participants of the availability through DTC of Second Series Bond certificates. In such event, the Trustee shall deliver, transfer and exchange Second Series Bond certificates, as directed by DTC as the registered owner of the Second Series Bonds, in appropriate series and principal amounts. DTC may determine to discontinue providing its services with respect to the Second Series Bonds at any time by giving notice to the Commission and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the Commission and the Trustee shall be obligated to deliver Second Series Bond certificates as directed by DTC. In the event Second Series Bond certificates are issued, the provisions of the Indenture shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates. Whenever DTC requests the Commission and the Trustee to do so, the Trustee and the Commission will cooperate with DTC in taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the Second Series Bonds to any DTC participant having Second Series Bonds credited to its DTC account, or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Second Series Bonds.

(d) Notwithstanding any other provision of the Indenture to the contrary, so long as any Second Series Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on such Second Series Bond and all notices with respect to such Second Series Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) In connection with any notice or other communication to be provided to Second Series Bondholders pursuant to the Indenture by the Commission or the Trustee with respect to any consent or other action to be taken by Second Series Bondholders, the Commission or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC, as sole Second Series Bondholder, notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible. Notice shall be given only to DTC when DTC is the sole Second Series Bondholder.

## **2.06 Method and Place of Payment of Second Series Bonds.**

(a) The Commission hereby directs the Trustee to pay and deposit from Revenues into the applicable account of the Debt Service Fund such amounts as are necessary to pay interest and principal on the Second Series Bonds on the Interest Payment Date or other payment date therefor. If an applicable Letter of Credit is in effect on such dates, the Trustee shall draw on such Letter of Credit in accordance with the provisions thereof. If the Bank or other applicable provider of a Letter of Credit makes payment in accordance with the provisions thereof for such payments of interest and principal, the Trustee shall make reimbursement payments to the Bank or other applicable provider of a Letter of Credit out of such funds paid and deposited from Commission Revenues. If the Bank or other applicable provider of a Letter of Credit does not make payment in accordance with the provisions thereof for such payments of interest and

principal, the Trustee shall forthwith make such principal and interest payments to Owners out of such funds paid and deposited from Commission Revenues.

(b) The principal of and redemption premium, if any, and interest on the Second Series 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.

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

(d) The interest payable on each Second Series 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 Second Series Bonds are held by a Securities Depository, or at the written request addressed to the Trustee by any Owner of Second Series 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 Second Series Bonds. Interest on any Bank Bond that ceases to be a Bank 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 Second Series Bonds of the same series other than Bank Bonds.

(e) Defaulted Interest with respect to any Second Series Bond shall cease to be payable to the Owner of such Second Series Bond on the relevant Record Date and shall be payable to the Owner in whose name such Second Series 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 Second Series 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 Second Series 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 Second Series 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.

## **2.07 Execution and Authentication of Second Series Bonds.**

(a) The Second Series Bonds shall be executed on behalf of the Commission by the manual or facsimile signature of the Chair or Vice Chair of the Commission and attested by the manual or facsimile

signature of the Secretary/Treasurer or any Assistant Secretary/Assistant Treasurer of the Commission. In case any officer whose signature or facsimile thereof appears on any Second Series Bond shall cease to be such officer before the delivery of such Second Series 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 Second Series 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 Second Series Bond although at the Issue Date of such Second Series Bond such persons may not have been such officers.

(b) The Second Series Bonds shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in Exhibit A, as applicable, which shall be manually executed by the Trustee. No Second Series Bond shall be entitled to any security or benefit under this Supplemental Indenture 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 Second Series Bond shall be conclusive evidence that such Second Series Bond has been duly authenticated and delivered under this Supplemental Indenture. The Certificate of Authentication on any Second Series 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 Second Series Bonds that may be issued hereunder at any one time.

#### **2.08 Registration, Transfer and Exchange of Second Series Bonds.**

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

(b) Any Second Series 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 Second Series Bond a new Second Series Bond or Second Series Bonds, registered in the name of the transferee, of any Authorized Denomination and of the same series and maturity and bearing interest at the same rate.

(c) Any Second Series 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 Second Series Bonds of the same series and maturity, of any Authorized Denomination and bearing interest at the same rate.

(d) In all cases in which Second Series Bonds shall be exchanged or transferred hereunder, the Commission shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Second Series Bonds in accordance with this Supplemental Indenture. All Second Series 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 Owner requesting the same for every such transfer or exchange of Second Series 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 Second Series 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 or bond preparation necessary to effect any such transfer or exchange shall be paid by the Commission. In the event any Owner fails to provide a correct taxpayer identification number to the Trustee, the Trustee may impose a charge against or withhold payment from such Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with section 3406 of

the Code, such amount may be deducted by the Trustee from amounts otherwise payable to such Owner hereunder or under the Second Series Bonds.

(f) The Trustee shall not be required to: (i) transfer or exchange any Second Series 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 Second Series Bond and ending at the close of business on the day of such mailing; or (ii) transfer or exchange any Second Series Bond selected for redemption in whole or in part; or (iii) transfer or exchange any Second Series Bond during a period beginning at the opening of business on any Record Date for such Second Series Bond and ending at the close of business on the relevant Interest Payment Date therefor.

(g) The Person in whose name any Second Series Bond shall be registered on the Bond Register shall be deemed and regarded as the absolute owner of such Second Series Bond for all purposes, and payment of or on account of the principal of and redemption premium, if any, and interest on any such Second Series 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 Second Series Bond, including the interest thereon, to the extent of the sum or sums so paid.

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

#### **2.09 Temporary Second Series Bonds.**

(a) Until definitive Second Series 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 Second Series Bonds, but subject to the same limitations and conditions as definitive Second Series Bonds, temporary printed, engraved, lithographed or typewritten Second Series Bonds.

(b) If temporary Second Series Bonds shall be issued, the Commission shall cause the definitive Second Series 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 Second Series Bond, shall cancel the same and authenticate and deliver in exchange therefor, without charge to the Owner thereof, a definitive Second Series Bond of the same series and maturity and bearing interest at the same rate as the temporary Second Series Bond surrendered. Until so exchanged, the temporary Second Series Bonds shall in all respects be entitled to the same benefit and security of this Supplemental Indenture as the definitive Second Series Bonds to be issued and authenticated hereunder.

#### **2.10 Mutilated, Lost, Stolen or Destroyed Second Series Bonds.**

In the event any Second Series Bond shall become mutilated, or shall be lost, stolen or destroyed, the Commission shall execute and the Trustee shall authenticate and deliver a new Second Series Bond of like date and tenor as the Second Series Bond mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Second Series Bond, such mutilated Second Series Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Second Series 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 Second Series Bond shall have matured or been selected for redemption, instead of issuing a substitute Second Series Bond, the Trustee in its discretion may, instead of issuing a new Second Series Bond, pay, with funds available under this

Supplemental Indenture for such purpose, such Second Series Bond without surrender thereof (except in the case of a mutilated Second Series Bond). Upon the issuance of any substitute Second Series Bond, the Commission and the Trustee may require the payment of an amount by the Owner 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.

### **2.11 Cancellation and Destruction of Second Series Bonds Upon Payment.**

All Second Series 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, 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 Second Series Bonds and the surrender thereof to the Trustee. The Trustee shall execute a certificate in triplicate describing the Second Series Bonds so canceled and destroyed, and shall file executed counterparts of such certificate with the Commission upon the request of the Commission.

### **2.12 Acceleration of Second Series Bonds.**

In the event the Trustee declares the principal of and interest on the Second Series Bonds to the date of acceleration (the "Acceleration Date") to be immediately due and payable in accordance with Section 802 of the Restated Indenture, the Trustee shall submit a Letter of Credit Request to the Bank or other provider of the Letter of Credit in accordance with Section 4.01(f). Interest thereunder shall cease to accrue on the seventh day after such declaration. The Trustee or any other party may not waive any default or acceleration unless the Commission and the Trustee receive notice from the Bank or other provider of the Letter of Credit of a reinstatement of the amounts thereof.

### **2.13 Conditions Precedent to Issuance of Second Series Bonds.**

Before the Second Series 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 Commission Official, of the Resolution;
- (b) original executed counterparts of this Supplemental Indenture, the Second Series Tax Certificate, the Letter of Credit, the Reimbursement Agreement and the Remarketing Agreement;
- (c) an Opinion of Bond Counsel to the effect that: (i) the issuance of the Second Series Bonds is permitted under the Indenture; (ii) this Supplemental Indenture and the Second Series Bonds have each been duly authorized, executed and delivered and are valid, binding and enforceable obligations of the Commission, subject to bankruptcy, equitable principles and other standard legal opinion exceptions; and (iii) interest on the Second Series 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 Restated Indenture;
- (e) a certificate of the Commission, signed by a Commission Official, as required by Section 210(e) of the Restated Indenture;
- (f) a Certificate of the Commission signed by a Commission Official, as required by Section 210(f) of the Restated Indenture;
- (g) an executed contract or contracts for the purchase of the Second Series Bonds, and all documents, certificates and opinions required to be delivered pursuant to the terms thereof; and



(h) such further documents, moneys, and securities as are required by the provisions of the Indenture, including this Supplemental Indenture.

### **ARTICLE 3 – DISPOSITION OF PROCEEDS; CREATION OF FUNDS AND ACCOUNTS**

#### **3.01 Establishment of Second Series Clearing Fund.**

There is hereby established with the Trustee a fund to be designated the “Second Series Clearing Fund.” All of the net proceeds of the Second Series Bonds shall be deposited by the Trustee into the Second Series Clearing Fund. The Trustee is authorized and directed: (a) to transfer to the 2013B Account of the Debt Service Fund the amounts set forth in the Closing Statement (as defined below) for application to the payment of principal and interest of the Refunded 2013B Bonds due upon redemption on June 4, 2019; (b) to transfer to the 2014B-1 Account of the Debt Service Fund the amounts set forth in the Closing Statement (as defined below) for application to the payment of principal and interest of the Refunded 2014B-1 Bonds due upon redemption on June 4, 2019; and (c) to pay costs incurred by the Commission in connection with the issuance of the Second Series Bonds including, but not limited to, those set forth in a closing statement signed by a Commission Official (the “Closing Statement”). Any moneys remaining in the Second Series Clearing Fund as of 90 days after the Series Issue Date of the Second Series Bonds shall be transferred to the Second Series Account of the Debt Service Fund as shall be directed in writing by a Commission Official and the Second Series Clearing Fund shall be closed.

#### **3.02 Accounts of the Debt Service Fund; Letter of Credit Requests.**

(a) Accounts of the Debt Service Fund. There is hereby created a separate account of the Debt Service Fund designated “Second Series Account of the Debt Service Fund” for deposit and disbursement of funds for debt service on the Second Series Bonds. There are hereby created within the Debt Service Fund a Second Series Bonds Remarketing Proceeds Account in which the Trustee shall deposit any funds received from the proceeds of remarketing, a Second Series Bonds LOC Account in which the Trustee shall deposit any funds received from the Bank pursuant to draws on the Letter of Credit, a Second Series Bonds LOC Reimbursement Account in which the Trustee shall deposit any funds received from the Commission for payment of debt service or reimbursement of the Bank, and, at the Trustee’s discretion, a Bank Bonds Debt Service Account and an Unremarketed Bonds Debt Service Account. Notwithstanding the provisions of the last paragraph of Section 905 of the Restated Indenture, the Trustee shall not have a lien or right of setoff with respect to the Second Series Bonds Remarketing Proceeds Account, the Second Series Bonds LOC Account, the Second Series Bonds LOC Reimbursement Account or any other account containing Letter of Credit or remarketing proceeds.

(b) Eligible Accounts. All Funds or Accounts, in which Letter of Credit proceeds or remarketing proceeds are deposited and maintained, shall be held in Eligible Accounts. This includes without limitation the Remarketing Account, the Letter of Credit Account, the Commission Account and the Undelivered Bond Payment Account of the Purchase Fund created pursuant to Section 3.03.

(c) Letter of Credit Requests. If an applicable Letter of Credit is in effect on an Interest Payment Date, then, except with respect to Bank Bonds and Second Series Bonds held by the Commission, the Trustee shall submit a Letter of Credit Request to the Bank and by such time as is required to receive funds on the Interest Payment Date for the payment of the interest due on the Second Series Bonds on such Interest Payment Date. Promptly upon receipt of the funds from the Bank on an Interest Payment Date, the Trustee shall reimburse the Bank the amount of the Letter of Credit Request from funds available in the Second Series Bonds LOC Reimbursement Account of the Debt Service Fund.

**3.03 Purchase Fund.**

(a) There is hereby established as a Fund under the Indenture a special trust fund to be designated the Purchase Fund (the "Purchase Fund"). Within the Purchase Fund, the Trustee shall establish four separate accounts to be designated the Remarketing Account, the Letter of Credit Account, the Commission Account and the Undelivered Bond Payment Account. 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 Second Series Bonds subject to purchase on Purchase Dates (and the Bank to the extent provided in Section 3.03(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 Second Series 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 Sections 3.03(d) and (e). Any moneys received by the Tender Agent representing amounts paid by the Bank under the applicable Letter of Credit for the purchase of Second Series Bonds subject to purchase on a Purchase Date shall be deposited by the Tender Agent in the Letter of Credit Account of the Purchase Fund and applied by the Tender Agent in accordance with Sections 3.03(d) and (e). Any moneys received by the Tender Agent representing amounts paid by the Commission for the purchase of Second Series 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 Sections 3.03(d) and (e). Moneys shall be transferred to the Undelivered Bond Payment Account from the other accounts of the Purchase Fund or to the Bank in accordance with Section 3.03(e); and moneys shall be applied from the Undelivered Bond Payment Account in accordance with Section 3.03(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 notice, in writing or by any Electronic Means, of tender relating to Daily Rate Bonds, the Tender Agent shall immediately notify the Remarketing Agent, the Commission, the Trustee and the Bank by telephonic notice of the amount of the Second Series Bonds to be tendered pursuant to such notice. The Tender Agent shall confirm such telephonic notice by Electronic Means by 11:15 a.m. on the Purchase Date. The Tender Agent shall include in such telephonic notice and the confirmation thereof the amount of the Purchase Price of the Second Series Bonds and the portion, if any, thereof representing accrued and unpaid interest on such Second Series Bonds to the Purchase Date. Upon receipt of notice, in writing or by any Electronic Means, 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 Remarketing Agent, the Trustee and the Bank by Electronic Means, with the Tender Agent including in such notice the amount of the Purchase Price of the Second Series Bonds and the portion, if any, thereof representing accrued and unpaid interest on the Second Series Bonds to the Purchase Date. Simultaneously with giving notice of any mandatory tender of the Second Series Bonds pursuant to Section 5.03, the Trustee shall give notice by telephone or Electronic Means, promptly confirmed in writing, to the Tender Agent, the Remarketing Agent, the Bank and the Commission specifying the Purchase Date, the aggregate principal amount and Purchase Price of the Second Series 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 Second Series Bonds to such Purchase Date.

(c) Not later than 11:30 a.m. on each Purchase Date, the Remarketing Agent shall notify the Trustee, the Tender Agent and the Bank by Electronic Means of (i) the Purchase Price of the Second Series Bonds to be sold by the Remarketing Agent and (ii) the Purchase Price of the Second Series Bonds tendered for purchase which will not be sold by the Remarketing Agent, and the Tender

Agent shall then determine the amount, if any, by which the Purchase Price of the Second Series Bonds to be purchased on such Purchase Date exceeds the amount of the proceeds of the remarketing of such Second Series Bonds by the Remarketing Agent on deposit in the Remarketing Account of the Purchase Fund at such time and shall immediately give telephonic or Electronic Means notice of that amount to the Trustee, the Authority and the Bank, which notice shall be promptly confirmed in writing; and

(i) if an applicable Letter of Credit is in effect on such Purchase Date, then, except with respect to Bank Bonds and Second Series Bonds held by the Commission (A) the Trustee shall submit a Letter of Credit Request to the Bank and by such time as is required to receive funds on the Purchase Date for the payment of the Purchase Price, requesting the purchase by the Bank under the Letter of Credit, or the funding by the Bank under the Letter of Credit of moneys for the purchase, of the Second Series Bonds at a Purchase Price equal to the amount of the excess of the aggregate Purchase Price over any amounts on hand for payment to tendering Holders, and (B) not later than 2:00 p.m. on such Purchase Date, the Trustee shall transfer to the Tender Agent and the Tender Agent shall deposit the proceeds of the Letter of Credit Request received by the Trustee in the Purchase Fund; or

(ii) if no applicable Letter of Credit is in effect on such Purchase Date, then (A) not later than 12:30 p.m. on such Purchase Date, the Tender Agent shall notify the Commission of the amount of the excess of the aggregate Purchase Price over any amounts on hand for payment to tendering Holders, which shall thereupon be payable by the Commission to the Tender Agent for the purpose of causing the Tender Agent to purchase such Bonds on behalf of the Authority, and (B) not later than 2:30 p.m. 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; provided, however, the Commission has no obligation to deposit moneys in the Commission Account of the Purchase Fund and has no obligation to purchase tendered Second Series Bonds.

(d) Not later than 2:30 p.m. on each Purchase Date, the Tender Agent shall disburse the Purchase Price of Second Series 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 Second Series Bonds);

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

(iii) Moneys on deposit in the Commission Account of the Purchase Fund (representing amounts paid by the Commission to the Tender Agent for the purchase of such Second Series Bonds). The Commission has no obligation to deposit moneys in the Commission Account of the Purchase Fund and has no obligation to purchase tendered Second Series Bonds that are not remarketed.

If the funds available (from the sources indicated above) for the purchase of Second Series Bonds subject to purchase on a Purchase Date are insufficient to purchase all of the Second Series Bonds subject to purchase on such Purchase Date (including Undelivered Bonds), then, no purchase of any Second Series Bonds shall occur on such Purchase Date and, on such Purchase Date, the Tender Agent shall (i) return all of such Second Series Bonds that were tendered to the Owners thereof, (ii) return all moneys received by the Tender Agent for the purchase of such Second Series 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 Letter of Credit is in effect, no such failure to purchase Second Series Bonds shall constitute an Event of Default.

(e) Any moneys remaining in the Remarketing Account, the Letter of Credit Account or the Commission Account of the Purchase Fund and representing (but not exceeding) the Purchase Price of Second Series 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 Section 3.03(d)) shall be transferred by the Tender Agent to the Undelivered Bond Payment Account not later than 3:30 p.m. on the applicable Purchase Date (and retained therein, subject to Section 3.03(a), for application in accordance with Section 3.03(f)). Any moneys remaining in the Remarketing Account, the Letter of Credit Account and the Commission Account of the Purchase Fund on a Purchase Date (after the payments described in Section 3.03(d) and the transfer described in the preceding sentence of this Section) shall be wire transferred by the Tender Agent, in immediately available funds, prior to the close of business on such Purchase Date, to the Bank, to the extent of any amounts owed to the Bank in respect of a Letter of Credit Request, and then to the Commission.

(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 Second Series Bonds to the Tender Agent for such purpose.

#### **3.04 Rebate Fund.**

The Trustee shall establish a Fund to be designated the "Second Series Rebate 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 Second Series Rebate Fund in accordance with the Second Series Tax Certificate and shall invest the Second Series Rebate Fund pursuant to written instructions given to it by the Commission.

#### **3.05 Investment of Funds.**

Moneys on deposit with respect to the Second Series Bonds in funds or accounts established pursuant to this Article 3 shall be invested solely in Permitted Investments to the extent permitted by applicable law. Notwithstanding the foregoing, any moneys obtained as draws on a Letter of Credit or as remarketing proceeds shall be invested solely in short term investments described in clause (a) of Government Obligations maturing in 30 days or less, as needed.

### **ARTICLE 4 – REDEMPTION OF SECOND SERIES BONDS**

#### **4.01 Redemption of Second Series Bonds.**

The Second Series Bonds shall be subject to redemption in Authorized Denominations prior to maturity under the circumstances, in the manner and subject to the conditions provided in this Section and in the form of the Second Series Bonds.

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

(i) Daily Rate Bonds, Weekly Rate Bonds and Monthly Rate 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) 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 upon receipt of a Favorable Opinion of Bond Counsel):

<u>Period to Final Maturity</u>	<u>No-Call Period</u>	<u>Redemption Price</u>
Equal to or greater than 13 years	10 years	100% at all times
Equal to or greater than 10 years but less than 13 years	8 years	100% at all times
Equal to or greater than 7 years but less than 10 years	5 years	100% at all times
Equal to or greater than 4 years but less than 7 years	3 years	100% at all times
Equal to or greater than 2 years but less than 4 years	1 year	100% at all times
Greater than 1 year but less than 2 years	1 year	100% at all times
1 year	Non-callable	N/A

Notwithstanding the foregoing, if before the first day of a 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 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) Mandatory Sinking Fund Redemption. The Second Series Bonds are not subject to mandatory sinking fund redemption.

(c) Reserved.

(d) Selection of Second Series Bonds to be Redeemed; Partial Redemptions. Second Series Bonds shall be redeemed only in Authorized Denominations. If less than all Second Series Bonds are to be redeemed and paid prior to maturity, such partial redemption may be in any order of maturity and in any principal amount within a maturity as designated by the Commission; provided that Bank Bonds, in that order, shall be redeemed before other Second Series Bonds are redeemed.

If it is determined that a portion, but not all, of the principal amount represented by any Second Series Bond is to be selected for redemption, then upon notice of intention to redeem such portion, the Owner of such Second Series Bond or such Owner's attorney or legal representative shall forthwith present and surrender such Second Series Bond to the Trustee (i) 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 (ii) for exchange, without charge to the Owner thereof for a new Second Series Bond or

Second Series Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Second Series Bond. If the Owner of any such Second Series Bond shall fail to present such Second Series Bond to the Trustee for payment and exchange as aforesaid, said Second Series 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).

(e) Written Request of Commission. The Trustee shall call Second Series 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 Second Series 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 Second Series Bonds are to be called for redemption.

(f) Letter of Credit Requests. If an applicable Letter of Credit is in effect on a maturity date, optional redemption date or Acceleration Date for Second Series Bonds, then, except with respect to Bank Bonds and Second Series Bonds held by the Commission, the Trustee shall submit a Letter of Credit Request to the Bank and by such time as is required to receive funds on such maturity date, optional redemption date or Acceleration Date for the payment of the principal and accrued but unpaid interest due on the Second Series Bonds on such date.

#### **4.02 Notice of Redemption.**

(a) The Trustee shall cause notice of any redemption of Second Series Bonds to be (i) mailed to the Holders of all Second Series Bonds to be redeemed at the registered addresses appearing in the Register, and (ii) transmitted by Electronic Means to each Securities Depository and to the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board; provided however, failure to deliver notice as described in (ii) shall not affect the validity of the redemption of any Second Series Bond.

(b) Each such notice shall (i) be sent not more than 45 nor fewer than 15 calendar days (30 days for Long-Term Rate Bonds or Fixed Rate Bonds) prior to the date fixed for redemption, (ii) identify the Second Series Bonds to be redeemed (specifying the CUSIP numbers, if any, assigned to the Second Series Bonds), (c) specify the redemption date and the redemption price, and (d) state that on the redemption date the Second Series Bonds called for redemption will be payable at the Principal Office of the Trustee, and that from that date interest will cease to accrue, and that no representation is made as to the accuracy or correctness of the CUSIP numbers printed therein or on the Second Series Bonds. No defect affecting any Second Series Bond, whether in the notice of redemption or the delivery thereof (including any failure to mail such notice), shall affect the validity of the redemption proceedings for any other Second Series Bonds.

(c) If at the time of mailing of notice of an optional redemption of Second Series Bonds there has not been deposited with the Trustee moneys sufficient to redeem all Second Series Bonds called for such redemption, then such notice shall state that the redemption is conditional upon the deposit of moneys sufficient for the redemption with the Trustee not later than the redemption date, and such notice will be of no effect and such Second Series Bonds shall not be redeemed unless such moneys are so deposited.

(d) Any notice of redemption shall be mailed by first-class mail, postage prepaid. Notice of redemption also shall be given by Electronic Means to a Securities Depository. A certificate of the Trustee shall conclusively establish the mailing of any such notice for all purposes.

(e) Official notice of redemption having been given as aforesaid, the Second Series Bonds or portions of Second Series 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 Second Series Bonds or portions of Second Series Bonds shall cease to bear interest. Upon surrender of such Second Series Bonds for redemption in accordance with said notice, such Second Series 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 Second Series Bond, there shall be prepared for the Registered Owner a new Second Series Bond or Second Series Bonds of the same maturity in the amount of the unpaid principal. All Second Series Bonds which have been redeemed shall be canceled and destroyed by the Trustee in accordance with Section 2.11 and shall not be reissued.

## **ARTICLE 5 – TENDERS AND MANDATORY PURCHASE OF SECOND SERIES BONDS**

### **5.01 Tender Agent.**

(a) The Commission hereby appoints the Trustee as Tender Agent for the Second Series Bonds. At all times that any Second Series Bonds are Daily Rate Bonds, Weekly Rate Bonds, Monthly Rate Bonds, Short-Term Rate Bonds or Long-Term Rate Bonds there shall be a Tender Agent. 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, 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.

(b) The Tender Agent shall perform the duties imposed upon the Tender Agent by this Supplemental Indenture, but only upon the terms and conditions set forth herein, including the following:

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

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

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

(iv) hold all moneys delivered to it hereunder from payments under the Letter of Credit for the purchase of Second Series Bonds as agent of, and in escrow for the exclusive benefit of, the Owners who shall deliver Second Series Bonds to it for purchase until the Second Series Bonds purchased with such moneys shall have been delivered to or for the account of the Bank;

(v) 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 Bank during normal business hours upon reasonable prior written notice;

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

(vii) deliver any notices required by this Supplemental Indenture to be delivered by the Tender Agent; and

(viii) perform all other duties of the Tender Agent under this Supplemental Indenture.

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

(c) 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, by giving written notice thereof to the Commission, the Trustee, the Remarketing Agent, and the Bank at least 30 days prior to the effective date of such resignation. The Tender Agent shall promptly resign at any time that it shall cease to be eligible in accordance with the provisions of this Section.

(d) The Tender Agent may be removed at any time by the Commission by an instrument in writing delivered to the Tender Agent, the Commission, the Trustee, the Remarketing Agent and the Bank.

(e) If the Tender Agent shall resign, be removed or become incapable of acting for any reason, the Trustee, with the written consent of the Commission and the Bank (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 Bank, 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.

(f) Every successor Tender Agent appointed hereunder shall execute and deliver to the Commission, the Trustee, the Remarketing Agent, the Bank, 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.

(g) 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 Bank, the Remarketing Agent, each Rating Agency at the time providing a rating for the Second Series Bonds and the Owners of Second Series 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.

(h) 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 Second Series Bonds held by it in such capacity to its successor.

(i) 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 this Section, shall *ipso facto* be deemed to be the Tender Agent for all purposes of this Supplemental Indenture until the appointment by the Trustee of the successor Tender Agent.

(j) 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 without further act.

**5.02 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 Bank Bonds), or portions thereof in Authorized Denominations, purchased at the Purchase Price on the following Purchase Dates and upon the giving of the following Electronic Means or written notices meeting the further requirements set forth in Section 5.02(b) below; provided, however, that so long as the Second Series Bonds are in book-entry form the provisions set forth in Section 2.05 and the procedures established by the Securities Depository generally for tenders of Second Series Bonds shall apply with respect to notice of tenders, delivery of Second Series Bonds, payment of Purchase Price and related matters. If less than all of the Second Series Bonds of a Holder are tendered for purchase the amount retained by that Holder must be in an Authorized Denomination.

(i) Daily Rate Bonds (other than Bank Bonds) may be tendered for purchase at the Purchase Price payable in immediately available funds on any Business Day upon Electronic Means or written notice of tender to the Tender Agent and the Remarketing Agent not later than 11:00 a.m. on the designated Purchase Date.

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

(b) Each notice of tender for Daily Rate Bonds, Weekly Rate Bonds or Monthly Rate Bonds (other than Bank Bonds):

(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 Electronic Means, (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 Second Series Bond or a specified portion thereof in an Authorized Denomination, (C) the Purchase Date on which that Second Series 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 Electronic Means, (A) an irrevocable offer to sell the Second Series 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

Bank in the case of purchases made with funds paid under the applicable Letter of Credit), at a price equal to the Purchase Price, (B) an irrevocable authorization and instruction to the Tender Agent to effect transfer of such Second Series 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 Second Series Bond to be purchased in whole or in part for other Second Series Bonds in an equal aggregate principal amount so as to facilitate the sale of that Second Series Bond (or portion thereof to be purchased), (D) an acknowledgment that such Owner will have no further rights with respect to that Second Series 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 Second Series 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. 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 Owners 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 Owners 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 Letter of Credit.

(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 Second Series Bond or Second Series Bonds tendered to the Tender Agent or deemed tendered pursuant to this Section, the former Owner of such a Second Series Bond shall be entitled solely to the payment of the Purchase Price of Second Series Bond tendered or deemed tendered which Purchase Price shall be payable only as set forth in Section 3.03.

(e) The Tender Agent shall promptly return any notice of tender delivered pursuant to this Section (together with the Second Series 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 Second Series Bonds upon surrender of the receipt, if any, issued therefor.

(f) Notwithstanding the foregoing, if the Second Series 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 Second Series 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 Section 5.02(a) of the notice described in Section 5.02(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 Second Series 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. on the Purchase Date.

**5.03 Mandatory Tender and Purchase of Second Series Bonds.**

(a) All of the Second Series Bonds 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 Letter of Credit being replaced and substituted and not on the new Substitute Letter of Credit;
- (vi) the seventh day (if such day is not a Business Day, then the preceding Business Day) after the receipt by the Commission and the Trustee from the provider of the applicable Letter of Credit of a notice of non-reinstatement of the Interest Component under such Letter of Credit or a notice of default under the Reimbursement Agreement directing the Trustee to call the Second Series Bonds for mandatory tender; and
- (vii) the fifth day next preceding any Termination Date.

(b) Second Series Bonds to be purchased pursuant to Section 5.03(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. on the applicable Purchase Date.

(c) Any Second Series 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 Second Series Bonds, shall be deemed to have been delivered to the Tender Agent for purchase, and the Owners of such Second Series 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 Second Series Bonds, and such Second Series Bonds shall not be entitled to any benefits of this Supplemental Indenture, 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, notices of mandatory tender mailed to Owners shall:

- (i) specify the proposed Purchase Date and the event which gives rise to the proposed Purchase Date;
- (ii) state that such Second Series Bonds shall be subject to mandatory tender for purchase on such date;
- (iii) state that Owners may not elect to retain Second Series Bonds subject to mandatory tender;
- (iv) state that all Second Series 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. on the Purchase Date;

(v) state that if the Owner of any Second Series Bond subject to mandatory tender fails to deliver such Second Series 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 Second Series Bond (or portion thereof) shall nevertheless be deemed purchased on the Purchase Date and ownership of such Second Series Bond (or portion thereof) shall be transferred to the purchaser thereof,

(vi) state that any Owner that fails to deliver such Second Series Bond for purchase shall have no further rights thereunder or under this Supplemental Indenture except the right to receive the Purchase Price thereof upon presentation and surrender of such Second Series Bond to the Tender Agent and that the Trustee will place a stop transfer against the Second Series 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 Second Series Bonds, state that such conversion and such mandatory tender will not occur if certain events and conditions specified in Section 2.04(c) do not occur or are not satisfied (and summarize those events and conditions);

(viii) 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

(ix) in the case of mandatory tender on a Substitution Date, state the information required by Section 8.01(c).

(e) Notice of mandatory tender of Second Series Bonds shall be given by the Trustee via Electronic Means or by first-class mail, to the Holders of the Second Series Bonds (at their addresses as they appear on the Register as of the date of such notice), and to the Commission, any Remarketing Agent, the Tender Agent and the Bank, if any, as follows. If the mandatory tender is by reason of the events described in clauses (i), (iv), (v) or (vii) of Section 5.03(a), that notice shall be given no fewer than 10 days prior to the Purchase Date. If the mandatory tender is by reason of the events described in clause (vi) of Section 5.03(a), that notice shall be given promptly upon receipt of the applicable notice from the Bank. No notice of mandatory tender is required to be given when the tender is by reason of clauses (ii) or (iii) of Section 5.03(a).

(f) Failure to mail such notice or any defect therein shall not affect the rights or obligations of Holders and the Trustee shall not be liable to any Holder by reason of its failure to mail such notice or any defect therein.

(g) If, following the giving of notice of mandatory tender of Second Series Bonds pursuant to Section 5.03(a), an event occurs which, in accordance with the terms of this Supplemental Indenture, causes such mandatory tender not to occur, then (i) the Trustee shall so notify the Owners of the Second Series Bonds (at their addresses as they appear on the registration books of the Trustee on the date of such notice), via Electronic Means or 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 Second Series Bonds tendered to the Tender Agent in connection with such mandatory tender of Second Series Bonds.

## ARTICLE 6 – REMARKETING AGENT

### 6.01 Appointment of Remarketing Agent.

At the time of a proposed issuance of, or conversion of the Second Series Bonds pursuant to Section 2.04 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 Bank (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 Bank (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, 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 Second Series 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 Second Series Bonds.

#### **6.02 Remarketing Agreement.**

Each Remarketing Agent appointed in accordance with this Supplemental Indenture 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 Bank 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 Second Series Bonds in trust for the exclusive benefit of the Person or Persons that shall have so delivered such moneys until the Second Series 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 and the Tender Agent at all reasonable times;

(c) to determine (i) the Daily Rates, Weekly Rates, Monthly Rates, Short-Term Rates and Long-Term Rates, and (ii) if engaged as Remarketing Agent in connection with the conversion to Fixed Rate Bonds, the Fixed Rate(s), and to give notice of such rates in accordance with Section 2.03(b);

(d) to remarket Daily Rate Bonds, Weekly Rate Bonds and Monthly Rate Bonds at rates no higher than the Maximum Rate if an applicable Letter of Credit secures the Second Series 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 5th day next preceding the Expiration Date of an applicable Letter of Credit supporting payments of Purchase Price of such Second Series Bonds;

(e) to offer for sale and use its best efforts to find purchasers for the Second Series Bonds tendered for purchase, any such sale to be made at the Purchase Price to the purchase date, in accordance with the terms of this Supplemental Indenture;

(f) to deliver to the Tender Agent all Second Series Bonds held by it in accordance with the terms of this Supplemental Indenture and the Remarketing Agreement; and

(g) to perform such other duties and responsibilities (including with respect to Bank Bonds) as are provided in this Supplemental Indenture to be performed by a 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.

**6.03 Co-Remarketing Agents.**

One or more firms may serve as Co-Remarketing Agents for the Second Series Bonds hereunder provided that each Co-Remarketing Agent satisfies the requirements of Section 6.01. 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.

**6.04 Resignation and Removal.**

The Remarketing Agent may at any time resign and be discharged of the duties and obligations described in this Supplemental Indenture by giving at least 30 days' notice to the Commission, the Trustee, the Tender Agent, the Bank and all Rating Agencies then providing ratings for the Second Series Bonds. 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 Bank; 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.

**6.05 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.

**6.06 Transactions.**

The Remarketing Agent may in good faith hold the Second Series 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.

**6.07 Sale of Bonds by Remarketing Agent.**

(a) Upon the receipt by the Remarketing Agent of (i) notice of optional tender of Daily Rate Bonds, Weekly Rate Bonds or Monthly Rate Bonds pursuant to Section 5.02, or (ii) notice of mandatory tender of Bonds pursuant to Section 5.03, the Remarketing Agent shall offer for sale and use its best efforts to solicit purchases of Second Series Bonds subject to purchase on the applicable Purchase Date at a price equal to the Purchase Price; and provided further that, prior to the Expiration Date, the Remarketing Agent shall not offer for sale or sell any Second Series Bonds to the Commission or any Affiliate.

(b) The Remarketing Agent shall direct that the proceeds of all purchases of Second Series 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 12:00 p.m. 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) The Remarketing Agent shall offer for sale and use its best efforts to arrange for the sale and remarketing of all Bank 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 Bank Bonds if such Bank Bonds were not Bank Bonds). In connection with each remarketing of Bank Bonds by the Remarketing Agent:

(i) The Tender Agent shall (A) provide to the Commission, the Bank, 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 Bank, by wire transfer of immediately available funds, the proceeds of such remarketing;

(ii) The Commission shall (A) in consultation with the Bank, calculate the amounts payable to the Bank pursuant to the applicable Letter of Credit 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 Bank, or direct the Trustee to withdraw from the Debt Service Fund and pay to the Bank, 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 Bank on the date of such remarketing, equals the Remarketing Payment Amount;

(iii) The Bank shall confirm the receipt by the Bank of the Remarketing Payment Amount, the reinstatement of the applicable Letter of Credit in respect of such Bank Bonds and the authorization of the Bank to release such Bank Bonds; and

(iv) After, and only after, receipt by the Tender Agent of confirmation by the Bank of the reinstatement of the applicable Letter of Credit to cover such Bank Bonds following remarketing thereof and authorization by the Bank 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 Second Series Bonds, cause the ownership interest in such Bank 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 Second Series Bonds, cause the Trustee to authenticate other Second Series Bonds in lieu of such Bank Bonds and to deliver the same to or upon the instruction of the Remarketing Agent.

(d) The Remarketing Agent shall offer for sale and use its best efforts to arrange for the sale and remarketing of (i) all Second Series 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 3.03(c)(ii)), and (ii) all Second Series Bonds that are purchased by the Commission pursuant to the applicable Letter of Credit and not surrendered by the Commission for cancellation.

## **ARTICLE 7 – DELIVERY OF PURCHASED SECOND SERIES BONDS**

### **7.01 Purchase Transfers.**

(a) Upon application of the moneys described in Section 3.03(d)(i) to the purchase of Second Series Bonds on a Purchase Date pursuant to Section 3.03(d)(i) (and/or to the transfer thereof to the Undelivered Bond Payment Account on a Purchase Date pursuant to Section 3.03(e)), the Tender Agent shall cause the Trustee to register the transfer of Second Series 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 Second Series Bonds available for delivery against payment therefor.

(b) Upon application of the moneys described in Section 3.03(d)(ii) to the purchase of Second Series Bonds on a Purchase Date pursuant to Section 3.03(d)(ii) (and/or to the transfer thereof to the Undelivered Bond Payment Account on a Purchase Date pursuant to Section 3.03(e)), (i) the Second Series Bonds purchased (or, in the case of such transfer, provided to be purchased) with such moneys shall constitute Bank Bonds (unless and until such Second Series Bonds cease to be Bank 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 Second Series Bonds, the ownership interest in such Bank 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 Bank Bonds by the Bank, and (iii) if a book-entry system is not in effect with the Securities Depository with respect to the Second Series Bonds, such Second Series 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 Bank, or any nominee of the Bank, and delivered by the Trustee to the Tender Agent and held by the Tender Agent as the custodian of the Bank. The Tender Agent shall release and redeliver or transfer Bank Bonds (being remarketed by the Remarketing Agent) as provided in Section 6.07. Any other disposition of Bank Bonds shall be made only at the written direction or with the prior written consent of the Bank.

(c) Upon the application of moneys described in Section 3.03(d)(iii) to the purchase of Bonds on a Purchase Date pursuant to Section 3.03(d)(iii) (and/or to the transfer thereof to the Undelivered Bond Payment Account on a Purchase Date pursuant to Section 3.03(e)), the Second Series 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 6.07.

(d) Prior to the Expiration Date, the Trustee shall notify the Bank of the aggregate principal amount of Second Series Bonds so canceled and shall submit to the Bank such documents, if any, as are required in accordance with the terms of the applicable Letter of Credit to cause the amounts available under the applicable Letter of Credit to be reduced in respect of such Second Series Bonds so canceled.

## ARTICLE 8 – LETTER OF CREDIT

### 8.01 Letter of Credit Requests.

(a) During any time that Second Series Bonds are Daily Rate Bonds, Weekly Rate Bonds, Monthly Rate Bonds or Short-Term Rate Bonds, the Trustee shall make Letter of Credit Requests in accordance with Section 3.02(c) (in connection with the payment of interest on a Second Series Bond on an Interest Payment Date), Section 3.03(c) (in connection with a payment of the Purchase Price of a Second Series Bond on a Purchase Date) and Section 4.01(f) (in connection with a payment of principal and accrued but unpaid interest on a Second Series Bond on a maturity date, optional redemption date or Acceleration Date), as applicable. The Trustee shall not terminate or reduce the amounts available under the applicable Letter of Credit except by reason of the redemption, cancellation and/or defeasance of Second Series Bonds, or unless the Commission has properly furnished a Substitute Letter of Credit, as provided in Section 8.02.

(b) The Commission shall maintain an applicable Letter of Credit in effect in accordance with Section 8.02(a) at all times it is required to do so.

(c) The Commission may furnish a Substitute Letter of Credit in substitution for the then existing applicable Letter of Credit upon satisfaction of the conditions set forth in Section 8.02. The Trustee shall give notice to the Owners of the Second Series 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 Letter of Credit for the applicable Letter of Credit then in effect and the related Substitution Date (stating the issuer or issuers and the term of such Substitute Letter of Credit) at least 10 days prior to such Substitution Date. Such notice shall also constitute the notice of mandatory tender of the Second Series Bonds on the related Substitution Date; provided, however, that in addition to the information required by Section 5.03(d), such notice shall state that such mandatory tender of the Second Series Bonds will not occur if, on or prior to the proposed Substitution Date, (i) the Tender Agent does not receive such Substitute Letter of Credit, together with the supporting substitution documents, in which event such Substitute Letter of Credit 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 Second Series 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 or long-term rating then assigned by such Rating Agency to the Second Series Bonds.

If, by reason of the conditions to such mandatory tender of the Second Series Bonds (as stated in such notice), there is no mandatory tender of the Second Series 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 Second Series 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 Second Series Bonds tendered to the Tender Agent in connection with such mandatory tender of the Second Series Bonds.

(d) No Letter of Credit is required if the requirements of Section 8.02 are met for the expiration of any Letter of Credit without substitution of a Substitute Letter of Credit.

#### **8.02 Substitute Letter of Credit.**

(a) During any time that Second Series Bonds are Daily Rate Bonds, Weekly Rate Bonds, Monthly Rate Bonds or Short-Term Rate Bonds, the Commission shall maintain a Letter of Credit under which the Bank is required to purchase or provide funds for the purchase of the Second Series Bonds tendered for purchase in accordance with this Supplemental Indenture. The Letter of Credit shall be issued by a Qualified Financial Institution in an amount equal to the aggregate principal amount of all Outstanding Second Series Bonds, plus an amount equal to at least 52 days interest (270 days interest if the Second Series Bonds are Short-Term Rate Bonds) on all Second Series Bonds Outstanding at the Maximum Rate (other than Bank Bonds) under which the Qualified Financial Institution is required to purchase Second Series Bonds tendered for purchase in accordance with this Supplemental Indenture. The Commission will not voluntarily terminate the applicable Letter of Credit while Second Series Bonds are Daily Rate Bonds, Weekly Rate Bonds, Monthly Rate Bonds or Short-Term Rate Bonds without at least 60 days prior written notice to the Trustee and without providing for a Substitute Letter of Credit prior to the effective date of such termination. A Letter of Credit shall not be surrendered and shall not terminate until the applicable tender draw is honored by the provider of the Letter of Credit on the mandatory tender on the Substitution Date.

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

(i) The principal amount of the Substitute Letter of Credit must be not less than that required by Section 8.02(a) and the terms of the Substitute Letter of Credit regarding the purchase, holding and sale of Second Series Bonds thereunder must be in all material respects the same as those of the existing applicable Letter of Credit.

(ii) The term of the Substitute Letter of Credit must be at least 52 days (270 days if the Second Series Bonds are Short-Term Rate Bonds).

(iii) On or prior to the effective date of an applicable Letter of Credit, the Commission shall furnish to the Trustee: (A) an opinion of Counsel acceptable to the Trustee to the effect that the applicable Letter of Credit has been duly authorized, executed and delivered by the Bank and is a valid and binding obligation of the Bank 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 Second Series 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 from qualification under the Trust Indenture Act of 1939, as amended, shall not be impaired by such Substitute Letter of Credit or that the applicable Letter of Credit registration or

qualification requirements of such acts have been satisfied; and (B) if such Second Series Bonds are then rated, notice from the Rating Agency to the effect that such Rating Agency has reviewed the proposed Substitute Letter of Credit and the provision of such Substitute Letter of Credit will not, by itself, result in (1) a permanent withdrawal of the rating on the Second Series Bonds or (2) a reduction in the then current rating on the Second Series Bonds.

(iv) The Commission shall cause to be delivered to the Trustee not less than 30 days prior to the Expiration Date of an existing Letter of Credit a commitment by the Bank that will issue the Substitute Letter of Credit. If the effective date of any Substitute Letter of Credit is less than 15 days prior to the Expiration Date for the existing Letter of Credit, the Commission shall provide the Substitute Letter of Credit or an irrevocable commitment therefor together with the opinion described in Section 8.02(b)(iii) not later than 15 days prior to the Expiration Date.

(v) If there are Outstanding any Bank Bonds, the Substitute Letter of Credit must provide for the purchase of those Bank Bonds.

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

### **8.03 Waiver of Bank Defaults.**

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

## **ARTICLE 9 – COVENANTS OF THE COMMISSION**

### **9.01 Payment of Principal of and Interest on Second Series Bonds.**

The Commission shall promptly pay or cause to be paid the principal or redemption price of, and the interest on, every Second Series 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.

### **9.02 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 Second Series Project or the issuance of the Second Series Bonds.

### **9.03 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 Second Series 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.

**9.04 Tax Covenant.**

In furtherance of its covenants in Section 712 of the Restated Indenture, the Commission covenants to comply with each provision of the Code to the extent such compliance is required to maintain the exclusion from gross income of interest on the Second Series Bonds for purposes of federal income taxation.

**9.05 Financing Statements.**

The Commission shall cause financing statements relating to this Supplemental Indenture 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 Second Series 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 Second Series 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 Second Series 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 Second Series 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 10 – DEFEASANCE**

**10.01 Defeasance of Second Series Bonds; Rating Agency Confirmation.**

Article XI of the Restated Indenture shall apply with respect to any defeasance of Second Series Bonds. In addition, prior to defeasing Second Series Bonds that are Daily Rate Bonds, Weekly Rate Bonds or Monthly Rate Bonds, the Commission shall deliver to the Trustee written evidence from each Rating Agency then having a rating assigned to the Second Series Bonds that the defeasance of such Second Series Bonds will not, in and of itself, result in a reduction, suspension or withdrawal by such Rating Agency of the short-term rating or long-term rating then assigned by such Rating Agency to the Second Series Bonds.

**ARTICLE 11 – MISCELLANEOUS PROVISIONS**

**11.01 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 Second Series Bonds.

**11.02 Legal, etc. Provisions Disregarded.**

In case any provision in this Supplemental Indenture or the Second Series Bonds shall for any reason be held invalid, illegal or unenforceable in any respect, this Supplemental Indenture shall be construed as if such provision were not included herein.

**11.03 Notices.**

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 Electronic Means, addressed as follows:

If to the Commission:

Pennsylvania Turnpike Commission  
P.O. Box 67676  
Harrisburg, PA 17106-7676  
Attention: Chief Financial Officer  
Telecopier: (717) 986-9754

If to the Trustee:

U.S. Bank National Association  
Two Liberty Place  
50 South 16th Street, Suite 2000  
Mail Station: EX-PA-WBSP  
Philadelphia, PA 19102  
Attention: Corporate Trust Department  
Telecopier: (215) 761-9412

If to the Bank:

TD Bank, N.A.  
2005 Market Street, 2nd Floor  
Philadelphia, PA 19103  
Attention: Mr. Michael Gers  
Telecopier: (215) 995-5401

Any party 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.

**11.04 Modification of Dates and Times.**

Notwithstanding any other provision of this Supplemental Indenture, the dates and times by which notices are to be given and draws, transfers, disbursements and deposits are to be made may be modified upon written approval by the Trustee of a letter of instructions from the Commission, the Bank and the Remarketing Agent setting forth the preferred dates and times and written confirmation from each of the Rating Agencies that have rated the Second Series Bonds that such changes will not affect the rating(s) on the Second Series Bonds.

**11.05 Successors and Assigns.**

All of the covenants, promises and agreements in this Supplemental Indenture 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.

**11.06 Headings for Convenience Only.**

The descriptive headings in this Supplemental Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

**11.07 Counterparts.**

This Supplemental Indenture 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.

**11.08 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 11.03. The debtor is Pennsylvania Turnpike Commission. Its mailing address is set forth in Section 11.03.

**11.09 Applicable Law.**

This Supplemental Indenture and all matters arising out of or relating to this Supplemental Indenture shall be governed by and construed in accordance with the laws of the Commonwealth.

**11.10 Notice to Rating Agency.**

The Trustee shall promptly notify each Rating Agency then rating the Second Series Bonds at the request of the Commission of any material amendment or supplement to the Indenture, this Supplemental Indenture, or any mortgage, deed of trust, security or guaranty securing payments due thereunder; of any change in the Trustee; of any acceleration of the Second Series Bonds; of any mandatory tender; of any conversion of the Second Series Bonds on a Conversion Date; of a defeasance; an extension or substitution of the Letter of Credit; and upon the payment in full of the Second Series Bonds.

**11.11 Confirmation of Restated Indenture.**

Except as amended or supplemented by this Supplemental Indenture, the Restated Indenture is in all respects ratified and confirmed and the said Restated Indenture and this Supplemental Indenture shall be read, taken and construed as one and the same instrument. All of the rights, remedies, terms, conditions, covenants and agreements of the Restated Indenture as amended and supplemented hereby shall apply and remain in full force and effect with respect to this Supplemental Indenture, the Bonds issued under the Indenture and to all additional property assigned and pledged hereunder.

*[Signature Page Follows]*

**IN WITNESS WHEREOF**, Pennsylvania Turnpike Commission has caused this Supplemental Indenture to be executed by its Chief Financial Officer and attested by its Secretary/Treasurer, Assistant Secretary/Assistant Treasurer or other authorized officer, and U.S. Bank National Association, as Trustee, has caused this Supplemental Indenture to be executed by one of its authorized officers and attested by one of its authorized officers all as of the day and year first above written.

ATTEST:

**PENNSYLVANIA TURNPIKE COMMISSION**

By:   
(Asst.) Secretary/  
(Asst.) Treasurer

By:   
Chief Financial Officer

ATTEST:

**U.S. BANK NATIONAL ASSOCIATION,  
as Trustee**

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

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

**IN WITNESS WHEREOF**, Pennsylvania Turnpike Commission has caused this Supplemental Indenture to be executed by its Chief Financial Officer and attested by its Secretary/Treasurer, Assistant Secretary/Assistant Treasurer or other authorized officer, and U.S. Bank National Association, as Trustee, has caused this Supplemental Indenture to be executed by one of its authorized officers and attested by one of its authorized officers all as of the day and year first above written.

ATTEST:

**PENNSYLVANIA TURNPIKE COMMISSION**

By: \_\_\_\_\_  
(Asst.) Secretary/  
(Asst.) Treasurer

By: \_\_\_\_\_  
Chief Financial Officer

ATTEST:

**U.S. BANK NATIONAL ASSOCIATION,  
as Trustee**

By:   
Authorized Officer

By:   
Authorized Officer

EXHIBIT A

FORM OF SECOND SERIES BOND

Unless this Second Series Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Trustee or its agent for registration of transfer, exchange or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R- \_\_\_\_\_

\$139,815,000

PENNSYLVANIA TURNPIKE COMMISSION  
VARIABLE RATE TURNPIKE REVENUE BONDS  
SECOND SERIES OF 2019

SERIES ISSUE DATE

MATURITY DATE

CUSIP

June 4, 2019

December 1, 2038

**REGISTERED OWNER:** Cede & Co.

**PRINCIPAL AMOUNT:** One Hundred Thirty-Nine Million, Eight Hundred Fifteen Thousand Dollars

**INTEREST RATE IN INITIAL PERIOD:** \_\_\_\_\_

**INTEREST PAYMENT DATES IN INITIAL PERIOD:** First Business Day of Each Month, Commencing July 1, 2019

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, Philadelphia, Pennsylvania, as Trustee (the "Trustee") under an Amended and Restated Trust Indenture, dated as of March 1, 2001, between the Commission and the Trustee, as previously amended and supplemented (the "Restated Indenture"), and as further supplemented by a Supplemental Trust Indenture No. 50, dated as of June 1, 2019, between the Commission and the Trustee (the "Supplemental Indenture" 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, as paying agent (the "Paying Agent"), interest on such principal sum from the date described herein until maturity or, if this Bond shall have been duly called for earlier redemption and payment of the redemption price shall have been made or provided for, until the date fixed for redemption hereof, at the interest rate applicable to the Rate Period then in effect, computed as provided in the Indenture and payable on the Interest Payment Dates as provided in the Indenture.



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.

This Bond shall initially be dated June 4, 2019, and thereafter will be dated as of the date of its authentication. This Bond shall bear interest from the most recent Interest Payment Date preceding the date of such Bond to which interest has been paid, unless the date of such Bond is after the Regular Record Date and on or before the succeeding Interest Payment Date, in which event it shall bear interest as of such succeeding Interest Payment Date, or, if dated on or prior to July 1, 2019, in which event it shall bear interest from June 4, 2019.

This Bond is one of a duly authorized issue of bonds of the Commission designated Pennsylvania Turnpike Commission Variable Rate Turnpike Revenue Bonds, Second Series of 2019 (the "Second Series Bonds"), issued in the aggregate principal amount of \$139,815,000 under and pursuant to an Act of the General Assembly of Pennsylvania approved on July 18, 2007, P. L. 169, No. 44 ("Act 44"), as amended and supplemented by an Act of the General Assembly approved November 25, 2013, P.L. 974, No. 89 ("Act 89") and various Acts of the General Assembly approved on several dates, including the Act of May 21, 1937, P. L. 774; the Act of May 24, 1945, P. L. 972; the Act of February 26, 1947, P. L. 17; the Act of May 23, 1951, P. L. 335; the Act of August 14, 1951, P. L. 1232; the Act of September 30, 1985, P. L. 240, No. 61 ("Act 61"), to the extent not repealed by Act 44 (collectively, 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 consisting of financing: (a) the costs of the current refunding and redemption of all of the Commission's outstanding Variable Rate Turnpike Revenue Bonds, Series B of 2013; (b) the costs of the current refunding and redemption of all of the Commission's outstanding Variable Rate Turnpike Revenue Bonds, Series B-1 of 2014; and (c) the payment of the costs of issuing the Second Series Bonds. The Second Series Bonds are issued in registered form in Authorized Denominations (as defined in the Supplemental Indenture). The Second Series Bonds are multi-modal bonds subject to the provisions set forth in the Supplemental Indenture.

An executed counterpart of the Indenture 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 Second Series Bonds, the collection and disposition of Revenues, the funds charged with and pledged to the payment of the interest on, the principal of and the premium, if any, on the Second Series Bonds, the nature and extent of the security, the terms and conditions on which the Second Series Bonds are issued, the rights, duties and obligations of the Commission, the Paying Agent and the Trustee and the rights of the Owners of the Second Series Bonds. By the acceptance of this Bond, the registered owner hereof and, if a book-entry system is being used for the Second Series Bonds, any participant in the registered owner and any person claiming a beneficial interest under or through such registered owner or participant assents to all of the provisions of the Indenture. Unless the context clearly requires otherwise, capitalized terms used in this Bond and not expressly defined in this Bond shall have the respective meanings given to those terms in, or by reference in, the Supplemental Indenture.

THE SECOND SERIES BONDS ARE LIMITED OBLIGATIONS OF THE COMMISSION AND SHALL NOT BE DEEMED TO BE DEBT OF THE COMMONWEALTH. THE SECOND SERIES BONDS SHALL BE PAYABLE SOLELY FROM THE REVENUES (AS DEFINED IN THE INDENTURE) OF THE COMMISSION PLEDGED FOR THAT PURPOSE. THE FAITH AND CREDIT OF THE COMMONWEALTH ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OR REDEMPTION PRICE HEREOF OR THE INTEREST HEREON, 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 SECOND SERIES BONDS.

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

Except as otherwise provided in the Indenture, the Second Series Bonds are equally and ratably secured, together with all other bonds issued or to be issued in the future pursuant to the Indenture (collectively, the "Bonds") 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, 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 does 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 will be equally and ratably secured under the Indenture with the Second Series Bonds and all other Bonds issued and outstanding under the Indenture.

The Commission is required to fix and charge tolls for the use of the Pennsylvania Turnpike System and to adjust such tolls from time to time as may be necessary in order that such tolls and other Revenues will be sufficient to pay the cost of maintaining, repairing and operating the same, to pay the principal of and interest on the Second Series Bonds and all other Bonds, and to create reserves for such purposes, all in the manner provided in the Indenture.

This Bond will be transferred or exchanged for an equal aggregate principal amount of Second Series Bonds of similar term and tenor in any Authorized Denomination, only by presentation and surrender of this Bond to the designated office of the Trustee, as bond registrar ("Bond Registrar") in Philadelphia, Pennsylvania, together with an assignment duly executed by the Owner hereof or by his attorney-in-fact or legal representative. As a precondition to the transfer of this Bond, the Commission or the Trustee may charge the Owner hereof for any tax, fee or governmental charge required to be paid with respect to such transfer.

The Second Series Bonds are subject to optional tender and mandatory tender and are subject to optional redemption prior to maturity all as set forth in the Indenture.

Notice of redemption will be provided as set forth in the Indenture. A redemption 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; and/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 Official to the Trustee instructing the Trustee to rescind the redemption notice (in either case, a "Conditional Redemption"), and such notice and redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described below.

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 Second Series 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.

Second Series Bonds shall be redeemed only in Authorized Denominations. Any Second Series Bonds subject to partial optional redemption shall be redeemed in any principal amount within a maturity as designated by the Commission. The particular Second Series Bonds within a maturity to be redeemed

shall be determined by the Trustee by lot or by such other method as the Trustee deems fair and appropriate.

The Owner of this Second Series 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 Second Series 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 a majority in principal amount of the Bonds then Outstanding under the Indenture and upon receipt of satisfactory indemnity as provided in the Indenture.

The Owner of this Second Series 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 Second Series Bond and the execution of the Indenture, and the Supplemental Indenture have happened, exist and have been performed as so required.

THIS SECOND SERIES BOND IS A LIMITED OBLIGATION OF THE COMMISSION AND IS PAYABLE SOLELY FROM THE SOURCES REFERRED TO HEREIN. NEITHER THE GENERAL CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED FOR THE PAYMENT OF THIS SECOND SERIES BOND. THIS SECOND SERIES BOND SHALL NOT BE OR BE DEEMED AN OBLIGATION OF THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF. THE COMMISSION HAS NO TAXING POWER.

No recourse shall be had for the payment of the principal or redemption price of, or interest on, this Second Series Bond, or for any claim based hereon or on the Indenture, against any member, director, officer or employee, past, present or future, of the Commission or of any successor body, as such, either directly or through the Commission or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise.

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.

[SIGNATURE PAGE AND CERTIFICATE OF AUTHENTICATION FOLLOW]

**IN WITNESS WHEREOF**, the Commission has caused this Second Series Bond to be executed in its name by the Chair or Vice Chair (in the absence of the Chair) of the Commission and the official seal of the Commission to be affixed, imprinted, lithographed or reproduced hereon and attested by the Secretary/Treasurer, or Assistant Secretary/Assistant Treasurer.

Attest:

**PENNSYLVANIA TURNPIKE  
COMMISSION**

\_\_\_\_\_  
(Assistant) Secretary/(Assistant) Treasurer

\_\_\_\_\_  
Chair, Pennsylvania Turnpike Commission

[Commission Seal]

**CERTIFICATE OF AUTHENTICATION**

This Second Series Bond is one of the Second Series Bonds described in the within-mentioned Indenture. Printed hereon or attached hereto is the complete text of the opinion of McNees Wallace & Nurick LLC, Harrisburg Pennsylvania, Bond Counsel, dated the date of initial delivery of and payment for the Second Series Bonds, a signed original of which is on file with the Trustee and the Bond Registrar.

**U.S. BANK NATIONAL ASSOCIATION,**  
Authenticating Agent

By: \_\_\_\_\_  
Authorized Signature

Date of Authentication: \_\_\_\_\_

**ABBREVIATIONS**

The following abbreviations, when used in this Second Series Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM	as tenants in common
TEN ENT	as tenants by the entireties
JT TEN	as joint tenants with the right of survivorship and not as tenants in common

UNIFORM TRANS MIN ACT \_\_\_\_\_ Custodian \_\_\_\_\_  
 (Cust) (Minor)  
 under Uniform Transfers to Minors  
 Act \_\_\_\_\_  
 (State)

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

**ASSIGNMENT**

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Second Series Bond and all rights thereunder, and hereby irrevocably constitutes and appoints, \_\_\_\_\_ attorney to transfer the said Second Series 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.