

FIRST SUPPLEMENTAL TRUST INDENTURE
 by and among
 PENNSYLVANIA TURNPIKE COMMISSION
 and
 NATIONAL CITY BANK OF PENNSYLVANIA, as Trustee
 And
 MANUFACTURERS AND TRADERS TRUST COMPANY, as Paying Agent
 Dated as of August 1, 2003
 Securing
 PENNSYLVANIA TURNPIKE COMMISSION
 OIL FRANCHISE TAX SENIOR REVENUE BONDS
 SERIES A OF 2003
 AND
 OIL FRANCHISE TAX SUBORDINATED REVENUE BONDS
 SERIES B OF 2003

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TABLE OF CONTENTS

ARTICLE I DEFINITIONS

..... 3

1.1 Additional Definitions

..... 3

1.2 Miscellaneous Definitions

..... 7

ARTICLE II THE SERIES 2003 BONDS

..... 8

2.1 Authorization of Bonds and Conditions Precedent to Delivery of Series 2003 Bonds

..... 8

2.2 Authorization of Series 2003 Bonds

..... 9

2.3 Book Entry Bonds

..... 12

ARTICLE III DISPOSITION OF PROCEEDS; CREATION OF FUNDS AND

ACCOUNTS 15

3.1 Clearing Fund

..... 15

3.2 2003 Construction Account

..... 15

3.3 2003 Construction Account: Separate Accounts

..... 15

3.4 Items of Cost of Projects

..... 16

3.5 Payments From 2003 Construction Account

..... 16

3.6 Senior Bonds Debt Service Fund

3.7 Senior Bonds Sinking Fund

..... 17

3.8 Subordinated Bonds Debt Service Fund	18
3.9 Subordinated Bonds Sinking Fund	19
3.10 Subordinated Bonds Debt Service Reserve Fund	20
3.11 Series 2003 Rebate Fund	22
3.12 Investment of Funds	22
ARTICLE IV REDEMPTION OF SERIES 2003 BONDS	23
ARTICLE V COVENANTS OF THE COMMISSION	24
5.1 Payment of Principal of and Interest on Series 2003 Bonds	24
5.2 Corporate Existence; Compliance with Laws	24
5.3 Further Assurances	24
5.4 Bonds Notto Become Arbitrage Bonds	24
5.5 Financing Statements	24
ARTICLE VI PROVISIONS RELATING TO THE SERIES 2003 INSURANCE POLICY	26
6.1 Series 2003 Bond Insurer Provisions	26
6.2 Bond Insurer as Owner	29
ARTICLE VII DEFEASANCE	30
ARTICLE VIII AMENDMENTS TO ORIGINAL INDENTURE PURSUANT TO SECTION 1101 OF THE ORIGINAL INDENTURE	31
8.2 1998 Bond Insurer Consent	31
8.3 Amendments	31
ARTICLE IX MISCELLANEOUS PROVISIONS	43
9.1 Subordination	43
9.2 Successorship of Commission	44

9.3 Successorship of Paying Agent 44
730144_4.DOC
9.4 Manner of Giving Notice, etc 44
9.5 Parties and Bondholders Alone Have Rights Under Indenture;_Bond Insurer as Third-Party Beneficiary
. 45
9.6 Credit of Commission and of Commonwealth Not Pledged
[..... 45
9.7 Effect of Partial Invalidity 45
9.8 Effect of Covenants, Governing Law, etc 45
9.9 Multiple Counterparts 46
9.10 Headings, etc., Not Part of First Supplemental Indenture 46

EXHIBIT A Form of 2003 Series A Senior Bond
EXHIBIT B Form of 2003 Series B Subordinate Bond
EXHIBIT C Pennsylvania Turnpike Commission Oil Franchise Tax Revenue Bonds Construction Fund Requisition
EXHIBIT D Pennsylvania Turnpike Commission Oil Franchise Tax Revenue Bonds Oil Franchise Tax General Fund Requisition
730144_4.DOC

This FIRST SUPPLEMENTAL TRUST INDENTURE (this "First Supplemental Indenture") is dated as of August 1, 2003, by and among PENNSYLVANIA TURNPIKE COMMISSION (the "Commission"), an instrumentality of the Commonwealth of Pennsylvania,
NATIONAL CITY BANK OF PENNSYLVANIA, as Trustee (the "Trustee"), a national banking association organized and existing under the laws of the United States of America and
Manufacturers and Traders Trust Company, as Paying Agent (the "Paying Agent") a New York state banking corporation.

RECITALS:
WHEREAS, by an Act of the General Assembly of Pennsylvania approved May 21, 1937, P.L. 774, Act 211, and certain acts subsequent thereto, the Commission was created
and constituted an instrumentality of the Commonwealth, and by virtue of said Act, as amended
by Acts approved on various dates, including May 24, 1945, P.L. 972, and February 26, 1947,

P.L. 17, and said Acts approved May 23, 1951, P.L. 335, August 14, 1951, P.L. 1232, September 30, 1985, P.L. 240 (Act No. 1985-61), August 5, 1991, P.L. 238 (Act No. 1991-26), April 16, 1992 (Act No. 1992-31) and November 24, 1992, P.L. 725 (said Acts being hereinafter sometimes collectively called the "Enabling Acts"), the Commission is authorized to construct, operate and maintain a turnpike system and to issue bonds payable solely from the revenues of the Commission, including tolls, or from such funds as may be available to the Commission for that purpose;

WHEREAS, the Commonwealth imposes an "oil company franchise tax for highway maintenance and construction" pursuant to 75 Pa. C.S.A. Chap. 95 (the "Oil Franchise Tax"), which is collected by the Department of Revenue of the Commonwealth, deposited in its Motor License Fund and appropriated monthly therefrom pursuant to such statute, with the Commission receiving a portion of the proceeds deposited in the Motor License Fund (the portion of the Oil Franchise Tax appropriated to the Commission is referred to as the "Commission Allocation");

WHEREAS, pursuant to 75 Pa. C.S.A. § 951 l(h), the Commonwealth has pledged to any person, firm or corporation acquiring any bonds to be issued by the Commission and secured in whole or in part by a pledge of the portion of such Oil Franchise Tax received by the Commission that "the Commonwealth will not limit or alter the rights vested in the Pennsylvania Turnpike Commission to the appropriation and distribution of such tax revenues";

and

WHEREAS, the Commission previously issued Three Hundred Ten Million Four Hundred Seventy-Five Thousand Dollars (\$310,475,000) in aggregate principal amount of its Oil Franchise Tax Senior Revenue Bonds, Series A of 1998 and Two Hundred Twenty-Eight Million Four Hundred Five Thousand Dollars (\$228,405,000) in aggregate principal amount of its Oil Franchise Tax Subordinated Revenue Bonds, Series B of 1998 (hereinafter the "1998 Series A Senior Bonds" and the "1998 Series B Subordinated Bonds", respectively, and, collectively, the "Series 1998 Bonds"); and

730144_4.DOC

WHEREAS, the Series 1998 Bonds were issued under a Trust Indenture dated as

of August 1, 1998 (the "Original Indenture"), by and between the Commission and the Trustee;
and

WHEREAS, the Original Indenture provides that it may be amended (i) without the consent of the Bondholders through the execution of a Supplemental Indenture for purposes, among others, of issuing Additional Bonds, and (ii) with the consent of a majority of the Bondholders through the execution of a Supplemental Indenture for purposes, among others, of making certain of the amendments as listed in Article VIII herein; and

WHEREAS, the Commission has by resolution, under the provisions of Section 209 of the Original Indenture, duly authorized the issuance of Additional Bonds pursuant to this

First Supplemental Indenture (the *Original Indenture*, as amended and supplemented by this First

Supplemental Indenture, is referred to hereinafter as the "Indenture"); and

WHEREAS, the Commission has designated the Additional Bonds to be issued pursuant to the Indenture and this First Supplemental Indenture the (i) Pennsylvania Turnpike

Commission Oil Franchise Tax Senior Revenue Bonds, Series A of 2003 issued in the aggregate

principal amount of \$124,730,000 (hereinafter the "2003 Series A Senior Bonds") and (ii) Pennsylvania Turnpike Commission Oil Franchise Tax Subordinated Revenue Bonds, Series B

of 2003 issued in the aggregate principal amount of \$197,955,000 (hereinafter the "2003 Series

B Subordinated Bonds" and, together with the 2003 Series A Senior Bonds, the "Series 2003

Bonds"); and

WHEREAS, the proceeds of the 2003 Series A Senior Bonds will be used to

(i) finance such capital expenditures permitted by the Enabling Acts as the Commission shall

determine, and (ii) pay a portion of the costs of issuance of the 2003 Series A Senior Bonds (the

"2003 Series A Project"). The proceeds of the 2003 Series B Subordinated Bonds will be used to

(i) finance such capital expenditures permitted by the Enabling Acts as the Commission shall

determine, (ii) fund the Subordinated Bonds Debt Service Reserve Fund and (iii) pay a portion of

the costs of issuance of the 2003 Series B Subordinated Bonds (the "2003 Series B Project" and,

together with the 2003 Series A Project, the "Project"); and;

WHEREAS, the Series 2003 Bonds will be secured by two separate financial

guaranty insurance policies, one such policy insuring the 2003 Series A Senior Bonds (the "2003

Series A Policy") and the other such policy insuring the 2003 Series B Subordinate Bonds (the "2003 Series B Policy" and together with the 2003 Series A Policy, the "Series 2003 Insurance Policies") issued by MBIA Insurance Corporation (the "Series 2003 Bond Insurer") that guarantees payment of principal and interest on the Series 2003 Bonds; and WHEREAS, all things necessary to make the Series 2003 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 the creation, execution and delivery of this First Supplemental Indenture, and the creation, execution and issuance of the Series 2003 Bonds, subject to the terms hereof, have in all respect been duly authorized;

-2-

730144_4.DOC

NOW, THEREFORE, THIS INDENTURE WITNESSETH, in addition to the granting clauses set forth in the Original Indenture, and as from time to time further amended and supplemented, and in consideration of the premises, of the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Series 2003 Bonds by the holders thereof, and for the purpose of fixing and declaring the terms and conditions upon which the Series 2003 Bonds are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become holders thereof, and in order to secure the payment of all the Series 2003 Bonds at any time issued and outstanding hereunder and the interest thereon according to their tenor, purport and effect, and in order to secure the performance and observance of all of the covenants, agreements and conditions therein and herein contained, the Commission does hereby sell, assign, transfer, set over and grant a security interest in and pledge unto the Trustee the following (as revised pursuant to Section 8.2(a) herein): (i) all Tax Revenues, (ii) the Commission's right to receive the Commission Allocation and any portion of the Commission Allocation actually received by the Commission, (iii) all moneys deposited into accounts or funds created by this Indenture (other than the Rebate Fund), (iv) all Swap Receipts and (v) all investment earnings on all monies held in accounts and funds

established by this Indenture (other than the Rebate Fund) (all of these items shall collectively be known as the "Trust Estate") as security for the payment of the Bonds and the interest thereon and as security for the satisfaction of any other obligation assumed by it in connection with the Bonds, including any Parity Swap Agreements, Reimbursement Obligations and amounts due under the Insurance Agreement, and it is mutually agreed and covenanted by and between the parties hereto for the equal and proportionate benefit and security of all and singular, the present and future holders of the Bonds issued and to be issued under this Indenture, without preference, priority or distinction as to lien or otherwise, except as otherwise provided herein or in any Supplemental Indenture, of any one Bond over any other Bond by reason of priority in the issuance, sale or negotiation thereof or otherwise except as otherwise provided herein, as follows:

ARTICLE I
DEFINITIONS

1.1 Additional Definitions.

All terms used as defined terms in the Original Indenture are used with the same meanings herein (including the use thereof in the recitals and granting clause hereof) unless expressly given a different meaning herein or unless the context clearly otherwise requires. All terms used herein which are defined in the recitals hereto shall have the meanings given to the same therein unless the context clearly otherwise requires and, in addition, the following terms shall have the meanings specified below:

"*Authenticating Agent*" shall mean the Person or Persons designated and authorized to authenticate any series of Bonds or such Person designated by the Authenticating Agent to serve

such function, and shall initially be the Trustee with respect to the Series 2003 Bonds.

"*Authorized Denominations*" shall mean, with respect to the Series 2003 Bonds, Five Thousand Dollars (\$5,000) or any multiple thereof, and with respect to any Additional Bonds

-3-

730144_4.DOC

issued under a Supplemental Indenture, those denominations specified in such Supplemental Indenture.

"Bond" shall mean any Series 2003 Bond.

"Bond Owner", "holder", "owner" or "registered owner" shall mean the person in whose name a Bond is registered on the books maintained by the Bond Registrar except as otherwise

provided in Section 1411 of the Original Indenture.

"Bond Registrar" shall mean, with respect to the Series 2003 Bonds, that Person which maintains the bond register or such other entity designated by the Bond Registrar to serve such

function, and shall initially be the Trustee with respect to the Series 2003 Bonds.

"Business Day" means, with respect to the Series 2003 Bonds, any day other than (i) a Saturday or Sunday, (ii) a day on which banking institutions in Pittsburgh, Pennsylvania or in

any other city in which the Office of the Trustee or the Paying Agent is located are required or

authorized by law (including executive order) to close or on which the Office of the Trustee or

the Paying Agent is closed for reasons not related to financial condition or (iii) a day on which

the New York Stock Exchange is closed.

"Clearing Fund" shall mean the special fund created by Section 401 of the Original Indenture and Section 3.1 of this First Supplemental Indenture.

"Code" shall mean the Internal Revenue Code of 1986, as the same may be amended.

"Cost," as applied to any Project financed under the provisions of this First Supplemental Indenture, shall include, without intending thereby to limit or restrict any proper definition of

such word under the provisions of the act authorizing such Project, all obligations and expenses

and all items of cost which are set forth in Section 404 of the Original Indenture.

"DTC" means The Depository Trust Company (a limited purpose trust company), New York, New York.

"Enabling Acts" shall have the meaning set forth in the recitals hereto.

"Event of Default" shall mean those events specified in Section 801 of the Original Indenture.

"Fiscal Year" shall mean the period commencing on the first day of June and ending on the last day of May of the following year.

"Indenture" means the Original Indenture as amended and supplemented by this First Supplemental Indenture and as further amended or supplemented at the time in question.

"Insurance Agreement" means the Insurance and Reimbursement Agreement dated as of the date hereof between the Series 2003 Bond Insurer and the Commission.

-4-

730144 4.DOC

"Insured Swap Payments" means any regularly scheduled payments and Insured Termination Payments due from the Commission under a Parity Swap Agreement.

"Insured Termination Payments" means the termination payments due from the Commission under a Parity Swap Agreement which have been insured by the Series 2003 Bond

Insurer.

"Interest Payment Date" shall mean, with respect to the Series 2003 Bonds, June 1 and December 1 of each year.

"Maximum Principal and Interest Requirements" shall mean, as to any Bonds under consideration, the maximum Principal and Interest Requirements for any succeeding Fiscal Year

on account of the Bonds in question.

"Oil Franchise Tax" shall have the meaning set forth in the recitals hereto.

"Oil Franchise Tax General Fund" shall mean the special fund created by the provisions of Section 508 of the Original Indenture.

"Parity Swap Agreement" shall mean an interest rate swap agreement or other agreement of a type described in Section 214 of the Original Indenture which satisfies (a) the requirements

established in Section 214 of the Original Indenture and (b) which qualifies as a

"Qualified

Derivative Agreement" under the Insurance Agreement, in order that Insured Swap Payments

may be secured by the Tax Revenues on parity with the Bonds to which such agreement relates.

"Parity Swap Agreement Counterparty" shall mean the counterparty to a Parity Swap Agreement with the Commission or the Trustee.

"Paying Agent" shall mean, with respect to the Series 2003 Bonds, initially the Manufacturers and Traders Trust Company, a New York state banking association.

"Pennsylvania Turnpike System" shall mean the turnpike system of the Commission, all extensions and improvements thereto and any additional projects which may be financed under

the provisions of the Enabling Acts.

"Permitted Investments" shall have the meaning set forth in Section 8.3 hereof.

"Project" shall mean the 2003 Series A Project and the 2003 Series B Project and any additional projects or refundings which are authorized by the Enabling Acts or which may be

hereafter authorized by law and which are financed in whole or in part out of the proceeds of

Series 2003 Bonds issued under this First Supplemental Indenture.

"Regular Record Date" shall mean for the Series 2003 Bonds, the fifteenth day of the immediately preceding month in which interest is to be paid. However, in each case, if the date

specified above is not a Business Day, then the Regular Record Date shall be the Business Day

next preceding the date specified above.

-5-

730144_4.DOC

"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.

"Revenue Fund" shall mean the special fund created by the provisions of Section 502 of the Original Indenture.

"Senior Bonds" shall mean the 2003 Series A Senior Bonds which shall provide that such Senior Bonds are senior in right of payment and security to the Subordinated Bonds.

"Senior Bonds Debt Service Fund" shall mean the special fund created by Section 503 of the, Original Indenture.

"Senior Bonds Sinking Fund" shall mean the special fund created by Section 504 of the Original Indenture.

"Series 2003 Bond Insurance Policies" shall mean the financial guaranty insurance policies issued by the Series 2003 Bond Insurer insuring the payment when due of the principal

of and interest on the Series 2003 Bonds as provided therein.

"Series 2003 Bond Insurer" shall mean MBIA Insurance Corporation, a New York stock insurance corporation.

"2003 Series A Project" shall have the meaning set forth in the recitals hereto.

"2003 Series B Project" shall have the meaning set forth in the recitals hereto.

"Series 2003 Rebate Fund" shall mean the fund so established pursuant to Section 3.11 of this First Supplemental Indenture.

"Series Issue Date" means, with respect to the Series 2003 Bonds, August 14, 2003, the date of original issuance of the Series 2003 Bonds.

"Sinking Fund" shall mean the Senior Bonds Sinking Fund and the Subordinated Bonds Sinking Fund.

"Special Record Date" shall mean that date eight days immediately preceding the date established by the Trustee for the payment of interest on the Series 2003 Bonds not paid on a

regularly scheduled Interest Payment Date.

"State" means the Commonwealth of Pennsylvania.

"Subordinated Bonds" shall mean the 2003 Series B Subordinated Bonds which shall provide that such Subordinated Bonds are junior in right of payment and security to the Senior Bonds.

-6-

730144_4.DOC

"Subordinated Bonds Debt Service Fund" shall mean the Special Fund created by Section 505 of the Original Indenture.

"Subordinated Bonds Debt Service Reserve Fund" shall mean the special fund created by Section 507 of the Original Indenture.

"Subordinated Bonds Debt Service Reserve Requirement" shall mean that amount equal to one-half of the maximum Principal and Interest Requirements for any succeeding Fiscal Year

on account of the Subordinated Bonds in question.

"Subordinated Bonds Sinking Fund" shall mean the special fund created by Section 506 of the Original Indenture.

"Surety Policy" shall mean a letter of credit, surety bond or an insurance policy to be deposited into the Subordinated Bonds Debt Service Reserve Fund which, so long as the Series

2003 Bond Insurance Policies are in effect, is approved by the Series 2003 Bond Insurer. "Tax Receipts" shall mean the amounts received by the Trustee from the Commonwealth and paid from the Oil Franchise Tax.

"Tax Regulatory Agreement" shall mean the Tax Regulatory Agreement and Non Arbitrage Certificate dated as of August 14, 2003 between the Commission and the Trustee.

"Tax Revenues" shall mean the Tax Receipts or any receipts, revenues and other money received by the Trustee on or after the date of this Indenture from any tax or other source of

funds from the Commonwealth in substitution and/or replacement of the Tax Receipts and the

interest and income earned on any fund or account where said interest or income is required to be

credited to the Revenue Fund pursuant to this Indenture, but excluding any moneys received by

way of grant or contribution from any governmental agency or other entity specifically designated by the grantor or contributor for a particular purpose.

"Trustee" shall mean the Trustee at the time in question, whether original or successor.

1.2 Miscellaneous Definitions. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context

shall otherwise indicate, words in the singular shall include the plural as well as the singular

number, the word "person" shall include corporations and associations, including public bodies,

as well as natural persons, and the word "holder" or "Bondholder" when used herein with respect

to Bonds issued hereunder shall mean the holder or registered owner of Bonds at the time issued

and outstanding hereunder. The word "Indenture" shall include the Original Indenture and the

First Supplemental Indenture.

(End of Article I)

-7-

730144_4.DOC

ARTICLE II

THE SERIES 2003 BONDS

2.1. Authorization of Bonds and Conditions Precedent to Delivery of Series 2003 Bonds.

The Series 2003 Bonds issued under the provisions of this First Supplemental Indenture shall be

authorized by the Commission by appropriate resolution or resolutions. Such Bonds shall be

designated, shall be dated, shall bear interest until paid at or after maturity at such rate or rates

not exceeding the maximum rate provided by law, such interest to the maturity thereof being

payable on the interest dates stated thereon, shall state the maturity date of such Series 2003 Bond, and may be made redeemable at such times and prices (subject to the provisions of Article IV of this First Supplemental Indenture), all as may be provided by the resolution or resolutions authorizing the issuance of such Series 2003 Bonds.

The definitive Series 2003 Bonds shall be executed substantially in the form and manner set forth in Exhibit A and Exhibit B hereto, with such appropriate variations, omissions and insertions as are permitted or required by the Indenture, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to the rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

All Series 2003 Bonds shall be deposited with the Authenticating Agent for authentication, but before such Bonds shall be authenticated by the Authenticating Agent and delivered by the Trustee, there shall be filed with the Trustee the following:

(a) a copy, certified by the Secretary and Treasurer of the Commission of the abovementioned resolution or resolutions adopted by the Commission authorizing the issuance and sale of the Bonds and the designation of any Paying Agents, authorizing the Chairman or any Vice Chairman of the Commission to direct the authentication and delivery of the Series 2003 Bonds, and further authorizing each of the Commission Officials to perform any and all acts and duties required under the Indenture to be performed by such official;

(b) an order, signed by the Chairman or any Vice Chairman or other Commission Official of the Commission (the "Order of the Chairman of the Commission"), directing the authentication and delivery of such Series 2003 Bonds to or upon the order of the purchasers named in the resolution mentioned in item (a) above and which order shall direct, among other things, the application of the proceeds of the Series 2003 Bonds;

(c) an Opinion of Counsel (addressed to the Series 2003 Bond Insurer as well as to the Trustee) to the effect that (i) the Commission has the right and power under the Enabling Acts, as amended to the date of such opinion, to authorize the execution and delivery of this First Supplemental Indenture and the resolutions of the Commission authorizing such Series 2003 Bonds; and this First Supplemental Indenture has been duly and lawfully authorized, executed

and delivered by the Commission, is in full force and effect and is valid and binding upon the Commission and enforceable in accordance with its terms; (ii) this First Supplemental Indenture providing for the issuance of the Series 2003 Bonds creates the valid pledge which it purports to create on and in the Tax Revenues, moneys, securities and funds held or set aside under this First Supplemental Indenture; (iii) the Series 2003 Bonds are valid and binding obligations of the

-8-

730144_4.DOC

Commission as provided in the Original Indenture and this First Supplemental Indenture providing for the issuance thereof, enforceable in accordance with their terms and the terms of the Original Indenture and this First Supplemental Indenture and entitled to the benefits of the Original Indenture and this First Supplemental Indenture and the Enabling Acts; (iv) such Series 2003 Bonds have been duly and validly authorized and issued in accordance with the Enabling Acts, and the Original Indenture and this First Supplemental Indenture; (v) that the Project being financed is one permitted under the Enabling Acts; and (vi) all conditions precedent and concurrent provided for in the Original Indenture and this First Supplemental Indenture relating to the authentication and delivery of the Series 2003 Bonds have been satisfied; (d) the executed original 2003 Series A Policy and the executed original 2003 Series B Policy. (e) such further documents, opinions, moneys and securities as are required by the provisions of the Indenture, including execution and delivery of the Insurance Agreement to the Series 2003 Bond Insurer together with an opinion of counsel to the Commission with respect to the enforceability thereof; and (f) in connection with the issuance of the Series 2003 Senior Bonds, all requirements set forth in Section 209A and Section 210A of the Original Indenture and in connection with the issuance of the Series 2003 Subordinated Bonds, all requirements set forth in Section 209B and Section 210B of the Original Indenture.

When the documents mentioned in the above clauses, together with any documents required by the subsequent sections of this Article under which the Series 2003 Bonds are being issued, shall have been filed with the Trustee and when the Series 2003 Bonds, described in the

resolution or resolutions and order mentioned in clauses (a) and (b) above, shall have been executed and authenticated as required by this First Supplemental Indenture, the *Trustee* shall deliver such *Series 2003 Bonds* at one time to or upon the order of the purchasers named therein, but only upon payment of the purchase price therein set forth. The *Trustee* shall be entitled to rely upon such resolution and order as to the names of the purchasers and the amount of the purchase price.

2.2. Authorization of Series 2003 Bonds.

A. Authorization of 2003 Series A Senior Bonds. There shall be initially issued under and secured by this First Supplemental Indenture Bonds in the aggregate principal amount of One Hundred Twenty Four Million Seven Hundred Thirty Thousand Dollars (\$124,730,000) for the purpose of paying the cost of the 2003 Series A Project. Said Bonds shall be designated "Pennsylvania Turnpike Commission, Oil Franchise Tax Senior Revenue Bonds, Series A of 2003" ("the 2003 Series A Senior Bonds"), shall be dated as of August 1, 2003 and shall be issuable as registered Bonds in denominations of \$5,000 or any multiple thereof. Said Bonds shall mature in the amounts and on the dates, and shall bear interest from August 1, 2003 at the rates per annum, such interest being payable on December 1, 2003 and semiannually thereafter on the first days of June and December in each year until the payment of such principal amounts at or after maturity as follows:

-9-

Maturity Date

(December 1) Principal Amount Interest Rate

2003 \$ 5,640,000 2.500%

2004 3,450,000 3.000%

2005 3,555,000 3.000%

2006 3,665,000 3.000%

2007 3,795,000 4.000%

2008 3,950,000 4.000%

2009 2,250,000 3.250%

2009 1,855,000 4.000%

2010 4,285,000 5.000%

2011 4,505,000 5.000%

2012 4,740,000 5.250%

2013, 4,995,000 5.250%
 2014 5,265,000 5.250%
 2015 5,550,000 5.250%
 2016 5,845,000 5.250%
 2017 6,160,000 5.250%
 2018 6,490,000 5.250%
 2019 6,845,000 5.250%
 2020 7,205,000 5.000%
 2021 7,575,000 5.000%
 2022 7,975,000 5.250%
 2023 8,405,000 5.250%
 2024 10,730,000 5.000%

Before such Bonds shall be authenticated by the Authenticating Agent and delivered by there shall be filed with the Trustee those documents required by Section 207 and Original Indenture and Section 2.1 hereof, including the Order of the Chairman of the setting forth the amount of proceeds to be received by the Commission from the 2003 Series A Senior Bonds, including accrued interest to the extent payable, which separately stated and directing the Trustee to deposit the proceeds of such Bonds accrued interest) to the credit of the Clearing Fund and to make the following and transfers from the Clearing Fund: (i) the amount of accrued interest on the 2003 Bonds, which amount shall be transferred to the Interest Account of the Debt Service the amount to be expended for costs of the 2003 Series A Project, which amount shall transferred to the Construction Fund; and (iii) the amounts to be expended for costs and connection with the issuance of the 2003 Series A Senior Bonds which shall be paid Clearing Fund, including but not limited to the initial and first year's annual Trustee's proceeds (including accrued interest) of the Series 2003 Series A Senior Bonds shall by the Trustee to the credit of the 2003 Series A Account of the Clearing Fund under Section 3.1 of this First Supplemental Indenture pending transfer pursuant to the above.

-10-

Authoriz_ion of 2003 Series B Subordinated Bonds. There shall be initiNly under and secured by this First SupplementN Indenture Bonds in the aggregme principal One Hundred Ninety Seven Million Nine Hundred Fifty Five Thousand Dollars (\$197,955,000) for the purpose of paying the cost of the 2003 Series B Pr_ect. Said Bonds shall designated "Pennsylvania Turnpike Commission, Oil Franchise Tax Subordinated Revenue Series B of 2003" ("the 2003 Series B Subordinated Bonds"), shall be dated as of August shN1 be issuable as _gistered Bonds in denominations of \$5,000 or any multiple Said Bonds shall mmu_ in the amounts and on the dates, and shall bear interest _om 2003 at the rates per annum, such interest being payable on December 1, 2003 and semiannually therea_er on the first days of June and December in each year until the payment of principN amounts at or after maturity as follows:
 Maturity D_e
 (December 1) Principal Amount Interest Rate

2003 \$4,525,000 2.500%
2004 3,095,000 3.000%
2005 3,170,000 2.000%
2006 3,230,000 2.000%
2007 3,300,000 2.375%
2008 3,395,000 2.750%
2009 3,490,000 3.125%
2010 3,605,000 3.500%
2011 3,740,000 3.750%
2012 3,890,000 4.000%
2013 4,050,000 4.000%
2014 4,215,000 4.125%
2015 4,395,000 4.250%
2016 4,610,000 5.250%
2017 4,860,000 5.250%
2018 5,125,000 5.250%
2019 5,400,000 5.250%
2020 5,685,000 5.000%
2021 5,970,000 5.000%
2022 6,290,000 5.250%
2023 6,625,000 5.250%
2024 6,970,000 5.000%
2025 7,460,000 5.000%
2028 20,000,000 5.500%
2031 54,420,000 5.000%
2032 16,420,000 4.750%

-11-

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Before such Bonds shall be authenticated by the Authenticating Agent and delivered by the Trustee, there shall be filed with the Trustee those documents required by Section 207 and

209 of the Original Indenture and Section 2.1 hereof, including the Order of the Chairman of the

Commission setting forth the amount of proceeds to be received by the Commission from the

sale of the 2003 Series B Subordinated Bonds, including accrued interest to the extent payable,

which shall be separately stated and directing the Trustee to deposit the proceeds of such Bonds

(including accrued interest) to the credit of the Clearing Fund and to make the following payments and transfers from the Clearing Fund: (i) the amount of accrued interest on the 2003

Series B Subordinated Bonds, which amount shall be transferred to the Interest Account of the

Debt Service Fund; (ii) the amount to be expended for costs of the 2003 Series B Project, which

amount shall be transferred to the Construction Fund; (iii) the amounts to be expended for costs and expenses in connection with the issuance of the 2003 Series B Subordinated Bonds which shall be paid from the Clearing Fund, including but not limited to the initial and first year's annual Trustee's fees; and (iv) the amount of the Subordinated Bonds Debt Service Reserve Requirement for the 2003 Series B Bonds, which amount shall be transferred to the Subordinated Bonds Debt Service Reserve Fund.

The proceeds (including accrued interest) of such Bonds shall be deposited by the Trustee to the credit of the 2003 Series B Account of the Clearing Fund created under Section 3.1 of this

First Supplemental Indenture pending transfer pursuant to the Order noted above.

2.3 Book Entry Bonds.

(a) Except as provided in subparagraph (c) of this Section, the registered owner of all of the Series 2003 Bonds shall be DTC and the Series 2003 Bonds shall be registered in the name

of Cede & Co., as nominee for DTC. Payment of interest on any Series 2003 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 Interest Payment Date for the Series 2003

Bonds at the address indicated on the Regular Record Date or Special Record Date for Cede &

Co. in the Bond Register kept by the Paying Agent.

(b) The Series 2003 Bonds shall be initially issued in the form of separate single fully registered Series 2003 Bonds, authenticated by the Authenticating Agent in the amount of each

separately stated maturity of the Series 2003 Bonds. Upon initial issuance, the ownership of

such Series 2003 Bonds shall be registered in the registry books of the Commission kept by the

Paying Agent in the name of Cede & Co., as nominee of DTC. The Paying Agent and the Commission shall treat DTC (or its nominee) as the sole and exclusive owner of the Series 2003

Bonds registered in its name for the purposes of payment of the principal or redemption price of

or interest on the Series 2003 Bonds, selecting the Series 2003 Bonds or portions thereof to be

redeemed, giving any notice permitted or required to be given to Bondholders under this Indenture, registering the transfer of Series 2003 Bonds, obtaining any consent or other action to

be taken by Bondholders and for all other purposes whatsoever, and neither the Paying Agent nor the Commission shall be affected by any notice to the contrary. Neither 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 Series 2003 Bonds under or through DTC or any DTC participant, or any other Person which is not shown on the registration books of the Paying Agent as being a Series 2003 Bondholder, with respect to: (i) the accuracy of any records

-12-
730144 4.DOC

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 Series 2003 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 Series 2003 Bonds; or (v) any consent given or other action taken by DTC as holder of the Series 2003 Bonds. The Trustee shall pay all principal of and premium, if any, and interest on the Series 2003 Bonds only to or "upon the order of" (as that term is used in the Uniform Commercial Code as adopted in the Commonwealth of Pennsylvania), 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 Series 2003 Bonds to the extent of the sum or sums so paid. No Person other than DTC shall receive an authenticated Series 2003 Bond for each separately stated maturity evidencing the obligation of the Commission to make payments of principal of and premium, if any, and interest pursuant to this Indenture. Upon delivery by DTC to the Trustee 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 word "Cede & Co." in this 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 of such

determination, that it is in the best interest of the Commission and/or the Beneficial Owners of Series 2003 Bonds that the Beneficial Owners be able to obtain Series 2003 Bond certificates, the Trustee shall notify DTC, whereupon DTC will notify the DTC participants of the availability through DTC of Series 2003 Bond certificates. In such event, the Trustee shall deliver, transfer and exchange Series 2003 Bond certificates as directed by DTC as the Series 2003 Bondholder in appropriate amounts. DTC may determine to discontinue providing its services with respect to the Series 2003 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 Series 2003 Bond certificates as directed by DTC. In the event Series 2003 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 Series 2003 Bonds to any DTC participant having Series 2003 Bonds credited to its DTC account, or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Series 2003 Bonds.

(d) Notwithstanding any other provision of the Indenture to the contrary, so long as any Series 2003 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 Series 2003 Bond and all notices with respect to such Series 2003 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 Series 2003 Bondholders pursuant to the Indenture by the Commission or the Paying Agent with

respect to any consent or other action to be taken by Series 2003 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 Series 2003 Bondholder notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible. Notice to DTC shall be given only when DTC is the sole Series 2003 Bondholder.

(End of Article II)

-14-

730144_4.DOC

ARTICLE III

DISPOSITION OF PROCEEDS; CREATION OF FUNDS AND ACCOUNTS

3.1 Clearing Fund. The Original Indenture created a special fund designated the "Clearing Fund," which is held in trust by the Trustee until applied as hereinafter provided.

Within the Clearing Fund there is hereby established and created the 2003 Account.

There shall

be deposited in the 2003 Account of the Clearing Fund all of the net proceeds of the sale of the

2003 Series Bonds, including accrued interest payable thereon, in accordance with Section 2.2.

The amounts so deposited in the Clearing Fund shall be disbursed or transferred by the Trustee

upon the furnishing of an Order of the Chairman of the Commission as is provided by Section 2.1 hereof. There may be reserved in the Clearing Fund moneys for the payment of any

unpaid items, including a contingency amount therefor, as may be set forth in the aforesaid Order

of the Chairman of the Commission, and payment thereof shall be made by the Trustee upon

receipt of a supplemental Commission Official's Certificate. Upon the sooner of such payments

and transfers finally being accomplished and that date six (6) months after the date of issuance of

the Series 2003, any remaining balance shall be transferred to the 2003 Construction Account.

3.2. 2003 Construction Account. The Original Indenture created a special fund designated the "Oil Franchise Tax Construction Fund" (herein sometimes called the "Construction Fund") and there is hereby established and created the 2003 Construction Account

within the Construction Fund, to the credit of which such deposits shall be made as are required

by the provisions of the Indenture. Any moneys received from any other source for the

construction portion of the Project shall be deposited to the credit of the 2003 Construction Account or to the credit of such other fund (which may or may not be held by the Trustee under this Indenture) as the Commission shall direct. The moneys in the 2003 Construction Account shall be held by the Trustee in trust and shall be applied to the payment of the Costs of the construction portion of the Project.

3.3. 2003 Construction Account: Separate Accounts. Payment of the Costs of the construction portion of the Project shall be made from the 2003 Construction Account. However, funds may, at the written direction of the Commission, be transferred from one such account in the Construction Account to another account in such fund. All payments from the 2003 Construction Account shall be subject to the provisions and restrictions set forth in this Article, and the Commission covenants that it will not cause or permit to be paid from the 2003 Construction Account any sums except in accordance with such provisions and restrictions.

-15-

730144_4.DOC

3.4. Items of Cost of Projects. For the purposes of the Indenture the cost of the construction portion of the Project shall include, without intending thereby to limit or restrict or to extend any proper definition of such cost under the provisions of the Enabling Acts, those items listed in Article IV of the Original Indenture.

3.5. Payments From 2003 Construction Account. Payments from the 2003 Construction Account shall be made in accordance with the provisions of Section 405 and Section 406 of the Original Indenture.

3.6 Senior Bonds Debt Service Fund. The Original Indenture created a special fund designated the "Senior Bonds Debt Service Fund." As revised pursuant to Section 8.2(d), there are three separate accounts in the Senior Bonds-Debt Service Fund known as the "Interest Account," the "Principal Account" and the "Insured Swap Payment Account." All moneys held by the Trustee in the Senior Bonds Debt Service Fund shall be applied in accordance with Section 503 and the other provisions of the Original Indenture and this First Supplemental Indenture:

The Trustee shall withdraw from the Revenue Fund and deposit to the applicable account in the Senior Bonds Debt Service Fund the amounts hereinafter specified which shall be applied by the Trustee for the purposes for which the same shall be deposited:

(1) On or before the last Business Day of each calendar month, an amount

which equals the amount necessary to pay, and for the purpose of paying, one-sixth (1/6) of the interest due on the Senior Bonds on the next succeeding Interest Payment Date (including any amount due to the Series 2003 Bond Insurer in respect thereto under the terms of the Insurance Agreement) (or, in the case of the period from the date of issuance of the any Senior Bonds to the first Interest Payment Date for the applicable Senior Bond, a monthly amount equal to the interest amount owed on such first Interest Payment Date divided by the number of months from the date of issuance of such Senior Bond to such first Interest Payment Date), which amount shall be deposited in the Interest Account;

(2) On or before the last Business Day of each calendar month, an amount which equals one-twelfth (1/12) of the amount necessary to pay (or, in the case of the period from the date of issuance of the any Senior Bonds to the first date on which principal is due on such Senior Bonds, a monthly amount equal to the principal amount owed on such first principal maturity date divided by the number of months from the date of issuance of such Senior Bond to such first principal maturity date), and for the purpose of paying, the principal amount of any Senior Bonds maturing on the next succeeding maturity date, which amount shall be deposited in the Principal Account; provided, however, that no deposit shall be made pursuant to this clause (2) on any date which would duplicate deposits that are required to be made to the Senior Bonds Sinking Fund pursuant to Section 504 hereof and any Supplemental Indenture relating to Additional Senior Bonds; and

(3) On the day due pursuant to the Parity Swap Agreement, the Insured Swap Payment payable to the Parity Swap Agreement Counterparty, which amount shall be deposited in the Insured Swap Payment Account of the Senior Bonds Debt Service Fund.

-16-

730144_4.DOC

The Trustee shall pay out of the Interest Account, from time to time, without further authorization from the Commission, and, as the same shall become due and payable, the interest

on the Senior Bonds. The Trustee shall likewise pay out of the Principal Account, from time to

time, without further authorization from the Commission, and as the same shall become due and

payable, the principal of the Senior Bonds, but only upon the presentation and surrender of the

Senior Bonds. The Trustee shall pay out of the Insured Swap Payment Account, from time to

time, without further authorization from the Commission, and, as the same shall become due and

payable, the Insured Swap Payments.

3.7. Senior Bonds Sinking Fund. There is hereby established and created the "2003 Series A Bonds Sinking Fund Account" of the Senior Bonds Sinking Fund which shall be held in

trust by the Trustee until applied as hereinafter directed. Contemporaneously with, and on the

same order of priority as, making the deposits provided for in Section 503 of the Original Indenture and Section 3.6 hereof and while any 2003 Series A Bonds are outstanding, the

Trustee shall transfer on or before the last Business Day of each calendar month from the Revenue Fund to the 2003 Series A Bonds Sinking Fund Account one-twelfth of the principal amount required on the next succeeding mandatory redemption date as specified in the 2003 Series A Senior Bonds occurring on or before the second Interest Payment Date following such deposit (or such lesser amount which, when added to the principal amount of 2003 Series A Senior Bond purchased by the *Trustee* during the Fiscal Year pursuant to the second succeeding paragraph, shall equal the above amount); and provided that if any 2003 Series A Senior Bonds which are subject to mandatory redemption are at any time redeemed pursuant to an Optional Redemption, as described in the 2003 Series A Senior Bonds, the principal amount of 2003 Series A Senior Bonds of each maturity so redeemed may be applied as a credit against the principal amount of 2003 Series A Senior Bonds of such maturity which are subject to mandatory redemption at such time as the Commission shall direct. The moneys at any time on deposit to the credit of the 2003 Series A Bonds Sinking Fund Account or to be deposited thereto from the Revenue Fund may be applied by the Commission to the purchase of 2003 Series A Senior Bonds of the same maturity of 2003 Series A Senior Bonds to be called for mandatory redemption from the 2003 Series A Bonds Sinking Fund Account and such moneys shall be withdrawn by the *Trustee* and applied to the payment of the purchase price of 2003 Series A Senior Bonds which the Commission may agree to purchase or has paid, provided that such purchase price is not in excess of 100% of the principal amount thereof. At any time that the *Trustee* shall be requested to apply such moneys to the purchase of 2003 Series A Senior Bonds, the Commission shall furnish to the *Trustee* a Commission Officials' certificate specifying the 2003 Series A Senior Bonds or portions thereof which it has agreed to purchase, the purchase price thereof, the names of the sellers (if not the Commission) and the expenses involved in connection with such purchase. At the time of any purchase of the 2003 Series A Senior Bonds, the *Trustee* shall withdraw from the Interest Account of the Debt Service Fund

any amounts deposited therein for the payment of interest on the 2003 Series A Senior Bonds so purchased. As long as the Series 2003 Insurance Policies are in effect, any Series 2003 Bonds purchased under the terms hereof in lieu of redemption by the Commission shall be cancelled by the Trustee and no longer remain outstanding.

-17-

730144_4.DOC

On or before October 1 of each year in which transfers are required to be made to the 2003 Series A Bonds Sinking Fund Account, the Trustee shall select and call for redemption on the next succeeding December 1 such principal amount of 2003 Series A Senior Bonds as shall be sufficient when added to the principal amount of 2003 Series A Senior Bonds which the Trustee has purchased or agreed to purchase on said next succeeding December 1, according to the provisions of the preceding paragraph, to satisfy the mandatory redemption schedule set forth in the form of the 2003 Series A Senior Bonds on said December 1. The notice of redemption of any such principal amount of 2003 Series A Senior Bonds being redeemed pursuant to this Section shall be given by the Trustee in the name of the Commission in accordance with the provisions of this Indenture, and shall state that such principal amount of 2003 Series A Senior Bonds will be redeemed pursuant to the operation of the 2003 Series A Bonds Sinking Fund Account. If on December 2 of any Fiscal Year there shall be any moneys in the 2003 Series A Bonds Sinking Fund Account, such moneys shall be transferred to the Principal Account in the Senior Bonds Debt Service Fund to be applied to the payment of principal of the Senior Bonds, and the amount subsequently required to be deposited to the credit of the Principal Account in the Senior Bonds Debt Service Fund pursuant to clause (2) of Section 503 of the Original Indenture and Section 3.6 of this First Supplemental Indenture shall be reduced to the extent of the moneys so transferred. If such moneys shall be in excess of the amount subsequently required to be so deposited in the Principal Account of the Senior Bonds Debt Service Fund, such excess shall be transferred to the Revenue Fund. If on October 1 of any year the moneys in

the 2003 Series A Bonds Sinking Fund Account shall be sufficient to effect the redemption of all 2003 Series A Bonds outstanding on the next succeeding December 1, or at such time as there shall not be any 2003 Series A Senior Bonds outstanding, any moneys in the 2003 Series A Bonds Sinking Fund Account in excess of the amount required for such redemption or all such moneys, as the case may be, shall be transferred to the Revenue Fund, and thereafter no further transfers shall be required to be made from the Revenue Fund to the 2003 Series A Bonds Sinking Fund Account, and the interest due on the 2003 Series A Senior Bonds maturing on the redemption date shall be paid from moneys in the Interest Account in the Senior Bonds Debt Service Fund.

3.8. Subordinated Bonds Debt Service Fund. The Original Indenture created a special fund designated the "Subordinated Bonds Debt Service Fund." All moneys held by the Trustee in the Subordinated Bonds Debt Service Fund shall be applied in accordance with Section 3.4 and the other provisions of the Original Indenture and this First Supplemental Indenture: After having made the deposits provided in Section 503 and 504 of the Original Indenture and Section 3.6 and 3.7 hereof and while any 2003 Series B Subordinated Bonds are outstanding, the Trustee shall withdraw from the Revenue Fund and deposit to the applicable Account in the Subordinated Bonds Debt Service Fund the amounts hereinafter specified which shall be applied

by the Trustee for the purposes for which the same shall be deposited:

(1) On or before the last Business Day of each calendar month, an amount which equals the amount necessary to pay, and for the purpose of paying, one-sixth (1/6) of the interest due on the Subordinated Bonds on the next succeeding Interest Payment Date (including any amount due to the Series 2003 Bond Insurer with respect thereto under the terms of the Insurance Agreement) (or, in the case of the period from the date of issuance of the any Subordinated Bonds to the first Interest Payment Date for the

-18-

730144-4.DOC

applicable Subordinated Bond, a monthly amount equal to the interest amount owed on such first Interest Payment Date divided by the number of months from the date of issuance of such Subordinated Bond to such first Interest Payment Date), which amount shall be deposited in the Interest Account.

(2) On or before the last Business Day of each calendar month, an amount which equals one-twelfth (1/12) of the amount necessary to pay, and for the purpose of paying, the principal amount of any 2003 Series B Subordinated Bonds maturing on the next succeeding maturity date occurring on or before the second Interest Payment Date

following such deposit (including any amounts due to the Series 2003 Bond Insurer with respect thereto under the terms of the Insurance Agreement), which amount shall be deposited in the Principal Account; provided, however, that no deposit shall be made pursuant to this clause (2) on any date which would duplicate deposits that are required to be made to the Subordinated Bonds Sinking Fund pursuant to Section 506 of the Original Indenture and Section 3.9 hereof.

3.9. Subordinated Bonds Sinking Fund. There is hereby established and created the "2003 Series B Bonds Sinking Fund Account" which shall be held in trust by the Trustee until applied as hereinafter. After first having made the deposits provided for in Section 503 and 504 of the Original Indenture and Section 3.6 and 3.7 hereof and contemporaneously with making the deposits provided in Section 505 of the Original Indenture and Section 3.8 hereof, and while any 2003 Series B Subordinated Bonds are outstanding, the Trustee shall transfer on or before the last Business Day of each calendar month from the Revenue Fund to the 2003 Series B Bonds Sinking Fund Account one-twelfth of the principal amount required on the next succeeding mandatory redemption date as specified in the 2003 Series B Subordinated Bonds occurring on or before the second Interest Payment Date following such deposit (or such lesser amount which, when added to the principal amount of 2003 Series B Subordinated Bonds purchased by the Trustee during the Fiscal Year pursuant to the second succeeding paragraph, shall equal the above amount); and provided that if any 2003 Series B Subordinated Bond which is subject to mandatory redemption is at any time redeemed pursuant to an Optional Redemption, as described in the 2003 Series B Subordinated Bonds, the principal amount of 2003 Series B Subordinated Bonds of each maturity so redeemed may be applied as a credit against the principal amount of 2003 Series B Subordinated Bonds of such maturity which is subject to mandatory redemption at such time as the Commission shall direct. The moneys at any time on deposit to the credit of the 2003 Series B Bonds Sinking Fund Account or to be deposited thereto from the Revenue Fund may be applied by the Commission to the purchase of 2003 Series B Subordinated Bonds of the same maturity of 2003 Series B Subordinated Bonds to be called for mandatory redemption from the 2003 Series B

Bond Sinking Fund Account and such moneys shall be withdrawn by the Trustee and applied to the payment of the purchase price of 2003 Series B Subordinated Bonds which the Commission may agree to purchase or has paid, provided that such purchase price is not in excess of 100% of the principal amount thereof. At any time that the Trustee shall be requested to apply such moneys to the purchase of 2003 Series B Subordinated Bonds, the Commission shall furnish to the Trustee a Commission Officials' certificate specifying the 2003 Series B Subordinated Bonds or portions thereof which it has agreed to purchase, the purchase price thereof, the names of the sellers (if not the Commission) and the expenses involved in connection with such purchase. At

-19-

730144_4.DOC

the time of any purchase of the 2003 Series B Subordinated Bonds, the Trustee shall withdraw from the Interest Account of the Debt Service Fund any amounts deposited therein for the payment of interest on the 2003 Series B Subordinated Bonds so purchased. Any bonds purchased under the terms hereof in lieu of redemption by the Commission shall be cancelled by the Trustee and no longer remain outstanding.

On or before October 1 of each year in which transfers are required to be made to the 2003 Series B Bonds Sinking Fund Account, the Trustee shall select and call for redemption on

the next succeeding December 1 such principal amount of 2003 Series B Subordinated Bonds as

shall be sufficient when added to the principal amount of 2003 Series B Subordinated Bonds

which the Trustee has purchased or agreed to purchase on said next succeeding December 1,

according to the provisions of the preceding paragraph, to satisfy the mandatory redemption

schedule set forth in the form of the 2003 Series B Subordinated Bonds on said December 1.

The notice of redemption of any such principal amount of 2003 Series B Subordinated Bonds

being redeemed pursuant to this Section shall be given by the Trustee in the name of the Commission in accordance with the provisions of this Indenture, and shall state that such principal amount of 2003 Series B Subordinated Bonds will be redeemed pursuant to the operation of the 2003 Series B Bonds Sinking Fund Account. If on December 2 of any Fiscal

Year there shall be any moneys in the 2003 Series Bonds Sinking Fund Account, such moneys shall be transferred to the Principal Account in the Subordinated Bonds Debt Service Fund to be applied to the payment of principal of the Bonds, and the amount subsequently required to be deposited to the credit of the Principal Account in the Subordinated Bonds Debt Service Fund pursuant to clause (2) of Section 503 shall be reduced to the extent of the moneys so transferred. If such moneys shall be in excess of the amount subsequently required to be so deposited in the Principal Account of the Subordinated Bonds Debt Service Fund, such excess shall be transferred to the Revenue Fund. If on October 1 of any year the moneys in the 2003 Series B Bonds Sinking Fund Account shall be sufficient to effect the redemption of all 2003 Series B Subordinated Bonds outstanding on the next succeeding December 1, or at such time as there shall not be any 2003 Series B Subordinated Bonds outstanding, any moneys in the 2003 Series B Bonds Sinking Fund Account in excess of the amount required for such redemption or all such moneys, as the case may be, shall be transferred to the Revenue Fund, and thereafter no further transfers shall be required to be made from the Revenue Fund to the 2003 Series B Bonds Sinking Fund Account, and the interest due on the 2003 Series B Subordinated Bonds maturing on the redemption date shall be paid from moneys in the Interest Account in the Subordinated Bonds Debt Service Fund.

3.10 Subordinated Bonds Debt Service Reserve Fund.. There is hereby established and created the " Subordinated Bonds Debt Service Reserve Fund" which shall be held in trust by the Trustee until applied as hereinafter directed. The Subordinated Bonds Debt Service Reserve Fund is a common Subordinated Bonds Debt Service Reserve Fund for both the 1998 Series B Subordinated Bonds, the 2003 Series B Subordinated Bonds issued hereunder, and any Additional Subordinated Bonds, as permitted under Section 1101(e) of the Original Indenture and confirmed in Section 8.3 hereof. In each Fiscal Year, after first having made the deposits provided by Sections 503,504, 505, and 506 of the Original Indenture and Sections 3.6, 3.7, 3.8

and 3.9 hereof and while any 1998 Series B Subordinated Bonds or 2003 Series B Subordinated Bonds are outstanding, the Trustee shall transfer from the Revenue Fund on or before the -20-
730144_4.DOC
Business Day immediately preceding an Interest Payment Date to the credit of the Subordinated Bonds Debt Service Reserve Fund out of the balance, if any, remaining in the Revenue Fund, the amount, if any, required to make the funds (including the principal amount of any surety bond for which the provider is not in default) deposited in the Subordinated Bonds Debt Service Reserve Fund equal the Subordinated Bonds Debt Service Reserve Requirement. In the event the Trustee shall be required to withdraw funds from the Subordinated Bonds Debt Service Reserve Fund to restore a deficiency in the Subordinated Bonds Debt Service Fund or the Subordinated Bonds Sinking Fund, and to the extent such Subordinated Bonds Debt Service Reserve Fund is not a common fund, the amount of such deficiency shall be allocated pro rata among the accounts and unallocated funds in the Subordinated Bonds Debt Service Reserve Fund that relate to the series of Subordinated Bonds for which payment is coming due on the next succeeding payment date on the basis of the ratio that the Subordinated Bonds Debt Service Reserve Requirement for each particular series of Subordinated Bonds for which payment is coming due bears to the which payment is coming due on the next succeeding payment date.

The Subordinated Bonds Debt Service Reserve Fund Requirement presently is \$8,444,193.75 for both the Series 1998 Series B Subordinated Bonds and the 2003 Series B Subordinated Bonds. The Subordinated Bonds Debt Service Reserve Fund is funded with Permitted Investments in the amount of \$8,444,193.75, which were purchased with the proceeds of the Series 1998 Bonds and the proceeds of the 2003 Series B Subordinated Bonds. The Subordinated Bonds Debt Service Reserve Fund may be funded in whole or in part with a surety bond or insurance policy that has been approved in writing by the 2003 Bond Insurer (the "Surety Policy") payable to the Trustee for the benefit of the holders of the Subordinated Bonds. The Surety Policy is payable (upon the giving of one Business Day's

notice) on any Interest Payment Date on which moneys will be required to be withdrawn from the Subordinated Bonds Debt Service Reserve Fund and applied to the payment of the principal of or interest on any Subordinated Bonds to the extent that such withdrawals cannot be made by amounts credited to the Subordinated Bonds Debt Service Reserve Fund. The insurer providing the Surety Policy is an insurer whose municipal bond insurance policies insuring the payment, when due, of the principal of and interest on municipal bond issues results in such issues being rated in the highest rating category by the Rating Agency. If a disbursement is made pursuant to the Surety Policy pursuant to this paragraph, the Commission shall be obligated, to the extent moneys are available therefor in the Revenue Fund, either (i) to reinstate the maximum limits of the Surety Policy, or (ii) to deposit into the Subordinated Bonds Debt Service Reserve Fund, funds pursuant to the operation of the first paragraph of this Section in the amount of the disbursement made under the Surety Policy, as shall provide that the amount credited to the Subordinated Bonds Debt Service Reserve Fund equals the Subordinated Bonds Debt Service Reserve Requirement.

If the issuer of the Surety Policy on deposit in the Subordinated Bonds Debt Service Reserve Fund shall cease to have a rating described in the immediately preceding paragraph, the issuer of the Surety Policy shall immediately notify the Commission and the 2003 Bond Insurer and the Trustee in writing, and the Commission shall use reasonable efforts to replace the Surety Policy with one issued by an issuer having a rating so described that is approved in writing by the Series 2003 Bond Insurer, but shall not be obligated to pay, or commit to pay, increased fees, expenses or interest in connection with such replacement or to deposit Tax Revenues in the

-21-

730144_4.DOC

Subordinated Bonds Debt Service Reserve Fund in lieu of replacing the Surety Policy with another; provided however that the Commission shall at all times fund the Subordinate Bonds

Debt Service Reserve Fund with cash or with a Surety Policy acceptable to the Series 2003 Bond Insurer.

Except as provided in Section 211 of the Original Indenture, moneys held for the credit of the Subordinated Bonds Debt Service Reserve Fund shall be used for the purpose of paying

interest on, maturing principal and mandatory sinking fund redemption price of 1998 Series B

Subordinated Bonds and 2003 Series B Subordinated Bonds whenever and to the extent that the

moneys held for the credit of the Subordinated Bonds Debt Service Fund or any Subordinated

Bonds Sinking Fund shall be insufficient for such purpose. If at any time the moneys and principal amount of the Surety Policy held for the credit of the Subordinated Bonds Debt Service

Reserve Fund shall exceed the Subordinated Bonds Debt Service Reserve Requirement, such

excess shall be transferred by the Trustee to the credit of the Revenue Fund, at the direction of

the Commission, or used to reduce the principal amount of the Surety Policy.

In any event where the Subordinated Bonds Debt Service Reserve Fund contains both a Surety Policy issued by the 2003 Bond Insurer and cash, cash must be drawn down completely

before any demand is made on the Surety Policy. In any event where the Subordinated Bonds

Debt Service Reserve Fund contains a Surety Policy from another entity and a Surety Policy

issued by the 2003 Bond Insurer, the documents should provide for a pro-rata draw on each of

the Surety Policies.

3.11 Series 2003 Rebate Fund. Upon written request of the Commission the Trustee shall establish a Fund to be designated the "Series 2003 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 Series 2003 Rebate Fund in accordance with the Tax

Regulatory Agreement and shall invest the Series 2003 Rebate Fund pursuant to the written

instructions given to it by the Commission. The immediately preceding sentence of this Section

may be superseded or amended by a new Tax Regulatory Agreement delivered by the Commission and accompanied by an opinion of Bond Counsel addressed to the Trustee to the

effect that the use of such new Tax Regulatory Agreement will not cause the interest on the

Series 2003 Bonds to become includable in gross income of the recipient thereof for purposes of federal income taxation under Section 103 of the Code.

3.12 Investment of Funds. Moneys on deposit with respect to the Series 2003 Bonds in funds or accounts established pursuant to this Article shall be invested solely in Permitted Investments, to the extent permitted by applicable law.

(End of Article III)

-22-

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ARTICLE IV

REDEMPTION OF SERIES 2003 BONDS

The Series 2003 Bonds issued under the provisions of this Indenture may be redeemed prior to their respective maturities at the option of the Commission as provided herein and as set

forth in the form of the Series 2003 Bonds attached hereto as Exhibit A and Exhibit B.

(End of Article IV)

-23-

730144 4.DOC

ARTICLE V

COVENANTS OF THE COMMISSION

5.1 Payment of Principal of and Interest on Series 2003 Bonds. The Commission shall promptly pay or cause to be paid the principal or redemption price of, and the interest on, every

Series 2003 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 Tax Revenues or otherwise from the

Trust Estate.

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

issuance of the Series 2003 Bonds.

5.3 Further Assurances. Except to the extent otherwise provided in the Indenture, the Commission shall not enter into any contract or take any action by which the rights of the Trustee or the Series 2003 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 First Supplemental Indenture.

5.4 Bonds Not to Become Arbitrage Bonds. The Commission covenants to the holders of the Series 2003 Bonds that, notwithstanding any other provision of this First Supplemental

Indenture or any other instrument, it will not make any investment or other use of the proceeds of the Series 2003 Bonds which, if such investment or use had been reasonably expected on the Series Issue Date, would have caused the Series 2003 Bonds to be arbitrage bonds under Section 148 of the Code and the rules and regulations thereunder, and the Commission further covenants that it will comply with the requirements of such Section, rules and regulations. The foregoing covenants shall extend throughout the term of the Series 2003 Bonds to all funds and accounts created under this First Supplemental Indenture and all moneys on deposit to the credit of any such fund or account, and to any other amounts which are Series 2003 Bond proceeds for purposes of Section 148 of the Code and the rules and regulations thereunder.

5.5 Financing Statements. The Commission shall, at the request of the Trustee, cause financing statements relating to this First 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 Series 2003 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 Series 2003 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 Series 2003 Bondholders and

-24-

730144_4.DOC

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 Series 2003 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.

(End of Article V)

-25-

730144.4.DOC

ARTICLE VI

PROVISIONS RELATING TO THE SERIES 2003 INSURANCE POLICIES

6.1 Series 2003 Bond Insurer Provisions.

A. General. Notwithstanding any provision of this Indenture to the contrary, so long as the Series 2003 Bond Insurance Policies are in effect and the Series 2003 Bond Insurer is not

in default of its obligations thereunder, the provisions of this Section shall apply.

B. Series 2003 Bond Insurer Deemed Owner of Series 2003 Bonds. Upon an Event of Default with respect to Series 2003 Bonds, the Series 2003 Bond Insurer shall have the right

to direct conversions of 2003 Bonds from one Interest Rate Period to another Interest Rate Period.

C. Prior Consent of the Series 2003 Bond Insurer. Any provision herein which purports to require the prior consent of the Series 2003 Bond Insurer in order to take any action

shall be subject to the Series 2003 Bond Insurance Policies then being in effect and the Series

2003 Bond Insurer not then in default of its obligations thereunder.

D. Payments Under Applicable Bond Insurance Policy.

(a) In the event that, on the second Business Day, and again on the Business Day, prior to any Interest Payment Date on the Series 2003 Bonds, the Trustee has not received sufficient moneys to pay all principal of and interest on the Series 2003 Bonds due on the second

following or following, as the case may be, Business Day, the Trustee shall immediately notify

the Series 2003 Bond Insurer or its designee on the same Business Day by telephone or telegraph, confirmed in writing by registered or certified mail, of the amount of the deficiency.

(b) If the deficiency is made up in whole or in part prior to or on the Interest Payment Date, the Trustee shall so notify the Series 2003 Bond Insurer or its designee.

(c) In addition, if the Trustee has notice that any Bondholder has been required to disgorge payments of principal or interest on the Series 2003 Bonds to a trustee in

bankruptcy or creditors or others pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such Bondholder within the

meaning of any applicable bankruptcy laws, then the Trustee shall notify the Series 2003 Bond

Insurer or its designee of such fact by telephone or telegraphic notice, confirmed in writing by registered or certified mail.

(d) The Trustee is hereby irrevocably designated, appointed, directed and authorized to act as attorney-in-fact for Holders of the 2003 Bonds as follows:

(i) If and to the extent there is a deficiency in amount required to pay interest on the Series 2003 Bonds, the Trustee shall (a) execute and deliver to U.S.

-26-

73014.4 4.DOC

Bank Trust National Association, or its successors under the Series 2003 Bond Insurance Policy (the "Insurance Paying Agent/Trustee"), in form satisfactory to the Insurance Paying Agent/Trustee, an instrument appointing the Series 2003 Bond Insurer as agent for such Holders in any legal proceeding related to the payment of such interest and an assignment to the Series 2003 Bond Insurer of the claims for interest to which such deficiency relates and which are paid by the Series 2003 Bond Insurer, (b) receive as designee of the respective Holders (and not as Trustee) in accordance with the tenor of the Policy payment from the Insurance Payment Agent/Trustee with respect to the claims for interest so assigned, and (c) disburse the same to such respective Holders; and

(ii) If and to the extent of a deficiency in amounts required to pay principal of the Series 2003 Bonds, the Trustee shall (a) execute and deliver to the Insurance Paying Agent/Trustee in form satisfactory to the Insurance Paying Agent/Trustee an instrument appointing the Series 2003 Bond Insurer as agent for such Holder in any legal proceeding relating to the payment of such principal and an assignment to the Series 2003 Bond Insurer of any of the 2003 Bonds surrendered to the Insurance Paying Agent/Trustee of so much of the principal amount thereof as has not previously been paid or for which moneys are not held by the Trustee and available for such payment (but such assignment shall be delivered only if payment from the Insurance Paying Agent/Trustee is received), (b) receive as designee of the respective Holders (and not as Trustee) in accordance with the tenor of the Policy payment therefor from the Insurance Paying Agent/Trustee, and (c) disburse the same to such Holders.

(e) Payments with respect to claims for interest on and principal of Series 2003 Bonds disbursed by the Trustee from proceeds of the applicable Series 2003 Bond Insurance

Policy shall not be considered to discharge the obligation of the Commission with respect to such

Series 2003 Bonds, and the Series 2003 Bond Insurer shall become the owner of such unpaid

Series 2003 Bonds and claims for the interest in accordance with the tenor of the assignment

made to it under the provisions of this subsection or otherwise.

(f) Irrespective of whether any such assignment is executed and delivered, the Commission and the Trustee hereby agree for the benefit of the Series 2003 Bond Insurer that:

(i) They recognize that to the extent the Series 2003 Bond Insurer makes

payments, directly or indirectly (as by paying through the Trustee), on account of principal of or interest on the Series 2003 Bonds, the Series 2003 Bond Insurer will be subrogated to the rights of such Bondholders to receive the amount of such principal and interest from the Commission, with interest thereon as provided and solely from the sources stated in this Indenture and the Series 2003 Bonds; and (ii) They will accordingly pay to the Series 2003 Bond Insurer the amount of such principal and interest (including principal and interest recovered under subparagraph (ii) of the first paragraph of the applicable Bond Insurance Policy, which principal and interest shall be deemed past due and not to have been paid),

-27-

730144 4.DOC

with interest thereon as provided in this Indenture and the Series 2003 Bond, but only from the sources and in the manner provided herein for the payment of principal of and interest on the Series 2003 Bonds to Holders, and .will otherwise treat the Series 2003 Bond Insurer as the owner of such rights to the amount of such principal and interest.

E. Miscellaneous.

A. In connection with the issuance of any Additional Bonds, the Commission shall deliver to the Series 2003 Bond Insurer a copy of the disclosure document, if any, circulated with respect to such Additional Bonds.

B. Copies of any amendments made to the documents executed in connection with the issuance of the Series 2003 Bonds which are consented to by the Series 2003 Bond

Insurer shall be sent to S&P.

C. The Series 2003 Bond Insurer shall receive notice of the resignation or removal of the Trustee and the appointment of a successor thereto.

D. The Series 2003 Bond Insurer shall receive copies of all notices required to be delivered to Bondholders and, on any annual basis, copies of the Commission's audited

financial statements and Annual Budget.

E. Any notice that is required to be given to a Bondholder of the Series 2003 Bond or to the Trustee pursuant to the Indenture shall also be provided to the Series 2003 Bond

Insurer. All notices required to be given to the Series 2003 Bond Insurer under the Indenture

shall be in writing and shall be sent by registered or certified mail addressed to MBIA Insurance

Corporation, 113 King Street, Armonk, New York, 10504, Attention: Insured Portfolio Management-East.

F. The Commission agrees to reimburse the Series 2003 Bond Insurer upon demand, to the extent permitted by law and only to the extent available from the Trust Estate,

for all reasonable expenses, including attorneys' fees and expenses, incurred by the Series 2003

Bond Insurer in connection with (i) the enforcement by the Series 2003 Bond Insurer of the

Commission's obligations, or the preservation or defense of any rights of the Series 2003 Bond

Insurer, under this Indenture and any other document executed in connection with issuance of the 2003 Bonds, and (ii) any consent, amendment, waiver or other action with respect to the

Indenture or any related document, whether or not granted or approved, together with interest

on all such expenses from and including the date incurred to the date of payment at Citibank's

Prime Rate plus 3% or the maximum interest rate permitted by law, whichever is less. In addition, the Series 2003 Bond Insurer reserves the right to charge a fee in connection with its

review of any such consent, amendment or waiver, whether or not granted or approved.

G. The Commission agrees not to use Series 2003 Bond Insurer's name in any public document including, without limitation, any press release or presentation, announcement

or forum without Series 2003 Bond Insurer's prior consent. In the event that the Commission is

-28-

730144_4.DOC

advised by counsel that it has a legal obligation to disclose Series 2003 Bond Insurer's name in

any press release, public announcement or other public document, the Commission shall provide Series 2003 Bond Insurer with at least three (3) business days' prior written notice of its

intent to use Series 2003 Bond Insurer's name together with a copy of the proposed use of Series

2003 Bond Insurer's name and/or any description of a transaction with Series 2003 Bond Insurer

and shall obtain Bond Insurer's prior consent as to the form and substance of the proposed use

of Series 2003 Bond Insurer's name and any such description.

H. The Commission shall not enter into any agreement nor shall it consent to or participate in any arrangement pursuant to which the 2003 Bonds are tendered or purchased

for any purpose other than the redemption and cancellation or legal defeasance of such Bond

without the prior written consent of Series 2003 Bond Insurer.

6.2 Bond Insurer as Owner. For purposes of instituting proceedings and directing proceedings under Article VIII of the Original Indenture, giving any direction or

instruction to the Trustee under Article VIII of the Original Indenture, or taking any action to

remove or replace the Trustee under Section 913 of the Original Indenture, the Bond Insurer

shall be deemed to be the sole Owner of such Series 2003 Bonds (to the exclusion of the registered owners thereof), provided that it is not in default under its Bond Insurance Policies.

Without limiting the foregoing, for so long as the Series 2003 Bond Insurance is in force and

effect, there shall be no acceleration of the Series 2003 Bonds without the prior written consent

of the Series 2003 Bond Insurer.

(End of Article VI)

-29-

730144_4.DOC

ARTICLE VII

DEFEASANCE

Release of Indenture. When the principal or redemption price (as the case may be) of, and interest on, all Series 2003 Bonds issued hereunder have been paid, or provision has been

made for payment of the same, all as provided for in Article XII of the Original Indenture, together with the compensation and expenses of the Trustee and the Paying Agent and all amounts due the Series 2003 Bond Insurer under the Series 2003 Insurance Agreement and all

other sums payable hereunder by the Commission have been paid, or provisions has been made

for payment of the same, the Trustee, upon request of the Commission, shall release this First

Supplemental Indenture and shall execute such documents to evidence such release as may be

reasonably required by the Commission and shall turn over to the Commission or to such person,

body or authority as may be entitled to receive the same all balances then held by it hereunder

not required for the payment of the Series 2003 Bonds and such other sums. If payment or

provision therefor is made with respect to less than all of the Series 2003 Bonds, the particular

Series 2003 Bonds (or portions thereof) for which provision for payment shall have been made

shall be selected by lot (with notice to the Series 2003 Bond Insurer with respect to such defeased Series 2003 Bonds) or by such other method as the Trustee deems fair and appropriate,

and thereupon the Trustee shall take similar action for the release of the Indenture with respect to

such Series 2003 Bonds.

(End of Article VII)

-30-

730144_4.DOC

ARTICLE VIII

AMENDMENTS TO ORIGINAL INDENTURE PURSUANT TO SECTION 1101 OF
THE
ORIGINAL INDENTURE

8.1 1998 Bond Insurer Consent. The Bond Insurer for the 1998 Bonds has consented to this First Supplemental Indenture and to the Amendments to the Original Indenture contained herein.

8.2 Amendments.

(a) Clause (iv) in the granting language is renumbered to become clause (v) and the following clause (iv) is inserted: "(iv) all Swap Receipts".

(b) Amendment to SECTION 101 of the Original Indenture Titled "Meaning of Words and Terms".

The definition of Defeasance Securities is hereby added to Section 101 of the Original Indenture as follows:

"Defeasance Securities" shall mean:

1. Cash,
2. U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series - "SLGs"),
3. Direct obligations of the U.S. Treasury which have been stripped by the U.S. Treasury and CATS, TIGRS and similar securities,
4. Resolution Funding Corp. strips which have been stripped by the Federal Reserve Bank of New York,
5. Pre-refunded obligations of a state or municipality rated in the highest rating category by the Rating Agency, and
6. Obligations issued by the following agencies which are backed by the full faith and credit of the U.S.:

a. U.S. Export-Import Bank

b. Farmers Home Administration

Certificates of beneficial ownership

-31-

730144_4.DOC

c. Federal Financing Bank

d. General Services Administration

Participation certificates

e. U.S. Maritime Administration

Guaranteed Title XI financing

f. U.S. Department of **Housing and Urban Development**

Project Notes

Local Authority Bonds

New Communities Debentures - U.S. government guaranteed debentures

U.S. Housing Notes and Bonds - U.S. government guaranteed public housing notes and bonds

g. U.S. Public Housing Notes and Bonds - U.S. government guaranteed public housing notes and bonds

The definition of Insured Swap Payments is hereby added to SECTION 101 of the

Original Indenture as follows:

"Insured Swap Payments" shall mean any regularly scheduled payments due from the Commission under a Parity Swap Agreement, together with termination payments due from the Commission under such Parity Swap Agreement which have been insured by the Series 2003 Bond Insurer.

The definition of Investment Agreement is hereby added to SECTION 101 of the Original Indenture as follows:

"Investment Agreement" shall mean an agreement which, so long as the Series 2003 Bond Insurance Policies are in effect, is consented to in writing by the 2003 Bond Insurer, with, or which is guaranteed by, a Qualified Financial Institution, provided (i) interest is paid at least semi-annually at a fixed rate during the entire term of the agreement, consistent with Interest Payment Dates, (ii) moneys invested thereunder may be withdrawn without any penalty, premium or charge upon not more than five Business Days' notice (provided such notice may be amended or canceled at any time prior to the withdrawal date); except with regard to an investment agreement relating to capitalized interest held in the applicable fund or account under the Indenture, which may provide that moneys may be withdrawn only on the Interest Payment Dates on which such capitalized interest is to be paid, (iii) the agreement is not subordinated to any other obligations of such Qualified

-32-

730144_4.DOC

Financial Institution, (iv) the same guaranteed interest rate will be paid on any future deposits permitted to be made under such investment agreement, and (v) the Trustee and the Series 2003 Bond Insurer receives an opinion of counsel that such agreement is an enforceable obligation of such Qualified Financial Institution.

The definition of Permitted Investments in SECTION 101 of the Original Indenture is hereby amended in its entirety as follows:

"Permitted Investments" -- (to the extent permitted by law)

A. Direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury, and CATS and TIGRS) or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

B. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

1. U.S. Export-Import Bank (Eximbank)

Direct obligations or fully guaranteed certificates of beneficial ownership

2. Farmers Home Administration (FmHA)

Certificates of beneficial ownership

3. Federal Financin_ Bank
4. Federal Housing *Administration Debentures* (FHA)
5. General Services Administration
Participation certificates
6. **Government National Mortgage Association** (GNMA or "Ginnie Mae")

GNMA - guaranteed mortgage-backed bonds

GNMA - guaranteed pass-through obligations

(not acceptable for certain cash-flow sensitive issues.)

7. U.S. Maritime Administration

Guaranteed Title XI financing

8. U.S. Department of Housing and Urban Development (HUD)

Project Notes

Local Authority Bonds

-33-

730144_4.DOC

New Communities Debentures - U.S. government guaranteed debentures

U.S. Public Housing Notes and Bonds - U.S. government guaranteed public housing notes and bonds

C. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

1. Federal Home Loan Bank System

Senior debt obligations

2. Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac")

Participation Certificates

Senior debt obligations

3. Federal National Mortgage Association (FNMA or "Fannie Mae")

Mortgage-backed securities and senior debt obligations

4. Student Loan Marketing Association (SLMA or "Sallie Mae")

Senior debt obligations

5. Resolution Funding Corp. (REFCORP) obligations

6. Farm Credit System

Consolidated systemwide bonds and notes

D. Money market funds registered under the Federal Investment Company

Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of AA-Am-G; AAA-m; or AA-m and, if rated by Moody's, rated Aaa, Aa1 or Aa2.

E. Certificates of deposit secured at all times by collateral described in (A) and/or (B) above. Such certificates must be issued by commercial banks, savings and loan associations or mutual savings banks. The collateral must be held by a third party and the bondholders must have a perfected first security interest in the collateral.

F. Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDiC, including BIF and SAIF.

G. Investment Agreements, including GIC's, Forward Purchase Agreements

and Reserve Fund Put Agreements acceptable to Series 2003 Bond Insurer.

H. Commercial paper rated, at the time of purchase, "Prime - 1" by Moody's and "A-1" or better by S&P.

I. Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest rating categories assigned by such agencies.

-34-

7301 z14_4.DOC

J. Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime - 1" or "A3" or better by Moody's and "A- 1" or "A" or better by S.&P.

K. Repurchase Agreements for 30 days or less must follow the following criteria set forth in herein. Repurchase Agreements which exceed 30 days must be acceptable to the Series 2003 Bond Insurer.

L. Any other investment approved in writing by the Series 2003 Bond Insurer so long as the Series 2003 Bond Insurance Policies are in effect.

The definition of Qualified Financial Institution is hereby added to SECTION 101 of the Original Indenture as follows:

"Qualified Financial Institution" (a) any U.S. domestic institution which is a bank, trust company, national banking association or a corporation, including the Trustee and any of its affiliates, subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956, or a member of the National Association of Securities Dealers, Inc. whose unsecured obligations or uncollateralized longterm debt obligations have been assigned a rating within the two highest rating categories by the Rating Agency or which has issued a letter of credit, contract, agreement or surety bond in support of debt obligations which have been so rated; (b) an insurance company with a claims-paying ability or a corporation whose obligations are guaranteed by an insurance company (in the form of an insurance policy) or by an insurance holding company rated in the highest rating category by the Rating Agency or whose unsecured obligations or uncollateralized long-term debt obligations have been assigned a rating within the highest rating category by the Rating Agency; or (c) any banking institution whose unsecured obligations or uncollateralized long-term debt obligations have been assigned a rating within one of the two highest rating categories by the Rating Agency; and in respect of (a), (b) and (c), is acceptable to the Series 2003 Bond Insurer so long as any 2003 Bonds remain outstanding.

The definition of Swap Receipts is hereby added to SECTION 101 of the Original Indenture as follows:

"Swap Receipts" shall mean any payments payable by the Parity Swap Agreement Counterparty under a Parity Swap Agreement; provided that termination payments payable by such Parity Swap Agreement Counterparty shall be considered a Swap Receipt only

to the extent, and at such time as, the Commission has determined
-35-

730144_4.DOC

that such payment (or portion thereof) is not going to be expended by the Commission to obtain a replacement Parity Swap Agreement.

(c) The fourth paragraph of Section 214 is amended in its entirety to read as follows:

In the event and to the extent that amounts payable to the Commission under such a contract are secured by the Tax Revenue on parity with the Bonds to which such contract relates, as provided for in the preceding paragraphs, the Commission shall pay to the Trustee for deposit into the Debt Service Fund Account relating to such Bonds the Insured Swap Payments as if such amounts were additional amounts of interest due on said Bonds; and the Trustee shall pay to the Parity Swap Agreement Counterparty, to the extent required under the Parity Swap Agreement, the amounts deposited in the aforesaid account. Swap Receipts shall be deposited to the credit of the Revenue Fund.

(Until a termination payment received by the Commission is determined to be a Swap Receipt, such payment shall be held by the Trustee in a separate account and, to the extent directed by the Commission, applied to obtain a replacement Parity Swap Agreement.) In the event and to the extent that amounts payable by the Commission under such contract are not Insured Swap Payments, such amounts shall be payable from the Oil Franchise Tax General Fund, as set forth in SECTION 508 of the Original Indenture, as amended.

(d) Amendments to SECTION 503 of the Original Indenture Titled "Senior Bonds Debt Service Fund".

The second sentence of the first paragraph of SECTION 503 is hereby amended in its entirety as follows:

There are three separate accounts in the Senior Bonds Debt Service Fund know as the "Interest Account," the "Principal Account" and the "Insured Swap Payment Account."

The second paragraph of SECTION 503 is hereby amended in its entirety as follows:

The Trustee shall withdraw from the Revenue Fund and deposit to the applicable Account in the Senior Bonds Debt Service Fund the amounts hereinafter specified which shall be

applied by the Trustee for the purposes for which the same shall be deposited:

(1) On or before the last Business Day of each calendar month, an amount which equals the amount necessary to pay, and for the purpose of paying, one-sixth (1/6)

-36-

730144_4.DOC

of the interest due on the Senior Bonds on the next succeeding Interest Payment Date (including any amount due to the Series 2003 Bond Insurer in respect thereto

under the terms of the Insurance Agreements) (or, in the case of the period from the date of issuance of the any Senior Bonds to the first Interest Payment Date for the applicable Senior Bond, a monthly amount equal to the interest amount owed on such first Interest Payment Date divided by the number of months from the date of issuance of such Senior Bond to such first Interest Payment Date), which amount shall be deposited in the Interest Account.

(2) On or before the last Business Day of each calendar month, an amount which equals one-twelfth (1/12) of the amount necessary to pay (or, in the case of the period from the date of issuance of the any Senior Bonds to the first date on which principal is due on such Senior Bonds, a monthly amount equal to the principal amount owed on such first principal maturity date divided by the number of months from the date of issuance of such Senior Bond to such first principal maturity date), and for the purpose of paying, the principal amount of any Senior Bonds maturing on the next succeeding maturity date, which amount shall be deposited in the Principal Account; provided, however, that no deposit shall be made pursuant to this clause (2) on any date which would duplicate deposits that are required to be made to the Senior Bonds Sinking Fund pursuant to Section 504 hereof and any Supplemental Indenture relating to Additional Senior Bonds.

(3) On the day due pursuant to a Parity Swap Agreement, an amount necessary to pay the Insured Swap Payment, which amount shall be deposited in the Insured Swap Payment Account of the Senior Bonds Debt Service Fund.

(4) On the dates specified in any Supplemental Indenture relating to Additional Senior Bonds, the amounts required to be deposited on said dates to the credit of the Interest Account or Principal Account pursuant to the provisions of such Supplemental Indenture for the purpose of paying the interest and the principal of such Additional Senior Bonds.

All of such withdrawals, deposits and applications shall be on the same order of priority.

In the event there is a deficiency of the amount required to be deposited into any account in the Senior Bonds Debt Service Fund in any month, the amount of such deficiency shall be added to the amount that is required to be deposited to the appropriate account in the Senior Bonds Debt Service Fund in the following month.

The Trustee shall pay out of the Interest Account, from time to time, without further authorization from the Commission, and, as the same shall become due and payable, the interest on the Senior Bonds. The Trustee shall likewise pay out of the Principal Account, from time to time, without further authorization from the Commission, and as the same shall become due and payable, the principal of the Senior Bonds, but only upon the presentation and surrender of the Senior Bonds. The Trustee shall likewise pay out of the Insured Swap Payment Account, from

time to time, without further authorization from the Commission, and if the same shall become

due and payable, the Insured Swap Payments.

If at any time the Trustee is required to make a withdrawal from the Debt Service Fund and the monies therein shall not be sufficient for such purpose, then the Trustee shall withdraw

the amount of such deficiency from the monies on deposit in the Oil Franchise Tax General Fund.

(e) Amendments to SECTION 504 of the Original Indenture Titled "Senior Bonds Sinking Fund".

The second sentence of the first paragraph of SECTION 504 is hereby amended in its entirety as follows:

Contemporaneously with, and on the same order of priority as, making the deposits provided for in Section 503 hereof and while any Senior Bonds are outstanding, the Trustee shall transfer on or before the last Business Day of each calendar month from the Revenue Fund to the Senior Bonds Sinking Fund Account one-twelfth of the principal amount required on the next succeeding mandatory redemption date as specified in the applicable Senior Bonds occurring on or before the second Interest Payment Date following such deposit (or such lesser amount which, when added to the principal amount of such Senior Bonds purchased by the Trustee during the Fiscal Year pursuant to the second succeeding paragraph, shall equal the above amount); and provided that if any Senior Bonds which are subject to mandatory redemption are at any time redeemed pursuant to an Optional Redemption, as described in the Senior Bonds, the principal amount of Senior Bonds of each maturity so redeemed may be applied as a credit against the principal amount of Senior Bonds of such maturity which are subject to mandatory redemption at such time as the Commission shall direct.

The second paragraph of SECTION 504 is hereby amended by the addition of a sentence at the end of said second paragraph as follows:

As long as the Series 2003 Bond Insurance Policies are in effect, any Series 2003 Bonds purchased under the terms hereof in lieu of redemption by the Commission shall be cancelled by the Trustee and no longer remain outstanding.

(f) Amendments to SECTION 505 of the Original Indenture Titled "Subordinated Bonds Debt Service Fund".

The paragraph number (4) within the second paragraph of SECTION 505 is hereby amended in its entirety as follows:

1. On or before the last Business Day of each calendar month, an amount which equals the amount necessary to pay, and for the purpose of paying, one-sixth (1/6)

of the interest due on the Subordinated Bonds on the next succeeding Interest Payment Date (including any amount due to the Series 2003 Bond Insurer with respect thereto under the terms of the Insurance Agreement) (or, in the case of the period from the date of issuance of any Subordinated Bonds to the first Interest

Payment Date for the applicable Subordinated Bond, a monthly amount equal to the product of the interest amount owed on such first Interest Payment Date divided by the number of months from the date of issuance of such Subordinated Bond to such first Interest Payment Date), which amount shall be deposited in the Interest Account.

(g) Amendments to SECTION 506 of the Original Indenture Titled "Subordinated Bonds Sinking Fund".

The second sentence of the first paragraph of SECTION 506 is hereby amended in its entirety as follows:

Contemporaneously with, and on the same order of priority as, making the deposits provided for in Section 505 hereof and while any Subordinated Bonds are outstanding, the Trustee shall transfer on or before the last Business Day of each calendar month from the Revenue Fund to the Subordinated Bonds Sinking Fund Account one-twelfth of the principal amount required on the next succeeding mandatory redemption date as specified in the applicable Subordinated Bonds occurring on or before the second Interest Payment Date following such deposit (or such lesser amount which, when added to the principal amount of such Subordinated Bonds purchased by the Trustee during the Fiscal Year pursuant to the second succeeding paragraph, shall equal the above amount); and provided that if any Subordinated Bonds which are subject to mandatory redemption are at any time redeemed pursuant to an Optional Redemption, as described in the Subordinated Bonds, the principal amount of Subordinated Bonds of each maturity so redeemed may be applied as a credit against the principal amount of Subordinated Bonds of such maturity which are subject to mandatory redemption at such time as the Commission shall direct.

The second paragraph of SECTION 506 is hereby amended by the addition of a sentence at the end of said second paragraph as follows:

As long as the Series 2003 Bond Insurance Policies are in effect, any Series 2003 Bonds purchased under the terms hereof in lieu of redemption by the Commission shall be cancelled by the Trustee and no longer remain outstanding.

(h) Amendments to SECTION 508 of the Original Indenture Titled "Oil Franchise Tax General Fund".

The lettered subparagraphs within the second paragraph of SECTION 508 is hereby amended in

its entirety as follows:

-39-

730144_4.DOC

- (a) To purchase or redeem Bonds or any other obligations issued by the Commission;
- (b) To make payments into the Construction Fund;
- (c) To make improvements, extensions and replacements of the Pennsylvania Turnpike System;
- (d) to fund amounts payable by the Commission under a Parity Swap Agreement which are not Insured Swap Payments or to deliver collateral under a Parity Swap Agreement, subject to the satisfaction of the "Release Test" set forth on Exhibit A to the Insurance Agreement, as the same may be amended from time to time; or

(e) To further any lawful corporate purpose.

(i) Amendments to SECTION 804 of the Original Indenture Titled "Application of Funds: Senior Bonds".

The first paragraph of SECTION 804 is amended in its entirety to read as follows:

If at any time the monies in the Senior Bonds Debt Service Fund or the Senior Bonds Sinking Fund shall not be sufficient to pay the principal of or the interest on the Senior Bonds or an Insured Swap Payment or amounts due under the Insurance Agreement as the same become due and payable (either by their terms or by acceleration of maturities under the provisions of Section 804 of this Article), such monies, together with any monies then in Subordinated Bonds Debt Service Fund and the Subordinated Bonds Sinking Fund and any other monies then available thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall be applied as follows, subject to the payment of amounts owing to the Trustee pursuant to Section 905:

The paragraph marked "first" under the paragraph lettered (a) in the first paragraph of SECTION 804 is hereby amended in its entirety as follows:

first: to the payment to the persons entitled thereto of all installments of interest then due (including any amount due to the Series 2003 Bond Insurer with respect thereto under the terms of the Insurance Agreement and any Insured Swap Payment), in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Senior Bonds;

SECTION 804(b) is hereby amended in its entirety to read as follows:

-40-

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If the principal of all the Senior Bonds shall have become or shall be declared due and payable, all such monies shall be applied to the payment of the principal and interest upon the Senior Bonds and any Insured Swap Payment then due and unpaid with interest thereon as aforesaid, without preference or priority of principal, interest or Insured Swap Payment over the other, or of any Senior Bond over any other Senior Bond, ratably, according to the amounts due respectively for principal, interest and Insured Swap Payments, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Senior Bonds.

(j) Amendments to SECTION 805 of the Original Indenture Titled "Application of Funds: Subordinated Bonds".

The paragraph marked "first" under the paragraph lettered (a) in the first paragraph of SECTION 805 is hereby amended in its entirety as follows:

first: to the payment to the persons entitled thereto of all installments of interest then due (including any amount due to the Series 2003 Bond Insurer with respect thereto under the terms of the Insurance Agreement), in the order of the maturity of the

installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Subordinated Bonds;

(k) Amendment to *SECTION 913 of the Original Indenture Titled "Removal of Trustee"*.

SECTION 913 is hereby amended in its entirety as follows:

The Trustee may be removed at any time by an instrument or concurrent instruments in writing, signed by the Series 2003 Bond Insurer, or, if the Series 2003 Bond Insurer is in default in payment under the Policy, then the holders of not less than a majority in principal amount of the Bonds hereby secured and then outstanding and filed with the Commission. A photostatic copy of each such instrument shall be delivered promptly by the Commission to the Trustee. The Trustee also may be removed at any time by a resolution of the Commission so long as the Commission is not in default under any provision of this Indenture.

(1) Addition of new SECTION 917 to Original Indenture Titled "Trustee may act Through Agents: Answerable Only for Misconduct or Negligence."

-41-

730144_4.DOC

SECTION 917 is hereby added to the end of Article IX of the Original Indenture as follows:

The Trustee may execute any powers hereunder and perform any duties required of it through attorneys, agents, officers or employees, and shall be entitled to advice of counsel concerning all questions hereunder. The Trustee shall not be answerable for the exercise of any discretion or power under this Indenture nor for anything whatever in connection with the trust hereunder, except only (a) its own misconduct or negligence or (b) the theft or loss, for any reason whatsoever.

(m) Amendment to SECTION 1202 of the Original Indenture Title "Provision for Payment of Bonds".

SECTION 1202 of the Original Indenture is hereby amended in its entirety as follows:

Provision for Payment of Bonds. If the Commission deposits with the Trustee moneys or Defeasance Securities sufficient to pay the principal or redemption price of any particular Bond or Bonds becoming due, either at maturity or by call for redemption or otherwise, and to pay all interest accruing thereon to the date of maturity or redemption, interest on such Bond or Bonds shall cease to accrue on the date of maturity or redemption and all liability of the Commission with respect to such Bond or Bonds shall cease. Thereafter, such Bond or Bonds shall be deemed not to be outstanding hereunder and the holder or holders of such Bond or

Bonds shall be restricted exclusively to the funds so deposited for any claim of whatever nature with respect to such Bond or Bonds, and the Trustee shall hold such funds in trust for such holder or holders.

(n) Miscellaneous Amendments.

All references to the Trustee's "principal corporate trust office" are hereby deleted in their entirety and replaced with the words "designated corporate trust office."

(End of Article VIII)

-42-

730144_4.DOC

ARTICLE IX

MISCELLANEOUS PROVISIONS

9.1 Subordination. Anything in this Indenture to the contrary notwithstanding, the Subordinated Bonds shall be subordinated and junior in lien position and right of payment to the extent and in the manner hereinafter set forth, to all principal of, premium, if any, and interest on the Senior Bonds.

(a) No payment on account of principal of and premium, if any, or interest on such Subordinated Bonds shall be made from the Tax Revenues or any amounts in the Subordinated Bonds Debt Service Fund or Subordinated Bonds Sinking Fund, nor shall any Tax Revenues be applied to the purchase or other acquisition or retirement of such Subordinated Bonds, unless full payment of amounts due and payable on or prior to such payment date, whether at maturity, by acceleration or otherwise, for principal of and premium, if any, and interest on all Senior Bonds has been made or duly provided for in accordance with the terms of this Indenture. Notwithstanding the foregoing, no payment on account of principal of and premium, if any, or interest on such Subordinated Bonds shall be made from the Tax Revenues, nor shall any Tax Revenues be applied to the purchase or other acquisition or retirement of such Subordinated Bonds if, at the time of such payment or application or immediately after giving effect thereto, there shall exist a default in the payment of principal of, and premium, if any, or interest on any Senior Bonds.

(b) (i) Upon any dissolution or winding up or total or partial liquidation, reorganization or arrangement of the Commission, whether voluntary or involuntary or in bankruptcy, insolvency, receivership or other proceedings, all principal of, premium, if any, and

interest due or to become due upon all Senior Bonds shall first be paid in full, or payment thereof

provided for in accordance with the terms of the Senior Bonds, and any deficiency in any fund

created under the Indenture has been satisfied, before any payment from the Tax Revenues is

made on account of the Subordinated Bonds.

(ii) In the event that, notwithstanding the foregoing provisions, any holder of Subordinated Bonds shall have received any payment or distribution of Tax Revenues or any amounts in the Subordinated Bonds Debt Service Fund or the Subordinated Bonds Sinking Fund, including any such payment or distribution which may be payable or deliverable by reason of the payment of the Subordinated Bonds (a "Distribution"), if there exists a default in the payment of principal of, premium, if any, or interest on any Senior Bonds at the time of the Distribution then and in such event such Distribution shall be received and held in trust for the holders of the Senior Bonds and shall be paid over or delivered forthwith to the Trustee for the benefit of the holders of the Senior Bonds to the extent necessary to pay all such Senior Bonds in full after giving effect to any payment or distribution made to the holders of such Senior Bonds concurrently with the Distribution made to such holder of Subordinated Bonds.

(c) The provisions of (a) and (b) above are solely for the purpose of defining the relative rights of the Senior Bonds and the holders of Subordinated Bonds, and nothing herein

shall impair, as between the Commission and the holders of the Subordinated Bonds, the

-43-
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obligation of the Commission, which is unconditional and absolute, subject to the provisions of

Section 701 of the Original Indenture to pay to the holders thereof the principal thereof and

premium, if any, and interest thereon in accordance with its terms, nor shall anything therein

prevent the holders of the Subordinated Bonds from exercising all remedies otherwise permitted

by applicable law or upon default thereunder, subject to the rights under (a) and (b) above of the

Senior Bonds, as the case may be, to receive cash, property or securities otherwise payable or

deliverable to the holders of the Subordinated Bonds.

9.2 Successorship of Commission. In the event of the dissolution of the Commission, all of the covenants, stipulations, obligations and agreements contained in this Indenture by or on

behalf of or for the benefit of the Commission shall bind or inure to the benefit of the successor

or successors of the Commission from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such

covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the word "Commission" as used in this Indenture shall include such successor or successors.

9.3 Successorship of Paying Agent. Any commercial bank, national banking association or trust company with or into which any Paying Agent may be merged or consolidated, or to which the assets and business of such Paying Agent may be sold, shall be deemed the successor of such Paying Agent for the purposes of this Indenture. If the position of any Paying Agent shall become vacant for any reason the Commission shall, within thirty (30) days thereafter, appoint a commercial bank, national banking association or trust company, as Paying Agent to fill such vacancy; provided, however, that if the Commission shall fail to appoint such Paying Agent within said period, the Trustee shall make such appointment.

9.4 Manner of Giving Notice, etc. Any notice, demand, direction, request or other instrument authorized or required by this First Supplemental Indenture to be given to or filed with the Commission or the Trustee shall be deemed to have been sufficiently given or filed for all purposes of this First Supplemental Indenture if and when sent by registered mail, return receipt requested:

to the Commission, if addressed to Pennsylvania Turnpike Commission, 700 South Eisenhower Boulevard, Middleton, Harrisburg, Pennsylvania; 17057, Attention: Chief Financial Officer

to the Trustee, if addressed to National City Bank of Pennsylvania, National City Center, 20 Stanwix Street, Pittsburgh, Pennsylvania 15222-4802, Attention: Corporate Trust Administration, or to any successor Trustee, if addressed to it at its designated office;

to the Bond Insurer, if addressed to MBIA Insurance Corporation, 113 King Street, Armonk, NY 10504, Attention: Insured Portfolio Management East, Telephone: (800) 765-6842, Fax: (914) 765-3799.

until notice of another address shall be given in the manner herein provided, and thereafter to such other address.

-44-

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All documents received by the Trustee under the provisions of this First Supplemental Indenture shall be retained in its possession, subject at all reasonable times to the inspection of the Commission, any Bondholder, and the agents and representatives thereof.

9.5 Parties and Bondholders Alone Have Rights Under Indenture; Bond Insurer as Third-Party Beneficiary. Except as herein otherwise expressly provided, nothing in this First Supplemental Indenture expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person, firm or corporation other than the parties hereto, the Paying Agent, the 2003 Bond Insurer (to the extent provided in the next sentence) and the holders of the Bonds issued under and secured by this First Supplemental Indenture any right, remedy or claim, legal or equitable, under or by reason of this First Supplemental Indenture or any provision hereof, this First Supplemental Indenture and all its provisions being intended to be and being for the sole and exclusive benefit of the parties hereto, the holders from time to time of the Bonds issued hereunder, the Paying Agent (if any) and the 2003 Bond Insurer (to the extent provided in the next sentence). Notwithstanding the foregoing, so long as the Bond Insurance Policies are in effect, the 2003 Bond Insurer is hereby explicitly recognized as a third-party beneficiary hereunder, to the extent that this First Supplemental Indenture confers upon or gives or grants to the Bond Insurer any right, remedy or claim under or by reason of this Indenture, and the 2003 Bond Insurer may enforce any such right, remedy or claim confirmed, given or granted to it hereunder.

9.6 Credit of Commission and of Commonwealth Not Pledged. Nothing in the Bonds or in this First Supplemental Indenture shall be construed as pledging the faith and credit of the Commission or the Commonwealth of Pennsylvania or to create any debt against the Commonwealth, but such Bonds and the interest thereon shall be payable solely from the funds herein provided therefor.

9.7 Effect of Partial Invalidity. In case any one or more of the provisions of this First Supplemental Indenture or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this First Supplemental Indenture or of said Bonds, but this First Supplemental Indenture and said Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained

therein. In case any covenant, stipulation, obligation or agreement contained in the Bonds or in this First Supplemental Indenture shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the Commission to the full extent permitted by law.

9.8 Effect of Covenants, Governing Law, etc. All covenants, stipulations, obligations and agreements of the Commission contained in this Indenture shall be deemed to be covenants, stipulations, obligations and agreements of the Commonwealth to the full extent authorized by the Enabling Acts and permitted by the Constitution of Pennsylvania. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, agent or employee of the Commission in his individual capacity, and neither the members of the Commission nor any official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. This First Supplemental Indenture is executed with the intent that the laws of the Commonwealth of Pennsylvania shall govern its construction.

-45-

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9.9 Multiple Counterparts. This First Supplemental Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original and such counterparts shall constitute but one and the same instrument.

9.10 Headings, etc., Not Part of First Supplemental Indenture. Any headings preceding the texts of the several articles hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this First Supplemental Indenture, nor shall they affect its meaning, construction or effect.

(End of Article IX)

[SIGNATURE PAGE FOLLOWS]

-46-

IN WITNESS WHEREOF, Pennsylvania Turnpike Commission has caused this First Supplemental Indenture to be executed by its Chief Financial Officer and attested by an Authorized Officer, and the Trustee and the Paying Agent, have each caused this First Supplemental Indenture to be executed by one of its Vice Presidents and attested by one of their

respective Authorized Officers, all as of the day and year first above written.

ATTEST: PENNSYLVANIA TURNPIKE COMMISSION

By: A ___/j/_ By ___/___J --
Authorized Officer _ 'Cffiet_t_ir{a_cqalOfficer
ATTEST: NATIONAL CITY BANK OF PENNSYLVANIA
as Trustee

By: __Z'/_ Yjz0/o/-_" By _'
Authorized Officer Vice President
ATTEST: MANUFACTURERS AND TRADERS TRUST
COMPANY as Paying Agent

By: By
Authorized Officer Vice President
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IN WITNESS WHEREOF, Pennsylvania Turnpike Commission has caused this First Supplemental Indenture to be executed by its Chairman or Vice Chairman and attested by its

Secretary and Treasurer or other authorized officer, and the Trustee and the Paying Agent, have

each caused this First Supplemental Indenture to be executed by one of its Vice Presidents and

attested by one of their respective Authorized Officers, all as of the day and year first above written.

ATTEST: PENNSYLVANIA TURNPIKE COMMISSION

By: By
(Asst.) Secretary and Treasurer (Vice) Chairman
ATTEST: NATIONAL CITY BANK OF PENNSYLVANIA
as Trustee

By: By
Authorized Officer Vice President
ATTEST: MANUFACTURERS AND TRADERS TRUST
COMPANY as Paying Agent

By_1__ _2J_ By _ _ ,
--- uthorized Officer Vice President " " _"
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EXHIBIT A

[Form of 2003 Series A Senior Bond]

THE COMMISSION HAS ESTABLISHED A BOOK ENTRY SYSTEM OF REGISTRATION FOR THIS BOND. EXCEPT AS SPECIFICALLY PROVIDED OTHERWISE IN THE RESOLUTION, CEDE & CO., AS NOMINEE OF THE DEPOSITORY

TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), WILL BE THE REGISTERED OWNER AND WILL HOLD THIS BOND ON BEHALF OF THE BENEFICIAL OWNER HEREOF. BY ACCEPTANCE OF A CONFIRMATION OF PURCHASE, DELIVERY OR TRANSFER, THE BENEFICIAL OWNER OF THIS BOND

SHALL BE DEEMED TO HAVE AGREED TO SUCH ARRANGEMENT. CEDE & CO., AS

REGISTERED OWNER OF THIS BOND, MAY BE TREATED AS THE OWNER OF IT FOR ALL PURPOSES.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC TO THE TRUSTEE 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.

Dated Date: August 1, 2003

No. RA- Interest Rate:

Registered Owner: Cede & Co. Maturity Date:

Principal Amount: \$ CUSIP No:

PENNSYLVANIA TURNPIKE COMMISSION
OIL FRANCHISE TAX SENIOR REVENUE BOND
SERIES A OF 2003

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 National City Bank

of Pennsylvania, Pittsburgh, Pennsylvania, as trustee (the "Trustee") under the First Supplemental Trust Indenture dated as of August 1, 2003 (the "First Supplemental Indenture"),

amending and supplementing the Trust Indenture dated as of August 1, 1998 (the "Original

Indenture" and together with the First Supplemental Indenture, the "Indenture"), by and between

A-1

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the Commission and the Trustee, and to pay by check or draft drawn on Manufacturers and

Traders Trust Company (together with any successors, the "Paying Agent"), interest on such

principal sum, at the interest rate stated hereon, from the June 1 or December 1 (each hereinafter referred to as an "Interest Payment Date") next preceding the date hereof unless (i) this Bond shall be authenticated after a Record Date (hereinafter defined) and on or before the next succeeding Interest Payment Date, in which case this Bond shall bear interest from such next succeeding Interest Payment Date, or (ii) this Bond shall be authenticated on or before November 15, 2003, in which case this Bond shall bear interest from August 1, 2003, payable December 1, 2003, and semiannually on each Interest Payment Date thereafter until the obligation with respect to the payment of such principal shall be discharged, but only in the case of interest due at or before maturity, to the person in whose name this Bond shall be registered at the close of business on the Record Date for such interest, which shall be the fifteenth day of the calendar month immediately preceding such Interest Payment Date. Any interest not paid on an Interest Payment Date shall be paid to the persons in whose names the Bonds are registered as of a Special Record Date established by the Trustee, notice of which shall have been mailed not less than 5 days prior to such date to the persons in whose names the Bonds are registered at the close of business on the third day prior to such mailing. At the request of any registered owner of at least \$1,000,000 aggregate principal amount of Bonds, interest on this Bond shall be payable by wire transfer within the continental United States to a designated bank account of such owner or in such other fashion as is agreed upon in writing between the owner and the Paying Agent, provision for which must have been received no later than one Business Day prior to the Record Date.

REFERENCE IS MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE SIDE HEREOF, WHICH PROVISIONS SHALL FOR ALL

PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH IN FULL ON THE FACE SIDE OF THIS BOND AT THIS PLACE.

THE BONDS ARE LIMITED OBLIGATIONS OF THE COMMISSION PAYABLE SOLELY FROM THAT PORTION OF THE OIL FRANCHISE TAX (AS DEFINED HEREINAFTER) PAID TO THE COMMISSION OR THE TRUSTEE AND

CERTAIN FUNDS HELD UNDER THE INDENTURE AND THE EARNINGS THEREON. THE BONDS SHALL NOT BE DEEMED TO BE A DEBT OF THE COMMONWEALTH AND SHALL NOT BE AN OBLIGATION OF THE COMMISSION

PAYABLE FROM ANY SOURCE EXCEPT THAT PORTION OF THE OIL FRANCHISE TAX PAID TO THE COMMISSION OR THE TRUSTEE BY THE COMMONWEALTH AND CERTAIN FUNDS HELD UNDER THE INDENTURE AND THE EARNINGS THEREON.

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

A-2

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IN WITNESS WHEREOF, the Pennsylvania Turnpike Commission has caused this Bond to be executed in its name by the facsimile signatures of the Governor of the Commonwealth and

the Chairman of said Commission, and a facsimile of the official seal of said Commission to be

affixed hereto and attested by the manual signature of the Secretary and Treasurer of said Commission.

Governor,

Commonwealth of Pennsylvania

ATTEST:

Chairman,

Pennsylvania Turnpike Commission

Secretary and Treasurer,

Pennsylvania Turnpike Commission

(SEAL)

A-3

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CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Indenture. The text of opinion printed on the reverse hereof is the text of opinion of Bond Counsel, Cohen & Grigsby,

P.C. of Pittsburgh, Pennsylvania, dated and delivered on the date of original delivery of and

payment for the Bonds, an executed counterpart of which is on file with the Trustee and the

Bond Registrar.

Authenticating Agent Authenticating Agent

or

By. By

Authorized Signatory Authorized Signatory

of Authenticating Agent of Authenticating Agent

Date of Authentication:

A-4

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[REVERSE SIDE OF BOND]

This Bond is one of a duly authorized issue of bonds of the Commission designated "Pennsylvania Turnpike Commission Oil Franchise Tax Senior Revenue Bonds, Series A of

2003" (the "Bonds"), issued in the aggregate principal amount of \$124,730,000 under and pursuant to an Act of the General Assembly of the Commonwealth of Pennsylvania approved

September 30, 1985, P.L. 240, No. 61, as amended and supplemented, (the "Enabling Acts")

under and pursuant to resolutions of the Commission and under and pursuant to the Indenture,

for the purpose of (i) financing such capital expenditures permitted under the Enabling Acts as

the Commission deems appropriate; and (ii) the payment of the costs of issuance of the Bonds.

An executed counterpart of the First Supplemental 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 Bonds, the collection and disposition of Tax

Revenues, the funds charged with and pledged to the payment of the interest on, the principal of

and the premium, if any, on the Bonds, the nature and extent of the security, the terms and

conditions on which the Bonds are issued, the rights, duties and obligations of the Commission

and the Trustee and the rights of the owners of the Bonds and Bond Insurer (as hereinafter

defined). By the acceptance of this Bond, the registered owner hereof and, if a book-entry system is being used for the Bonds, any participant in the owner and any person claiming a

beneficial interest under or through such owner or participant assents to all of the provisions of

the Indenture.

Whenever the due date for payment of interest or principal of the Bonds (as hereinabove defined) or the date fixed for redemption of any Bond shall be a Saturday, a Sunday, a legal

holiday or a day on which the Trustee or the Paying Agent is authorized by law to close, then

payment of such interest, principal or redemption price need not be made on such date, but may

be made on the next succeeding day which is not a Saturday, a Sunday, a legal holiday, or a day on which the Trustee or the Paying Agent is authorized by law to close, with the same force and effect as if made on the due date for payment of principal, interest or redemption price, and no interest shall accrue thereon for any period after such due date. Principal of, premium, if any, and interest on this Bond are payable only from moneys deposited or to be deposited under the Indenture, in such coin or currency of the United States of America as at the time and place of payment is legal tender for payment of public and private debts. Simultaneous herewith, the Commission is issuing \$197,955,000 aggregate amount of its Oil Franchise Tax Subordinated Revenue Bonds, Series B of 2003 and \$160,000,000 aggregate principal amount of Oil Franchise Tax Multi-Modal Senior Revenue Bonds, Series C of 2003. The Original Indenture provides for the issuance, under the conditions, limitations and restrictions therein set forth, of Additional Senior Bonds, and Additional Subordinated Bonds (each as described in the Original Indenture) for the purposes set forth therein. By purchasing this Bond, the Bondholder has consented to the amendments to the Original Indenture contained in the First Supplemental Indenture.

A-5

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The Bonds are equally and ratably secured by a pledge by the Commission of the Trust Estate (as defined in the Indenture), including the Tax Revenues (as defined in the First Supplemental Indenture), which term includes that portion of the oil company franchise tax (the "Oil Franchise Tax") collected by the Commonwealth and paid to the Trustee, and any other receipts, revenues and other moneys received by the Trustee from the Commonwealth in substitution and/or replacement thereof. Any outstanding Senior Bonds and any Additional Senior Bonds issued under the Indenture will be equally and ratably secured under the Indenture with the Bonds. In the event the Tax Revenues are insufficient to pay the principal of and interest on the Bonds and all Senior Bonds issued under the Indenture or any indenture supplemental thereto, the Commission covenants pursuant to the Indenture to petition the General Assembly of the Commonwealth of Pennsylvania to increase the Tax Revenues allocated to it. The General

Assembly has no obligation to take such action, however. In the statute establishing the oil

company franchise tax, however, the following pledge is made, which the Commission covenants to seek to enforce under the Indenture:

The Commonwealth does hereby pledge to and agree with any person, firm or corporation acquiring any bonds to be issued by the Pennsylvania Turnpike Commission and secured in whole or in part by a pledge of the portion of the tax known as the "oil company franchise tax for the highway maintenance and construction" which is imposed by Section 9502(a)(2) and distributed in the manner indicated in that section, including 14% for toll roads designated under the Turnpike Organization, Extension and Toll Road Conversion Act, that the Commonwealth will not limit or alter the rights vested in the Pennsylvania Turnpike Commission to the appropriation and distribution of such tax revenues.

The Bonds are issuable in the form of registered bonds in denominations of \$5,000 each or any integral multiple thereof. Subject to the conditions and upon payment of the charges, if

any, provided in the Indenture, this Bond, upon surrender hereof at the designated corporate trust

office of the Bond Registrar, with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his attorney duly authorized in writing, may,

at the option of the registered owner thereof, be exchanged for an equal aggregate principal

amount of Bonds of any other authorized denomination of the same maturity.

OPTIONAL REDEMPTION

The Bonds maturing on or after December 1, 2014, are subject to redemption prior to maturity at the option of the Commission on or after December 1, 2013, in whole or in part at

any time, in any order of maturity as selected by the Commission, at par together with accrued

interest to the date fixed for redemption.

A-6

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SINKING FUND REDEMPTION

The Bonds are not subject to mandatory redemption prior to maturity.

If less than all of the Bonds which are stated to mature on the same date shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot

by the Trustee in such manner as the Trustee in its discretion may determine; provided, however,

that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or any

integral multiple thereof, and that, in selecting portions of Bonds for redemption, the Trustee shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount thereof by \$5,000.

In the event of any such redemption, either in whole or in part, notice of such redemption shall be mailed via first class mail, postage prepaid, at least thirty (30) days and not more than

sixty (60) days prior to the redemption date to the registered owners of any Bonds or portions of

Bonds to be redeemed at their registered addresses and to the rating agencies then rating the

Bonds and The Bond Buyer or their respective successors, if any, in the manner and under the

terms and conditions provided in the Indenture. Such mailing shall not be a condition precedent

to such redemption, and failure to mail any such notice shall not affect the validity of the proceedings for the redemption of Bonds. The Bonds or portions thereof so called for redemption shall become due and payable at the applicable redemption price herein provided,

and from and after the date so fixed for redemption, interest on the Bonds or portions thereof so

called for redemption shall cease to accrue and become payable.

In the case of an optional redemption, the notice may state (1) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Trustee no later than the redemption date or (2) that the

Commission retains

the right to rescind such notice at any time prior to the scheduled redemption date if the Commission delivers a certificate of a Commission Official to the Trustee instructing the Trustee

to rescind the redemption notice (in either case, a "Conditional Redemption"), and such notice

and optional redemption shall be of no effect if such moneys are not so deposited or if the notice

is rescinded as described below.

Any Conditional Redemption may be rescinded in whole or in part at any time prior to the redemption date if the Commission delivers a certificate of a Commission Official to the

Trustee instructing the Trustee to rescind the redemption notice. The Trustee shall give prompt

notice of such rescission to the affected Bondholders. Any Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and the rescission

shall not constitute an Event of Default. Further, in the case of a Conditional Redemption, the

failure of the Commission to make funds available in part or in whole on or before the

redemption date shall not constitute an Event of Default.

The owner of this Bond by the acceptance hereof specifically agrees that the Trustee shall be under no obligation to take any action with respect to any event of default occurring under the

terms of this Bond or the Indenture, other than to give notice of certain defaults as provided in

the Indenture, unless requested so to do in writing by the owners of not less than twenty-five

A-7

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percent (25%) in principal amount of the Bonds then Outstanding under the Indenture with

respect to which the event of default has occurred and upon receipt of satisfactory indemnity as

provided in the Indenture.

The owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event

of default under the Indenture, or to institute, appear in or defend any suit or other proceeding

with respect thereto, except as provided in the Indenture.

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

together with the interest accrued thereon.

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

permitted by the Indenture.

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

happened, exist and have been performed as so required.

A-8

730144_4.DOC

[FINANCIAL GUARANTY INSURANCE POLICY]

[FORM OF OPINION OF BOND COUNSEL]

[FORM OF ASSIGNMENT]

A-9

730144_4.DOC

EXHIBIT B

[Form of 2003 Series B Subordinated Bond]

THE COMMISSION HAS ESTABLISHED A BOOK ENTRY SYSTEM OF REGISTRATION

FOR THIS BOND. EXCEPT AS SPECIFICALLY PROVIDED OTHERWISE IN THE RESOLUTION, CEDE & CO., AS NOMINEE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), WILL BE THE REGISTERED OWNER AND WILL HOLD THIS BOND ON BEHALF OF THE BENEFICIAL OWNER HEREOF. BY ACCEPTANCE OF A CONFIRMATION OF PURCHASE, DELIVERY OR TRANSFER, THE BENEFICIAL OWNER OF THIS BOND SHALL BE DEEMED TO HAVE AGREED TO SUCH ARRANGEMENT. CEDE & CO., AS REGISTERED OWNER OF THIS BOND, MAY BE TREATED AS THE OWNER OF IT FOR ALL PURPOSES. UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC TO THE TRUSTEE 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.

Dated Date: August 1, 2003

No. RB- Interest Rate: %

Registered Owner: Cede & Co. Maturity Date:

Principal Amount: \$ CUSIP No:

PENNSYLVANIA TURNPIKE COMMISSION

OIL FRANCHISE TAX SUBORDINATED REVENUE BOND

SERIES B OF 2003

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 National City Bank

of Pennsylvania, Pittsburgh, Pennsylvania, as trustee (the "Trustee") under the First Supplemental Trust Indenture dated as of August 1, 2003 (the "First Supplemental Indenture"),

amending and supplementing the Trust Indenture dated as of August 1, 1998 (the "Original Indenture" and together with the First Supplemental Indenture, the "Indenture"), by and between the Commission and the Trustee, and to pay by check or draft drawn on Manufacturers and Traders Trust Company (together with any successors, the "Paying Agent"), interest on such B-1 730144 4.DOC principal sum, at the interest rate stated hereon, from the June 1 or December 1 (each hereinafter referred to as an "Interest Payment Date") next preceding the date hereof unless (i) this Bond shall be authenticated after a Record Date (hereinafter defined) and on or before the next succeeding Interest Payment Date, in which case this Bond shall bear interest from such next succeeding Interest Payment Date, or (ii) this Bond shall be authenticated on or before November 15, 2003, in which case this Bond shall bear interest from August 1, 2003, payable December 1, 2003, and semiannually on each Interest Payment Date thereafter until the obligation with respect to the payment of such principal shall be discharged, but only in the case of interest due at or before maturity, to the person in whose name this Bond shall be registered at the close of business on the Record Date for such interest, which shall be the fifteenth day of the calendar month immediately preceding such Interest Payment Date. Any interest not paid on an Interest Payment Date shall be paid to the persons in whose names the Bonds are registered as of a Special Record Date established by the Trustee, notice of which shall have been mailed not less than 5 days prior to such date to the persons in whose names the Bonds are registered at the close of business on the third day prior to such mailing. At the request of any registered owner of at least \$1,000,000 aggregate principal amount of Bonds, interest on this Bond shall be payable by wire transfer within the continental United States to a designated bank account of such owner or in such other fashion as is agreed upon in writing between the owner and the Paying Agent, provision for which must have been received no later than one Business Day prior to the Record Date.

REFERENCE IS MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE SIDE HEREOF, WHICH PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH IN FULL ON THE FACE SIDE OF THIS BOND AT THIS PLACE.

THE BONDS ARE LIMITED OBLIGATIONS OF THE COMMISSION PAYABLE SOLELY FROM THAT PORTION OF THE OIL FRANCHISE TAX (AS DEFINED HEREINAFTER) PAID TO THE COMMISSION OR THE TRUSTEE AND CERTAIN FUNDS HELD UNDER THE INDENTURE AND THE EARNINGS THEREON. THE BONDS SHALL NOT BE DEEMED TO BE A DEBT OF THE COMMONWEALTH AND SHALL NOT BE AN OBLIGATION OF THE COMMISSION

PAYABLE FROM ANY SOURCE EXCEPT THAT PORTION OF THE OIL FRANCHISE TAX PAID TO THE COMMISSION OR THE TRUSTEE BY THE COMMONWEALTH AND CERTAIN FUNDS HELD UNDER THE INDENTURE AND THE EARNINGS THEREON.

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

B-2

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CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Indenture. The text of opinion printed on the reverse hereof is the text of opinion of Bond Counsel, Cohen & Grigsby,

P.C. of Pittsburgh, Pennsylvania, dated and delivered on the date of original delivery of and

payment for the Bonds, an executed counterpart of which is on file with the Trustee and the

Bond Registrar.

Authenticating Agent Authenticating Agent

or

By. By.

Authorized Signatory Authorized Signatory
of Authenticating Agent of Authenticating Agent

Date of Authentication:

B-4

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[REVERSE SIDE OF BOND]

This Bond is one of a duly authorized issue of bonds of the Commission designated "Pennsylvania Turnpike Commission Oil Franchise Tax Subordinated Revenue Bonds, Series B

of 2003" (the "Bonds"), issued in the aggregate principal amount of \$197,955,000 under and pursuant to an Act of the General Assembly of the Commonwealth of Pennsylvania approved September 30, 1985, P.L. 240, No. 61, as amended and supplemented, (the "Enabling Acts") under and pursuant to resolutions of the Commission and under and pursuant to the Indenture, for the purpose of (i) financing such capital expenditures permitted under the Enabling Acts as the Commission deems appropriate; (ii) the funding of the Subordinated Bonds Debt Service Reserve Fund; and (iii) the payment of the costs of issuance of the Bonds. 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 Bonds, the collection and disposition of Tax Revenues, the funds charged with and pledged to the payment of the interest on, the principal of and the premium, if any, on the Bonds, the nature and extent of the security, the terms and conditions on which the Bonds are issued, the rights, duties and obligations of the Commission and the Trustee and the rights of the owners of the Bonds and Bond Insurer (as hereinafter defined). By the acceptance of this Bond, the registered owner hereof and, if a book-entry system is being used for the Bonds, any participant in the owner and any person claiming a beneficial interest under or through such owner or participant assents to all of the provisions of the Indenture. Whenever the due date for payment of interest or principal of the Bonds (as hereinabove defined) or the date fixed for redemption of any Bond shall be a Saturday, a Sunday, a legal holiday or a day on which the Trustee or the Paying Agent is authorized by law to close, then payment of such interest, principal or redemption price need not be made on such date, but may be made on the next succeeding day which is not a Saturday, a Sunday, a legal holiday, or a day on which the Trustee or the Paying Agent is authorized by law to close, with the same force and effect as if made on the due date for payment of principal, interest or redemption price, and no

interest shall accrue thereon for any period after such due date. Principal of, premium, if any,

and interest on this Bond are payable only from moneys deposited or to be deposited under the

Indenture, in such coin or currency of the United States of America as at the time and place of

payment is legal tender for payment of public and private debts.

Simultaneously herewith, the Commission is issuing its \$124,730,000 aggregate principal amount of Oil Franchise Tax Senior Revenue Bonds, Series A of 2003 and \$160,000,000 aggregate principal amount of Oil Franchise Tax Multi-Modal Senior Revenue Bonds, Series C

of 2003. The Original Indenture provides for the issuance, under the conditions, limitations and

restrictions therein set forth, of Additional Senior Bonds, and Additional Subordinated Bonds

(each as described in the Original Indenture) for the purposes set forth therein.

By purchasing this Bond, the Bondholder has consented to the amendments to the Original Indenture contained in the First Supplemental Indenture.

B-5

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The Bonds are equally and ratably secured by a pledge by the Commission of the Trust Estate (as defined in the First Supplemental Indenture), including the Tax Revenues (as defined

in the First Supplemental Indenture), which term includes that portion of the oil company franchise tax (the "Oil Franchise Tax") collected by the Commonwealth and paid to the Trustee,

and any other receipts, revenues and other moneys received by the Trustee from the Commonwealth in substitution and/or replacement thereof. Any Additional Subordinated Bonds

issued under the Indenture will be equally and ratably secured under the Indenture with the

Bonds.

In the event the Tax Revenues are insufficient to pay the principal of and interest on the Bonds and all Senior Bonds issued under the Indenture or any indenture supplemental thereto,

the Commission covenants pursuant to the Indenture to petition the General Assembly of the

Commonwealth of Pennsylvania to increase the Tax Revenues allocated to it. The General

Assembly has no obligation to take such action, however. In the statute establishing the oil

company franchise tax, however, the following pledge is made, which the Commission covenants to seek to enforce under the Indenture:

The Commonwealth does hereby pledge to and agree with any person, firm or corporation acquiring any bonds to be issued by the Pennsylvania Turnpike Commission and secured in whole or in

part by a pledge of the portion of the tax known as the "oil company franchise tax for the highway maintenance and construction" which is imposed by Section 9502(a)(2) and distributed in the manner indicated in that section, including 14% for toll roads designated under the Turnpike Organization, Extension and Toll Road Conversion Act, that the Commonwealth will not limit or alter the rights vested in the Pennsylvania Turnpike Commission to the appropriation and distribution of such tax revenues.

The Bonds are issuable in the form of registered bonds in denominations of \$5,000 each or any integral multiple thereof. Subject to the conditions and upon payment of the charges, if any, provided in the Indenture, this Bond, upon surrender hereof at the designated corporate trust office of the Bond Registrar, with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his attorney duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of any other authorized denomination of the same maturity.

OPTIONAL REDEMPTION

The Bonds maturing on or after December 1, 2014, are subject to redemption prior to maturity at the option of the Commission on or after December 1, 2013, in whole or in part at any time, in any order of maturity as selected by the Commission, at par together with accrued interest to the date fixed for redemption.

B-6

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SINKING FUND REDEMPTION

The Bonds maturing on December 1, 2028 are subject to mandatory redemption in part prior to maturity on December 1 of the years 2026 through 2028 from the 2003 Series B Bonds

Sinking Fund Account established under the Indenture (the "Sinking Fund") upon payment of

100% of the principal amount thereof plus accrued interest to the redemption date. The Bonds

maturing on December 1, 2031 are subject to mandatory redemption in part prior to maturity on

December 1 of each of the years 2028 through 2031, from the Sinking Fund upon payment of

100% of the principal amount thereof plus accrued interest to the redemption date. The following table sets forth the Sinking Fund Requirements for the Bonds subject to mandatory

redemption from the Sinking Fund:

Redemption Bonds Due	Redemption Bonds Due
----------------------	----------------------

Date December 1, Date December 1,
(December 1) 2028 (December 1) 2031
2026 \$7,830,000 2028 \$9,625,000
2027 8,275,000 2029 14,215,000
2028" 3,895,000 2030 14,915,000
2031" 15,665,000

* Final Maturity

If less than all of the Bonds which are stated to mature on the same date shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot

by the *Trustee* in such manner as the *Trustee* in its discretion may determine; provided, however,

that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or any

integral multiple thereof, and that, in selecting portions of Bonds for redemption, the *Trustee*

shall treat each Bond as representing that number of Bonds which is obtained by dividing the

principal amount thereof by \$5,000.

In the event of any such redemption, either in whole or in part, notice of such redemption shall be mailed via first class mail, postage prepaid, at least thirty (30) days and not more than

sixty (60) days prior to the redemption date to the registered owners of any Bonds or portions of

Bonds to be redeemed at their registered addresses and to the rating agencies then rating the

Bonds and The Bond Buyer or their respective successors, if any, in the manner and under the

terms and conditions provided in the Indenture. Such mailing shall not be a condition precedent

to such redemption, and failure to mail any such notice shall not affect the validity of the proceedings for the redemption of Bonds. The Bonds or portions thereof so called for redemption shall become due and payable at the applicable redemption price herein provided,

and from and after the date so fixed for redemption, interest on the Bonds or portions thereof so

called for redemption shall cease to accrue and become payable.

In the case of an optional redemption, the notice may state (1) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the B-7

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redemption, with the *Trustee* no later than the redemption date or (2) that the *Commission* retains

the right to rescind such notice at any time prior to the scheduled redemption date if the *Commission* delivers a certificate of a *Commission Official* to the *Trustee* instructing the *Trustee*

to rescind the redemption notice (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described below.

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

The owner of this Bond by the acceptance hereof specifically agrees that the Trustee shall be under no obligation to take any action with respect to any event of default occurring under the terms of this Bond or the Indenture, other than to give notice of certain defaults as provided in the Indenture, unless requested so to do in writing by the owners of not less than twenty-five percent (25%) in principal amount of the Bonds then Outstanding under the Indenture with respect to which the event of default has occurred and upon receipt of satisfactory indemnity as provided in the Indenture.

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

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

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

All acts, conditions and things required by the constitution and statutes of the Commonwealth and the rules and regulations of the Commission to happen, exist and be

performed precedent to and in the issuance of this Bond and the execution of the Indenture have happened, exist and have been performed as so required.

B-8

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[FINANCIAL GUARANTY INSURANCE POLICY]

[FORM OF OPINION OF BOND COUNSEL]

[FORM OF ASSIGNMENT]

B-9

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EXHIBIT C

PENNSYLVANIA TURNPIKE COMMISSION

OIL FRANCHISE TAX REVENUE BONDS

CONSTRUCTION FUND REQUISITION

Date Total Prior Requisitions:

Requisition No. Total This Requisition:

National City Bank of Pennsylvania, as Trustee

under the First Supplemental Trust Indenture dated as of June 1, 2003 (the "First Supplemental Indenture"), as amending and supplementing the Trust Indenture dated as of August 1, 1998 (the "Original Indenture") with the Pennsylvania Turnpike Commission

Ladies and Gentlemen:

Pursuant to the provisions of Section 405 of the Original Indenture and Section 3.5 of the above-mentioned First Supplemental Indenture, you are hereby requested to make

from the Construction Fund the payments listed on Schedule I attached hereto, to the persons, in

the amounts and for the purpose (in reasonable detail) stated thereon.

As an authorized officer of the Commission, I hereby approve such payments and certify as follows:

1. The obligations in the stated amounts have been incurred by the Commission and each item thereof is a proper charge against the Construction Fund and has not been paid (or has been paid by the Commission if it is seeking reimbursement for such expense).
2. There has not been filed with or served upon the Commission notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the persons, firms or corporations named on Schedule I hereto which has not been released or will not be released simultaneously with the payment of such obligation.
3. This requisition contains no item representing payment on account of any retained percentages which the Commission is at the date of such certificate entitled to retain.
4. No part of any of the listed items has been included in any previous requisition.

5. [If the requisition contains any item for the payment of the purchase price or cost of any lands, rights, easements,

C-1

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franchises or interests in or relating to lands:] Such lands, rights, easements, franchises or interests are being acquired in furtherance of the acquisition of the right-of-way for the Project or in furtherance of the construction or operation of the Project.

PENNSYLVANIA TURNPIKE COMMISSION

By:

Title:

C-2

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SCHEDULE I

Payee Description Amoufit

C-3

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