

SUPPLEMENTAL TRUST INDENTURE NO. 29

by and between

PENNSYLVANIA TURNPIKE COMMISSION

and

U.S. BANK NATIONAL ASSOCIATION, as Trustee

Dated as of June 27, 2013

Relating to

Novation of Approved Swap Agreements

with UBS AG

to THE BANK OF NEW YORK MELLON

Confirmation or Reference Nos.: 17855 and 37431535

This SUPPLEMENTAL TRUST INDENTURE NO. 29 (this “Supplemental Indenture”) is dated as of June 27, 2013, by and between PENNSYLVANIA TURNPIKE COMMISSION (the “Commission”), an instrumentality of the Commonwealth of Pennsylvania, and U.S. BANK NATIONAL ASSOCIATION, as Trustee (the “Trustee”), a national banking association organized and existing under the laws of the United States of America.

RECITALS:

WHEREAS, the Commission has previously issued various series of its Pennsylvania Turnpike Revenue Bonds pursuant to an Indenture of Trust dated as of July 1, 1986 between the Commission and the Trustee (the “Original Indenture”), as supplemented and amended, and as amended and restated by an Amended and Restated Trust Indenture dated as of March 1, 2001, as supplemented and amended (the “Restated Indenture”) and which became effective on September 5, 2002; and

WHEREAS, Section 211 of the Restated Indenture permits the Commission to enter into Swap Agreements (as defined in the Restated Indenture), and if desired by the Commission, the Commission may cause the payments to be made and received by the Commission under a Swap Agreement to be taken into account in any calculation of Annual Debt Service under the Restated Indenture by complying with the requirements of Section 211 of the Restated Indenture, in which event such Swap Agreement shall constitute an “Approved Swap Agreement” under the Restated Indenture; and

WHEREAS, Section 211 of the Restated Indenture further provides that the Commission may file with the Trustee, together with the other items required by Section 211, a supplemental indenture granting the Parity Swap Agreement Counterparty (as defined in the Restated Indenture) to an Approved Swap Agreement a parity lien position in the Trust Estate (as defined in the Restated Indenture) so that the Commission’s scheduled payment obligations and termination payment obligations thereunder are on a parity with all Bonds outstanding, under the Restated Indenture and all other Parity Obligations (as defined in the Restated Indenture); and

WHEREAS, the Restated Indenture notes that the Trustee is a fiduciary solely for the Owners of the Bonds and not a fiduciary of other Secured Owners and, as a result, it is intended that the parity status provided to the Approved Swap Agreements will be achieved through the Trustee acting as collateral agent for the Secured Owners; and

WHEREAS, the Commission entered into an interest rate basis swap agreement with UBS AG (the “Original Swap Provider), confirmed as of February 11, 2002, in the original notional amount of \$72,066,250.00 and having an effective date of September 5, 2002 (the “2002 Swap Agreement”); and

WHEREAS, the Commission entered into an interest rate basis swap agreement with the Original Swap Provider, confirmed as of August 10, 2006, in the original notional amount of \$134,733,000 and having an effective date of July 1, 2007 (the “2007 Swap Agreement,” and together with the 2002 Swap Agreement, the “Swap Agreements”); and

WHEREAS, the Commission desires to enter into a novation of the Swap Agreements from the Original Swap Provider to The Bank of New York Mellon (the “Swap Provider”) to be evidenced by an ISDA Master Agreement, Schedule and Credit Support Annex dated the date hereof and a novation confirmation to be entered into thereunder (collectively, the “Novated Swap Agreements”); and

WHEREAS, the Commission wishes to cause the Novated Swap Agreements to continue to be Approved Swap Agreements and Parity Swap Agreements (as each is defined in the Restated Indenture) by entering into this Supplemental Indenture.

NOW, THEREFORE, THIS SUPPLEMENTAL INDENTURE WITNESSETH:

1. Capitalized Terms. Capitalized terms used in this Supplemental Indenture which are not otherwise defined shall have the meanings set forth in the Restated Indenture.

2. Compliance with Section 211 of the Restated Indenture. The Commission has filed or caused to be filed with the Trustee the items required by Section 211 of the Restated Indenture, including an opinion of Bond Counsel to such effect. Accordingly, the Novated Swap Agreements constitute Approved Swap Agreements and Parity Swap Agreements (as defined in the Restated Indenture).

3. Confirmation of Parity Security in Trust Estate.

The Commission, in consideration of the premises and of the execution and delivery of the Novated Swap Agreements by the Commission and the Swap Provider, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the obligations of the Commission pursuant to the Novated Swap Agreement, inter alia, does hereby confirm that it has sold, assigned, transferred, granted a security interest, in, set over, and pledged to the Trustee, the Trust Estate.

The Trustee does hereby confirm that, while it is a fiduciary solely of Owners of the Bonds and is not a fiduciary of the other Secured Owners, including the Swap Provider, it shall hold as collateral agent the Trust Estate for the benefit of all Secured Owners, including the Parity Obligations of the Swap Provider, which shall be secured by the Trust Estate on a parity (equal and ratable basis) with the Bonds, except as provided in the Restated Indenture.

The Swap Provider by its execution of the Acknowledgment below: (a) waives any and all claims it may have against the Trustee for serving both as fiduciary and as collateral agent including, but not limited to, any and all claims it may have against the Trustee for any action taken by the Trustee or for the Trustee refraining from taking (or failing to take) action, the result of which could be adverse to the interests of the Swap Provider, in its role as trustee and without regard to its role as collateral agent; provided that the Swap Provider does not waive any claims it may have against the Trustee in connection with the failure of the Trustee to distribute funds in the Trust Estate for payment of Bonds and Parity Obligations, including the Novated Swap Agreement, on a parity (equal and ratable basis) pursuant to the terms of the Restated Indenture, as supplemented hereby; (b) agrees that the Trustee is serving in such roles to allow the Parity Obligations of the Swap Provider to be secured on a parity with the Bonds and other Secured Obligations; and (c) agrees that the duties and responsibilities of the Trustee hereunder shall be governed by the provisions of the Restated Indenture including Article IX thereof.

4. Defeasance. When the Novated Swap Agreement has been terminated and all obligations of the Commission thereunder have been paid or satisfied in full, the Trustee, upon written request of the Commission, which shall include a representation of such payment or satisfaction in foil (and on which the Trustee may rely), shall release this Supplemental Indenture and shall execute such documents to evidence such release as may be reasonably required by the Commission. Notwithstanding the provisions of Article XI of the Restated Indenture, so long as the Commission shall have Obligations under the Novated Swap Agreement, the Restated Indenture and the Trust Estate shall not be released and shall remain in full force and effect and the security interest therein granted to secure the Novated Swap Agreement shall not be discharged until all such obligations have been satisfied.

5. Notice to Rating Agencies. The Commission agrees that it shall give written notice to each Rating Agency in the event a termination payment is required to be made by the Commission to the Swap Provider pursuant to the Novated Swap Agreement, which notice shall identify the source of funds used for such payment (which may be payments received by the Commission from another Swap Agreement).

6. Successors and Assign. All covenants, promises and agreements in this Supplemental Indenture contained by or on behalf of the parties hereto, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not; provided, however, this Supplemental Trust Indenture shall not become effective until the Acknowledgement below has been signed by the Swap Provider.

7. Third Party Beneficiary. The Swap Provider shall be a third party beneficiary of this Supplemental Indenture and the Restated Indenture and, as such, shall be entitled to enforce the provisions hereof as if it were a party hereto in the first instance.

8. Consent for Amendments. Any amendment of the Restated Indenture which would have a material adverse effect on the Novated Swap Agreement, other than supplemental indentures authorizing Approved Swap Agreements or Parity Swap Agreements pursuant to the terms of the Restated Indenture as of the date hereof, shall not be effective without the written consent of the Swap Provider.

9. Counterparts. This Supplemental Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but such counterparts shall together constitute but one and the same instrument.

10. Applicable Law. This Supplemental Indenture shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflict of law principles.

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

ATTEST: PENNSYLVANIA TURNPIKE COMMISSION

By: _____
Title:

By: _____
Title:

ATTEST: U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Officer

By: _____
Authorized Officer

ACKNOWLEDGEMENT

Intending to be legally bound hereby, the Swap Provider identified above hereby acknowledges and agrees to the provisions of this Supplemental Indenture.

THE BANK OF NEW YORK MELLON

Date: As of June 27, 2013

By: _____
Title: