

FIRST SUPPLEMENTAL INDENTURE OF TRUST

between

RHODE ISLAND TURNPIKE AND BRIDGE AUTHORITY

and

U.S. BANK NATIONAL ASSOCIATION
as Trustee

Governing the Issuance of and Securing \$35,765,000
Taxable Refunding Revenue Bonds
Series 2003 A

Dated as of July 1, 2003

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I - FIRST SUPPLEMENTAL INDENTURE	1
Section 101. First Supplemental Indenture and Definitions	1
Section 102. Reference to Articles and Sections	3
ARTICLE II - DETAILS AND FORM OF SERIES 2003 A BONDS	3
Section 201. Series 2003 A Bonds	3
Section 202. Details of the Series 2003 A Bonds	3
Section 203. General Terms	4
Section 204. Medium and Place of Payment	6
Section 205. Form of Series 2003 A Bonds	6
Section 206. Delivery of Series 2003 A Bonds	6
ARTICLE III - REDEMPTION OF SERIES 2003 A BONDS	6
Section 301. Redemption Dates and Prices.	6
Section 302. [Reserved].	6
Section 303. Partial Redemption of Series 2003 A Bonds	6
Section 304. Effect of Call for Redemption.	7
Section 305. Method of Selecting Bonds for Redemption.	7
Section 306. Notice of Redemption.	7
ARTICLE IV - PROCEEDS OF SERIES 2003 A BONDS AND FLOW OF FUNDS	7
Section 401. Creation of Accounts	7
Section 402. Use of Series 2003 A Bond Proceeds.	8
ARTICLE V - SECURITY FOR Series 2003 A BONDS	8
Section 501. Security for Series 2003 A Bonds.	8
ARTICLE VI - BOND INSURER REQUIREMENTS	9
Section 601. Consent of the Insurer	9
Section 602. Consent of the Insurer in the Event of Insolvency	9
Section 603. Consent of the Insurer Upon Default.	9
Section 604. Notices to be Sent to the Attention of the Insurer's Surveillance Department.	9
Section 605. Notices to be Sent to the Attention of the Insurer's General Counsel Office.	10
Section 606. Other Information to be Given to the Insurer	10
Section 607. Defeasance	10
Section 608. Payment Procedure Pursuant to the Financial Guaranty Insurance Policy.	11

Section 609. Provisions Relating to Fiduciaries 13
Section 610. Insurer as Third Party Beneficiary. 13
Section 611. Parties Interested Herein 13

ARTICLE VII - MISCELLANEOUS 14
Section 701. Limitation of Rights. 14
Section 702. Severability 14
Section 703. Governing Law 14
Section 704. Counterparts 14
Section 705. Binding Effect. 14

THIS FIRST SUPPLEMENTAL INDENTURE OF TRUST dated as of July 1, 2003, by and between the RHODE ISLAND TURNPIKE AND BRIDGE AUTHORITY (the "Authority" or "Issuer"), a body politic and corporate and public instrumentality of the State of Rhode Island and Providence Plantations and U.S. BANK NATIONAL ASSOCIATION, a national banking association, as trustee under the Master Indenture defined below (the "Trustee"),

W I T N E S S E T H :

WHEREAS, the Authority and the Trustee have entered into a Master Indenture of Trust dated as of July 1, 2003 (the "Master Indenture"); and

WHEREAS, within the limitations of and in compliance with Articles II and IX of the Master Indenture, the Authority is authorized to issue one or more Series of Bonds; and

WHEREAS, the Authority has determined to issue a Series of Bonds in the aggregate principal amount of \$35,765,000 (the "Series 2003 A Bonds"), the proceeds of which shall be used, together with other funds, (i) to refund the outstanding principal balance of the Authority's \$42,985,000 Refunding Revenue Bonds, Series 1997 dated July 15, 1997 (the "Refunded Bonds"), (ii) to fund the Series 2003 A Debt Service Reserve Account in the Debt Service Reserve Fund, and (iii) to finance the costs of issuing the Series 2003 A Bonds; and

WHEREAS, the Master Indenture provides at Section 210 that, in connection with the issuance of a Series of Bonds, the Authority and the shall execute and deliver to the Trustee a Supplemental Indenture governing the issuance of the Series of Bonds and setting forth the provisions thereof; and

WHEREAS, the Authority has taken all necessary action to make the Series 2003 A Bonds, when authenticated by the Authenticating Agent and issued by the Authority, valid and binding obligations of the Authority and to constitute this First Supplemental Indenture a valid and binding instrument for the authorization of and security for the Series 2003 A Bonds;

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE FURTHER WITNESSETH: That the Authority does hereby covenant and agree with the Trustee and with the respective Holders, from time to time, of the Outstanding Series 2003 A Bonds, as follows:

ARTICLE I

FIRST SUPPLEMENTAL INDENTURE

Section 101. First Supplemental Indenture and Definitions. This First Supplemental Indenture is authorized and executed by the Authority and delivered to the Trustee pursuant to and in accordance with Articles II and IX of the Master Indenture. All covenants, conditions, definitions and agreements contained in the Master Indenture shall apply with full

force and effect to the Series 2003 A Bonds and to the Holders thereof, except as otherwise provided herein. In addition to the definitions given in Article I of the Master Indenture, the following terms shall have the following meanings unless a different meaning clearly applies from the context:

"Authenticating Agent" shall mean the Trustee.

"Bond Year" shall mean the annual period ending each June 30.

"Date of Issuance" means the date of original delivery of the Series 2003 A Bonds to the Underwriter against payment therefor.

"DTC" shall mean The Depository Trust Company, New York, New York, a securities depository, or its nominee, as registered Holder of the Series 2003 A Bonds or its successor in that capacity.

"Event of Default" shall have the meaning described in Section 701 of the Master Indenture.

"First Supplemental Indenture" shall mean this First Supplemental Indenture of Trust between the Authority and the Trustee, which supplements and amends the Master Indenture.

"Insurer" shall mean, with respect to the Series 2003 A Bonds, Ambac Assurance Corporation, a Wisconsin-domiciled stock insurance company, its successors and assigns or (in connection with a surety bond issued by another insurer) any other insurer issuing a surety bond.

"Interest Payment Date" shall mean each June 1 and December 1, commencing on December 1, 2003.

"Master Indenture" shall mean the Master Indenture of Trust dated as of July 1, 2003 between the Authority and the Trustee.

"Paying Agent" shall mean, for all purposes of the Master Indenture, with respect to the Series 2003 A Bonds, the Trustee or such other paying agent appointed by the Trustee.

"Policy" shall mean the financial guaranty insurance policy issued by the Insurer insuring the payment when due of the principal of and interest on the Series 2003 A Bonds as provided therein.

"Principal Payment Date" shall mean each December 1, from 2003 through 2017.

"Record Date" shall mean the fifteenth day (regardless of whether a Business Day) of the calendar month immediately preceding an Interest Payment Date.

"Refunding Trust Agreement" shall mean the Refunding Trust Agreement dated as of July 1, 2003 between the Authority and the U.S. Bank National Association, as refunding trustee.

"Refunding Trustee" shall mean U.S. Bank National Association.

"Registrar" shall mean the keeper of the Register, which shall be the Trustee.

"Related Documents" shall mean the Master Indenture, the First Supplemental Indenture and the Refunding Trust Agreement.

"Series 2003 A Bonds" shall mean the \$35,765,000 Taxable Refunding Revenue Bonds, Series 2003 A, authorized to be issued by Article II hereof.

"Series 2003 A Debt Service Reserve Fund Requirement" means an amount equal to the least of (i) 10 percent of the Principal Amount of the Series 2003 A Bonds Outstanding, (ii) 125% of the average Annual Debt Service on the Series 2003 A Bonds, or (iii) the Maximum Annual Debt Service requirement on the Series 2003 A Bonds.

"Underwriter" shall mean, with respect to the Series 2003 A Bonds, UBS Financial Services Inc.

Section 102. Reference to Articles and Sections. Unless otherwise indicated, all references herein to particular articles or sections are references to articles or sections of this First Supplemental Indenture.

ARTICLE II

DETAILS AND FORM OF SERIES 2003 A BONDS

Section 201. Series 2003 A Bonds. There shall be issued a Series of Bonds pursuant to Articles II and IX of the Master Indenture in the aggregate principal amount of \$35,765,000. The proceeds of the Series 2003 A Bonds will be applied, together with other funds (i) to refund the outstanding principal balance of the Authority's \$42,985,000 Refunding Revenue Bonds Series 1997, dated as of July 15, 1997 (the "Refunded Bonds"), (ii) to pay certain costs of issuance of the Series 2003 A Bonds, and (iii) to fund the Series 2003 A Debt Service Reserve Account in the Debt Service Reserve Fund.

Section 202. Details of the Series 2003 A Bonds. (a) The Series 2003 A Bonds shall be designated "Rhode Island Turnpike and Bridge Authority Revenue Bonds, Series 2003 A" and shall bear the terms and shall mature, subject to prior redemption, as set forth herein and in Section 202 of the Master Indenture.

(b) The Series 2003 A Bonds shall be issued as Fixed Rate Bonds, shall be dated as of their Date of Issuance, shall be issued in denominations of \$5,000 or integral multiples thereof, shall be numbered R-1 upward and shall bear Interest at rates, payable semiannually on each June 1 and December 1, beginning December 1, 2003, and shall mature in installments on December 1 in the years and Principal Amounts, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Rate</u>
2003	\$2,145,000	1.15%	2011	\$2,370,000	4.50%
2004	1,910,000	1.45	2012	2,475,000	4.76
2005	1,970,000	1.97	2013	2,595,000	4.86
2006	1,975,000	2.61	2014	2,720,000	4.96
2007	2,035,000	3.18	2015	2,855,000	5.06
2008	2,105,000	3.60	2016	3,005,000	5.16
2009	2,180,000	3.92	2017	3,155,000	5.23
2010	2,270,000	4.26			

Each Series 2003 A Bond shall bear interest (a) from its Date of Issuance, or (b) otherwise from the Interest Payment Date that immediately precedes the date on which such Series 2003 A Bond is authenticated; provided, however, that, if at the time of authentication of any Series 2003 A Bond, payment of interest is in default, such Series 2003 A Bond shall bear interest from the date to which interest has been paid.

Section 203. General Terms. (a) The Series 2003 A Bonds shall be issued in fully registered form as herein provided. Initially, one fully registered bond certificate for each maturity of the Series 2003 A Bonds will be issued to DTC, which is hereby designated as the securities depository for the Series 2003 A Bonds, and immobilized in its custody. Purchases of the Series 2003 A Bonds under the DTC system must be made by or through its participants (the "Direct Participants"), which will receive a credit for the Series 2003 A Bond on DTC's records. The ownership interest of each actual purchaser of each Series 2003 A Bond (the "Beneficial Owner") is in turn to be recorded on the Direct Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmation providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant through which the Beneficial Owners entered into the transaction. Transfers of ownership interests in the Series 2003 A Bonds are to be accomplished by entries made on the books of the Direct Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2003 A Bonds, except in the event that use of the book-entry system for the Series 2003 A Bonds is discontinued. Neither the Authority nor the Trustee will be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its Direct Participants or persons acting through such Direct Participants (the "Indirect Participants") (collectively Direct and Indirect Participants are "Participants").

In addition, neither the Authority nor the Trustee in its capacity as Registrar and Paying Agent shall have any responsibility or obligation with respect to: (i) the accuracy of the records of DTC or any Participant with respect to any beneficial ownership interest of the Series 2003 A Bonds; (ii) the delivery to any Participant, Beneficial Owner of the Series 2003 A Bonds or other person, other than DTC, of any notice with respect to the Series 2003 A Bonds; (iii) the payment to any Participant, Beneficial Owner of the Series 2003 A Bonds or other person, other than DTC of any amount with respect to the Principal Amount of, Redemption Premium, if any, or Interest on, the Series 2003 A Bonds; (iv) any consent given by DTC as registered owner; or (v) the selection by DTC or any Participant of any Beneficial Owners to receive payment if the Series 2003 A Bonds are redeemed in part.

Payments of the Principal Amount and Interest on the Series 2003 A Bonds will be made by the Trustee to the Paying Agent, which will then forward such amount to DTC. DTC's practice is to credit Direct Participants' accounts on the Interest Payment Date or Principal Payment Date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment by the Interest Payment Date or Principal Payment Date. Payments by Direct Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Direct Participant and not of DTC, the Trustee or the Authority subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of Principal Amounts and Interest to DTC is the responsibility of the Authority, the Trustee, and the Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct Participants.

In the event that DTC determines not to continue to act as securities depository for the Series 2003 A Bonds, DTC shall notify the Authority and the Trustee. The Authority will identify another qualified securities depository to replace DTC or, if the Authority fails to identify another qualified securities depository, the Trustee will authenticate and deliver replacement Series 2003 A Bonds in the form of fully registered certificates.

The Authority may determine that continuation of the book-entry system of evidence and transfer of ownership of the Series 2003 A Bonds would adversely affect the interests of the Beneficial Owners of the Series 2003 A Bonds or the Authority, in which case the Authority shall notify DTC and the Trustee and may (a) discontinue using DTC as securities depository for the Series 2003 A Bonds and identify another qualified securities depository to replace DTC, or (b) discontinue using any securities depository for the Series 2003 A Bonds and order the Trustee to authenticate and deliver Series 2003 A Bonds in the form of fully registered certificates. If the Series 2003 A Bonds are delivered in the form of fully registered certificates, registration and transfer of the Series 2003 A Bonds will be permitted as described in the Master Indenture.

(b) Interest on the Series 2003 A Bonds shall be calculated on the basis of a year of 360 days consisting of 12 months of 30 days each and all such determinations and calculations shall be made by the Trustee.

If the Principal Amount of any Series 2003 A Bond is not paid when due (whether at maturity, by sinking fund redemption, upon acceleration or call for redemption or otherwise), then the overdue Principal Amount shall continue to bear Interest until paid at the rate or yield applicable to such Series 2003 A Bond.

Section 204. Medium and Place of Payment. Interest on the Series 2003 A Bonds shall be paid by check or draft of the Trustee, mailed to the Holder as of the applicable Record Date at such Holder's address as it appears on the Register or at such other address as is furnished to the Trustee in writing by such Holder; provided, however, that so long as the Series 2003 A Bonds are registered in the name of DTC or its nominee or at the option of any other Holder of at least \$1,000,000 of Series 2003 A Bonds, payment will be made by wire transfer. No Interest shall accrue on any payment mailed on or before the Interest Payment Date by check or draft to the most recent address of the Holder shown on the Register or on any wire transfer made to DTC or the Holder of at least \$1,000,000 of Series 2003 A Bonds on or before the Interest Payment Date.

Section 205. Form of Series 2003 A Bonds. The Series 2003 A Bonds shall be in substantially the form set forth in Exhibit A hereto.

Section 206. Delivery of Series 2003 A Bonds. The Authenticating Agent shall authenticate and deliver the Series 2003 A Bonds when there have been filed with or delivered to the Trustee all items required by Section 210 of the Master Indenture.

ARTICLE III

REDEMPTION OF SERIES 2003 A BONDS

Section 301. Redemption Dates and Prices. The Series 2003 A Bonds may not be called for redemption prior to maturity by the Authority except as provided herein and in Article III of the Master Indenture.

The Series 2003 A Bonds are not subject to optional redemption prior to maturity.

Section 302. [Reserved].

Section 303. Partial Redemption of Series 2003 A Bonds. Upon the selection and call for redemption of, and the surrender of, any Series 2003 A Bond for redemption in part only, the Authority shall cause to be executed and the Authenticating Agent shall authenticate and deliver to or upon the written order of the Holder thereof, at the expense of the Authority, a new Series 2003 A Bond or Series 2003 A Bonds of authorized denominations and like tenor, in

an aggregate face amount equal to the unredeemed portion of the Series 2003 A Bond surrendered.

Section 304. Effect of Call for Redemption. On the date designated for redemption by notice given as herein provided, the Series 2003 A Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2003 A Bonds on such date. If on the date fixed for redemption, moneys for payment of the redemption price and accrued Interest are held by the Paying Agent as provided herein, Interest on such Series 2003 A Bonds so called for redemption shall cease to accrue, such Series 2003 A Bonds shall cease to be entitled to any benefit or security hereunder and under the Master Indenture except the right to receive payment from the moneys held by the Paying Agent and the amount of such Series 2003 A Bonds so called for redemption shall be deemed paid and no longer Outstanding.

Section 305. Method of Selecting Bonds for Redemption. The Series 2003 A Bonds shall be selected for redemption as follows: (a) in the event that less than all of the Series 2003 A Bonds are to be redeemed, the maturities to be redeemed and the method of their selection shall be determined by the Authority, and (b) in the event that less than all Series 2003 A Bonds of a maturity are to be redeemed, the Series 2003 A Bonds of such maturity to be redeemed shall be selected by lot by the Trustee in such manner, in its discretion, as it shall deem appropriate and fair.

Upon the selection and call for redemption of, and the surrender of, any Series 2003 A Bonds for redemption in part only, the Authority shall cause to be executed, authenticated and delivered to or upon the written order of the Holder thereof, at the expense of the Authority, new Series 2003 A Bonds in fully registered form of authorized denominations and like tenor in an aggregate face amount equal to the unredeemed portion of the Series 2003 A Bonds surrendered.

Section 306. Notice of Redemption. During the period that DTC or Cede & Co. is the registered owner of the Series 2003 A Bonds, DTC and not the Trustee shall be responsible for mailing notices of redemption to the Beneficial Owners of the Series 2003 A Bonds. Notice of redemption shall be given as provided in the Master Indenture.

ARTICLE IV

PROCEEDS OF SERIES 2003 A BONDS AND FLOW OF FUNDS

Section 401. Creation of Accounts. There are hereby created and established, the following Accounts:

(a) In accordance with Section 401 of the Master Indenture, a Series 2003 A Cost of Issuance Account in the Construction Fund, to be held by the Trustee.

(b) In accordance with Section 501 of the Master Indenture, a Series 2003 A Interest Account in the Debt Service Fund, to be held by the Trustee.

(c) In accordance with Section 501 of the Master Indenture, a Series 2003 A Principal Account in the Debt Service Fund, to be held by the Trustee.

(d) In accordance with Section 501 of the Master Indenture, a Series 2003 A Redemption Account in the Debt Service Fund, to be held by the Trustee.

(e) In accordance with Section 501 of the Master Indenture, a Series 2003 A Debt Service Reserve Account in the Debt Service Reserve Fund, to be held by the Trustee.

Section 402. Use of Series 2003 A Bond Proceeds. The Authority hereby directs the Trustee to apply the proceeds of the sale of the \$35,765,000.00 aggregate principal amount of the Series 2003 A Bonds, less the underwriter's discount of \$248,987.50 together with \$3,510,605.00 transferred from the Series 1997 Debt Service Revenue Account in the Debt Service Reserve Fund and other available funds provided by the Authority in the amount of \$1,809,500.00, as follows:

(a) \$36,790,521.43 shall be transferred to the Refunding Trustee for deposit in the Refunding Trust Account created pursuant to the Refunding Trust Agreement to defease the Refunded Bonds.

(b) \$215,000.00 shall be deposited in the Series 2003 A Cost of Issuance Account in the Construction Fund to pay costs of issuance in connection with the Series 2003 A Bonds.

(c) \$3,510,605.00 shall be deposited in the Series 2003 A Debt Service Reserve Account in satisfaction of the Series 2003 A Debt Service Reserve Fund Requirement and may be applied solely to pay the principal of or Interest on the Series 2003 A Bonds.

ARTICLE V

SECURITY FOR Series 2003 A BONDS

Section 501. Security for Series 2003 A Bonds. The Series 2003 A Bonds shall be issued pursuant to the Master Indenture and this First Supplemental Indenture and shall be (i) equally and ratably secured with respect to Revenues under the Master Indenture and this First Supplemental Indenture with any other Series of Bonds issued pursuant to the Master Indenture, without preference, priority or distinction of any Series 2003 A Bond over any other Series of Bonds, (ii) secured with respect to certain Funds and Accounts in accordance with the provisions of the Master Indenture, (iii) secured with respect to the remainder of the Trust Estate, and (iv) secured with respect to the Series 2003 A Debt Service Reserve Account.

ARTICLE VI

BOND INSURER REQUIREMENTS

Section 601. Consent of the Insurer. Any provision of this First Supplemental Indenture expressly recognizing or granting rights in or to the Insurer may not be amended in any manner which affects the rights of the Insurer hereunder without the prior written consent of the Insurer. The Insurer shall be recognized as the registered owner of each Series 2003 A Bond which it secures for the purpose of exercising all rights and privileges available to a holder of the Series 2003 A Bonds. The Insurer reserves the right to charge the Authority a fee for any consent or amendment to the First Supplemental Indenture while the Policy is outstanding.

Unless otherwise provided in this Section, the Insurer's consent shall be required for the following purposes: (i) execution and delivery of any supplemental agreement amending the First Supplemental Indenture or any amendment, supplement or change to or modification of the Master Trust Indenture; (ii) removal of the Trustee or Paying Agent and selection and appointment of any successor Trustee or Paying Agent; and (iii) initiation or approval of any action not described in (i) or (ii) above which requires Bondholder consent.

Section 602. Consent of the Insurer in the Event of Insolvency. Any reorganization or liquidation plan with respect to the Authority must be acceptable to the Insurer. In the event of any reorganization or liquidation, the Insurer shall have the right to vote on behalf of all Bondholders who hold the Series 2003 A Bonds absent a default by the Insurer under the Policy insuring such Series 2003 A Bonds.

Section 603. Consent of the Insurer Upon Default. Anything in this First Supplemental Indenture to the contrary notwithstanding, upon the occurrence and continuance of an Event of Default as defined herein, the Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the Bondholders of the Series 2003 A Bonds or the Trustee for the benefit of the Bondholders under this First Supplemental Indenture.

Section 604. Notices to be Sent to the Attention of the Insurer's Surveillance Department.

(a) While the Policy is in effect, the Authority shall furnish to the Insurer, upon request, the following:

(1) a copy of any financial statement, audit and/or annual report of the Authority and

(2) such additional information it may reasonably request.

Upon request, such information shall be delivered at the Authority's expense to the attention of the Surveillance Department, unless otherwise indicated.

(b) A copy of any notice to be given to the registered owners of the Series 2003 A Bonds, including, without limitation, notice of any redemption of or defeasance of the Series 2003 A Bonds, and any certificate rendered pursuant to this First Supplemental Indenture relating to the security for the Series 2003 A Bonds.

(c) To the extent that the Authority has entered into a continuing disclosure agreement with respect to the Series 2003 A Bonds, the Insurer shall be included as a party to be notified.

Section 605. Notices to be Sent to the Attention of the Insurer's General Counsel Office.

(a) The Trustee shall notify the Insurer of any failure of which a Responsible Officer of the Trustee is aware of the Authority to provide to the Trustee any relevant notices, certificates, opinions or reports which the Authority is required to deliver to the Trustee under the terms of the Indenture.

(2) Notwithstanding any other provision of this First Supplemental Indenture, the Trustee shall immediately notify the Insurer if at any time the Trustee is aware that there are insufficient moneys to make any payments of principal and/or interest on the Series 2003 A Bonds as and when required and immediately upon the occurrence of any Event of Default of which a Responsible Officer of the Trustee is aware.

Section 606. Other Information to be Given to the Insurer. The Authority will permit the Insurer to discuss the affairs, finances and accounts of the Authority or any information the Insurer may reasonably request regarding the security for the Series 2003 A Bonds with appropriate officers of the Authority. The Authority will permit the Insurer to have access to the Project and have access to and to make copies of all books and records relating to the Series 2003 A Bonds at any reasonable time.

The Insurer shall have the right to direct an accounting at the Authority's expense, and the Authority's failure to comply with such direction within thirty (30) days after receipt of written notice of the direction from the Insurer shall be deemed an Event of Default hereunder; provided, however, that if compliance cannot occur within such period, then such period will be extended so long as compliance is begun within such period and diligently pursued, but only if such extension would not materially adversely affect the interests of any registered owner of the Series 2003 A Bonds.

Section 607. Defeasance. Notwithstanding anything herein to the contrary, in the event that the principal and/or interest due on the Series 2003 A Bonds shall be paid by the Insurer pursuant to the Policy, the Series 2003 A Bonds shall remain Outstanding for all

purposes, not be defeased or otherwise satisfied and not be considered paid by the Authority, and the assignment and pledge of the Trust Estate and all covenants, agreements and other obligations of the Authority to the registered owners shall continue to exist and shall run to the benefit of the Insurer, and the Insurer shall be subrogated to the rights of such registered owners.

Section 608. Payment Procedure Pursuant to the Financial Guaranty Insurance Policy.

As long as the Policy shall be in full force and effect, the Authority, the Trustee and the Paying Agent will comply with the following provisions:

(a) At least one (1) day prior to all Interest Payment Dates the Trustee or Paying Agent, if any, will determine whether there will be sufficient funds in the Funds and Accounts to pay the principal of or interest on the Series 2003 A Bonds due and payable on such Interest Payment Date. If the Trustee or Paying Agent determines that there will be insufficient funds in such Funds or Accounts, the Trustee or Paying Agent shall so notify the Insurer. Such notice shall specify the amount of the anticipated deficiency, the Series 2003 A Bonds to which such deficiency is applicable and whether such Series 2003 A Bonds will be deficient as to principal or interest, or both. If the Trustee or Paying Agent has so notified the Insurer at least one (1) day prior to an Interest Payment Date, the Insurer will make payments of principal or interest due on the Series 2003 A Bonds on or before the first (1st) day next following the date on which the Insurer shall have received notice of nonpayment from the Trustee or Paying Agent.

(b) The Trustee or Paying Agent, if any, shall, after giving notice to the Insurer as provided in (a) above, make available to the Insurer and, at the Insurer's direction, to The Bank of New York, as insurance trustee for the Insurer or any successor insurance trustee (the "Insurance Trustee"), the registration books of the Authority maintained by the Trustee or Paying Agent and all records relating to the Funds and Accounts maintained under this First Supplemental Indenture.

(c) The Trustee or Paying Agent shall provide the Insurer and the Insurance Trustee with a list of registered owners of the Series 2003 A Bonds entitled to receive principal or interest payments from the Insurer under the terms of the Policy, and shall make arrangements with the Insurance Trustee (i) to mail checks or drafts to the registered owners of the Series 2003 A Bonds entitled to receive full or partial interest payments from the Insurer and (ii) to pay principal upon the Series 2003 A Bonds surrendered to the Insurance Trustee by the registered owners of the Series 2003 A Bonds entitled to receive full or partial payment from the Insurer.

(d) The Trustee or Paying Agent shall, at the time it provides notice to the Insurer pursuant to (a) above, notify registered owners of the Series 2003 A Bonds entitled to receive the payment of principal or interest thereon from the Insurer (i) as to the fact of such entitlement, (ii) that the Insurer will remit to them all or a part of the

interest payments next coming due upon proof of Bondholder entitlement to interest payments and delivery to the Insurance Trustee, in form satisfactory to the Insurance Trustee, of an appropriate assignment of the registered owner's right to payment, (iii) that should they be entitled to receive full payment of principal from the Insurer, they must surrender their Series 2003 A Bonds (along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee to permit ownership of such Series 2003 A Bonds to be registered in the name of the Insurer) for payment to the Insurance Trustee, and not the Trustee or Paying Agent and (iv) that should they be entitled to receive partial payment of principal from the Insurer, they must surrender their Series 2003 A Bonds for payment thereon first to the Trustee or Paying Agent who shall note on such Series 2003 A Bonds the portion of the principal paid by the Trustee or Paying Agent and then, along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee, to the Insurance Trustee, which will then pay the unpaid portion of principal.

(e) In the event that the Trustee or Paying Agent has notice that any payment of principal of or interest on a Series 2003 A Bond which has become due for payment and which is made to a Bondholder by or on behalf of the Authority has been deemed a preferential transfer and theretofore recovered from its registered owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Trustee or Paying Agent shall, at the time the Insurer is notified pursuant to (a) above, notify all registered owners that in the event that any registered owner's payment is so recovered, such registered owner will be entitled to payment from the Insurer to the extent of such recovery, if sufficient funds are not otherwise available, and the Trustee shall furnish to the Insurer records evidencing the payments of principal of and interest on the Series 2003 A Bonds which have been made by the Trustee or Paying Agent and subsequently recovered from registered owners and the dates on which such payments were made.

(f) In addition to those rights granted the Insurer under this First Supplemental Indenture, the Insurer shall, to the extent it makes payment of principal of or interest on the Series 2003 A Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Policy, and to evidence such subrogation (i) in the case of subrogation as to claims for past due interest, the Trustee or Paying Agent shall note the Insurer's rights as subrogee on the registration books of the Authority maintained by the Trustee or Paying Agent upon receipt from the Insurer of proof of the payment of interest thereon to the registered owners of the Series 2003 A Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Trustee or Paying Agent shall note the Insurer's rights as subrogee on the registration books of the Series 2003 A Bonds maintained by the Trustee or Paying Agent upon surrender of the Series 2003 A Bonds by the registered owners thereof together with proof of the payment of principal thereof.

Section 609. Provisions Relating to Fiduciaries.

(a) The Trustee or Paying Agent may be removed at any time, at the request of the Insurer, for any breach of the Trust set forth herein.

(b) The Insurer shall receive prior written notice of the resignation of the Trustee or Paying Agent.

(c) Every successor Trustee appointed pursuant to this Section shall be a trust company or bank in good standing located in or incorporated under the laws of the State, duly authorized to exercise trust powers and subject to examination by federal or state authority, having a reported capital and surplus of not less than \$75,000,000 and acceptable to the Insurer. Any successor Paying Agent shall not be appointed unless the Insurer approves such successor in writing.

(d) Notwithstanding any other provision of this First Supplemental Indenture, in determining whether the rights of the Bondholders will be adversely affected by any action taken pursuant to the terms and provisions of this First Supplemental Indenture, the Trustee shall consider the effect on the Bondholders as if there were no Policy.

(e) Notwithstanding any other provision of this First Supplemental Indenture, no removal, resignation or termination of the Trustee or Paying Agent shall take effect until a successor acceptable to the Insurer shall be appointed.

Section 610. Insurer as Third Party Beneficiary. To the extent this First Supplemental Indenture confers upon or gives or grants to the Insurer any right, remedy or claim under or by reason of this First Supplemental Indenture, the Insurer is hereby explicitly recognized as being a third-party beneficiary thereunder or hereunder and may enforce any such right, remedy or claim conferred, given or granted thereunder or hereunder.

Section 611. Parties Interested Herein. Nothing in this First Supplemental Indenture expressed or implied is intended or shall be construed to confer upon, or give or grant to, any person or entity, other than the Authority, the Trustee, the Insurer, the Paying Agent, and the registered owners of the Series 2003 A Bonds, any right, remedy or claim under or by reason of this First Supplemental Indenture or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this First Supplemental Indenture contained by and on behalf of the Issuer or the Institution shall be for the sole and exclusive benefit of the Authority, the Trustee, the Insurer, the Paying Agent, and the registered owners of the Series 2003 A Bonds.

ARTICLE VII

MISCELLANEOUS

Section 701. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this First Supplemental Indenture or the Series 2003 A Bonds is intended or shall be construed to give any person other than the parties hereto, the Holders of the Series 2003 A Bonds and any Paying Agents, Registrars and Authentication Agents any legal or equitable right, remedy or claim under or in respect to this First Supplemental Indenture or any covenants, conditions and provisions herein contained; this First Supplemental Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the Holders of the Series 2003 A Bonds and any Paying Agents, Registrars and Authentication Agents as herein provided.

Section 702. Severability. If any one or more sections, clauses, sentences or parts hereof shall for any reason be questioned in any court of competent jurisdiction and shall be adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions hereof, or the Bonds issued pursuant hereto, but shall be confined to the specific sections, clauses, sentences and parts so adjudged.

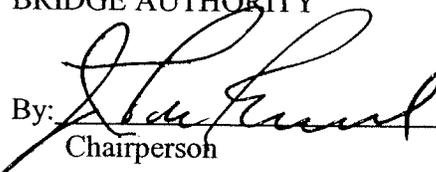
Section 703. Governing Law. This First Supplemental Indenture and the Series 2003 A Bonds are contracts made under the laws of the State of Rhode Island and shall be governed and construed in accordance with such laws.

Section 704. Counterparts. This First Supplemental Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

Section 705. Binding Effect. This First Supplemental Indenture shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns subject to the limitations contained herein.

IN WITNESS WHEREOF, the Authority and the Trustee have caused this First Supplemental Indenture to be executed in their respective corporate names by their duly authorized officers, all as of the date first above written.

RHODE ISLAND TURNPIKE AND
BRIDGE AUTHORITY

By: 
Chairperson

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: 
Vice President

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EXHIBIT A

No. R-___

RHODE ISLAND TURNPIKE AND BRIDGE
AUTHORITY TAXABLE REFUNDING REVENUE BOND
SERIES 2003 A

Principal Amount: \$_____

CUSIP: _____

Maturity Date: December 1, ____

Interest Rate Per Annum: ____%

Registration Date:

Registered Owner: Cede & Co.

Original Issue Date: July 31, 2003

The Rhode Island Turnpike and Bridge Authority (herein called the "Authority"), a body politic and corporate and public instrumentality of the State of Rhode Island and Providence Plantations (the "State") for value received, hereby promises to pay to the Registered Owner, or registered assigns, but solely from the sources provided for that purpose as hereinafter specified and not otherwise, on the Maturity Date, unless redeemed prior thereto as hereinafter provided, the Principal Amount, and to pay Interest at the Interest Rate on such Principal Amount from the most recent June 1 or December 1 (each an "Interest Payment Date") to which interest has been paid or provided for or, if no interest has been paid, from the Original Issue Date specified above until payment of such Principal Amount has been made or provided for. Interest will be calculated on the basis of a 360-day year of twelve 30-day months. If any Interest Payment Date is not a Business Day, the Interest or the Principal Amount shall be paid on the next succeeding Business Day with no additional interest accruing. "Business Day" shall mean

any day of the week other than Saturday, Sunday or a day which shall be, in the State, the State of New York or in the jurisdiction in which the Corporate Trust Office of the Trustee or the principal office of the Registrar is located, a legal holiday or a day on which banking corporations are authorized or obligated by law or executive order to close. Payment of the Principal Amount or Redemption Premium, if any, and Interest on this bond shall be in any coin or currency of the United States of America as, at the respective times of payment, shall be legal tender for the payment of public or private debts.

The Depository Trust Company ("DTC") has been appointed to act as securities depository for the Series 2003 A Bonds. For so long as DTC acts as securities depository, beneficial ownership interests in the Series 2003 A Bonds shall be evidenced by a book-entry system maintained by the DTC. The ownership of one fully registered bond for each maturity has been registered in the name of Cede & Co., as nominee of DTC. For as long as DTC continues to act as securities depository, the Principal Amount, Redemption Premium, if any, and Interest on this bond is payable by check or draft mailed or by wiring funds from U.S. Bank National Association, Corporate Trust Department, as Paying Agent, to DTC to be remitted to its Participants for subsequent disbursement to the Beneficial Owners determined as of the close of business on the Record Date for Payment, as that term is defined herein. If no securities depository holds the Series 2003 A Bonds, Interest shall be payable by check or draft mailed to the Holder of a bond at the address of such Holder as it appears on the Register of the Authority, kept by U.S. Bank National Association, as Registrar, on the applicable Record Date for Payment, and payment of the Principal Amount hereof shall be made by check or draft upon presentation and surrender of the bond to Paying Agent. Notwithstanding the foregoing,

payments of the Principal Amount, Redemption Premium, if any, and Interest may be paid, at the election of any Holder of at least \$1,000,000 in Principal Amount of the Bonds, by wire transfer within the continental United States to the bank account number of such Holder on file with the Registrar as of the Record Date for Payment. The Record Date for Payment is the fifteenth (15th) day of the calendar month, whether or not a Business Day, next preceding the Interest Payment Date, provided that, with respect to payments of overdue principal, interest, Redemption Premium, or interest on any overdue amount, when such payments are to be made on something other than an Interest Payment Date, the Trustee may establish a special record date (the "Special Record Date"). The Special Record Date may not be more than twenty (20) days before the date set for payment. The Trustee will give notice of a Special Record Date by mailing a copy of such notice to DTC (or to the Holders of the Bonds if there is no securities depository) in such other time and manner as the Trustee may deem appropriate.

This bond is one of a duly authorized issue of bonds of the Authority (herein called the "Series 2003 A Bonds"), issued and to be issued in the aggregate principal amount of \$35,765,000 pursuant to Title 24, Chapter 12 of the General Laws of Rhode Island (1997 Reenactment), as amended (the "Act") and under and pursuant to a Master Indenture of Trust between the Authority and U.S. Bank National Association, Boston, Massachusetts, as Trustee (the "Trustee") dated as of July 1, 2003 (herein called the "Master Indenture") and a First Supplemental Indenture of Trust between the Authority and the Trustee dated as of July 1, 2003 (herein called the "First Supplemental Indenture") (collectively, the "Indenture"). The proceeds of the Series 2003 A Bonds will be used, together with other funds, to (i) refund, on a current basis, the outstanding principal balance of the Authority's \$42,985,000 Refunding Revenue

Bonds, Series 1997 dated as of July 15, 1997 (the "Refunded Bonds"), (ii) fund the Debt Service Reserve Fund Requirement with respect to the Series 2003 A Bonds, and (iii) pay certain costs of issuance of the Series 2003 A Bonds.

This bond is a special and limited obligation of the Authority payable solely from and secured by a pledge of, equally and ratably with other Bonds of this issue, the Net Revenues derived from the operation by the Authority of the System and the remainder of the Trust Estate. This bond is further secured by the Series 2003 A Debt Service Reserve Account as described below.

Pursuant to the Indenture, the Authority has pledged the Trust Estate.

NEITHER THE STATE NOR THE AUTHORITY SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF PREMIUM, IF ANY, OR INTEREST ON THE BONDS OR OTHER OBLIGATIONS ISSUED UNDER THE MASTER INDENTURE EXCEPT FROM NET REVENUES AND OTHER FUNDS AND ACCOUNTS PLEDGED THEREFOR UNDER THE PROVISIONS OF THE ACT. IN NO EVENT SHALL THE BONDS BE DEEMED TO CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF AND NEITHER THE FAITH AND CREDIT NOR TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS OR ANY OTHER OBLIGATIONS ISSUED UNDER THE MASTER INDENTURE. THE AUTHORITY HAS NO TAXING POWER.

Copies of the Indenture are on file at the office of the Authority in the Town of Jamestown, Rhode Island, and at the Corporate Trust Office of the Trustee and reference to the Indenture and any supplements thereto and to the Act is made for a description of the pledge securing the Series 2003 A Bonds and covenants relating thereto, the manner of enforcement of the pledge, the rights and remedies of the Holders of the Series 2003 A Bonds with respect thereto, the terms and conditions upon which the Series 2003 A Bonds are issued and under which Additional Bonds may be issued thereunder in the future, the conditions upon which the Indenture may be amended with or without the consent of the Holders, and the terms upon which Series 2003 A Bonds may no longer be secured by the Indenture.

The Holder of this bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein to take any action with respect to an 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.

The Series 2003 A Bonds are subject to special mandatory redemption from proceeds of insurance, proceeds of any condemnation award, or surplus money in the Construction Fund as provided in the Indenture.

The Series 2003 A Bonds are not subject to optional redemption prior to maturity.

Upon the selection and call for redemption of, and the surrender of, any Series 2003 A Bond for redemption in part only, and except when registration of the Series 2003 A Bonds is maintained pursuant to a book-entry only system, the Authority shall cause to be executed and the Authenticating Agent shall authenticate and deliver to or upon the written order of the Holder thereof, at the expense of the Authority, a new Series 2003 A Bond or Series 2003

A Bonds of authorized denominations and like tenor, in an aggregate face amount equal to the unredeemed portion of the Series 2003 A Bond surrendered.

On the date designated for redemption by notice, the Series 2003 A Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2003 A Bonds on such date. If on the date fixed for redemption, moneys for payment of the Principal Amount, Redemption Premium, if any, and accrued interest are held by the Paying Agent, Interest on such Series 2003 A Bonds so called for redemption shall cease to accrue, such Series 2003 A Bonds shall cease to be entitled to any benefit or security under the Indenture, except the right to receive payment from moneys held by the Paying Agent and the amount of such Series 2003 A Bonds so called for redemption shall be deemed paid and no longer Outstanding.

The Series 2003 A Bonds shall be selected for redemption as follows: (a) in the event that less than all of the Series 2003 A Bonds are to be redeemed, the maturities to be redeemed and the method of their selection shall be determined by the Authority, and (b) in the event that less than all Series 2003 A Bonds of a maturity are to be redeemed, the Series 2003 A Bonds of such maturity to be redeemed shall be selected by lot by the Trustee in such manner, in its discretion, as it shall deem appropriate and fair.

During the period that DTC or Cede & Co. is the registered owner of the Series 2003 A Bonds, the Trustee shall not be responsible for mailing notices of redemption to the Beneficial Owners of the Series 2003 A Bonds.

If less than all Series 2003 A Bonds are to be redeemed, the Series 2003 A Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and maturity date. Each notice of redemption of Series 2003 A Bonds shall specify: (a) the date fixed for redemption, (b) the Principal Amount of the Series 2003 A Bonds or portions thereof to be redeemed, (c) the applicable Redemption Premium, if any, (d) the place or places of payment, (e) that payment of the Principal Amount and Redemption Premium, if any, will be made upon presentation and surrender to the Trustee or Paying Agent, as applicable, of the Series 2003 A Bonds to be redeemed, (f) that Interest accrued to the date fixed for redemption will be paid as specified in such notice, (g) that on and after said date Interest on the Series 2003 A Bonds which have been redeemed will cease to accrue, and (h) the designation, including Series, and the CUSIP numbers of the Series 2003 A Bonds to be redeemed and, if less than the face amount of any Series 2003 A Bonds is to be redeemed, the Principal Amount to be redeemed.

If all of the Series 2003 A Bonds are to be redeemed, each notice of redemption shall specify: (a) the date fixed for redemption, (b) the applicable Redemption Premium, if any, (c) the place or places of payment, (d) that payment of the Principal Amount and Redemption Premium, if any, will be made upon presentation and surrender to the Trustee or Paying Agent, as applicable, of the Series 2003 A Bond to be redeemed, (e) that Interest accrued to the date fixed for redemption will be paid as specified in such notice, and (f) that on and after said date Interest on the Series 2003 A Bonds which have been redeemed will cease to accrue.

Any notice of redemption shall be sent by DTC or the Trustee not less than thirty (30) days nor more than sixty (60) days prior to the date set for redemption by registered or certified mail (a) to the Holder of each such Series 2003 A Bonds to be redeemed in whole or in part at its address as it appears on the Register, (b) to all organizations registered with the Securities and Exchange Commission as securities depositories, and (c) to at least two information services of national recognition which disseminate redemption information with respect to tax-exempt securities. Failure to give any notice specified in (a) with respect to any particular Series 2003 A Bond, or any defect therein, shall not affect the validity of any proceedings for the redemption of any other Series 2003 A Bond with respect to which no such failure or defect has occurred, and failure to give any notice specified in (b) or (c), or any defect therein, shall not affect the validity of any proceedings for the redemption of any Series 2003 A Bonds with respect to which the notice specified in (a) is correctly given.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State or the Indenture to exist, to have happened or to have been performed precedent to or in the issuance of this bond, exist, have happened and have been performed and that the issue of this bond, together with all other indebtedness of the Authority, is within every debt and other limit prescribed by law.

This bond shall not be entitled to any security, right or benefit under the Indenture or be valid or obligatory for any purpose, unless the Certificate of Authentication hereon has been duly executed by the Authenticating Agent.

IN WITNESS WHEREOF, the Rhode Island Turnpike and Bridge Authority has caused this bond to be executed in its name by the manual or facsimile signature of the Chairperson of the Authority and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon and countersigned by the manual or facsimile signature of the Treasurer of the Authority.

(Seal)

RHODE ISLAND TURNPIKE AND
BRIDGE AUTHORITY

By: _____
Chairperson

Countersigned:

By: _____
Treasurer

CERTIFICATE OF AUTHENTICATION

This bond is one of the Series 2003 A Bonds described in the within-mentioned Indenture of the Rhode Island Turnpike and Bridge Authority.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee and Authenticating Agent

By: _____
Authorized Officer

[STATEMENT OF INSURANCE]

[FORM OF LEGAL OPINION]

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers this bond to

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

and irrevocably appoints _____

attorney-in-fact to transfer it on the books kept for registration of this bond with full power of substitution.

Dated: _____

NOTE: The signature to this assignment must correspond with the name as written on the face of the bond without alteration, enlargement or other change.

Signature Guaranteed:

Participant in a Recognized Signature
Guaranty Medallion Program

By: _____
Authorized Signature

EXHIBIT B

REQUISITION FOR SERIES 2003 A
COST OF ISSUANCE ACCOUNT

REQUISITION NO.

TRUSTEE

RE: \$35,765,000 Rhode Island Turnpike and Bridge Authority
Refunding Revenue Bonds, Series 2003 A

TO: Trustee under the Master Indenture of Trust between the Rhode Island Turnpike
and Bridge Authority and U.S. Bank National Association, as trustee dated as of
July 1, 2003

This Requisition is made pursuant to the above Indenture.

The Trustee is directed to pay sums out of the Cost of Issuance Account of the
Construction Fund entitled the Series 2003 A Cost of Issuance Account.

<u>NAME AND ADDRESS OF PAYEE</u>	<u>PURPOSE OF PAYMENT</u>	<u>AMOUNT</u>
--------------------------------------	---------------------------	---------------

I hereby certify that

(i) the obligation mentioned herein (a) has been properly incurred, (b) is a proper charge against the Cost of Issuance Account of the Construction Fund, (c) is currently due and payable, (d) has not been previously paid or reimbursed, and (e) has not been the basis of any previous withdrawal.

(ii) attached hereto is an invoice or bill for the amount described herein.

RHODE ISLAND TURNPIKE AND
BRIDGE AUTHORITY

By: _____
Authorized Officer

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