
SECOND SUPPLEMENTAL TRUST AGREEMENT

By and Between

MARYLAND TRANSPORTATION AUTHORITY

and

THE BANK OF NEW YORK,

As Trustee

Dated as of April 29, 2008

**AMENDING AND SUPPLEMENTING THAT CERTAIN SECOND AMENDED AND
RESTATED TRUST AGREEMENT DATED AS OF SEPTEMBER 1, 2007**

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SECOND SUPPLEMENTAL TRUST AGREEMENT

THIS SECOND SUPPLEMENTAL TRUST AGREEMENT, dated as of April 29, 2008 (this “**Second Supplemental Agreement**”), and effective from the time of execution and delivery hereof, is by and between the **MARYLAND TRANSPORTATION AUTHORITY** (the “**Authority**”), an agency of the State of Maryland (the “**State**”), acting on behalf of the Department of Transportation of Maryland (the “**Department**”), and **THE BANK OF NEW YORK**, a banking corporation duly organized and existing under the laws of the State of New York, as trustee (the “**Trustee**”).

RECITALS

WHEREAS, the Authority is authorized pursuant to Title 4 of the Transportation Article of the Annotated Code of Maryland, as amended (the “**Enabling Legislation**,”), to issue revenue bonds for the purpose of financing and refinancing all or any part of the costs of Transportation Facilities Projects (as defined in the Enabling Legislation) and to secure such revenue bonds by a trust agreement, which may pledge and assign all or any part of the revenues of any transportation facilities project to secure such revenue bonds; and

WHEREAS, pursuant to the Enabling Legislation and the Second Amended and Restated Trust Agreement dated as of September 1, 2007 (the “**Original Agreement**”), as amended and supplemented by a First Supplemental Trust Agreement dated as of March 1, 2008 (the “**First Supplemental Agreement**”), by and between the Authority and the Trustee, the Authority issued on March 26, 2008 its Transportation Facilities Projects Revenue Bonds, Series 2008 dated as of March 26, 2008 (the “**Series 2008 Bonds**”); and

WHEREAS, pursuant to the provisions of Section 4.02 of the First Supplemental Agreement, the Authority may from time to time substitute the moneys and/or securities on deposit in the 2008 Reserve Subaccount with a 2008 Reserve Policy (terms defined in First Supplemental Agreement) and vice versa; and

WHEREAS, the Authority has determined to substitute the moneys on deposit in the 2008 Reserve Subaccount with a 2008 Reserve Policy provided by Financial Security Assurance Inc. and to correct certain defects in the language of the Original Agreement; and

WHEREAS, Section 11.01(a)(i) and (ii) of the Original Agreement provides the Trustee may enter into a supplemental agreement without the consent of Bondholders to cure any defect or inconsistent provisions contained in the Trust Agreement and to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security as may be lawfully granted or conferred; and

WHEREAS, the creation, execution and delivery of this Second Supplemental Agreement, has in all respects been duly authorized.

NOW, THEREFORE, WITNESSETH that in consideration of the foregoing and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Authority and the Trustee do hereby agree and covenant as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01. Definitions.

Terms used in this Second Supplemental Agreement and not defined herein shall have the respective meanings given such terms in the Original Agreement, as amended and supplemented by the First Supplemental Agreement. In addition to the terms defined elsewhere herein, as used in this Second Supplemental Agreement, unless a different meaning is clearly intended from the context, the following terms shall have the meanings indicated below:

(1) **“First Supplemental Agreement”** shall mean the First Supplemental Trust Agreement dated as of March 1, 2008, by and between the Authority and the Trustee.

(2) **“Intercounty Connector Project”** shall mean the multi-modal east-west highway to link existing and planned development areas between the Interstate Route 270 and the Interstate Route 95/US Route 1 corridors in Montgomery and Prince George’s Counties of Maryland, and related transportation improvements and environmental and community mitigation and enhancements.

(3) **“Original Agreement”** shall mean the Second Amended and Restated Trust Agreement dated as of September 1, 2007, by and between the Authority and the Trustee.

(4) **“Second Supplemental Agreement”** shall mean this Second Supplemental Trust Agreement, as amended and supplemented from time to time.

(5) **“Series 2008 Bonds”** shall mean the Authority’s “Transportation Facilities Projects Revenue Bonds, Series 2008,” dated as of March 26, 2008.

(6) **“Transportation Facilities Projects”** shall mean the Potomac River Bridge, the Chesapeake Bay Bridge, the Baltimore Harbor Tunnel, the Francis Scott Key Bridge, the Northeastern Expressway and (subject to the provisions of Section 6.15 of the Original Agreement) the Fort McHenry Tunnel, the Intercounty Connector, the 2004 Projects, the 2007 Projects, the 2008 Projects, any additional Project or Projects designated by the Authority to be Transportation Facilities Projects and any Project initially designated a General Account Project and reclassified a Transportation Facilities Project as provided in Section 6.04 of the Original Agreement and any additions, improvements and enlargements thereto.

(7) **“Trust Agreement”** shall mean the Original Agreement, as amended and supplemented by the First Supplemental Agreement and this Second Supplemental Agreement, as such agreement may be further amended, modified or supplemented from time to time.

(8) “**2008 Bond Proceeds Subaccount**” shall mean the special subaccount created within the Capital Account by the provisions of Section 4.01 of the First Supplemental Agreement.

(9) “**2008 Projects**” shall mean the acquisition, construction and improvement of the facilities described in Appendix B of the First Supplemental Agreement and certain other highway public buildings, bridges and transportation projects for the Authority’s system financed and refinanced with proceeds of the Series 2008 Bonds.

(10) “**2008 Reserve Policy**” shall mean any insurance policy, surety bond, irrevocable letter of credit or guaranty issued by an insurer and deposited in the 2008 Reserve Subaccount in lieu of or in substitution for cash to fund the 2008 Reserve Subaccount.

(11) “**2008 Reserve Policy Insurer**” shall mean Financial Security Assurance Inc., or any successor thereto or assignee thereof.

(12) “**2008 Reserve Subaccount**” shall mean the special subaccount created within the Debt Retirement Account by the provisions of Section 4.01 of the First Supplemental Agreement.

Section 1.02. Rules of Construction.

Unless the context clearly indicates to the contrary, the following rules apply to the construction of this Second Supplemental Agreement:

(a) Words importing the singular number include the plural number and words importing the plural number include the singular number.

(b) Words of the masculine gender include correlative words of the feminine and neuter genders.

(c) The table of contents and the headings or captions used in this Second Supplemental Agreement are for convenience of reference and do not constitute a part of this Second Supplemental Agreement, nor affect its meaning, construction or effect.

(d) Words importing persons include any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or agency or political subdivision thereof.

(e) Any reference to a particular percentage or proportion of the holders of the Series 2008 Bonds shall mean the holders at the particular time of the specified percentage or proportion in aggregate principal amount of all Series 2008 Bonds then Outstanding under the Trust Agreement.

(f) The word “Holder,” “holder,” “Bondholder,” “owner” or any similar term, when used with respect to any Bond or Parity Indebtedness, shall mean the registered owner of any Bond or Parity Indebtedness, respectively.

(g) Any reference to the Transportation Facilities Projects Fund, the Rebate Fund, the Capital Account, the Debt Retirement Account, the General Account, the Junior Obligations Account, the Maintenance and Operations Reserve Account and the Operating Account shall be to the funds and accounts so designated under Section 4.01 of the Original Agreement.

(h) Any reference in this Second Supplemental Agreement to a particular “Article,” “Section,” “Appendix” or other subdivision shall be to such Article, Section, Appendix or subdivision of this Second Supplemental Agreement unless the context shall otherwise require.

(i) Each reference in this Second Supplemental Agreement to an agreement or contract shall include all amendments, modifications and supplements to such agreement or contract unless the context shall otherwise require.

(j) During any period in which no Credit Facility is in effect and all amounts payable to each Credit Bank, if any, have been paid, the provisions of the Trust Agreement that relate to the Credit Facility and the Credit Bank shall be of no force and effect. Any provision of the Trust Agreement requiring the consent or direction of any Credit Bank shall be of no force and effect during any period in which any Credit Facility Default with respect to such Credit Bank shall be continuing.

(k) Any reference to any particular time of day shall be to such time of day in Baltimore, Maryland, unless the context shall otherwise require.

ARTICLE II

TRANSFER OF BOND PROCEEDS; 2008 RESERVE POLICY

Section 2.01. Transfer of Proceeds of Series 2008 Bonds on Deposit in 2008 Reserve Subaccount.

Under the provisions of the First Supplemental Agreement, the Authority previously directed the Trustee to deposit proceeds of the Series 2008 Bonds in the amount of \$38,036,250.00 to the 2008 Reserve Subaccount. The Authority hereby directs the Trustee to transfer such proceeds as follows: (1) \$1,141,087.50 of such proceeds shall be transferred to the 2008 Bond Proceeds Subaccount of the Capital Account to pay the premium for the 2008 Reserve Policy; (2) \$4,485,940.72 of such proceeds shall be transferred to the Bond Service Subaccount of the Debt Retirement Account to pay a portion of the interest accruing on the Series 2008 Bonds from the date of their issuance to July 1, 2011; and (3) the balance in the amount of \$32,409,221.78 shall be transferred to the 2008 Bond Proceeds Subaccount of the Capital Account to pay a portion of the costs of the 2008 Projects.

Section 2.02. 2008 Reserve Policy.

The Authority shall repay any draws under the 2008 Reserve Policy and pay all related reasonable expenses incurred by the 2008 Reserve Policy Insurer. Interest shall accrue and be payable on such draws and expenses from the date of payment by the 2008 Reserve Policy Insurer at the Late Payment Rate. "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Series 2008 Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2008 Reserve Policy Insurer shall specify.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate ("2008 Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of 2008 Policy Costs related to such draw.

Amounts in respect of 2008 Policy Costs paid to the 2008 Reserve Policy Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to 2008 Reserve Policy Insurer on account of principal due, the coverage under the 2008 Reserve Policy will be increased by a like amount, subject to the terms of the 2008 Reserve Policy.

If the Authority shall fail to pay any 2008 Policy Costs in accordance with the requirements of this Section, 2008 Reserve Policy Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided herein other than (i) acceleration of the maturity of the Series 2008 Bonds or (ii) remedies which would adversely affect owners of the Series 2008 Bonds.

The Trust Agreement shall not be discharged until all 2008 Policy Costs owing to the 2008 Reserve Policy Insurer shall have been paid in full. The Authority's obligation to pay such amounts shall expressly survive payment in full of the Series 2008 Bonds.

The additional bonds test and the rate covenant herein shall expressly provide for at least one times coverage of the 2008 Policy Costs then due and owing.

The Trustee shall ascertain the necessity for a claim upon the 2008 Reserve Policy and to provide notice to 2008 Reserve Policy Insurer in accordance with the terms of the 2008 Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the Series 2008 Bonds. Where deposits are required to be made by the Authority with the Trustee to the debt service fund for the Series 2008 Bonds more often than semi-annually, the Trustee shall be instructed to give notice to 2008 Reserve Policy Insurer of any failure of the

Authority to make timely payment in full of such deposits within two Business Days of the date due.

ARTICLE III

MISCELLANEOUS

Section 3.01. Parties and Holders and Owners of Series 2008 Bonds Alone Have Rights.

With the exception of rights expressly conferred in the Trust Agreement, nothing expressed or mentioned in or to be implied from this Second Supplemental Agreement or the Series 2008 Bonds is intended or shall be construed to give to any person other than the parties to this Second Supplemental Agreement any legal or equitable right, remedy or claim under or with respect to this Second Supplemental Agreement or any covenants, conditions and provisions contained in the Trust Agreement; this Second Supplemental Agreement or any covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties to this Second Supplemental Agreement and the holders of the Series 2008 Bonds as herein provided.

Section 3.02. Execution in Several Counterparts.

This Second Supplemental Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original for all purposes; and all such counterparts shall together constitute but one and the same instrument.

Section 3.03. Governing Law.

This Second Supplemental Agreement shall be governed by and construed in accordance with the laws of the State of Maryland.

Section 3.04. Effect of Partial Invalidity; Severability.

If any clause, provision or section of this Second Supplemental Agreement or of the Series 2008 Bonds is held illegal or invalid by any court, the invalidity of such clause, provision or section shall not affect any of the remaining clauses, provisions or sections hereof, and this Second Supplemental Agreement or the Series 2008 Bonds, as applicable, shall be construed and enforced as if such illegal or invalid clause, provision or section had not been contained herein. In case any agreement or obligation contained in this Second Supplemental Agreement or the Series 2008 Bonds is held to be in violation of law, such agreement or obligation shall nevertheless be determined to be the agreement or obligation of the Authority or the Trustee, as the case may be, to the full extent permitted by law.

Section 3.05. Application of Existing Provisions of Trust Agreement.

The provisions of this Second Supplemental Agreement are intended to supplement and amend those of the Original Agreement, as amended and supplemented by the First

Supplemental Agreement (the "Prior Agreement"), as in effect immediately prior to the execution and delivery hereof. Except as amended by this Second Supplemental Agreement, the Prior Agreement shall remain in full force and effect and the provisions of the Prior Agreement shall apply with like force and effect to the Series 2008 Bonds except to the extent that the provisions of the Prior Agreement are expressly modified or their application expressly limited by the terms of this Second Supplemental Agreement.

Section 3.06. Notices.

Any notice or other instrument authorized or required to be given pursuant to this Second Supplemental Agreement shall be sent by telex or other telecommunication device capable of creating a written record and shall be delivered personally or sent by registered or certified mail, postage prepaid, addressed, in addition to the parties set forth in Section 13.03 of the Original Agreement and Section 7.06 of the First Supplemental Agreement, as follows (or to such other address as may be designated by written notice given hereunder):

In the case of the Authority:

Maryland Transportation Authority
2310 Broening Highway, Suite 150
Baltimore, Maryland 21224
Attention: Chief Financial Officer
Telephone: (410) 537-1000
Facsimile: (410) 537-1003

In the case of the Trustee:

The Bank of New York
Corporate Trust Administration
385 Rifle Camp Road, 3rd Floor
West Paterson, New Jersey 07424
Attention: David J. O'Brien
Telephone: (973) 247-4773
Facsimile: (973) 357-7840

In the case of the 2008 Reserve Policy Insurer:

Financial Security Assurance Inc.
31 West 52nd Street
New York, New York 10019
Attention: Managing Director - Surveillance
Telephone: (212) 826-0100
Facsimile: (212) 339-3556

ARTICLE IV

AMENDMENTS TO TRUST AGREEMENT

Section 4.01. 2004 Reserve Policy.

The last sentence of the last paragraph of Section 7.03 of the Original Agreement is hereby deleted in its entirety and in lieu thereof there is hereby substituted the following sentence:

“Where deposits are required to be made by the Authority with the Trustee to the debt service fund for the Series 2004 Bonds more often than semi-annually, the Trustee shall be instructed to give notice to 2004 Reserve Policy Insurer of any failure of the Authority to make timely payment in full of such deposits within two Business Days of the date due.”

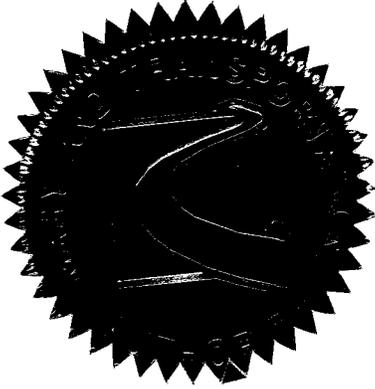
Section 4.02. 2007 Reserve Policy.

The last sentence of the last paragraph of Section 7.05 of the Original Agreement is hereby deleted in its entirety and in lieu thereof there is hereby substituted the following sentence:

“Where deposits are required to be made by the Authority with the Trustee to the debt service fund for the Series 2007 Bonds more often than semi-annually, the Trustee shall be instructed to give notice to 2007 Reserve Policy Insurer of any failure of the Authority to make timely payment in full of such deposits within two Business Days of the date due.”

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IN WITNESS WHEREOF, the Maryland Transportation Authority has caused this Second Supplemental Trust Agreement to be executed by its Executive Secretary, under the official seal of the Authority, and The Bank of New York, the Trustee hereunder, has caused this Second Supplemental Trust Agreement to be executed in its name and on its behalf by its authorized officer, and duly attested, all as of the day and year first above written.



(SEAL)

MARYLAND TRANSPORTATION AUTHORITY

By: Ronald L. Freeland
Ronald L. Freeland
Executive Secretary

THE BANK OF NEW YORK, as Trustee

By: _____
David J. O'Brien
Vice President

ATTEST:

By: _____
Authorized Officer

Approved as to form and legal sufficiency:

Deborah A. Donohue
Deborah A. Donohue
Assistant Attorney General and
Principal Counsel to the Maryland
Transportation Authority

IN WITNESS WHEREOF, the Maryland Transportation Authority has caused this Second Supplemental Trust Agreement to be executed by its Executive Secretary, under the official seal of the Authority, and The Bank of New York, the Trustee hereunder, has caused this Second Supplemental Trust Agreement to be executed in its name and on its behalf by its authorized officer, and duly attested, all as of the day and year first above written.

MARYLAND TRANSPORTATION AUTHORITY

(SEAL)

By: _____
Ronald L. Freeland
Executive Secretary

THE BANK OF NEW YORK, as Trustee

(SEAL)

By:  _____
David J. O'Brien
Vice President

ATTEST:

By:  _____
Authorized Officer
BRIDGETTE M. CASASNOVAS
ASSISTANT TREASURER

Approved as to form and legal sufficiency:

Deborah A. Donohue
Assistant Attorney General and
Principal Counsel to the Maryland
Transportation Authority

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY that on the 7th day of May in the year 2008, before the subscriber, a Notary Public in and for the State of Maryland, personally came Ronald L. Freeland, Executive Secretary, of the Maryland Transportation Authority (the "Authority"), and acknowledged that the name of said Authority was subscribed to the foregoing Second Supplemental Trust Agreement by himself as the Executive Secretary thereof, that the seal impressed thereon is the seal of said Authority, that said name was subscribed and said seal impressed by the direction and authority of said Authority, and that the foregoing Second Supplemental Trust Agreement is the free act and deed of said Authority for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

Patricia A. Bischoff
Notary Public

My commission expires 02/01/2010



STATE OF NEW JERSEY, COUNTY OF PASSAIC, TO WIT:

I HEREBY CERTIFY that on the 8TH day of MAY in the year 2008, before the subscriber, a Notary Public in and for the State of New Jersey, personally came David J. O'Brien, who is a Vice President of The Bank of New York (the "Bank") and acknowledged that the name of said Bank was subscribed to the foregoing Second Supplemental Trust Agreement by himself as a Vice President thereof, that the seal impressed thereon is the seal of said Bank, that said name was subscribed and said seal impressed by the direction and authority of said Bank and that the foregoing Second Supplemental Trust Agreement is the free act and deed of said Bank for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.



Notary Public

My commission expires _____
MALINA F. NEWMAN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires March 27, 2010

(SEAL)