
FIFTH SUPPLEMENTAL TRUST AGREEMENT

by and among

THE BANK OF NEW YORK TRUST COMPANY, N.A.,
as Trustee,

THE CITY OF PASADENA,
as Lessee

and the

PASADENA PUBLIC FINANCING AUTHORITY,
as Lessor

Dated as of _____ 1, 2008

Relating to

\$ _____
City of Pasadena
Refunding Certificates of Participation
Series 2008C

(Supplemental to the Amended and Restated Trust Agreement, dated as of January 1, 2003)

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FIFTH SUPPLEMENTAL TRUST AGREEMENT

This FIFTH SUPPLEMENTAL TRUST AGREEMENT (this “Fifth Supplemental Trust Agreement”), made and entered into as of ____ 1, 2008, by and among THE BANK OF NEW YORK TRUST COMPANY, N.A., a national banking association duly organized and existing under and by virtue of the laws of the United States of America, as successor trustee (the “Trustee”), the CITY OF PASADENA, a municipal corporation duly organized and existing under its charter and the Constitution and laws of the State of California (the “City”), and the PASADENA PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority duly organized and existing under the laws of the State of California (the “Authority”);

WITNESSETH:

WHEREAS, in 1993, the City financed and refinanced the acquisition and construction of certain public facilities and capital improvements through the sale and delivery of City of Pasadena 1993 Certificates of Participation (Refunding and Capital Projects) (the “1993 Certificates”), executed and delivered pursuant to a Trust Agreement, dated as of January 1, 1994 (the “1993 Trust Agreement”), by and among the Trustee, the Pasadena Civic Improvement Corporation (the “Corporation”), the obligations of which have been assumed by the Authority as described below, and the City;

WHEREAS, the City leased certain real property, and the improvements thereto (the “1993 Property”) to the Corporation pursuant to an Amended and Restated Lease, dated as of January 1, 1994 (the “1993 Lease”), and the City subleased the 1993 Property back from the Corporation pursuant to an Amended and Restated Sublease, dated as of January 1, 1994 (the “1993 Sublease”);

WHEREAS, all rights to receive base rental payments payable by the City under the 1993 Sublease were assigned without recourse by the Corporation to the Trustee, pursuant to an Assignment Agreement, dated as of January 1, 1994 (the “1993 Assignment Agreement”);

WHEREAS, in 1996, the City financed the acquisition and construction of certain public facilities and capital improvements (the “1996 Project”) through the sale and delivery of City of Pasadena 1996 Certificates of Participation (Multi-Purpose Projects) (the “1996 Certificates”) executed and delivered pursuant to a Trust Agreement, dated as of March 1, 1996 (the “1996 Trust Agreement”), by and among the Trustee, the Corporation and the City;

WHEREAS, in connection with the financing of the 1996 Project, the City and the Corporation added to the property leased under the 1993 Lease and 1993 Sublease certain real property and the improvements thereto pursuant to a Lease, dated as of March 1, 1996, constituting an amendment to the 1993 Lease (as amended, the “1996 Lease”), and a Sublease, dated as of March 1, 1996, constituting an amendment to the 1993 Sublease (as amended, the “1996 Sublease”);

WHEREAS, all rights to receive base rental payments payable by the City under the 1996 Sublease were assigned without recourse by the Corporation to the Trustee, pursuant to an Assignment Agreement, dated as of March 1, 1996 (the “1996 Assignment Agreement”);

WHEREAS, the City, the Corporation and the Authority have entered into an Assignment, Assumption and Consent Agreement, whereby the Corporation assigned to the Authority, with the consent of the City, all of its right, title and interest in, and its obligations under, and with respect to, the 1993 Lease, the 1993 Sublease, the 1993 Trust Agreement, the 1993 Assignment Agreement, the 1996 Lease, the 1996 Sublease, the 1996 Trust Agreement and the 1996 Assignment Agreement, and all other agreements and instruments executed by the Corporation, and property leased, in connection with the execution and delivery of the 1993 Certificates and the 1996 Certificates;

WHEREAS, in 2003, the City financed a portion of the costs of renovation of Pasadena City Hall and certain other public improvements (the "2003 Project") through the sale and delivery of City of Pasadena 2003 Variable Rate Demand Certificates of Participation (City Hall and Park Improvement Projects) (the "2003 Certificates"), executed and delivered pursuant to the Amended and Restated Trust Agreement, dated as of January 1, 2003 (the "Trust Agreement"), by and among the Trustee, the Authority and the City, and consented to by Ambac Assurance Corporation (the "Insurer");

WHEREAS, in connection with the financing of the 2003 Project, the Authority and the City entered into an Amended and Restated Lease, dated as of January 1, 2003 (the "Amended and Restated Lease"), in order to amend and restate the 1993 Lease and the 1996 Lease, and entered into an Amended and Restated Sublease, dated as of January 1, 2003 (the "Amended and Restated Sublease"), in order to amend and restate the 1993 Sublease and the 1996 Sublease, so as to increase the amount of base rental payments payable thereunder, and, in both cases, to make the provisions thereof applicable to the 2003 Project and to make certain other modifications in order to provide for the execution and delivery of Additional Certificates in accordance with the provisions of the 1996 Trust Agreement;

WHEREAS, the Authority and the Trustee entered into an Amended and Restated Assignment Agreement, dated as January 1, 2003 (the "Assignment Agreement"), in order to amend and restate the 1993 Assignment Agreement and the 1996 Assignment Agreement so as to expressly provide that all rights to receive the base rental payments payable by the City under the Amended and Restated Sublease, including the increased amounts thereof provided for in the Sublease, were assigned without recourse by the Authority to the Trustee;

WHEREAS, in 2004, the City refunded a portion of the 1993 Certificates and a portion of the 1996 Certificates through the sale and delivery of City of Pasadena Refunding Certificates of Participation, Series 2004A (the "2004A Certificates") and City of Pasadena Refunding Certificates of Participation, Series 2004B (the "2004B Certificates" and together with the 2004A Certificates, the "2004 Certificates"), executed and delivered pursuant to a First Supplemental Trust Agreement, dated as of March 1, 2004 (the "First Supplemental Trust Agreement"), by and among the Trustee, the Authority and the City;

WHEREAS, the City and the Authority entered into a Supplement No. 1 to Amended and Restated Lease and a Supplement No. 1 to Amended and Restated Sublease in order to supplement the Amended and Restated Lease and the Amended and Restated Sublease, respectively, and so as to make the provisions thereof applicable to the 2004 Certificates;

WHEREAS, in 2006, the City financed the construction, expansion and renovation of the Pasadena Conference Center and certain other improvements through the sale and delivery of City of Pasadena Certificates of Participation (Conference Center Project), Series 2006A (the "2006A Certificates") and City of Pasadena Certificates of Participation (Conference Center Project), Series 2006B (the "2006B Certificates" and together with the 2006A Certificates, the "2006 Certificates") executed and delivered pursuant to a Second Supplemental Trust Agreement, dated as of September 1, 2006 (the "Second Supplemental Trust Agreement"), by and among the Trustee, the Authority and the City;

WHEREAS, the City and the Authority entered into a Supplement No. 2 to Lease and a Supplement No. 2 to Sublease in order to supplement the Lease and the Sublease, respectively, and so as to make the provisions thereof applicable to the 2006 Certificates;

WHEREAS, in April 2008, the City refunded the 2006B Certificates through the sale and delivery of City of Pasadena Variable Rate Demand Refunding Certificates of Participation, Series 2008A (the "2008A Certificates"), executed and delivered pursuant to a Third Supplemental Trust Agreement, dated as of April 1, 2008 (the "Third Supplemental Trust Agreement"), by and among the Trustee, the Authority and the City;

WHEREAS, the City and the Authority entered into a Supplement No. 3 to Lease and a Supplement No. 3 to Sublease in order to supplement the Lease and the Sublease, respectively, and so as to make the provisions thereof applicable to the 2008A Certificates;

WHEREAS, in May 2008, the City refunded the 2004 Certificates through the sale and delivery of City of Pasadena Refunding Certificates of Participation, Series 2008B (the "2008B Certificates"), executed and delivered pursuant to a Fourth Supplemental Trust Agreement, dated as of May 1, 2008 (the "Fourth Supplemental Trust Agreement"), by and among the Trustee, the Authority and the City;

WHEREAS, the City and the Authority entered into a Supplement No. 4 to Lease and a Supplement No. 4 to Sublease in order to supplement the Lease and the Sublease, respectively, and so as to make the provisions thereof applicable to the 2008B Certificates;

WHEREAS, the Trust Agreement provides that the City may at any time issue additional certificates payable on a parity with the 1993 Certificates, 2003 Certificates, 2006A Certificates, 2008A Certificates and 2008B Certificates pursuant to a supplemental trust agreement;

WHEREAS, the City desires to execute and deliver an additional series of certificates designated as City of Pasadena Refunding Certificates of Participation, Series 2008C, in the aggregate principal amount of \$_____ (the "2008C Certificates") for the purpose of refunding the outstanding 2003 Certificates and financing the costs of execution and delivery of the 2008C Certificates;

WHEREAS, the Authority and the City will enter into a Supplement No. 5 to Amended and Restated Lease and a Supplement No. 5 to Amended and Restated Sublease in order to supplement the Amended and Restated Lease and the Amended and Restated Sublease, respectively, to increase the amount of base rental payments payable by the City under the

Sublease by an aggregate amount equal to the principal and interest represented by the 2008C Certificates and to make the provisions thereof applicable to the 2008C Certificates;

WHEREAS, in order to provide for the authentication and delivery of the 2008C Certificates, to establish and declare the terms and conditions upon which the 2008C Certificates are to be executed and delivered and to secure the payment of the principal, and premium, if any, and interest evidenced and represented thereby, the City and the Authority have authorized the execution and delivery of this Supplemental Trust Agreement; and

WHEREAS, all acts and proceedings required by law necessary to make the 2008C Certificates, when executed and delivered by the Trustee, the valid, binding and legal obligations of the City payable in accordance with their terms, and to constitute this Supplemental Trust Agreement a valid and binding agreement of the parties hereto for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Supplemental Trust Agreement have been in all respects duly authorized;

NOW, THEREFORE, THIS FIFTH SUPPLEMENTAL TRUST AGREEMENT WITNESSETH, that in order to secure the payment of the principal, premium, if any, and the interest evidenced and represented by all Certificates at any time executed, delivered and outstanding under the Trust Agreement, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the 2008C Certificates are to be executed, delivered and received, and in consideration of the premises and of the mutual covenants therein and herein contained and of the purchase and acceptance of the 2008C Certificates by the Owners thereof, and for other valuable consideration, the receipt whereof is hereby acknowledged, the City and the Authority do hereby covenant and agree with the Trustee, for the benefit of the respective Owners from time to time of the Certificates, as follows:

ARTICLE XXXVI

DEFINITIONS AND ADDITIONAL DEFINITIONS

SECTION 36.01. Definitions. Unless otherwise specifically provided in the recitals hereto, in Section 36.02 hereof or in Section 36.03 hereof, capitalized terms used in this Fifth Supplemental Trust Agreement shall have the meanings ascribed to them in the Trust Agreement.

SECTION 36.02. Additional Definitions. Unless the context otherwise requires, the terms defined in this Section 36.02 shall have the meanings herein specified for all purposes of this Fifth Supplemental Trust Agreement (including Exhibit A attached hereto), and for all purposes of any certificate, opinion, request or other document mentioned herein or in the Trust Agreement:

2008C Certificates

“2008C Certificates” shall mean the \$_____ City of Pasadena Refunding Certificates of Participation, Series 2008C executed and delivered by the Trustee pursuant hereto.

SECTION 36.03. Amended Definitions. The following definitions set forth in the Trust Agreement, the First Supplemental Trust Agreement, Second Supplemental Trust Agreement, Third Supplemental Trust Agreement or Fourth Supplemental Trust Agreement are hereby amended in their entirety to read as follows:

Lease

“Lease” shall mean that certain Amended and Restated Lease, dated as of January 1, 2003, as supplemented by Supplement No. 1 to Lease, dated as of March 1, 2004, as supplemented by Supplement No. 2 to Lease, dated as of September 1, 2006, as supplemented by Supplement No. 3 to Lease, dated as of April 1, 2008, as supplemented by Supplement No. 4 to Lease, dated as of May 1, 2008 and as supplemented by Supplement No. 5 to Lease, dated as of ___ 1, 2008, with respect to the Leased Property, by and between the City as lessor and the Authority as lessee, as originally executed and as it may from time to time be further amended or supplemented.

Sublease

“Sublease” shall mean that certain Amended and Restated Sublease, dated as of January 1, 2003, as supplemented by Supplement No. 1 to Sublease, dated as of March 1, 2004, as supplemented by Supplement No. 2 to Sublease, dated as of September 1, 2006, as supplemented by Supplement No. 3 to Sublease, dated as of April 1, 2008, as supplemented by Supplement No. 4 to Sublease, dated as of May 1, 2008 and as supplemented by Supplement No. 4 to Sublease, dated as of ___ 1, 2008, with respect to the Leased Property, by and between the City as sublessee and the Authority as sublessor, as originally executed and as it may from time to time be further amended or supplemented.

ARTICLE XXXVII

THE SERIES 2008C CERTIFICATES

SECTION 37.01. Authorization and Designation. The Trustee is hereby authorized and directed, without further request, to execute, register and deliver the 2008C Certificates in an aggregate principal amount of \$_____, representing the aggregate principal components of the Base Rental Payments set forth in Exhibit B to the Sublease with respect to the 2008C Certificates and evidencing and representing a proportionate undivided interest in Base Rental Payments. The 2008C Certificates shall be designated “City of Pasadena Refunding Certificates of Participation, Series 2008C”. The 2008C Certificates shall represent interest at fixed rates as provided in Section 37.02.

SECTION 37.02. Dated Date and Maturity of 2008C Certificates, Accrual of Interest.

The 2008C Certificates shall be dated the date of original execution and delivery thereof (the “Dated Date”). The Series 2008C Certificates shall be executed and delivered in the aggregate principal amount of \$_____, in Authorized Denominations of \$5,000 or any multiple thereof. All of the Series 2008C Certificates shall be fixed rate certificates. The 2008C Certificates shall be payable on February 1 in the years and representing interest payable on each

February 1 and August 1 beginning February 1, 2009 at the rates per annum (based upon a 360-day year of twelve 30 day months), as follows:

<u>Year February 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2009		
2010		
2011		
2012		
2013		
2014		
2015		
2016		
2017		
2018		
2019		
2038		

SECTION 37.03. Mandatory Prepayment From Net Proceeds. As provided in Section 4.01(a), the 2008C Certificates are subject to prepayment on any date prior to their respective principal payment dates, as a whole, or in part, at the direction of the City, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a prepayment price equal to the sum of the principal amount represented thereby plus accrued interest represented thereby to the date fixed for prepayment, without premium; provided, however, that notwithstanding the foregoing, such prepayment shall be effected with respect to the 2008C Certificates by defeasing such 2008C Certificates or portions thereof to maturity pursuant to Article X of the Trust Agreement.

SECTION 37.04. Optional Prepayment. The 2008C Certificates are subject to optional prepayment by the City on or after February 1, 20__, in whole, or in part, at the direction of the City, in Authorized Denominations, on any date, at the prepayment price of 100% of the principal amount of the 2008C Certificates to be prepaid, plus accrued interest represented thereby to the date fixed for prepayment.

SECTION 37.05. Mandatory Sinking Fund Prepayment. The 2008C Certificates maturing February 1, 20__ are subject to mandatory sinking fund prepayment in the amount of the principal thereof, without premium, in the years and amounts as set forth below.

Mandatory
Prepayment Dates
(February 1) Principal Amount

* Final Maturity.

The amount of each prepayment required by this Section with respect to 2008C Certificates shall be reduced proportionately as directed by a Certificate of the City in the event and to the extent of any and all mandatory prepayments of 2008C Certificates pursuant to Section 37.03 and optional prepayments of 2008C Certificates pursuant to Section 37.04.

SECTION 37.06. Notice of Prepayment. As provided in the Section 4.03 Trust Agreement, notice of prepayment hereof or of any part hereof shall be mailed, first class postage prepaid, not less than 30 nor more than 60 days before the prepayment date, to the Owner of the 2008C Certificates at his or her address as it appears in the registration books maintained by the Trustee and to those securities depositories and securities information services specified in the Trust Agreement, but neither failure to receive any such notice nor any defect contained therein shall affect the validity of the proceedings for the prepayment of the 2008C Certificates. If 2008C Certificates are called for prepayment and payment is duly provided therefor as specified in the Trust Agreement, the interest represented thereby shall cease to accrue.

SECTION 37.07. Form of 2008C Certificates. The 2008C Certificates shall be substantially in the respective form set forth in Exhibit A attached hereto and by this reference incorporated herein.

ARTICLE XXXVIII

APPLICATION OF PROCEEDS OF THE 2008C CERTIFICATES;

SECTION 38.01. Application of Proceeds of 2008C Certificates; Certificate Reserve Fund.

(1) The net proceeds received from the sale of the 2008C Certificates amount to \$ _____. The 2008C Certificate proceeds shall be deposited in the following respective funds or transferred as provided herein, as directed by a Written Request of the City:

(a) The Trustee shall establish and maintain a separate fund known as the "2003 Prepayment Fund" pursuant to Section 5.02(d) of the Trust Agreement and deposit \$ _____ of the net proceeds of the sale of the 2008C Certificates in the 2003 Prepayment Fund [and hold such amount uninvested] to be used to (i) pay on _____, 2008 the interest with respect to the 2003 Certificates in the amount of \$ _____ and (ii) prepay the 2003 Certificates in full (at a prepayment price of \$ _____) on _____, 2008; and

(b) The Trustee shall establish and maintain a separate fund known as the "2008C Cost of Issuance Fund" pursuant to Section 3.05 of the Trust Agreement and deposit therein the amount of \$ _____.

[(2) The Trustee shall redesignate the fund held by it and designated the "2003 Certificate Reserve Fund" as the "2008 Certificate Reserve Fund," to be used and disbursed in the manner provided in Section 3.04 of this Trust Agreement.]

ARTICLE XXXIV

MISCELLANEOUS

SECTION 39.01. Severability. If any provision of this Fifth Supplemental Trust Agreement shall be held or deemed to be illegal, inoperative or unenforceable, the same shall not affect any other provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatsoever.

SECTION 39.02. Counterparts. This Fifth Supplemental Trust Agreement may be simultaneously executed in several counterparts each of which, when executed and delivered, shall be an original and all of which shall constitute one and the same instrument.

SECTION 39.03. Provisions of Trust Agreement Not Otherwise Modified. Except as specifically amended by this Fifth Supplemental Trust Agreement, the Trust Agreement is hereby ratified, approved and confirmed and remains in full force and effect.

SECTION 39.04. Governing Law; Venue. This Fifth Supplemental Trust Agreement shall be governed by and construed in accordance with the laws of the State of California. This Fifth Supplemental Trust Agreement shall be enforceable in the State of California and any action arising out of this Fifth Supplemental Trust Agreement shall be filed and maintained in Pasadena, California, unless the City waives this requirement.

SECTION 39.05. Effective Date. This Fifth Supplemental Trust Agreement shall be effective upon the execution hereof by the parties hereto.

IN WITNESS WHEREOF, the Authority has caused this Fifth Supplemental Trust Agreement to be executed by its Treasurer and duly attested to by its Secretary, the City has caused this Fifth Supplemental Trust Agreement to be executed on its behalf by its Acting Director of Finance and duly attested by the City Clerk and the Trustee has caused this Fifth Supplemental Trust Agreement to be executed in its name by its duly authorized officer all as of the day and year first above written.

THE BANK OF NEW YORK TRUST
COMPANY, N.A., as Trustee

By: _____
Authorized Officer

PASADENA PUBLIC FINANCING AUTHORITY

By: _____
Steven B. Mermell
Treasurer

ATTEST:

Jane L. Rodriguez
Secretary

CITY OF PASADENA

By: _____
Steven B. Mermell
Acting Director of Finance

ATTEST:

Jane L. Rodriguez, CMC
City Clerk

APPROVED AS TO FORM:

By: _____
Michele Beal Bagneris
City Attorney

APPROVED AS TO FORM:

By: _____
Sidley Austin LLP

CONSENT

BY EXECUTION HEREOF, Ambac Assurance Corporation, as Insurer of the 1993 Certificates, the 2003 Certificates and the 2006A Certificates hereby consents to the foregoing amendments to the Trust Agreement contained in this Fifth Supplemental Trust Agreement as of the date above first written. By providing its consent Ambac Assurance Corporation makes no statement as to the necessity of obtaining other consents or taking other actions prior to the effectuating the actions described herein.

AMBAC ASSURANCE CORPORATION

By: _____

Title: _____

EXHIBIT A
[FORM OF 2008C CERTIFICATE]

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

No. R-1

\$ _____

CITY OF PASADENA
REFUNDING CERTIFICATE OF PARTICIPATION
SERIES 2008C

Evidencing and Representing a Proportionate
Undivided Interest of the Owner Hereof
In Base Rental Payments to be Made
by the

CITY OF PASADENA, CALIFORNIA

to the

PASADENA PUBLIC FINANCING AUTHORITY

Under and Pursuant to an
Amended and Restated Sublease dated as of January 1, 2003, as Supplemented by Supplement
No. 1 dated as of March 1, 2004, Supplement No. 2 dated as of September 1, 2006, Supplement
No. 3 dated as of April 1, 2008, Supplement No. 4 dated as of May 1, 2008 and Supplement No.
5 dated as of ___ 1, 2008

<u>Interest Rate</u>	<u>Principal Payment Date</u>	<u>Dated</u>	<u>CUSIP</u>
___%	February 1, 20__	____, 2008	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS

THIS IS TO CERTIFY that the registered Owner identified above of this Certificate of Participation (this "2008C Certificate") is the Owner of a proportionate, undivided interest in the right to receive the Base Rental Payments under and pursuant to that certain Amended and Restated Sublease (the "Sublease") executed and entered into as of January 1, 2003, as supplemented by Supplement No. 1, dated as of March 1, 2004, Supplement No. 2, dated as of

September 1, 2006, Supplement No. 3, dated as of April 1, 2008, Supplement No. 4, dated as of May 1, 2008 and Supplement No. 5, dated as of ____ 1, 2008 (collectively, the "Sublease") each by and between the Pasadena Public Financing Authority (the "Authority"), a joint exercise of powers authority duly organized and existing under the laws of the State of California, and the City of Pasadena (the "City"), a municipal corporation duly organized and existing under its charter and the Constitution and laws of the State of California, all of which rights to receive such Base Rental Payments have been assigned without recourse by the Authority to The Bank of New York Trust Company, N.A., a national banking association duly organized and existing under the laws of the United States of America, at its principal corporate trust office in Los Angeles, California, as successor trustee (the "Trustee"), acting in its capacity as such under the Amended and Restated Trust Agreement, dated as of January 1, 2003, as supplemented by the First Supplemental Trust Agreement dated as of March 1, 2004, the Second Supplemental Trust Agreement, dated as of September 1, 2006, the Third Supplemental Trust Agreement, dated as of April 1, 2008, the Fourth Supplemental Trust Agreement, dated as of May 1, 2008 and the Fifth Supplemental Trust Agreement, dated as of ____ 1, 2008 (collectively referred to herein as the "Trust Agreement"), each by and among the Trustee, the City and the Authority, or any successor as therein provided.

This 2008C Certificate is one of the duly authorized certificates of participation entitled "City of Pasadena Refunding Certificates of Participation, Series 2008C" evidencing principal in the aggregate amount of \$_____ (the "2008C Certificates"). The 2008C Certificates are on a parity with the City of Pasadena 1993 Certificates of Participation (Refunding and Capital Projects) (the "1993 Certificates"), the City of Pasadena 2003 Variable Rate Demand Certificates of Participation (City Hall and Park Improvement Projects) (the "2003 Certificates"), the City of Pasadena Certificates of Participation (Conference Center Project), Series 2006A (the "2006 Certificates"), the City of Pasadena Variable Rate Demand Refunding Certificates of Participation, Series 2008A (the "2008A Certificates") and the City of Pasadena Refunding Certificates of Participation, Series 2008B (the "2008B Certificates"), each executed under and pursuant to the terms of the Trust Agreement; provided that the 2003 Certificates are being refunded in whole with the proceeds of the 2008C Certificates. The 1993 Certificates, the 2003 Certificates, the 2006 Certificates, the 2008A Certificates, the 2008B Certificates, the 2008C Certificates and any Additional Certificates executed and delivered pursuant to the Trust Agreement are collectively referred to herein as the "Certificates." The Certificates evidence proportionate, undivided interest in Base Rental Payments payable under the Sublease.

Copies of the Trust Agreement are on file at the office of the Trustee in Los Angeles, California, and reference is hereby made to the Trust Agreement and to any and all amendments thereof and supplements thereto for a description of the agreements, conditions, covenants and terms securing the Certificates, for the nature, extent and manner of enforcement of such agreements, conditions, covenants and terms, for the rights and remedies of the registered Owners of the Certificates with respect thereto and for the other agreements, conditions, covenants and terms upon which the Certificates are executed and delivered thereunder. Unless the context otherwise requires, capitalized terms not defined herein shall have the meanings ascribed to them in the Trust Agreement.

This Certificate represents interest at the rate per annum specified above from the Interest Payment Date (as defined below) to which interest has been paid or duly provided for next

preceding its date of execution, unless such date of execution shall be (i) prior to the close of business on the first Record Date (as defined below), in which case this Certificate shall represent interest from its dated date, (ii) subsequent to a Record Date (as defined below) but before the related Interest Payment Date, in which case such Certificate shall represent interest from such Interest Payment Date or (iii) an Interest Payment Date to which interest has been paid in full or duly provided in which case such Certificate shall represent interest from such date of execution; provided, however, that if, as shown by the records of the Trustee, interest shall be in default, each Certificate shall represent interest from the last date to which interest has been paid or duly provided for or if no interest has been paid or duly provided for, from its dated date. The term "Interest Payment Date" means each February 1 and August 1. The term "Record Date" means the close of business on the fifteenth day of the month immediately preceding any Interest Payment Date, whether or not such day is a Business Day.

Except as otherwise provided in the Representation Letter, the interest represented by the Certificates shall be payable on each Interest Payment Date by check or draft mailed on the Interest Payment Date by the Trustee to the respective Owners of the Certificates as of the Record Date for such Interest Payment Date at their addresses shown on the books required to be kept by the Trustee pursuant to the provisions of the Trust Agreement. Payments of defaulted interest with respect to any Certificate shall be paid by check or draft to the Owner as of a special record date to be fixed by the Trustee, notice of which special record date shall be mailed to the Owner of the Certificate not less than ten days prior thereto.

The Owner of \$1,000,000 or more in aggregate principal amount represented by the Certificates may request in writing that the Trustee pay the interest represented by such Certificates by wire transfer to an account in the Continental United States and the Trustee shall comply with such request for all Interest Payment Dates following the fifteenth day after receipt of such request.

Interest with respect to the Certificates shall be computed on the basis of a 360-day year of twelve 30-day months. Payment shall be made on each Interest Payment Date for unpaid interest accrued to but not including such Interest Payment Date.

This Certificate is one of the duly authorized certificates of participation entitled "City of Pasadena, Refunding Certificates of Participation, Series 2008C." 2008C Certificates having a principal amount of \$_____ have been executed by the Trustee under and pursuant to the Trust Agreement.

To the extent and in the manner permitted by the terms of the Trust Agreement, the provisions of the Trust Agreement may be amended or supplemented by the parties thereto, in some instances without the consent of the registered Owners of the Certificates. No amendment or supplement shall (1) reduce the rate of interest evidenced and represented hereby or extend the time of payment thereof or reduce the amount of the principal evidenced and represented hereby or extend the Principal Payment Date hereof, (2) reduce the percentage of Owners whose consent is required for the execution of any amendment of or supplement to the Trust Agreement, or (3) modify any rights or obligations of the Trustee without its prior written consent thereto.

The Certificates are authorized to be executed and delivered in the form of fully registered Certificates in denominations of five thousand dollars (\$5,000) or any integral multiple thereof (each, an "Authorized Denomination").

This Certificate is transferable or exchangeable by the Owner hereof, in person or by his attorney duly authorized in writing, at the office of the Trustee in Los Angeles, California, or such other place as designated by the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Trust Agreement; and upon surrender of this Certificate for cancellation, accompanied by delivery of a duly executed written instrument of transfer or exchange, a new Certificate or Certificates of Authorized Denominations of the same Principal Payment Date equal to the principal amount hereof will be executed and delivered by the Trustee to the Owner thereof in exchange or transfer herefor. The Trustee shall not be required to transfer or exchange any Certificate during any period in which it is selecting Certificates for prepayment, nor shall the Trustee be required to transfer or exchange any Certificate or portion thereof selected for prepayment from and after the date of mailing the notice of prepayment. The Trustee may treat the Owner hereof as the absolute Owner hereof for all purposes, whether or not this Certificate shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the interest and principal and prepayment premium, if any, evidenced and represented by this Certificate shall be made only to such Owner as above provided, which payments shall be valid and effectual to satisfy and discharge the liability evidenced and represented by this Certificate to the extent of the sum or sums so paid.

The Certificates are subject to prepayment on any date prior to their respective Principal Payment Dates, as a whole, or in part, at the direction of the City, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a prepayment price equal to the sum of the principal amount represented thereby plus accrued interest represented thereby to the date fixed for prepayment, without premium.

The 2008C Certificates are subject to optional prepayment by the City on or after February 1, 20__, in whole, or in part, at the direction of the City, on any date, at the prepayment price of 100% of the principal amount of the 2008C Certificates to be prepaid, plus accrued interest represented thereby to the date fixed for prepayment

As provided in the Trust Agreement, notice of prepayment hereof or of any part hereof shall be mailed, first class postage prepaid, not less than 30 nor more than 60 days before the prepayment date, to the Owner of this Certificate at his or her address as it appears in the registration books maintained by the Trustee and to those securities depositories and securities information services specified in the Trust Agreement, but neither failure to receive any such notice nor any defect contained therein shall affect the validity of the proceedings for the prepayment of this Certificate. If this Certificate is called for prepayment and payment is duly provided therefor as specified in the Trust Agreement, the interest represented hereby shall cease to accrue.

The Certificates each evidence and represent a proportionate, undivided interest in the Base Rental Payments and enjoy the benefits of a security interest in the money held in the funds established pursuant to the Trust Agreement (other than the Rebate Fund), subject to the

provisions of the Trust Agreement permitting the disbursement thereof for or to the purposes and on the conditions and terms set forth therein.

The obligation of the City to pay Base Rental Payments does not constitute an indebtedness of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation of the City to pay Base Rental Payments does not constitute an indebtedness of the City, the State of California, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction. The obligation of the City to make the Base Rental Payments is subject to abatement during any period in which, by reason of material damage, destruction or title defect, there is substantial interference with the use and occupancy of the Leased Property or portions thereof or if the Leased Property or portions thereof are taken under the power of eminent domain, all as more particularly provided in the Sublease to which reference is hereby made.

The Trustee has no obligation or liability to the registered Owners of the Certificates for the payment of the interest or principal or prepayment premiums, if any, evidenced and represented by the Certificates; but rather the Trustee's sole obligation is to administer, for the benefit of the City and the Authority and the registered Owners of the Certificates, the various funds established under the Trust Agreement. The Authority has no obligation or liability whatsoever to the registered Owners of the Certificates.

The Trust Agreement provides that the occurrence of certain events constitute Events of Default. Subject to certain limitations, the Trustee or the Owners of not less than a majority in aggregate principal amount represented by the Certificates at the time Outstanding shall be entitled to take whatever action at law or in equity may appear necessary or desirable to enforce its rights as assignee.

IN WITNESS WHEREOF, this 2008C Certificate has been executed by the manual signature of an authorized officer of the Trustee acting pursuant to the Trust Agreement.

Date: _____, 2008

THE BANK OF NEW YORK TRUST
COMPANY, N.A., as Trustee

By _____
Authorized Officer

[FORM OF ASSIGNMENT]

For value received, the undersigned do(es) hereby sell, assign and transfer unto _____ the within 2008C Certificate and do(es) hereby irrevocably constitute and appoint _____ attorney to transfer such 2008C Certificate on the register of the Trustee, with full power of substitution in the premises.

Dated: _____

SIGNATURE GUARANTEED BY:

Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of the within 2008C Certificate in every particular, without alteration or enlargement or any change whatsoever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification
Number or other identifying number of Assignee:

Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of the within 2008C Certificate in every particular, without alteration or enlargement or any change whatsoever, and the signature(s) must be guaranteed by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____