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PASADENA PUBLIC FINANCING AUTHORITY

and

[DEUTSCHE BANK NATIONAL TRUST COMPANY],

as Trustee

BOND INDENTURE

Dated as of November 1, 2010

    \$[par amount]  
PASADENA PUBLIC FINANCING AUTHORITY  
LEASE REVENUE BONDS  
(ROSE BOWL RENOVATION PROJECT)

including

    \$ \_\_\_\_\_ SERIES 2010A

\$ \_\_\_\_\_ SERIES 2010B (TAXABLE—BUILD AMERICA BONDS)

    \$ \_\_\_\_\_ SERIES 2010C (TAXABLE) and

\$ \_\_\_\_\_ SERIES 2010D (TAXABLE—RECOVERY ZONE ECONOMIC  
DEVELOPMENT BONDS)

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## **BOND INDENTURE**

This **BOND INDENTURE**, dated as of November 1, 2010 (this “Indenture”), is by and between the PASADENA PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority duly created by and existing under the laws of the State of California (the “Authority”), and [DEUTSCHE BANK NATIONAL TRUST COMPANY], a national banking association duly organized and existing under the laws of the United States of America, being qualified to accept and administer the trusts hereby created (the “Trustee”).

### **WITNESSETH:**

**WHEREAS**, the Authority was created pursuant to the Act and the Joint Powers Agreement (capitalized terms used in this Indenture shall have the meanings given such terms in Section 1.01); and

**WHEREAS**, the Authority desires to assist the City in providing for the acquisition, construction and installation of certain public improvements consisting of the Rose Bowl Improvements to the existing Rose Bowl Stadium located within the City; and

**WHEREAS**, to accomplish such purpose, concurrently with the execution and delivery of this Indenture, the City is entering into first amendment to a Lease with the Authority, whereby the City has leased to the Authority the Leased Property; and

**WHEREAS**, the Authority has agreed to sublease to the City the Leased Property pursuant to a Sublease, and concurrently with the execution and delivery of this Indenture the City and the Authority are entering into a first amendment to the Sublease; and

**WHEREAS**, under the Sublease the City is obligated to make Base Rental Payments to the Authority; and

**WHEREAS**, the Authority has authorized the issuance of its Lease Revenue Bonds (Rose Bowl Renovation Project), in various series as provided herein, in an aggregate principal amount of \$[par amount], to finance the costs of the Rose Bowl Improvements; and

**WHEREAS**, the principal of and interest on the Bonds will be payable from the Base Rental Payments and the Authority has assigned its right to receive the Base Rental Payments to the Trustee; and

**WHEREAS**, the proceeds of the Bonds will be used, *inter alia*, to (i) finance the Rose Bowl Improvements, (ii) pay capitalized interest on the Bonds, (iii) make a deposit to the Bond Reserve Fund in an amount equal to the Bond Reserve Fund Requirement, and (iv) pay the costs of issuing the Bonds; and

**WHEREAS**, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal of and premium, if any, and interest thereon, the Authority has authorized the execution and delivery of this Indenture; and

**WHEREAS**, all acts and proceedings required by law necessary to make the Bonds, when executed by the Authority, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal special obligations of the Authority, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken in due time, form and manner, and the execution and delivery of this Indenture have been in all respects duly authorized;

**NOW, THEREFORE, THIS INDENTURE WITNESSETH**, that in order to secure the payment of the principal of and premium, if any, and the interest on all Bonds at any time issued and outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the holders thereof, and for other valuable consideration, the receipt whereof is hereby acknowledged, the Authority does hereby covenant and agree with the Trustee, for the benefit of the respective holders from time to time of the Bonds, and with the Credit Provider, if any, as follows:

## **ARTICLE I**

### **DEFINITIONS; CONTENT OF CERTIFICATES AND OPINIONS**

**Section 1.01 Definitions.** Unless the context otherwise requires, the terms defined in this Section and in Exhibit A attached hereto shall, for all purposes of this Indenture and of any indenture supplemental hereto and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined.

“2010 Base Rental Payments” means Base Rental Payments described in Exhibit B-1 to the Sublease.

“Accreted Value” means, with respect to any Capital Appreciation Bonds, as of any date of calculation, an amount equal to the initial principal amount of such Capital Appreciation Bonds, plus interest accrued thereon from the Closing date to the earlier of such date of calculation or the Maturity Date for such Capital Appreciation Bonds, compounded semiannually on each Compounding Date therefor at the interest rate borne by such Capital Appreciation Bond, assuming in each year that such interest accrues in equal daily amounts on the basis of a 360-day year consisting of twelve 30-day months. The Accreted Value of each Capital Appreciation Bond as of each Compounding Date therefor is set forth in the Accreted Value Table attached hereto as Exhibit B.

“Act” means the Joint Exercise of Powers Act, constituting Chapter 5 of Division 7 of Title 1 of the Government Code of the State (commencing with Section 6500).

“Additional Rental” means the payments so designated and required to be made by the City pursuant to Section 5.01(b) of the Sublease.

“Authority” means the Pasadena Public Financing Authority or its successors and assigns.

“Authorized Representative” means (i) with respect to the City, the City Treasurer, the City Manager, the Director of Finance of the City, or any other person designated as an Authorized Representative of the City by a Certificate of the City signed by the City Treasurer, City Manager, the Director of Finance and filed with the Trustee and (ii) with respect to the Authority, the Chairperson, the Vice Chairperson, the Executive Director, or the Treasurer or any other person designated as an Authorized Representative of the Authority by a Certificate of the Authority signed by the Chairperson, Vice Chairperson, Executive Director, or Treasurer and filed with the Trustee.

“Base Rental Payments” has the meaning given such term in Section 5.01(a) of the Sublease.

“Bond Counsel” means legal counsel of recognized national standing in the field of obligations the interest on which is excluded from gross income for federal income tax purposes, selected by the City and not objected to by the Trustee or the Credit Provider.

“Bond Reserve Fund” means the fund by that name established in accordance with Section 3.05 hereof.

“Bond Reserve Fund Requirement” means, with respect to the Bonds, an amount equal to the least of (i) the maximum prospective annual 2010 Base Rental Payments with respect to Outstanding Bonds to be made by the City under the Sublease, (ii) 10% of the proceeds of the Bonds or (iii) 125% of the average annual 2010 Base Rental Payments with respect to Outstanding Bonds to be made by the City under the Sublease.

“Bonds” means Series 2010A Bonds, the Series 2010B Bonds, the Series 2010C Bonds and the Series 2010D Bonds.

“Business Day” means a day that is not a Saturday, Sunday or legal holiday on which banking institutions in the State, the State of New York or in any state in which the office of the Trustee is located are authorized to remain closed or a day on which the New York Stock Exchange is not closed.

“Capital Appreciation Bonds” means the Series 2010A Bonds maturing on \_\_\_\_\_.

“Certificate,” “Statement,” “Request,” “Requisition” and “Order” of the Authority or the City, mean, a written certificate, statement, request, requisition or order signed in the name of the Authority by an Authorized Representative of the Authority or in the name of the City by an Authorized Representative of the City, respectively. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument. If and to the extent required by Section 1.02, each such instrument shall include the statements provided for in Section 1.02.

“Charter” means the Charter of the City of Pasadena, California.



“City” means the City of Pasadena, a municipal corporation duly organized and existing under its Charter and the Constitution and laws of the State.

“Code” means the Internal Revenue Code of 1986, as amended, or any successor statute thereto, and any regulations promulgated thereunder.

“Compounding Date” means March 1 and September 1 in each year, commencing March 1, 2011.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the Authority or the City and related to the authorization, issuance, sale and delivery of the Bonds, including but not limited to costs of preparation and reproduction of documents, printing expenses, filing and recording fees, initial fees and charges of Bond Counsel, the Trustee and its counsel, legal fees and charges, fees and disbursements of consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds and any other cost, charge or fee in connection with the original issuance of the Bonds.

“Costs of Issuance Fund” means the fund by that name established pursuant to Section 3.03.

[“Credit Facility” means a letter of credit, including, if applicable, a confirming letter of credit, bond insurance policy or similar credit facility, if any, issued by a commercial bank, savings institution, insurer or other financial institution, if any, which, by its terms, shall secure the payment of the principal of and interest on the Bonds when due.]

[“Credit Provider, if any” means the commercial bank, savings institution, insurer or other financial institution, if any, issuing a Credit Facility, if any.]

“Current Interest Bonds” means the Series 2010A Bonds that are not Capital Appreciation Bonds, the Series 2010B Bonds, the Series 2010C Bonds and the Series 2010D Bonds.

“Depository Participant” means a member of, or participant in, the Securities Depository.

“Electronic Means” means telecopy, telegraph, telex, facsimile transmission, email transmission or other similar electronic means of communication, including a telephonic communication confirmed by writing or written transmission.

“Event of Default” means any of the events specified in Section 7.01.

“Extraordinary Event” means an event that occurs when a material adverse change has occurred to Section 54AA or 6431 of the Internal Revenue Code of 1986, as amended (the “Code”) (as such Sections were added by Section 1531 of the Recovery Act, pertaining to “Build America Bonds”) pursuant to which the Authority’s 35%, with respect to the Series 2010B Bonds, and 45%, with respect to the Series 2010D Bonds, cash subsidy payment from the United States Treasury is reduced or eliminated.

“Favorable Opinion of Bond Counsel” means, with respect to any action the occurrence of which requires such an opinion, an unqualified Opinion of Counsel, which shall be Bond Counsel, to the effect that such action is permitted under this Indenture and will not, in and of itself, result in the inclusion of interest on the Series 2010A Bonds in gross income for federal income tax purposes (subject to the inclusion of any exceptions contained in the opinion delivered upon original issuance of the Series 2010A Bonds).

“Fitch” means Fitch Ratings, a corporation organized and existing under the laws of the state of New York, its successors and assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the City by notice to the Authority, the Credit Provider, if any and the Trustee.

“Holder” or “Bondholder,” when used with respect to a Bond, means the Person in whose name such Bond is registered.

“Indenture” means this Bond Indenture, as originally executed or as it may from time to time be supplemented, modified or amended by any Supplemental Indenture.

“Interest Fund” means the fund by that name established pursuant to Section 5.02.

“Interest Payment Date” means March 1 and September 1 in each year, commencing March 1, 2011.

“Investment Securities” means any of the following to the extent then permitted by applicable laws and any investment policies of the City:

(1) Any bonds or other obligations which, as to principal and interest, constitute direct obligations of, or are unconditionally guaranteed by the United States, including obligations of any federal agencies, to the extent such obligations are unconditionally guaranteed by the United States of America, as to full and timely payments which, in the Opinion of Counsel, will not impair the exemption from federal income taxation of the interest component of the Base Rental Payments, but not including interests or shares in any type or form of investment company which may invest in any of the foregoing;

(2) Obligations issued by banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks, the Federal Home Loan Bank Board, or obligations, participations, or other instruments of or issued by, or fully guaranteed as to principal and interest by, the Federal National Mortgage Association, the Government National Mortgage Association or the Federal Home Loan Mortgage Corporation; or guaranteed Small Business Administration notes or portions thereof;

(3) Obligations of the State or of any state or any local agency of either thereof which are rated not lower than the highest rating on any Bonds provided by the Rating Agency;

(4) Bills of exchange or time drafts drawn on and accepted by a commercial bank, including the Trustee and its affiliates, rated not lower than the highest rating on any Bonds provided by the Rating Agency, otherwise known as bankers acceptances, which are eligible for purchase by the Federal Reserve System;

(5) Commercial paper of “prime” quality of the highest ranking or of the highest letter and numerical rating as provided for by the Rating Agency issued by corporations that are organized and operating within the United States and having a rating for such issuing corporation’s debentures, other than commercial paper, not lower than the highest rating on any Bonds provided by the Rating Agency;

(6) Negotiable certificates of deposit issued by a nationally or state-chartered bank, including the Trustee and its affiliates, or a state or federal savings and loan association or by a state-licensed branch of a foreign bank qualified as a depository of public funds in the State of California which are rated not lower than the highest rating on any Bonds provided by the Rating Agency, including the Trustee or any affiliate thereof;

(7) Any repurchase agreement or reverse repurchase agreement with members of the Association of Primary Dealers of United States Government Securities which are rated not lower than the highest rating on any Bonds provided by the Rating Agency, or institutions insured by the Federal Deposit Insurance Corporation, to the extent such agreements are fully collateralized at levels acceptable to the Rating Agency by obligations described in clauses (1) and (2) of this definition, if the Trustee holds or appoints some intermediary bank or savings association to hold the collateral securing such agreement and the Trustee or its appointed agent has a first priority security interest in such collateral, and the repurchase agreement or reverse repurchase agreement is free and clear of any third party lien or claim;

(8) For amounts less than \$10,000, interest-bearing demand or time deposits (including certificates of deposit) in a national or state-chartered bank, including the Trustee and its affiliates, or state or federal savings and loan association in the State of California, fully insured by the Federal Deposit Insurance Corporation or any successor thereto, including the Trustee or any affiliate thereof;

(9) Certificates or obligations issued by the City which are rated not lower than the highest rating on any Bonds provided by the Rating Agency, including bonds or obligations payable solely out of the revenues from a revenue-producing property owned, controlled or operated by the City or by a department, board, agency or authority thereof;

(10) Shares in money market funds which are rated not lower than the highest rating on any Bonds provided by the Rating Agency, investing in the

securities and obligations as authorized by clauses (1) to (9), inclusive, of this definition and which comply with the investment restrictions of Articles 1 and 2 of Chapter 4 of Title 5 of the California Government Code (commencing with Section 53630). To be eligible for investment pursuant to this clause (10) these companies shall either: (1) attain the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest nationally recognized rating services, or (2) have an investment adviser registered with the Securities and Exchange Commission with not less than five years experience investing in the securities and obligations as authorized by clauses (1) to (9), inclusive, of this definition and with assets under management in excess of \$500,000,000. The Trustee, its affiliates or subsidiaries may provide investment advisory or other management services. The purchase price of shares of beneficial interests purchased pursuant to this clause (10) shall not include any commission that these companies may charge;

(11) Investment agreements reviewed by and acceptable to the Rating Agency which are with investment institutions having long-term obligations which are rated not lower than the highest rating on any Bonds provided by the Rating Agency; provided that if such rating is below the two highest rating categories, the investment agreement shall require the Trustee to replace such financial institution or shall provide for the invested securities to be fully collateralized by investments described in clause (1) above and, if so collateralized, the Trustee shall have a perfected first security lien on the collateral and such collateral shall be held by the Trustee or its agent;

(12) Any other investments which the City deems to be prudent investments and in which the City directs the Trustee to invest, provided that such investments are either: (i) rated not lower than the highest rating on any Bonds provided by the Rating Agency at the time of such investment; or (ii) are issued by an entity the corporate debt of which is so rated by the Rating Agency; or (iii) are issued by an insurance company with a claims paying rating of not lower than the highest rating on any Bonds provided by the Rating Agency; and

(13) Investments in a money market fund (including those of the Trustee and affiliates of the Trustee) rated "AAAm" or "AAAm-G" or better by S&P and "Aaa" or "Aa1" or better by Moody's.

"Joint Powers Agreement" means the Joint Exercise of Powers Agreement, dated April 24, 2000, by and between the City and the Pasadena Community Development Commission, as amended and supplemented.

"Lease" means that certain Lease, dated as of February 1, 2006, as amended by the First Amendment to Lease, dated as of November 1, 2010, by and between the City and the Authority, and as the same may be amended and supplemented from time to time in accordance herewith and the Sublease.

“Leased Property” means the land described in Exhibit A and Exhibit A-1 to the Sublease and all buildings, structures and improvements and facilities currently located thereon or hereafter constructed or installed thereon, including the Rose Bowl Improvements but excluding any personal property located or hereafter located on such land which can be removed without damage to the land or such buildings, structures or improvements.

“Mandatory Sinking Account Payment” means the amount required by Sections 4.01(g) and 5.03 to be paid by the Trustee on any single date for the retirement of Bonds.

“Opinion of Counsel” means a written opinion of counsel (who may be counsel for the Authority or the City) selected by the Authority. If and to the extent required by the provisions of Section 1.02, each Opinion of Counsel shall include the statements provided for in Section 1.02.

“Optional Redemption Account” means the account by that name within the Redemption Fund established pursuant to Section 5.04.

“Outstanding,” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 11.09) all Bonds theretofore, or thereupon being, authenticated and delivered by the Trustee under this Indenture except: (1) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation; (2) Bonds with respect to which all liability of the Authority shall have been discharged in accordance with Section 10.02, including Bonds (or portions of Bonds) referred to in Section 11.10; and (3) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to this Indenture.

“Person” means an individual, corporation, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

“Principal Corporate Trust Office” means the office of the Trustee designated in Section 11.07, or such other office of the Trustee designated in writing to the Authority, the City, or the Credit Provider, if any.

“Principal Fund” means the fund by that name established pursuant to Section 5.03.

“Project Fund” means the fund by that name established pursuant to Section 3.04.

“Rating Agency” means, as of any time and to the extent it is then providing or maintaining a rating on the Bonds, each of Fitch and S&P, or in the event that neither Fitch nor S&P then maintains a rating on the Bonds, any other nationally recognized rating agency then providing or maintaining a rating on the Bonds.

“Rating Category” means one of the general rating categories of the Rating Agencies without regard to any refinement or graduation of such rating category by a plus or minus sign, a numerical modifier or otherwise.

“Rebate Fund” means the fund by that name established pursuant to Section 5.06.

“Record Date” means the fifteenth day (whether or not a Business Day) of the month immediately preceding each Interest Payment Date.

“Redemption Fund” means the fund by that name established pursuant to Section 5.04.

“Redemption Price” means, with respect to any Bond (or portion thereof), the principal amount of such Bond (or portion) plus the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of such Bond and this Indenture.

“Rental Payments” means, collectively, the Base Rental Payments and the Additional Rental.

[“Reserve Facility” means a letter of credit or other credit facility issued by a financial institution or other form of credit enhancement and any replacements thereto, including, but not limited to, surety bonds and guarantees delivered to the Trustee to meet all or a portion of the Bond Reserve Fund Requirement.]

“Revenues” means all amounts received by the Authority or the Trustee for the account of the Authority pursuant or with respect to the Sublease, including, without limiting the generality of the foregoing, Base Rental Payments and Additional Rental (including both timely and delinquent payments), prepayments, insurance proceeds, condemnation proceeds, and all interest, profits or other income derived from the investment of amounts in any fund or account established pursuant to this Indenture, but not including any moneys required to be deposited in the Rebate Fund.

[“Rose Bowl Improvements” means the improvements described in Exhibit A-1 to the Sublease.]

“S&P” means Standard & Poor’s, a division of The McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the state of Delaware, its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the City by notice to the Authority, the Credit Provider, if any and the Trustee.

“Securities Depository” means The Depository Trust Company and its successors and assigns, or any other securities depository selected as set forth in Section 2.11, which agrees to follow the procedures required to be followed by such securities depository in connection with the Bonds.

“Series 2010A Bonds” means the Pasadena Public Financing Authority Lease Revenue Bonds (Rose Bowl Renovation Project), Series 2010A authorized by, and at any time Outstanding pursuant to, this Indenture.

“Series 2010B Bonds” means the Pasadena Public Financing Authority Lease Revenue Bonds (Rose Bowl Renovation Project), Series 2010B (Taxable—Build America Bonds) authorized by, and at any time Outstanding pursuant to, this Indenture.

“Series 2010C Bonds” means the Pasadena Public Financing Authority Lease Revenue Bonds (Rose Bowl Renovation Project), Series 2010C (Taxable) authorized by, and at any time Outstanding pursuant to, this Indenture.

“Series 2010D Bonds” means the Pasadena Public Financing Authority Lease Revenue Bonds (Rose Bowl Renovation Project), Series 2010D (Taxable—Recovery Zone Economic Development Bonds) authorized by, and at any time Outstanding pursuant to, this Indenture.

“Special Record Date” means the date established by the Trustee pursuant to Section 2.02 as a record date for the payment of defaulted interest on the Bonds.

“Special Redemption Account” means the account by that name within the Redemption Fund established pursuant to Section 5.04.

“State” means the State of California.

“Sublease” means that certain Sublease, dated as of February 1, 2006, as amended by the First Amendment to Sublease, dated as of November 1, 2010, between the Authority and the City, as originally executed and as it may from time to time be supplemented, modified or amended in accordance with the terms thereof and of this Indenture.

“Sublease Default Event” means any of the events specified in Section 10.01 of the Sublease.

“Supplemental Indenture” means any indenture hereafter duly authorized and entered into between the Authority and the Trustee, supplementing, modifying or amending this Indenture; but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

“Taxable Bonds” means the Series 2010B Bonds, the Series 2010C Bonds and the Series 2010D Bonds.

“Tax Certificates” means the Tax Certificates and Agreements executed and delivered by the Authority and the City at the time of original issuance and delivery of the Series 2010A Bonds, the Series 2010B Bonds and the Series 2010D Bonds, as the same may be amended or supplemented in accordance with its terms.

“Treasury Rate” means, with respect to any redemption date for a particular Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the Bond to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

“Trustee” means [Deutsche Bank National Trust Company], a corporation duly organized and existing under the laws of the State of California, having a Principal Corporate Trust Office in San Francisco, California, or its successor, as Trustee hereunder as provided in Article VIII.

**Section 1.02 Content of Certificates and Opinions.** Every certificate or opinion provided for in this Indenture with respect to compliance with any provision hereof shall include (1) a statement that the Person making or giving such certificate or opinion has read such provision and the definitions herein relating thereto; (2) a brief statement as to the nature and scope of the examination or investigation upon which the certificate or opinion is based; (3) a statement that, in the opinion of such Person, such Person has made or caused to be made such examination or investigation as is necessary to enable such Person to express an informed opinion with respect to the subject matter referred to in the instrument to which such Person’s signature is affixed; (4) a statement of the assumptions upon which such certificate or opinion is based, and (5) a statement as to whether, in the opinion of such Person, such provision has been complied with.

Any such certificate or opinion made or given by an officer of the Authority or the City may be based, insofar as it relates to legal, accounting or operational matters, upon a certificate or opinion of or representation by counsel, an accountant or a management consultant, unless such officer knows that the certificate, opinion or representation with respect to the matters upon which such certificate or statement may be based, as aforesaid, is erroneous. Any such certificate or opinion made or given by counsel, an accountant or a management consultant may be based, insofar as it relates to factual matters (with respect to which information is in the possession of the Authority or the City, as the case may be) upon a certificate or opinion of or representation by an officer of the Authority or the City, unless such counsel, accountant or management consultant knows that the certificate or opinion or representation with respect to the matters upon which such Person’s certificate or opinion or representation may be based, as aforesaid, is erroneous. The same officer of the Authority or the City, or the same counsel or accountant or management consultant, as the case may be, need not certify to all of the matters required to be certified under any provision of this Indenture, but different officers, counsel, accountants or management consultants may certify to different matters, respectively.

**Section 1.03 Interpretation.**

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender, as appropriate. Defined terms shall include all variants of such terms.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.



**ARTICLE II**

**THE BONDS**

**Section 2.01 Authorization of Bonds.** An issue of Bonds to be issued hereunder in order to obtain moneys for the benefit of the City is hereby created. The Bonds are designated as the "Pasadena Public Financing Authority Lease Revenue Bonds (Rose Bowl Renovation Project)" and shall be issued in an aggregate principal amount of \$\_\_\_\_\_ and in four separate series, as follows: Series 2010A Bonds, in the aggregate principal amount of \$\_\_\_\_\_ (\$\_\_\_\_\_ as Capital Appreciation Bonds and \$\_\_\_\_\_ as Current Interest Bonds); Series 2010B Bonds, in the aggregate principal amount of \$\_\_\_\_\_; Series 2010C Bonds, in the aggregate principal amount of \$\_\_\_\_\_; and Series 2010D Bonds, in the aggregate principal amount of \$\_\_\_\_\_. This Indenture constitutes a continuing agreement with the Holders from time to time of the Bonds to secure the full payment of the principal of and premium if any and interest on all the Bonds, subject to the covenants, agreements, provisions and conditions herein contained.

**Section 2.02 Denominations; Date; Maturity; Numbering.** The Bonds shall be delivered in the form of fully registered Bonds in denominations of \$5,000 and any integral multiple thereof. The Bonds shall be registered initially in the name of "Cede & Co.," as nominee of the Securities Depository and shall be evidenced by one Bond in the total aggregate principal amount of the Bonds. Registered ownership of the Bonds, or any portion thereof, may not thereafter be transferred except as set forth in Sections 2.06 and 2.11 hereof. The Bonds shall be numbered in such manner as shall be determined by the Trustee.

The Capital Appreciation Bonds shall be dated the date of their initial issuance and shall mature on March 1, \_\_\_\_\_ and bear interest at a rate of \_\_\_\_\_ per annum. Interest on the Capital Appreciation Bonds shall be compounded semiannually on each Compounding Date. The Accreted Value of the Capital Appreciation Bonds as of each Compounding Date therefor is set forth in the Accreted Value Table in Appendix B hereto.

The Current Interest Bonds shall be dated the date of their initial issuance and shall mature on March 1 and bear interest at the rates per annum, as follows:

**Current Interest Series 2010A Bonds**

<b>Maturity Date (March 1)</b>	<b>Principal Amount \$</b>	<b>Interest Rate %</b>
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**Series 2010B Bonds**

**Maturity Date  
(March 1)**

**Principal Amount  
\$**

**Interest Rate  
%**

**Series 2010C Bonds**

**Maturity Date  
(March 1)**

**Principal Amount  
\$**

**Interest Rate  
%**

**Series 2010D Bonds**

**Maturity Date  
(March 1)**

**Principal Amount  
\$**

**Interest Rate  
%**

**Section 2.03 Payment of Principal of and Interest on the Bonds.**

(a) The principal or Redemption Price or Accreted Value of the Bonds shall be payable by check in lawful money of the United States of America at the Principal Corporate Trust Office of the Trustee. Interest on the Current Interest Bonds shall be paid to the Person whose name appears on the bond registration books of the Trustee as the Holder thereof as of the close of business on the Record Date for each Interest Payment Date. Payment of the interest on the Current Interest Bonds shall be made by check mailed by first class mail to such Holder at its address as it appears on such registration books, or, upon the written request of any Holder of at least \$1,000,000 in aggregate principal amount of Current Interest Bonds, submitted to the Trustee at least one Business Day prior to the Record Date, by wire transfer in immediately available funds to an account within the United States of America designated by such Holder. As long as Cede & Co. is the Holder of the Bonds, said principal or Redemption Price or Accreted Value and interest payments shall be made to Cede & Co. by wire transfer in immediately available funds. CUSIP number identification shall accompany all payments of principal or Redemption Price or Accreted Value and interest whether by check or by wire transfer.

(b) Interest on the Bonds shall be calculated on the basis of a 360-day year of twelve 30-day months. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Bondholder on such Record Date and shall be paid to the person in whose name the Current Interest Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof being given by first class mail to the Bondholders not less 10 days prior to such Special Record Date.

**Section 2.04 Form of Bonds.** The Bonds and the form of assignment to appear thereon shall be initially in substantially the form as set forth in Exhibit A, with necessary or appropriate variations, omissions and insertions for each series as permitted or required hereby.

**Section 2.05 Execution of Bonds.** The Bonds shall be executed in the name and on behalf of the Authority with the manual or facsimile signature of its Chairperson or Vice Chairperson, and attested by the manual or facsimile signature of its Secretary. The Bonds shall then be delivered to the Trustee for authentication by it. In case any of the officers who shall have signed or attested any of the Bonds shall cease to be such officer or officers of the Authority before the Bonds so signed or attested shall have been authenticated or delivered by the Trustee or issued by the Authority, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the Authority as though those who signed and attested the same had continued to be such officers of the Authority, and also any Bonds may be signed and attested on behalf of the Authority by such

persons as at the actual date of execution of such Bonds shall be the proper officers of the Authority although at the nominal date of such Bonds any such person shall not have been such officer of the Authority.

Only such of the Bonds as shall bear thereon a certificate of authentication substantially in the form set forth in Exhibit A, with the manual or facsimile signature of the Trustee as authenticating agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

**Section 2.06 Transfer of Bonds.** Subject to the provisions of Section 2.11, any Bond may, in accordance with its terms, be transferred, upon the bond registration books required to be kept pursuant to the provisions of Section 2.08, by the Person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such registered Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Trustee.

Whenever any Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds for a like aggregate principal amount. The Trustee shall require the Bondholder requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer.

The Trustee shall not be required to transfer any Bond selected for redemption or during the 15 days immediately preceding the date on which Bonds will be selected for redemption.

**Section 2.07 Exchange of Bonds.** Bonds may be exchanged at the Principal Corporate Trust Office, for a like aggregate principal amount of Bonds of other authorized denominations. The Trustee shall require the Bondholder requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange.

The Trustee shall not be required to exchange any Bond selected for redemption or during the 15 days immediately preceding the date on which Bonds will be selected for redemption.

**Section 2.08 Bond Register.** The Trustee will keep or cause to be kept sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection during regular business hours by the Authority, the Credit Provider, if any and the City; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such books, Bonds as hereinbefore provided.

**Section 2.09 Temporary Bonds.** The Bonds may be issued in temporary form exchangeable for definitive Bonds when ready for delivery. Any temporary Bond may be printed, lithographed or typewritten, shall be of such denomination as may be determined by the Authority, shall be in fully registered form without coupons and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Authority and be authenticated by the Trustee upon the same conditions and in

substantially the same manner as the definitive Bonds. If the Authority issues temporary Bonds it will issue definitive Bonds as promptly thereafter as practicable, and thereupon the temporary Bonds may be surrendered, for cancellation, in exchange therefor at the Principal Corporate Trust Office, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of Authorized Denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds authenticated and delivered hereunder.

**Section 2.10 Bonds Mutilated, Lost, Destroyed or Stolen.** If any Bond shall become mutilated, the Authority, at the expense of the Holder of said Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and number in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be cancelled by it and delivered to, or upon the order of, the Authority. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Authority and the Trustee and, if such evidence be satisfactory to both and indemnity satisfactory to them shall be given, the Authority, at the expense of the Holder, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen (or, if any, such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof). The Authority may require payment by the Holder of a sum not exceeding the actual cost of preparing each new Bond issued under this Section and of the expenses that may be incurred by the Authority and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Authority whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

**Section 2.11 Use of Securities Depository.** Notwithstanding any provision of this Indenture to the contrary:

(a) The Bonds shall be initially issued as provided in Section 2.02. Registered ownership of the Bonds, or any portion thereof, may not thereafter be transferred except:

(i) To any successor of the Securities Depository or its nominee, or to any substitute depository designated pursuant to clause ii) of this subsection (a) (“substitute depository”); provided that any successor of the Securities Depository or substitute depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(ii) To any substitute depository designated by the Authority upon (a) the resignation of the Securities Depository or its successor (or any substitute depository or its successor) from its functions as depository or (b) a determination by the Authority that the Securities Depository or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

To any Person as provided below, upon (a) the resignation of the Securities Depository or its successor (or substitute depository or its successor) from its functions as depository; provided that no substitute depository can be obtained or (b) upon a determination by the Authority that it is in the best interests of the Authority to remove the Securities Depository or its successor (or any substitute depository or its successor) from its functions as depository.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (A), upon receipt of the Outstanding Bonds by the Trustee, together with a Certificate of the Authority to the Trustee, a single new Bond shall be executed and delivered in the aggregate principal amount of the Bonds then Outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such Certificate of the Authority. In the case of any transfer pursuant to clause (iii) of subsection (a), upon receipt of the Outstanding Bonds by the Trustee together with a Certificate of the Authority to the Trustee, new Bonds shall be executed and delivered and registered in the names of such Persons as are requested in such a Certificate of the Authority, subject to the limitations of Section 2.02, provided the Trustee shall not be required to deliver such new Bonds within a period less than 60 days from the date of receipt of such a Certificate of the Authority.

(c) In the case of partial redemption or an advance refunding of the Bonds evidencing all or a portion of the principal amount Outstanding Bonds, the Securities Depository shall make an appropriate notation on the Bonds indicating the date and amounts of such reduction in principal, in form acceptable to the Trustee.

(d) The Authority and the Trustee shall be entitled to treat the Person in whose name any Bond is registered as the Bondholder thereof for all purposes of this Indenture and any applicable laws, notwithstanding any notice to the contrary received by the Trustee or the Authority; and the Authority and the Trustee shall have no responsibility for transmitting payments to, communicating with, notifying or otherwise dealing with any beneficial owners of the Bonds. Neither the Authority nor the Trustee will have any responsibility or obligations, legal or otherwise, to the beneficial owners or to any other party including the Securities Depository or its successor (or substitute depository or its successor), except to the Holder of any Bond.

(e) So long as the Outstanding Bonds are registered in the name of Cede & Co. or its registered assign, the Authority and the Trustee shall cooperate with Cede & Co., as sole registered Bondholder, and its registered assigns in effecting payment of the principal of and premium, if any, and interest on the Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due, all as provided in the blanket Letter of Representations between the Trustee and the Securities Depository.

(f) Notwithstanding anything to the contrary contained in this Indenture, for so long as Cede & Co., as nominee of the Securities Depository is the sole registered owner of the Bonds, all deliveries of Bonds under the provisions of this Indenture shall be made pursuant to the Securities Depository's procedures as in effect from time to time and neither the Authority, the City nor the Trustee shall have any responsibility for or liability with respect to the implementation of such procedures.

## ARTICLE III

### ISSUANCE OF BONDS; APPLICATION OF PROCEEDS

**Section 3.01 Issuance of the Bonds.** At any time after the execution of this Indenture, the Authority may execute and the Trustee shall authenticate and, upon Request of the Authority, deliver the Bonds in the aggregate principal amount of \_\_\_\_\_ dollars (\$\_\_\_\_,000,000).

**Section 3.02 Application of Proceeds of the Bonds.** The proceeds received from the sale of the Bonds shall be deposited in trust with the Trustee, who shall forthwith deposit such proceeds as follows:

(a) The Trustee shall deposit the sum of \$\_\_\_\_\_ in the Costs of Issuance Fund.

(b) The Trustee shall deposit the sum of \$\_\_\_\_\_ in the Bond Reserve Fund, which is an amount equal to the Bond Reserve Fund Requirement upon the issuance of the Bonds.

(c) The Trustee shall deposit the sum of \$\_\_\_\_\_ in the Capitalized Interest Account within the Interest Fund.

(d) The Trustee shall deposit the sum of \$\_\_\_\_\_ in the Project Fund.

**Section 3.03 Establishment and Application of Costs of Issuance Fund.** The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Costs of Issuance Fund." The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay the Costs of Issuance upon Requisition of the City stating the Person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On \_\_\_\_\_, 2011, or upon the earlier Request of the City, amounts, if any, remaining in the Costs of Issuance Fund shall be transferred to the Project Fund, and the Costs of Issuance Fund shall thereafter be closed.

**Section 3.04 Establishment and Application of Project Fund.**

(a) The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Project Fund." The moneys in the Project Fund shall be used and withdrawn by the Authority to pay the costs of the Rose Bowl Improvements.

(b) The Trustee is authorized to establish a convenience account from time to time in connection with the proper administration of this Indenture. The Trustee is authorized and directed to receive proceeds from the sale of the Bonds allocable to the Project Fund to be established and maintained by the Authority pursuant to this Section and following receipt therefore, the Authority authorizes the Trustee to transfer such funds to the Authority.

(c) When the Rose Bowl Improvements shall have been completed, as evidenced by a Certificate of the Authority filed with the Trustee, the Trustee shall transfer any

remaining balance in such Project Fund, less the amount of any retention for claims that are subject to dispute and for which a retention in the Project Fund is to be maintained until such dispute is resolved, to the Optional Redemption Account, to be applied to the optional redemption of Bonds or to such other lawful purpose as the Authority may designate in a Certificate of the Authority filed with the Trustee and accompanied by a Favorable opinion of Bond Counsel. Upon such transfer, the Project Fund shall be closed.

**Section 3.05 Bond Reserve Fund.** The Trustee shall establish, maintain and hold in trust a separate fund designated as the “Bond Reserve Fund.” Moneys in the Bond Reserve Fund shall be used and withdrawn by the Trustee solely for the purposes set forth in this Section 3.05.

(a) If, on any Interest Payment Date, the amount on deposit in the Interest Fund is insufficient to pay the interest due with respect to the Bonds on such Interest Payment Date, the Trustee shall transfer from the Bond Reserve Fund and deposit in the Interest Fund an amount sufficient to make up such deficiency.

(b) If, on any Principal Payment Date or any Mandatory Sinking Account Payment due date, the amount on deposit in the Principal Fund is insufficient to pay the principal due with respect to the Bonds on such Principal Payment Date or Mandatory Sinking Account Payment due date, the Trustee shall transfer from the corresponding account within the Bond Reserve Fund and deposit in the Principal Fund an amount sufficient to make up such deficiency.

(c) Moneys on deposit in the Bond Reserve Fund shall be withdrawn and applied by the Trustee for the final payment on the Bonds.

In the event of any withdrawal or transfer from the Bond Reserve Fund, the Trustee shall, within five (5) days thereafter, provide written notice to the City of the amount and the date of such transfer. If at any time the balance in the Bond Reserve Fund shall be reduced below the Bond Reserve Fund Requirement, the first Base Rental Payments thereafter payable by the City under the Sublease and not needed to pay the interest and principal of the Bonds on the next Interest Payment Date, Principal Payment Date or Mandatory Sinking Account Payment due date shall be used to increase the balance in such account within the Bond Reserve Fund to the required Bond Reserve Fund Requirement. If at any time the balance in the Bond Reserve Fund shall be in excess of the Bond Reserve Fund Requirement, the Trustee shall transfer such excess first to the Interest Fund, to the extent necessary so that the balance in the Interest Fund is equal to the interest coming due on the Bonds on the next Interest Payment Date and any balance shall be transferred to the Principal Fund. At the termination of the Sublease in accordance with its terms, any balance remaining in the Bond Reserve Fund shall be released and may be transferred to such other fund or account of the City, or otherwise used by the City for any other lawful purposes, as the City may direct in a Certificate of the City filed with the Trustee. For purposes of determining the amount on deposit in the Bond Reserve Fund, all investments shall annually be valued at the cost thereof (exclusive of accrued but unpaid interest, but inclusive of commissions). Except as provided in this paragraph with respect to Base Rental Payments not needed to pay the interest and principal of the Bonds, insurance and condemnation proceeds transferred to the Bond Reserve Fund pursuant to Section 7.01 of the Sublease, and from amounts available to be transferred from the Cost of Issuance Fund pursuant to Section 3.03 hereof, the City shall have no obligation to replenish the Bond Reserve Fund.



The City, upon notice to the Rating Agencies, reserves the right to substitute, at any time and from time to time, one or more Reserve Facilities from a financial institution, the long-term unsecured obligations of which are rated in the two highest rating categories of the Rating Agency in substitution for or in place of all or any portion of the Bond Reserve Fund Requirement, under the terms of which the Trustee is unconditionally entitled to draw amounts when required for the purposes hereof. In the event one or more Reserve Facilities are substituted for all or a portion of the moneys held or required to be held by the Trustee in the Bond Reserve Fund pursuant to the terms of this Indenture then, notwithstanding any other provision hereof, (1) the Trustee shall draw upon the Reserve Facility(ies) (pro-rata if more than one are in effect) for amounts which the terms of this Indenture require to be transferred and applied from the Bond Reserve Fund; provided that any cash on deposit in the Bond Reserve Fund shall be so transferred and applied before the Reserve Facility(ies) is (are) drawn upon. Upon deposit by the City with the Trustee of any such Reserve Facility(ies), the Trustee shall, on or after the date of such deposit, transfer to the City such amounts as are on deposit in the Bond Reserve Fund in excess of the Bond Reserve Fund Requirement after application of the Reserve Facility(ies) thereto. The City shall, subject to any investment instructions contained in the Tax Certificate, use any such amounts transferred from the Bond Reserve Fund for any lawful purpose of the City which will not adversely affect any current or past exclusion from gross income for federal income tax purposes of the interest on the Series 2010A Bonds, if and to the extent such interest is currently or has in the past been so excluded.

**Section 3.06 Validity of Bonds.** The validity of the authorization and issuance of the Bonds is not dependent on and shall not be affected in any way by any proceedings taken by the Authority or the Trustee with respect to or in connection with the Lease or the Sublease. The recital contained in the Bonds that the same are issued pursuant to the Act and the Constitution and laws of the State shall be conclusive evidence of their validity and of compliance with the provisions of law in their issuance.

## ARTICLE IV

### REDEMPTION OF BONDS

**Section 4.01 Terms of Redemption.** *[subject to review and revision]*

(a) ***Special Mandatory Redemption for All Bonds.*** The Bonds are subject to redemption on any date prior to their respective stated maturities, as a whole or in part by lot, from payments made by the City from funds received by the City due to a taking of the Leased Property or portions thereof under the power of eminent domain, from the net proceeds of insurance received for material damage to or destruction of the Leased Property or portions thereof under the circumstances and upon the conditions and terms prescribed in the Indenture and Sublease, or from the proceeds of title insurance in the event of defective title to the Leased Property as provided for in the Sublease, at a redemption price equal to the sum of the principal amount thereof, without premium, plus accrued interest thereon to the redemption date. *[query whether this will be acceptable for BABs]*

(b) ***Optional Redemption for the Series 2010A Bonds.***

(i) ***2010A Current Interest Bonds—Optional Redemption.*** The Series 2010A Bonds maturing on or before March 1, 20\_\_ are not subject to redemption prior to their respective stated maturities. The Series 2010A Bonds maturing on or after March 1, 20\_\_ are subject to redemption prior to their respective stated maturities, at the option of the Authority from lawfully available funds as a whole or in part (in such order of maturities as shall be designated by the Authority and by lot within a maturity) on any date on or after March 1, 20\_\_ at the redemption price of 100% of the principal amount of the Series 2010A Bonds called for redemption, together with interest accrued thereon to the date fixed for redemption, without premium.

(ii) ***Series 2010A Capital Appreciation Bonds—No Optional Redemption.*** The Capital Appreciation Bonds shall not be subject to optional redemption prior to maturity.

(c) ***Optional Redemption for the Series 2010B Bonds.***

(i) ***Series 2010B Bonds—Make Whole Optional Redemption.*** The Series 2010B Bonds are subject to redemption prior to their respective stated maturities at the option of the Authority, in whole or in part and if in part, with maturities to be designated by the Authority (and pro rata within a maturity), on any date at a redemption price equal to the greater of:

(1) the issue price set forth on the inside cover page hereof (but not less than 100%) of such principal amount of the Series 2010B Bonds to be redeemed; or

(2) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Series 2010B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2010B Bonds are to be redeemed, discounted to the date on which such Series 2010B Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus \_\_ basis points,

plus, in each case, accrued interest on such Series 2010B Bonds to be redeemed to the redemption date.

(ii) ***Series 2010B Bonds Maturing on or after March 1, 20\_\_—Optional Redemption.*** In addition to the Make Whole Optional Redemption described in the immediately preceding paragraph (c) and the Extraordinary Optional Redemption described in the immediately following paragraph (e), the Series 2010B Bonds maturing on or after March 1, 20\_\_ are also subject to redemption prior to their respective stated maturities, at the option of the Authority from lawfully available funds as a whole or in part (in such order of maturity as shall be designated by the Authority and pro rata within a maturity) on any date on or after March 1, 20\_\_ at a redemption price equal to 100% of

the principal amount of the Series 2010B Bonds called for redemption together with interest accrued thereon to the date fixed for redemption.

(iii) **Series 2010B Bonds—Extraordinary Optional Redemption.** The Series 2010B Bonds are subject to redemption prior to their respective stated maturities at the option of the Authority, in whole or in part on any date upon the occurrence of an Extraordinary Event, with maturities to be designated by the Authority (and pro rata within a maturity), at a redemption price (the “Extraordinary Redemption Price”) equal to the greater of:

(1) the issue price set forth on the inside cover page hereof (but not less than 100%) of the principal amount of such Series 2010B Bonds to be redeemed; or

(2) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Series 2010B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2010B Bonds are to be redeemed, discounted to the date on which such Series 2010B Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate (described above) plus \_\_\_ basis points;

plus, in each case, accrued interest on such Series 2010B Bonds to be redeemed to the redemption date.

(d) **Optional Redemption for the Series 2010C Bonds.**

(i) **Series 2010C Bonds—Make Whole Optional Redemption.** The Series 2010C Bonds are subject to redemption prior to their respective stated maturities at the option of the Authority, in whole or in part and if in part, with maturities to be designated by the Authority (and pro rata within a maturity), on any date at a redemption price equal to the greater of:

(1) the issue price set forth on the inside cover page hereof (but not less than 100%) of such principal amount of the Series 2010C Bonds to be redeemed; or

(2) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Series 2010C Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2010C Bonds are to be redeemed, discounted to the date on which such Series 2010C Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus \_\_\_ basis points,

plus, in each case, accrued interest on such Series 2010C Bonds to be redeemed to the redemption date.

(ii) **Series 2010C Bonds Maturing on or after March 1, 20\_\_—Optional Redemption.** In addition to the Make Whole Optional Redemption described in the immediately preceding paragraph (c) and the Extraordinary Optional Redemption described in the immediately following paragraph (e), the Series 2010C Bonds maturing on or after March 1, 20\_\_ are also subject to redemption prior to their respective stated maturities, at the option of the Authority from lawfully available funds as a whole or in part (in such order of maturity as shall be designated by the Authority and pro rata within a maturity) on any date on or after March 1, 20\_\_ at a redemption price equal to 100% of the principal amount of the Series 2010C Bonds called for redemption together with interest accrued thereon to the date fixed for redemption.

(iii) **Series 2010C Bonds—Extraordinary Optional Redemption.** The Series 2010C Bonds are subject to redemption prior to their respective stated maturities at the option of the Authority, in whole or in part on any date upon the occurrence of an Extraordinary Event, with maturities to be designated by the Authority (and pro rata within a maturity), at a redemption price (the “Extraordinary Redemption Price”) equal to the greater of:

(1) the issue price set forth on the inside cover page hereof (but not less than 100%) of the principal amount of such Series 2010C Bonds to be redeemed; or

(2) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Series 2010C Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2010C Bonds are to be redeemed, discounted to the date on which such Series 2010C Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate (described above) plus \_\_\_ basis points;

plus, in each case, accrued interest on such Series 2010C Bonds to be redeemed to the redemption date.

(e) **Optional Redemption for the Series 2010D Bonds.**

(i) **Series 2010D Bonds—Make Whole Optional Redemption.** The Series 2010D Bonds are subject to redemption prior to their respective stated maturities at the option of the Authority, in whole or in part and if in part, with maturities to be designated by the Authority (and pro rata within a maturity), on any date at a redemption price equal to the greater of:

(1) the issue price set forth on the inside cover page hereof (but not less than 100%) of such principal amount of the Series 2010D Bonds to be redeemed; or

(2) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Series 2010D Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as

of the date on which such Series 2010D Bonds are to be redeemed, discounted to the date on which such Series 2010D Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus \_\_\_ basis points,

plus, in each case, accrued interest on such Series 2010D Bonds to be redeemed to the redemption date.

(ii) **Series 2010D Bonds Maturing on or after March 1, 20\_\_—Optional Redemption.** In addition to the Make Whole Optional Redemption described in the immediately preceding paragraph (c) and the Extraordinary Optional Redemption described in the immediately following paragraph (e), the Series 2010D Bonds maturing on or after March 1, 20\_\_ are also subject to redemption prior to their respective stated maturities, at the option of the Authority from lawfully available funds as a whole or in part (in such order of maturity as shall be designated by the Authority and pro rata within a maturity) on any date on or after March 1, 20\_\_ at a redemption price equal to 100% of the principal amount of the Series 2010D Bonds called for redemption together with interest accrued thereon to the date fixed for redemption.

(iii) **Series 2010D Bonds—Extraordinary Optional Redemption.** The Series 2010D Bonds are subject to redemption prior to their respective stated maturities at the option of the Authority, in whole or in part on any date upon the occurrence of an Extraordinary Event, with maturities to be designated by the Authority (and pro rata within a maturity), at a redemption price (the “Extraordinary Redemption Price”) equal to the greater of:

(1) the issue price set forth on the inside cover page hereof (but not less than 100%) of the principal amount of such Series 2010D Bonds to be redeemed; or

(2) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Series 2010D Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2010D Bonds are to be redeemed, discounted to the date on which such Series 2010D Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate (described above) plus \_\_\_ basis points;

plus, in each case, accrued interest on such Series 2010D Bonds to be redeemed to the redemption date.

(f) **Sinking Fund Redemption.** *[establish a sinking fund redemption for any term bonds of any series of Bonds, as follows]* The Bonds are also subject to redemption prior to their stated Maturity Date, in part, from Mandatory Sinking Account Payments deposited in the Principal Fund pursuant to Section 5.03 on March 1 of each of the years set forth below, in the principal amounts set forth below, together with unpaid accrued interest, if any, to the date fixed for redemption, without premium.

**Series 2010A Current Interest Bonds Mandatory Sinking Account Payments**

<u>Year (March 1)</u>	<u>Mandatory Sinking Account Payment</u>
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\*maturity

**Series 2010B Bonds Mandatory Sinking Account Payments**

<u>Year (March 1)</u>	<u>Mandatory Sinking Account Payment</u>
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\*maturity

**Series 2010C Bonds Mandatory Sinking Account Payments**

<u>Year (March 1)</u>	<u>Mandatory Sinking Account Payment</u>
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\*maturity

The Authority may purchase any Bonds subject to redemption from Mandatory Sinking Account Payments and tender such Bonds to the Trustee in satisfaction of the required Mandatory Sinking Account Payments referred to above.

The principal amount of Bonds to be redeemed from Mandatory Sinking Account Payments on any March 1 shall be reduced by the Authority as directed by the City by the principal amount of Bonds previously redeemed pursuant to Section 4.01(a), (b), (c), (d), (e) or (f).

**Section 4.02 Selection of Bonds for Redemption.**

(a) Whenever provision is made in this Indenture for the redemption of less than all of the Series 2010A Bonds, subject to Section 4.01 hereof, the Trustee shall select the Series 2010A Bonds to be redeemed, in the authorized denominations specified in Section 2.02, by lot, in any manner which the Trustee in its sole discretion shall deem appropriate and fair; provided, however, that Credit Facility Bonds shall be redeemed prior to any other Bonds. The Trustee shall promptly notify the Authority and the City in writing of any redemption of the Bonds or portions thereof so selected for redemption. The selection of Bonds shall be at such time as determined by the Trustee.

(b) If less than all of the Taxable Bonds of a maturity shall be called for redemption, such Taxable Bonds of a maturity shall be redeemed in part, on a pro rata basis; provided that, so long as the Taxable Bonds are held in book-entry-only form, the selection for redemption of such Taxable Bonds of a maturity shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a pro rata basis, the Taxable Bonds will be selected for redemption in accordance with DTC procedures, by lot or in such other manner as is in accordance with applicable DTC operational arrangements.

**Section 4.03 Verification of Redemption Price of the Bonds.** Pursuant to the Indenture, at the request of the Authority or the Trustee, the redemption price of the Bonds to be redeemed at the option of the Authority will be determined by an independent accounting firm, investment banking firm or financial advisor retained by the Authority at the Authority's expense to calculate such redemption price. The Authority and the Trustee may conclusively rely on the determination of such redemption price by such independent accounting firm, investment banking firm or financial advisor and will not be liable for such reliance.

**Section 4.04 Notice of Redemption.** Notice of redemption shall be mailed by first-class mail by the Trustee, not less than 30 nor more than 60 days prior to the date fixed for redemption, to the Credit Provider, if any, the Rating Agencies and to the respective Holders of any Bonds designated for redemption at their addresses appearing on the bond registration books of the Trustee. Each notice of redemption shall state the date of such notice, the date of original issuance of the Bonds, the date fixed for redemption, the Redemption Price, the place or places of redemption (including the name and appropriate address or addresses of the Trustee), the CUSIP number, if any, of the Bonds, to be redeemed and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on said Bonds the Redemption Price thereof or of said specified portion of the principal amount thereof in the case of a Bond to be redeemed in part only, and that from and after such date, interest on such Bond (or the portion thereof to be redeemed) shall cease to accrue, and shall require that such Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice.

Notice of redemption of Bonds shall be given by the Trustee, at the expense of the City.

Failure by the Trustee to mail notice of redemption pursuant to this Section 4.04 to the Credit Provider, if any, the Rating Agencies or to any one or more of the Holders of any Bonds

designated for redemption shall not affect the sufficiency of the proceedings for redemption with respect to the Holder or Holders to whom such notice was mailed.

Any notice given pursuant to this Section 4.04 may be conditional and may be rescinded by written notice given to the Trustee by the Authority at the direction of the City no later than 5 Business Days prior to the date specified for redemption. The Trustee shall give notice of such rescission, as soon thereafter as practicable, in the same manner, to the same persons, as notice of such redemption was given pursuant to this Section 4.04.

**Section 4.05 Partial Redemption of Bonds.** Upon surrender of any Bond redeemed in part only, the Authority shall execute and the Trustee shall authenticate and deliver to the registered owner thereof, at the expense of the Authority, a new Bond or Bonds of Authorized Denominations and of the same maturity, equal in aggregate principal amount to the unredeemed portion of the Bond surrendered. The Bonds shall be redeemed only in Authorized Denominations.

**Section 4.06 Effect of Redemption.** Notice of redemption having been duly given as aforesaid, and moneys for payment of the Redemption Price of, together with interest accrued to the date fixed for redemption on, the Bonds (or portions thereof) so called for redemption being held by the Trustee, on the date fixed for redemption designated in such notice, the Bonds (or portions thereof) so called for redemption shall become due and payable at the Redemption Price specified in such notice plus interest accrued thereon to the date fixed for redemption, interest on the Bonds so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this Indenture, and the Holders of said Bonds shall have no rights in respect thereof except to receive payment of said Redemption Price and accrued interest.

**Section 4.07 Rescission or Cancellation of Redemption.** The Trustee shall rescind any redemption by notice of rescission if directed to do so by the Authority prior to the date of redemption, and that the Trustee shall give notice of rescission by the same means as for the giving of a notice of redemption. The redemption shall be deemed canceled once the Trustee has given notice of rescission. Neither the rescission nor the failure of funds being made available in part or in whole on or before a redemption date shall constitute an Event of Default.

## ARTICLE V

### REVENUES; FUNDS AND ACCOUNTS; PAYMENT OF PRINCIPAL AND INTEREST

#### **Section 5.01 Pledge and Assignment.**

(a) Subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, all of the Revenues and any other amounts (including proceeds of the sale of Bonds) held in any fund or account established pursuant to this Indenture (other than the Rebate Fund) are hereby pledged to secure the payment of the principal of and premium, if any, and interest on the Bonds in accordance with their terms and the provisions of this Indenture. Said pledge shall constitute a lien on and



security interest in such assets for the payment of the Bonds and shall attach, be perfected and be valid and binding from and after delivery by the Trustee of the Bonds, without any physical delivery thereof or further act. All Revenues and the other amounts specified herein shall be held in trust for the benefit of the Holders from time to time of the Bonds, but shall nevertheless be disbursed, allocated and applied solely for the uses and purposes set forth in this Article V.

(b) The Authority hereby transfers in trust, grants a security interest in and assigns to the Trustee, for the benefit of the Holders from time to time of the Bonds all of the Revenues and other assets pledged in subsection (a) of this Section and all of the right, title and interest of the Authority in the Sublease (except for (i) the right to receive any Additional Rental to the extent payable to the Authority under the Sublease, (ii) any rights of the Authority to indemnification and rights of inspection and consent, and (iii) the obligation of the City to make deposits pursuant to the Tax Certificate). The Trustee shall be entitled to and shall collect and receive all of the Revenues, and any Revenues collected or received by the Authority shall be deemed to be held, and to have been collected or received, by the Authority as the agent of the Trustee and shall forthwith be paid by the Authority to the Trustee. Subject to the provisions of Section 7.06 with respect to the control of remedial proceedings by the Trustee also shall be entitled to and shall take all steps, actions and proceedings reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority that have been assigned to the Trustee and all of the obligations of the City under the Sublease other than for those items excepted in the parenthetical contained in the first sentence of this subsection. All Revenues deposited with the Trustee shall be held, disbursed, allocated and applied by the Trustee only as provided in this Indenture. *[coordinate with 2006 Bonds, as appropriate]*

#### **Section 5.02 Interest Fund.**

(a) The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Interest Fund." Moneys in the Interest Fund shall be held, disbursed, allocated and applied by the Trustee only as provided in this Indenture.

(b) The Trustee shall deposit the following Revenues in the Interest Fund when and as such Revenues are received:

(i) the interest component of all 2010 Base Rental Payments, including the interest component of all cash prepayments of 2010 Base Rental Payments made pursuant to Section 5.01 of the Sublease;

(ii) all interest, profits and other income received from the investment of moneys in the Interest Fund; and

(iii) any other Revenues not required to be deposited in any other fund or account established pursuant to this Indenture.

(c) All amounts in the Interest Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as the same becomes due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity pursuant to this Indenture).