
PASADENA PUBLIC FINANCING AUTHORITY

and

DEUTSCHE BANK NATIONAL TRUST COMPANY,

as Trustee

AMENDED AND RESTATED
BOND INDENTURE

Dated as of May 1, 2011

\$47,300,000
PASADENA PUBLIC FINANCING AUTHORITY
VARIABLE RATE DEMAND LEASE REVENUE BONDS
(ROSE BOWL REFINANCING AND IMPROVEMENT PROJECTS), SERIES 2006

TABLE OF CONTENTS

	Page
ARTICLE I	DEFINITIONS; CONTENT OF CERTIFICATES AND OPINIONS 2
Section 1.01	Definitions..... 2
Section 1.02	Content of Certificates and Opinions..... 17
Section 1.03	Interpretation..... 18
ARTICLE II	THE BONDS 19
Section 2.01	Authorization of Bonds..... 19
Section 2.02	Denominations; Date; Maturity; Numbering 19
Section 2.03	Payment of Principal of and Interest on the Bonds..... 19
Section 2.04	Initial Modes and Interest Rates; Change of Mode 20
Section 2.05	Determination of Unit Pricing Rates, Purchase Date and Interest Periods During Unit Pricing Mode 21
Section 2.06	Determination of Interest Rates During the Daily Mode, the Weekly Mode and the R-FLOATs Mode 22
Section 2.07	Determination of Indexed Rates 24
Section 2.08	Determination of Stepped Coupon Rate 24
Section 2.09	Determination of Term Rates..... 25
Section 2.10	Determination of Fixed Rate..... 25
Section 2.11	Alternate Rate for Interest Calculation 26
Section 2.12	Auction Mode 26
Section 2.13	Changes in Mode 26
Section 2.14	Form of Bonds 29
Section 2.15	Execution of Bonds..... 29
Section 2.16	Transfer of Bonds 30
Section 2.17	Exchange of Bonds 30
Section 2.18	Bond Register..... 31
Section 2.19	Temporary Bonds..... 31
Section 2.20	Bonds Mutilated, Lost, Destroyed or Stolen..... 31
Section 2.21	Use of Securities Depository 31
ARTICLE III	ISSUANCE OF BONDS; APPLICATION OF PROCEEDS 33
Section 3.01	Issuance of the Bonds 33

TABLE OF CONTENTS
(continued)

		Page
Section 3.02	Application of Proceeds of the Bonds	33
Section 3.03	Establishment and Application of Costs of Issuance Fund.....	33
Section 3.04	Establishment and Application of Project Fund	34
Section 3.05	Bond Reserve Fund.....	34
Section 3.06	Establishment and Application of Prior Letter of Credit Fund.....	35
Section 3.07	Validity of Bonds.....	36
ARTICLE IV	REDEMPTION AND TENDER OF BONDS.....	36
Section 4.01	Terms of Redemption	36
Section 4.02	Selection of Bonds for Redemption.....	38
Section 4.03	Notice of Redemption.....	38
Section 4.04	Partial Redemption of Bonds.....	39
Section 4.05	Effect of Redemption.....	39
Section 4.06	Optional Tenders of Bonds in the Daily Mode, the Weekly Mode or the R-FLOATs Mode	39
Section 4.07	Mandatory Purchase at End of Unit Pricing Rate Periods.....	40
Section 4.08	Mandatory Purchase on Mode Change Date or Election to Set a Special R-FLOATs Rate Period.....	40
Section 4.09	Mandatory Purchase at End of Interest Period for Term Rate Mode	40
Section 4.10	Mandatory Purchase on Expiration Date, Substitute Credit Facility Date and Termination Date.....	41
Section 4.11	Remarketing of Bonds; Notices.....	42
Section 4.12	General Provisions Relating to Tenders	43
Section 4.13	The Remarketing Agent.....	45
Section 4.14	Qualifications of Remarketing Agent	46
Section 4.15	The Tender Agent	46
Section 4.16	Qualifications of Tender Agent	47
ARTICLE V	REVENUES; FUNDS AND ACCOUNTS; PAYMENT OF PRINCIPAL AND INTEREST	48
Section 5.01	Pledge and Assignment.....	48
Section 5.02	Interest Fund	49
Section 5.03	Principal Fund.....	50

TABLE OF CONTENTS
(continued)

		Page
Section 5.04	Redemption Fund.....	52
Section 5.05	Investment of Moneys.....	52
Section 5.06	Rebate Fund	54
ARTICLE VI	PARTICULAR COVENANTS	55
Section 6.01	Punctual Payment.....	55
Section 6.02	Extension of Payment of Bonds.....	55
Section 6.03	Against Encumbrances.....	55
Section 6.04	Power to Issue Bonds and Make Pledge and Assignment.....	55
Section 6.05	Accounting Records and Financial Statements.....	55
Section 6.06	Tax Covenants	56
Section 6.07	Enforcement and Amendment of Sublease.....	56
Section 6.08	Waiver of Laws.....	56
Section 6.09	Further Assurances.....	56
Section 6.10	Continuing Disclosure	56
Section 6.11	Compliance with Lease and Sublease.....	57
ARTICLE VII	EVENTS OF DEFAULT AND REMEDIES OF BONDHOLDERS.....	57
Section 7.01	Events of Default	57
Section 7.02	Action on Default.....	58
Section 7.03	Other Remedies of the Trustee	58
Section 7.04	Application of Revenues and Other Funds After Default.....	58
Section 7.05	Trustee to Represent Bondholders	58
Section 7.06	Bondholders' Direction of Proceedings.....	59
Section 7.07	Limitation on Bondholders' Right to Sue.....	59
Section 7.08	Absolute Obligation of Authority	61
Section 7.09	Termination of Proceedings.....	61
Section 7.10	Remedies Not Exclusive	61
Section 7.11	No Waiver of Default.....	61
Section 7.12	Notice to Bondholders of Default	61
ARTICLE VIII	THE TRUSTEE	61

TABLE OF CONTENTS
(continued)

		Page
Section 8.01	Duties, Immunities and Liabilities of Trustee.....	61
Section 8.02	Merger or Consolidation.....	63
Section 8.03	Liability of Trustee	63
Section 8.04	Right of Trustee and Tender Agent to Rely on Documents.....	65
Section 8.05	Preservation and Inspection of Documents.....	65
Section 8.06	Separate or Co-Trustee	65
Section 8.07	Compensation and Indemnification	66
Section 8.08	Notice to Rating Agency.....	67
ARTICLE IX	MODIFICATION OR AMENDMENT OF THIS INDENTURE.....	67
Section 9.01	Amendments Permitted.....	67
Section 9.02	Effect of Supplemental Indenture	69
Section 9.03	Endorsement of Bonds; Preparation of New Bonds	69
Section 9.04	Amendment of Particular Bonds.....	69
ARTICLE X	DEFEASANCE.....	69
Section 10.01	Discharge of Indenture.....	69
Section 10.02	Discharge of Liability on Bonds.....	71
Section 10.03	Deposit of Money or Securities with Trustee	71
Section 10.04	Payment of Bonds After Discharge of Indenture.....	73
ARTICLE XI	MISCELLANEOUS	73
Section 11.01	Liability of Authority Limited to Revenues.....	73
Section 11.02	Successor Is Deemed Included in All References to Predecessor	73
Section 11.03	Limitation of Rights to Parties, City, Credit Provider and Bondholders	73
Section 11.04	Waiver of Notice.....	74
Section 11.05	Destruction of Bonds	74
Section 11.06	Severability of Invalid Provisions.....	74
Section 11.07	Notices	74
Section 11.08	Evidence of Rights of Bondholders.....	75
Section 11.09	Disqualified Bonds.....	76

TABLE OF CONTENTS
(continued)

		Page
Section 11.10	Money Held for Particular Bonds	76
Section 11.11	Funds and Accounts	76
Section 11.12	Waiver of Personal Liability	77
Section 11.13	Credit Provider	77
Section 11.14	Business Days	77
Section 11.15	Governing Law	77
Section 11.16	Execution in Several Counterparts.....	77
EXHIBIT A	AUCTION RATE SECURITIES AUCTION PROCEDURES	A-1
EXHIBIT B	FORM OF BOND.....	B-1

**AMENDED AND RESTATED
BOND INDENTURE**

This **AMENDED AND RESTATED BOND INDENTURE**, dated as of April 1, 2011 (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 Leased Property and the City Hall Improvements to the City's City Hall and for the prepayment of the Certificates; and

WHEREAS, to accomplish such purpose, concurrently with the execution and delivery of this Indenture, the City and the Authority are amending and restating that certain Lease dated as of February 1, 2006, as amended on November 1, 2010, whereby the City leased to the Authority the Leased Property; and

WHEREAS, the Authority agreed to sublease to the City the Leased Property pursuant to the Sublease which will be amended and restated as of the date hereof; and

WHEREAS, under the Sublease the City is obligated to make Base Rental Payments to the Authority consisting of a principal component in a fixed amount and an interest component consisting of variable amounts; and

WHEREAS, the Authority authorized the issuance of its Variable Rate Demand Lease Revenue Bonds (Rose Bowl Refinancing and Improvement Projects), Series 2006, in an aggregate principal amount of \$47,300,000, to finance the costs of the Rose Bowl Improvements, the City Hall Improvements and the prepayment of the Certificates; 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 have been used, *inter alia*, to (i) prepay the City's obligations with respect to the outstanding 1991 Certificates, (ii) prepay the City's obligations with respect to the outstanding 1996 Certificates, (iii) finance the Rose Bowl Improvements, (iv) finance the City Hall Improvements and (v) pay the costs of issuing the Bonds; and

WHEREAS, the Bonds were initially issued in the Weekly Mode and the payment of the principal, Purchase Price of and interest on the Bonds bearing interest in the Weekly Mode were initially supported by a Credit Facility issued by Citibank, N.A. and subsequently by a Credit Facility issued by Bank of America, N.A.;

WHEREAS, the Authority and the Trustee have determined to convert the interest rate mode on the Bond from the Weekly Mode to the Bank Index Interest Rate Mode (the "Conversion") in connection with the remarketing of the Bonds to Union Bank, N.A., as Purchaser;

WHEREAS, in connection with the Conversion, the Authority and the Trustee have agreed to amend and restate the Indenture as of the date hereof;

WHEREAS, in order to provide for the remarketing of the Bonds in connection with the Conversion, to establish and declare the terms and conditions upon which the Bonds are to be remarketed and secured and to secure the payment of the principal and Purchase Price thereof 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 and Purchase Price 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, 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.

“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.

“Alternate Rate” means (1) with respect to the Bonds in a Daily Mode, a Weekly Mode, a R-FLOATS Mode for an Interest Period of 35 days or less or a Unit Pricing Mode for an Interest Period of 30 days or less, an annual rate equal to the BMA Municipal Swap Index, published immediately prior to the date such Alternate Rate is determined; and (2) with respect to the Bonds in a R-FLOATS Mode for an Interest Period of greater than 35 days, a Unit Pricing Mode for an Interest Period of greater than 30 days or in a Term Rate Mode, an annual rate equal to 75% of the highest quoted yield on United States Government Obligations – State and Local Government Series, with a maturity equal to the length of the Interest Period for which the Alternate Rate is calculated, which yield was published in Form PD4262, Department of Treasury, Bureau of Public Debt, as most recently published prior to the date such Alternate Rate is determined.

“Applicable Factor” means (i) during the Initial Bank Index Interest Rate Period, 65% and (ii) during any other period that the Bonds bear interest at a Bank Index Interest Rate, 65%, or such other percentage as may be designated in writing by the City as the Applicable Factor for such period that the Bonds bear interest at the Bank Index Interest Rate pursuant to Section 2.07(b)(x) hereof.

“Applicable Spread” means:

(i) With respect to the Initial Bank Index Interest Rate Period, initially 75 basis points (0.75%), which Applicable Spread is subject to the maintenance of the current ratings assigned by Moody’s, Fitch and S&P to the long-term, unenhanced general fund lease obligation indebtedness of the City. In the event of a change in the credit rating assigned by S&P, Fitch or Moody’s to the long-term, unenhanced general fund lease obligation indebtedness of the City, the Applicable Spread shall be the number of basis points associated with such new rating as set forth in the following schedule:

In the event of a split among such ratings, the lowest rating will prevail for purposes of

Credit Rating			Applicable Spread
S&P	Fitch	Moody's	
AA- or higher	AA- or higher	Aa3 or higher	0.75%
A+	A+	A1	1.05%
A	A	A2	1.05%
A-	A-	A3	1.35%
BBB+	BBB+	Baa1	1.60%
BBB	BBB	Baa2	1.95%
BBB-	BBB-	Baa3	2.45%

determining the Applicable Spread. Any change in the Applicable Spread shall apply to the Interest Period next succeeding the Interest Period during which any such change occurs.

(ii) With respect to any other period after the Initial Bank Index Interest Rate Period in which the Bonds bear interest at the Bank Index Interest Rate, the number of basis points or schedule of basis points determined by the Remarketing Agent in accordance with Section 2.11(a)(iii)(7) hereof (which may include a schedule for the Applicable Spread based upon the credit rating or ratings then assigned to the long-term, unenhanced general fund lease obligation indebtedness of the City as described in the foregoing subparagraph (i) in this definition) that, when added to the product of the LIBOR Index and the Applicable Factor, would equal the minimum interest rate per annum that would enable the Remarketing Agent to sell the Bonds on such date at a price equal to the principal amount thereof, plus accrued interest, if any, thereon.

“Auction Mode” means the Mode during which Auction Rate Securities bear interest at the Auction Rate.

“Auction Period” means, while the Bonds are Auction Rate Securities, the following:

(i) the period from and including an Auction Rate Mode Change Date, to and including the first Auction Date following such Auction Rate Mode Change Date, as applicable; and

(ii) thereafter until a Mode Change Date or until the Maturity Date of the Bonds, each period of 7 days (unless changed as described in Section 1.10 of Exhibit A) from and including the last Interest Payment Date for the immediately preceding Auction Period, to and including the next succeeding Auction Date or, in the event of an Auction Period with an Interest Payment Date on a Monday, the Sunday following the next succeeding Auction Date, or in the event of a change to a different Mode, to but excluding the Mode Change Date;

provided, if any day that would be the last day of any such period does not immediately precede a Business Day, such period shall end on the next day which immediately precedes a Business Day.

“Auction Rate” means the rate of interest to be borne by the Auction Rate Securities during each Auction Period, not greater than the Maximum Rate, determined in accordance with Section 2.12 of this Indenture and Section 1.05 of Exhibit A hereto.

“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 Acting Finance Director or the Finance Director 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 Acting Finance Director or Finance Director and filed with the Trustee and (ii) with respect to the Authority, the Chairperson, the Vice Chairperson, the Executive Director, Acting Treasurer 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, Acting Treasurer or Treasurer and filed with the Trustee.

“Bank Index Interest Rate” means a per annum rate of interest equal to the sum of (i) the Applicable Spread plus (ii) the product of the LIBOR Index multiplied by the Applicable Factor.

“Bank Index Interest Rate Conversion Date” means (a) the date on which the Bonds begin to bear interest at the Bank Index Interest Rate or, (b) if the Bonds have previously borne interest at the Bank Index Interest Rate during a Bank Index Interest Period then ending, the Bank Purchase Date occurring at the end of the then ending Bank Index Interest Period.

“Bank Index Interest Rate Mode” means a Mode in which the Bonds bear interest at a Bank Index Interest Rate.

“Bank Index Interest Rate Period” means (a) the Initial Bank Index Interest Rate Period and (b) each period thereafter from and including a Bank Index Interest Rate Conversion Date to but excluding the earlier of (i) the immediately succeeding Bank Purchase Date and (ii) the maturity date of the Bonds.

“Bank Index Interest Reset Date” means the first Business Day of each calendar month.

“Bank Index Rate Bondholder” means a Bondholder holding Bonds bearing interest at a Bank Index Interest Rate.

“Bank Index Rate Bonds” means Bonds bearing interest at a Bank Index Interest Rate.

“Bank Purchase Date” means (i) the Initial Bank Purchase Date and (ii) during any Bank Index Interest Rate Period other than the Initial Bank Index Interest Rate Period, the date designated by the City pursuant to Section 2.07(b)(iii) hereof.

“Base Rental Payments” has the meaning given such term in Section 5.01(a) of the Sublease. “Beneficial Owner” means the Person in whose name a Bond is recorded as beneficial owner of such Bond by the Securities Depository or Depository Participant on the records of such Securities Depository or Depository Participant, as the case may be, or such Person’s subrogee.

“BMA Municipal Swap Index” means The Bond Market Association™ Municipal Swap Index as disseminated by Municipal Market Data, a Thomson Financial Services Company, or its successor, for the most recently preceding Business Day.

“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 Purchase Agreement” means (i) during the Initial Bank Index Interest Rate Period, the Bond Purchase Agreement, dated as of May 1, 2011, among the Authority, the City and Union Bank, N.A., (ii) during any other Bank Index Interest Period, any similar agreement among the City, the Authority and the applicable Purchaser, pursuant to which the Purchaser agrees to purchase Bonds for a Bank Index Interest Period and identified in a Certificate of the Authority filed with the Trustee.

“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 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 Base Rental Payments with respect to Outstanding Bonds to be made by the City under the Sublease.

“Bonds” means the Pasadena Public Financing Authority Variable Rate Demand Lease Revenue Bonds (Rose Bowl Refinancing and Improvements Projects), Series 2006, authorized by, and at any time Outstanding pursuant to, this Indenture.

“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 Credit Provider (where draws under the Credit Facility are presented), the Remarketing Agent, the Tender Agent, if any, the Auction Agent, if any, the Calculation Agent or the Trustee is located are authorized to remain closed or a day on which the New York Stock Exchange is not closed.

“Calculation Agent” means, during the Initial Period, the Majority Holder, and thereafter means the Trustee or any other Person appointed by the City or the Authority, with the consent of the Majority Holder, to serve as calculation agent for the Bonds.

“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.

“Certificates” means the 1991 Certificates and the 1996 Certificates.

“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.

“City Hall Improvements” has the meaning set forth in Exhibit C to the Sublease.

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

“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, the Tender Agent and its counsel, the Remarketing Agent 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 issued by a commercial bank, savings institution, insurer or other financial institution which, by its terms, shall secure the payment of the principal of and interest on the Bonds when due, and/or provide for the payment of the Purchase Price of Bonds tendered or deemed tendered and not remarketed, and delivered to the Trustee, including a Substitute Credit Facility.

“Credit Facility Bonds” means Bonds purchased by a Credit Provider pursuant to a Credit Facility, but excluding Bonds no longer considered Credit Facility Bonds pursuant to the terms of such Credit Facility.

“Credit Facility Deposit Account” means the account by that name within the Purchase Fund established pursuant to Section 4.12.

“Credit Provider” means the commercial bank, savings institution, insurer or other financial institution issuing a Credit Facility. The initial Credit Provider shall be Citibank, N.A.

“Current Mode” shall have the meaning specified in Section 2.13.

“Daily Mode” means the Mode during which the Bonds bear interest at the Daily Rate.

“Daily Rate” means an interest rate that is determined on each Business Day with respect to the Bonds in the Daily Mode pursuant to Section 2.06.

“Default Rate” has the meaning set forth in the Bond Purchase Agreement.

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

“Determination of Taxability” has the meaning set forth in the Bond Purchase Agreement.

“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.

“Eligible Bonds” means any Bonds other than Credit Facility Bonds or Bonds owned by, for the account of, or on behalf of, the Authority or the City.

“Escrow Funds” means the escrow fund established under that certain Escrow Agreement, dated February 16, 2006, between the City and the 1996 Trustee relating to the 1991 Certificates and the escrow fund established under that certain Escrow Agreement, dated February 16, 2006, between the City and the 1996 Trustee relating to the 1996 Certificates.

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

“Event of Taxability” has the meaning set forth in the Bond Purchase Agreement.

“Excess Interest” has the meaning set forth in the Bond Purchase Agreement.

“Expiration Date” means the date upon which a Credit Facility is scheduled to expire (taking into account any extensions of such Expiration Date) in accordance with its terms without regard to any early termination thereof.

“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 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 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 and the Trustee.

“Fixed Rate” means the interest rate on the Bonds determined pursuant to Section 2.10.

“Fixed Rate Bonds” means the Bonds during the Fixed Rate Mode.

“Fixed Rate Mode” means the Mode during which the Bonds bear interest at a Fixed Rate.

“Holder” or “Bondholder,” when used with respect to a physical Bond, means the Person in whose name such Bond is registered and when used with respect to book-entry Bonds, means the Beneficial Owner of such Bond.

“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.

“Indexed Mode” means the Mode during which the Bonds bear interest at the Indexed Rate.

“Indexed Rate” means an interest rate that is determined with respect to the Bonds in the Indexed Mode pursuant to Section 2.07, provided, however, the Indexed Rate shall never exceed the Maximum Rate.

“Initial Bank Index Interest Rate Period” means the period commencing on the Remarketing Date and ending on the first to occur of (i) Initial Bank Purchase Date, (ii) the next succeeding Mode Change Date and (iii) the Maturity Date.

“Initial Bank Purchase Date” means May __, 2014.

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

“Interest Payment Date” means (1) with respect to the Bonds in a Unit Pricing Mode (a) with an Interest Period of 180 days or less, the Purchase Date, and (b) with an Interest Period of 181 days or more, the first Business Day of each June 1 and December 1 prior to the Purchase Date and the Purchase Date; (2) with respect to the Bonds in a Daily Mode, a Weekly Mode, a Bank Index Interest Rate Mode or a R-FLOATs Mode other than Bonds in a Special R-FLOATs Rate Period, the first Business Day of each month; (3) (i) with respect to the Bonds in a Special R-FLOATs Rate Period of 90 days or less, the first Business Day of the month following the last day of such Special R-Floats Rate Period and (ii) with respect to the Bonds in a Special R-FLOATs Rate Period of more than 90 days, the first Business Day of each third month following the commencement of such Special R-FLOATs Rate Period and the first Business Day of the month following the last day of such Special R-FLOATs Rate Period; (4) with respect to the Bonds in a Term Rate Mode, each June 1 and December 1 prior to the Purchase Date and the Purchase Date; (5) with respect to the Bonds in the Fixed Rate Mode, each June 1 and

December 1; (6) with respect to Auction Rate Securities, the Business Day immediately following the last day of the initial period and the Business Day immediately following the last day of each subsequent Auction Period; unless such Auction Period has been changed pursuant to Section 1.10 of Exhibit A to this Indenture to a period of 180 days or more in which case each June 1 and December 1 and the Business Day immediately following the last day of such Auction Period or unless such Auction Period has been changed pursuant to Section 1.10 of Exhibit A to this Indenture to a six-month Auction Period in which case the next succeeding June 1 or December 1; (7) any Mode Change Date; (8) with respect to the Bonds in an Indexed Mode the dates determined by the Remarketing Agent pursuant to Section 2.07 hereof; (9) with respect to the Bonds in a Stepped Coupon Mode the dates determined by the Remarketing Agent pursuant to Section 2.08 hereof; (10) the Maturity Date of the Bonds; and (11) with respect to Credit Facility Bonds, the dates set forth in the Reimbursement Agreement.

“Interest Payment Period” means the period commencing on the last Interest Payment Date to which interest has been paid (or, if no interest has been paid, from the date of original issuance of the Bonds) to, but not including, the Interest Payment Date on which interest is to be paid.

“Interest Period” means the period of time that an interest rate remains in effect, which period:

(1) when the Bonds are in a Daily Mode, commences on a Business Day and extends to, but does not include, the next succeeding Business Day;

(2) when the Bonds are in a Weekly Mode, commences on the first day the Bonds begin to accrue interest in the Weekly Mode and ends on the next succeeding Tuesday, and thereafter commences on each Wednesday and ends on Tuesday of the following week;

(3) when the Bonds are in a R-FLOATs Mode: (i) bearing interest at a weekly R-FLOATs Rate commences on the first day Bonds begin to accrue interest in the weekly R-FLOATs Mode and ends on the next succeeding Wednesday, and thereafter commences on each Thursday and ends on Wednesday of the following week (ii) bearing interest at a monthly R-FLOATs Rate commences on the first day Bonds begin to accrue interest at the monthly R-FLOATs Mode and ends on the day immediately preceding the first Business Day of the next succeeding month, and thereafter commences on the first Business Day of each month and ends on the day preceding the first Business Day of the next succeeding month; and (iii) a Special R-FLOATs Rate Period;

(4) when the Bonds are in a Unit Pricing Mode, shall be established by the Remarketing Agent pursuant to Section 2.05 hereof;

(5) when the Bonds are in an Indexed Mode, shall be as established for such Bonds pursuant to Section 2.07 hereof;

(6) when the Bonds are in the Stepped Coupon Mode, shall be as established for such Bonds pursuant to Section 2.08 hereof;

(7) when the Bonds are in a Term Rate Mode, initially, shall be from and including the Mode Change Date to, but not including, the Purchase Date established for such Bond pursuant to Section 2.09 hereof and thereafter shall be from and including such Purchase Date to but not including the next Purchase Date; and

(8) when the Bonds are in an Auction Mode, shall be the Auction Period; and

(9) when the Bonds are in the Fixed Rate Mode, commences on the first day Bonds begin to accrue interest in the Fixed Rate Mode and ends on the day prior to the final maturity date of the Bonds;

(10) when the Bonds are Credit Provider Bonds, as provided in the Reimbursement Agreement; and

(11) when the Bonds are in the Bank Index Interest Rate Mode, the period commencing on the first calendar day of a month and ending on the last calendar day of such month.

“Interested Parties” means the City, the Authority, the Trustee and the Tender Agent.

“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; provided, however, with respect to any moneys on deposit in any account within the Prepayment Fund, such other investments also shall have been approved by the Credit Provider; 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, 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 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.

“LIBOR Index” means, for any day, the London interbank offered rate for U.S. dollar deposits for a one-month period, as reported on Reuters LIBOR01 Page (or any successor) as of 11:00 a.m., London time, on such day, or if any day is not a London Business Day, on the next preceding London Business Day; provided that, if any such rate is not reported on a London Business Day, LIBOR Index shall mean the rate as determined by the Calculation Agent from another recognized source or interbank quotation.

“London Business Day” means any Business Day on which commercial banks are open for business in London, England.

“Majority Holder” has the meaning set forth in the Bond Purchase Agreement.

“Mandatory Purchase Date” means: (1) any Purchase Date for Bonds in the Unit Pricing Mode or the Term Rate Mode; (2) any Mode Change Date; (3) the effective date of an elective change to a Special R-FLOATs Rate Period of greater than 35 days; (4) unless the provisions of Section 4.10 are satisfied, any Termination Date, Substitute Credit Facility Date or Expiration Date, (5) each Bank Purchase Date and (6) with respect to each Bond then bearing interest at a Bank Index Interest Rate and each Unremarketed Bond, following the occurrence of an Event of Default and written direction from the Majority Holder for the Trustee to call the Bonds for mandatory tender for purchase, the third Business Day after the Trustee receives such notice.

“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.

“Maturity Date” means December 1, 2023, or with respect to the Bonds upon change to the Stepped Coupon Mode such maturities determined pursuant to Section 2.08 or upon change to the Fixed Rate Mode such maturities determined pursuant to Section 2.10.

“Maximum Rate” means (i) with respect to Bonds other than Bonds bearing interest at the Bank Index Interest Rate, the lesser of 12% per annum and the maximum interest rate permitted by law and (ii) with respect to Bonds bearing interest at the Bank Index Interest Rate, the maximum rate permitted by law.

“Mode” means, as the context may require, the Auction Mode, the Unit Pricing Mode, the Daily Mode, the Weekly Mode, the Bank Index Interest Rate Mode, the R-FLOATs Mode, the Indexed Mode, the Stepped Coupon Mode, the Term Rate Mode or the Fixed Rate Mode.

“Mode Change Date” means the day following the last day of one Mode for the Bonds on which another Mode begins.

“Moody’s” means Moody’s Investors Service, a corporation organized and existing under the laws of the state of New York, 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 and the Trustee.

“New Mode” shall have the meaning specified in Section 2.13.

“1991 Certificates” means the \$12,700,000 City of Pasadena 1991 Variable Rate Demand Certificates of Participation (Rose Bowl Improvements Project), executed and delivered pursuant to the Trust Agreement, dated as of December 1, 1991, among Bank of America National Trust and Savings Association, as trustee, the City and the Pasadena Civic Improvement Corporation, of which \$6,000,000 1991 Certificates are currently outstanding.

“1996 Certificates” means the \$21,200,000 City of Pasadena 1996 Certificates of Participation (Additional Rose Bowl Improvements Project), executed and delivered pursuant to the Amended and Restated Trust Agreement, dated as of June 1, 1996, among BNY Western Trust Company, as trustee, the City and the Pasadena Civic Improvement Corporation, of which \$14,100,000 1996 Certificates are currently outstanding.

“1996 Trustee” means The Bank of New York Trust Company, N.A. as successor trustee to BNY Western Trust Company in connection with the Certificates.

“Non-Remarketing Period” has the meaning specified in Section 2.06(F)(i).

“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, the Credit Provider and the Remarketing Agent.

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

“Principal Payment Date” means, with respect to a Bond, the date on which principal of such Bond becomes due and payable, either by maturity, redemption or otherwise.

“Prior Letter of Credit” means irrevocable letter of credit no. S00043503/STRS-42, dated July 27, 2001, and issued on a several and not joint basis by The Bank of New York and the California State Teachers’ Retirement System.

“Prior Letter of Credit Fund” means the fund by that name established in accordance with Section 3.06 hereof.

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

“Purchase Date” means (i) during the Unit Pricing Mode or the Term Rate Mode with respect to the Bonds, the date determined by the Remarketing Agent on the most recent Rate Determination Date as the date on which such Bonds shall be subject to purchase, provided, however, that such date shall be within one Business Day of the end of the applicable Interest Period, (ii) during the Daily Mode or the Weekly Mode, any Business Day, (iii) for a Bond in a Bank Index Interest Rate Mode, each Bank Purchase Date and (iv) for a Bond in the weekly R-FLOATs Mode, any Rate Determination Date, for a Bond in the monthly R-FLOATs Mode any Interest Payment Date, and for a Bond in the Special R-FLOATs Rate Period the Interest Payment Date immediately following such Special R-FLOATs Rate Period, provided that the Bonds in the R-FLOATs Mode are entitled to be purchased only to the extent the proceeds of a remarketing are available for such purchase.

“Purchase Fund” means the fund by that name established pursuant to Section 4.12.

“Purchase Price” means (i) an amount equal to the principal amount of any Bonds purchased on any Purchase Date, plus, in the case of any purchase of Bonds in the Daily Mode, the Weekly Mode, the Bank Index Interest Rate Mode or the R-FLOATs Mode, unpaid accrued interest thereon, if any, to the Purchase Date, or (ii) an amount equal to the principal amount of any Bonds purchased on a Mandatory Purchase Date, plus unpaid accrued interest thereon, if any, to the Mandatory Purchase Date.

“Purchaser” means (i) during the Initial Bank Index Interest Rate Period, Union Bank, N.A., and (ii) during any other period in which the Bonds bear interest in a Bank Index Interest Rate Mode, any bank or other financial institution that purchases the Bonds pursuant to a Bond Purchase Agreement.

“Purchaser Rate” has the meaning set forth in the Bond Purchase Agreement.

“Rate Determination Date,” when used with respect to the Bonds, means the date on which the interest rate(s) with respect to the Bonds shall be determined, which (i) in the case of the Unit Pricing Mode, shall be the first day of an Interest Period; (ii) in the case of the Daily Mode, shall be each Business Day commencing with the first day the Bonds become subject to the Daily Mode; (iii) in the case of the Weekly Mode, shall be each Wednesday or, if Wednesday is not a Business Day, the next Business Day immediately preceding such Wednesday; (iv) in the

case of the initial Change in Mode to the R-FLOATs Mode, shall be no later than the Business Day prior to the Mode Change Date, and thereafter, shall be in the case of R-FLOATs with a weekly R-FLOATs Rate each Thursday or, if Thursday is not a Business Day, the next succeeding day which is a Business Day, in the case of R-FLOATs with a monthly R-FLOATs Rate the first Business Day of each month and in the case of R-FLOATs in a Special R-FLOATs Rate Period the first day of such Special R-FLOATs Rate Period; (v) in the case of the Term Rate Mode, shall be a Business Day no earlier than 30 Business Days and no later than the Business Day immediately preceding the first day of an Interest Period; (vi) in the case of the Indexed Mode, the Stepped Coupon Mode and the Fixed Rate Mode, shall be a date determined by the Remarketing Agent which shall be at least one Business Day prior to the Mode Change Date; (vii) in the case of Auction Rate Securities, shall be the Auction Date and (viii) in the case of the Bank Index Interest Rate Mode, shall be the second London Business Day preceding each Bank Index Interest Reset Date.

“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 (i) with respect to the Bonds in a Unit Pricing Mode, a Daily Mode, a Weekly Mode, Bank Index Interest Rate Mode, a R-FLOATs Mode or an Auction Mode, the day (whether or not a Business Day) immediately preceding each Interest Payment Date and (ii) with respect to the Bonds in an Indexed Mode, a Stepped Coupon Mode, a Term Rate Mode or a Fixed Rate Mode, the 15th 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.

“Reimbursement Agreement” means, with respect to any Credit Facility, the agreement or agreements between the City and the applicable Credit Provider, as originally executed or as it or they may from time to time be replaced, supplemented or amended in accordance with the provisions thereof, providing for the issuance of the Credit Facility and the reimbursement of the Credit Provider for payments thereunder, together with any related pledge agreement, security agreement or other security document. A Credit Facility and the related Reimbursement Agreement may be a single document. The initial Reimbursement Agreement is the Letter of

Credit Reimbursement Agreement, dated as of February 1, 2006, between the City and Citibank, N.A.

“Remarketing Agent” means any remarketing agent appointed by the Authority in accordance with Sections 4.13 and 4.14 and not objected to by the City or the Credit Provider, and at the time serving as such under the Remarketing Agreement. The initial Remarketing Agent for the Bonds shall be Merrill Lynch, Pierce, Fenner & Smith Incorporated.

“Remarketing Agreement” means the remarketing agreement between the Authority and the Remarketing Agent, as such agreement may from time to time be amended and supplemented, to remarket the Bonds delivered or deemed to be delivered for purchase by the Holders thereof, and not objected to by the City and the Credit Provider.

“Remarketing Date” means May 3, 2011.

“Remarketing Proceeds Account” means the account by that name within the Purchase Fund established pursuant to Section 4.12.

“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.

“R-FLOATs Mode” means the Mode during which the Bonds bear interest at the R-FLOATs Rate.

“R-FLOATs Rate” means an interest rate that is determined with respect to the Bonds in any R-FLOATs Mode pursuant to Section 2.06(d) hereof, unless the Bonds are in a Non-Remarketing Period in which case at the Maximum Rate pursuant to Section 2.06(f) hereof or in a Special R-FLOATs Rate Period in which case pursuant to Section 2.06(e) hereof.

“Required Stated Amount” means, at any time of calculation with respect to the Bonds, an amount equal to the aggregate principal amount of the Bonds then Outstanding together with interest accruing thereon (assuming an annual rate of interest equal to the Maximum Rate) for the period specified in a Certificate of the Authority to be the minimum period specified by the Rating Agencies as necessary to maintain, in the case of the Credit Facility, the long-term rating of the Bonds.

“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, the Credit Facility Account in the Interest Fund, the Credit Facility Account in the Principal Fund or the Purchase Fund.

“Rose Bowl Improvements” has the meaning set forth in Exhibit C 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 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 2.21, which agrees to follow the procedures required to be followed by such securities depository in connection with the Bonds.

“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.

“Special R-FLOATs Rate Period” means a period which ends on the last day of a month and which the Remarketing Agent determines is the shortest period which will enable the Remarketing Agent to remarket Bonds in the R-FLOATs Mode at par plus accrued interest.

“State” means the State of California.

“Stepped Coupon Mode” means the Mode during which the Bonds bear interest at the Stepped Coupon Rate.

“Stepped Coupon Period” has the meaning ascribed thereto in Section 2.08 hereof.

“Stepped Coupon Rate” means an interest rate that is determined with respect to the Bonds in the Stepped Coupon Mode pursuant to Section 2.08, provided, however, the Stepped Coupon Rate shall never exceed the Maximum Rate.

“Sublease” means that certain Sublease, dated as of February 1, 2006, 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.

“Substitute Credit Facility” means a Credit Facility, delivered to the Trustee pursuant to Section 4.03 of the Sublease.

“Substitute Credit Facility Date” means the date of delivery to the Trustee of a Credit Facility by the City in substitution for the then existing Credit Facility pursuant to Section 4.03 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 Date” means the date as of which interest on the Bonds is first includable in the gross income of the Holder (including, without limitation, any previous Holder) thereof as determined pursuant to either (i) an opinion of Bond Counsel, or (ii) a final decree or judgment of any federal court or a final action by the Internal Revenue Service that is delivered to the Trustee, the Authority and the City.

“Taxable Rate” means an interest rate per annum at all times equal to the product of (i) the Bank Index Interest Rate then in effect and (ii) 1.54.

“Tax Certificate” means the Tax Certificate and Agreement executed and delivered by the Authority and the City at the time of original issuance and delivery of the Bonds, as the same may be amended or supplemented in accordance with its terms.

“Tender Agent” means any tender agent appointed in accordance with Sections 4.15 and 4.16.

“Tender Notice Deadline” shall mean (i) during the Daily Mode, 10:00 a.m. New York City time, on any Business Day, (ii) during the Weekly Mode, 3:00 p.m. New York City time, on the Business Day five Business Days prior to the applicable Purchase Date and (iii) during the R-FLOATs Mode, 3:00 p.m. New York City time on the Business Day prior to the applicable Purchase Date.

“Term Rate” means the per annum interest rate with respect to the Bonds in the Term Rate Mode determined pursuant to Section 2.09.

“Term Rate Mode” means the Mode during which the Bonds bear interest at the Term Rate.

“Termination Date” means the date specified in a notice given by a Credit Provider to the Trustee specifying the date on which the Bonds shall be subject to mandatory tender following an event of default under the Reimbursement Agreement or nonreinstatement of the Stated Amount of the Letter of Credit (as defined in the Credit Facility), which date, in either circumstance, shall be 5 Business Days after the date of receipt of such notice from a Credit Provider by the Trustee.

“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.

“Unit Pricing Mode” means the Mode during which the Bonds bear interest at the Unit Pricing Rate.

“Unit Pricing Rate” means the per annum interest rate with respect to any Bond in the Unit Pricing Mode determined pursuant to Section 2.05.

“Unremarketed Bonds” means Bonds which, on the applicable Bank Purchase Date at the end of a Bank Index Interest Rate Mode, have not been successfully converted to another Mode or remarketed to a Person other than the then current Purchaser.

“Weekly Mode” means the Mode during which the Bonds bear interest at the Weekly Rate.

“Weekly Rate” means the per annum interest rate with respect to the Bonds that is determined pursuant to Section 2.06.

“Variable Rate Bonds” means Bonds that bear interest at a Daily Rate, Weekly Rate, Auction Rate, R-FLOAT Rate or Unit Pricing Rate.

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 Variable Rate Demand Lease Revenue Bonds (Rose Bowl Refinancing and Improvement Projects), Series 2006." The aggregate principal amount of Bonds that may be issued and Outstanding under this Indenture shall not exceed \$47,300,000. Upon a Change in Mode pursuant to Section 2.13, the name of the Bonds may be changed as may be necessary to accurately reflect the characteristics of the new Mode. 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 (i) \$100,000 and any integral multiple of \$5,000 in excess thereof, with respect to the Bonds in a Daily Mode, a Weekly Mode, a Bank Index Interest Rate Mode, a Unit Pricing Mode and a Term Rate Mode, (ii) \$5,000 and any integral multiple thereof, with respect to the Bonds in the Fixed Rate Mode, and (iii) \$25,000 and any integral multiple thereof with respect to the Bonds in an Auction Mode, an Indexed Mode, a Stepped Coupon Mode and a R-FLOATs Mode. 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 2.16 and 2.21 hereof. The Bonds shall be dated the date of their initial issuance and shall mature (subject to prior redemption) on the Maturity Date. The Bonds shall be numbered in such manner as shall be determined by the Trustee.

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

(a) The principal, Purchase Price or Redemption Price 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 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 Bonds in a (i) Daily Mode, a Weekly Mode, a R-FLOATs Mode, an Indexed Mode, a Bank Index Interest Rate Mode or an Auction Mode or any Bond in a Unit Pricing Mode shall be made by wire transfer in immediately available funds to an account within the United States of America designated by such Holder and (ii) a Term Rate Mode, a Stepped Coupon Mode or a Fixed Rate Mode 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 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, Purchase Price or Redemption Price 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, Purchase Price or Redemption Price and interest whether by check or by wire transfer. The principal of and interest on Credit Facility Bonds shall be paid as set forth in the Credit Facility relating to such Credit Facility Bonds.

(b) Interest shall be calculated on the basis of (i) a 365/366-day year for the number of days actually elapsed, during a Unit Pricing Mode, a Daily Mode, a Weekly Mode, an Indexed Mode or a R-FLOATs Mode, (ii) a 360-day year of twelve 30-day months during a Term Rate Mode, the Fixed Rate Mode, a Stepped Coupon Mode or an Auction Mode of more than 183 days, (iii) a 360-day year for the number of days actually elapsed during an Auction Mode of 183 days or less and for Bonds in any Mode of 183 days or less if the interest on such Bonds is not excludible from gross income for federal income tax purposes by the Holder of such Bond and (iv) a 360-day year for the actual number of days actually elapsed, during a Bank Index Interest Rate Mode. 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 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.

(c) Interest on the Bonds shall be calculated in accordance with Sections 2.04, 2.05, 2.06, 2.07, 2.08, 2.09, 2.10, 2.11 or 2.12 of this Indenture and shall be payable on each Interest Payment Date for the immediately preceding Interest Payment Period. Notwithstanding the foregoing, Credit Facility Bonds shall bear interest at a rate per annum and interest on Credit Facility Bonds shall be payable as set forth in the Reimbursement Agreement. Additionally, anything herein to the contrary notwithstanding, in no event shall any Bond (other than Credit Provider Bonds) bear interest at a rate per annum in excess of the Maximum Rate.

Section 2.04 Initial Modes and Interest Rates; Change of Mode.

(a) The Bonds shall initially bear interest in the Weekly Mode. The first Interest Period for the Bonds shall commence on the date of their original issuance and shall end on the following Tuesday. The initial Weekly Rate shall be 3.10%.

(b) Bonds in any Mode, other than the Fixed Rate Mode, the Indexed Mode or the Stepped Coupon Mode, may be changed to any other Mode at the times and in the manner hereinafter provided. All Bonds must be in the same Mode. While the Bonds are in a Unit Pricing Mode, the Bonds may bear interest at different rates at the same time. While the Bonds are in a Daily Mode, a Weekly Mode, a Bank Index Interest Rate Mode, a R-FLOATs Mode, a Term Rate Mode, the Fixed Rate Mode (subject to Section 2.10), the Indexed Mode, the Stepped Coupon Mode or an Auction Mode, all Bonds shall bear interest at the same interest rate. Subsequent to such change in Mode (other than a change to the Fixed Rate Mode, the Indexed Mode, or the Stepped Coupon Mode), the Bonds may again be changed to a different Mode at the times and in the manner hereinafter provided. The Fixed Rate Mode, the Indexed Mode, or the Stepped Coupon Mode shall be in effect until the Maturity Date, and may not be changed to any other Mode.

Section 2.05 Determination of Unit Pricing Rates, Purchase Date and Interest Periods During Unit Pricing Mode.

(a) Interest Periods during a Unit Pricing Mode shall be of such duration of from one to 270 calendar days, ending on a day immediately preceding a Business Day or the Maturity Date, as the Remarketing Agent shall determine in accordance with the provisions of this Section 2.05. On each Rate Determination Date, the Remarketing Agent shall select for each Bond then subject to such adjustment the Interest Period which would result in the Remarketing Agent being able to remarket such Bond at par in the secondary market representing the lowest interest rate then available and for the longest Interest Period available at such rate. If on any Rate Determination Date, the Remarketing Agent determines that current or anticipated future market conditions or anticipated future events are such that a different Interest Period would result in a lower average interest cost with respect to such Bond, then the Remarketing Agent shall select the Interest Period that, in the judgment of the Remarketing Agent, would permit such Bond to achieve such lower average interest cost. If the Remarketing Agent has received notice from the City that any Bond is to be changed from the Unit Pricing Mode to any other Mode or is to be purchased in accordance with a mandatory purchase pursuant to Section 4.08, the Remarketing Agent shall, with respect to such Bond, select Interest Periods which do not extend beyond the Mandatory Purchase Date.

(b) On or after 4:00 p.m. New York City time on the Business Day next preceding each Rate Determination Date for Bonds in the Unit Pricing Mode, any Holder of such Bonds may telephone the Remarketing Agent and receive notice of the anticipated next Interest Period(s) and the anticipated Unit Pricing Rate(s) for such Interest Period(s).

(c) By 12:30 p.m. New York City time on each Rate Determination Date, the Remarketing Agent, with respect to each Bond in the Unit Pricing Mode which is subject to adjustment on such date, shall determine the Unit Pricing Rate(s) for the Interest Periods then selected for such Bond and the Purchase Date and shall give notice by Electronic Means to the Tender Agent of the Interest Period, the Purchase Date(s) and the Unit Pricing Rate(s).