

ARTICLE VIII

THE TRUSTEE

Section 8.01 Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to an Event of Default, and after the curing of all Events of Default that may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture. The Trustee shall, during the existence of any Event of Default (that has not been cured), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent trustee would exercise or use under the circumstances in the conduct of his own affairs.

(b) The Authority may, and upon written request of the City shall, remove the Trustee at any time unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee if at any time requested to do so by the Credit Provider or the Majority Holder by an instrument or concurrent instruments in writing signed by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or if at any time the Trustee shall cease to be eligible in accordance with subsection (e) of this Section, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, in each case by giving written notice of such removal to the Trustee, and thereupon shall appoint, with the written consent of the City, the Majority Holder and the Credit Provider, a successor Trustee by an instrument in writing.

(c) The Trustee may at any time resign by giving written notice of such resignation to the Authority, Remarketing Agent, the Majority Holder and the Credit Provider and by giving the Bondholders notice of such resignation by mail at the addresses shown on the bond registration books maintained by the Trustee. Upon receiving such notice of resignation, the Authority shall promptly appoint, with the written consent of the City, the Majority Holder and the Credit Provider, a successor Trustee by an instrument in writing. The Trustee shall not be relieved of its duties until such successor Trustee has accepted appointment.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall only become effective upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within 45 days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee, at the expense of the Authority, or any Bondholder (on behalf of himself and all other Bondholders) may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice if any as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture, shall signify its acceptance of such appointment by executing and delivering to the Authority and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the Request of the Authority or the request of the successor

Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Indenture (including the Credit Facility if the predecessor Trustee is the beneficiary thereof) and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the Authority shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Authority shall mail a notice of the succession of such Trustee to the trusts hereunder to each Rating Agency then rating the Bonds, the Credit Provider and to the Bondholders at the addresses shown on the bond registration books maintained by the Trustee. If the Authority fails to mail such notice within 15 days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the Authority.

(e) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a trust company or bank having the powers of a trust company in the State of California, having (or if such trust company or bank is a member of a bank holding company system, its bank holding company has) a combined capital and surplus of at least \$50,000,000, and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (e), the Trustee shall resign immediately in the manner and with the effect specified in this Section.

Section 8.02 Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under subsection (e) of Section 8.01 shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 8.03 Liability of Trustee.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Authority, and the Trustee shall assume no responsibility for the correctness of the same, or make any representations as to the validity or sufficiency of this Indenture or of the Bonds, or shall incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it except for any recital or representation specifically relating to the Trustee or its powers. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds.

The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee may become the owner of Bonds with the same rights it would have if it were not Trustee and, to the extent permitted by law, may act as depositary for and permit any of their officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders, whether or not such committee shall represent the Holders of a majority in principal amount of the Bonds then Outstanding.

(b) The Trustee shall not be liable for any error of judgment made in good faith by a responsible officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

(c) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(d) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Bondholders pursuant to the provisions of this Indenture unless such Bondholders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities that may be incurred therein or thereby. The Trustee has no obligation or liability to the Holders for the payment of interest on, principal of or premium, if any, with respect to the Bonds from its own funds; but rather the Trustee's obligations shall be limited to the performance of its duties hereunder.

(e) Except with respect to Events of Default specified in Section 7.01(a) or (b) hereof, the Trustee shall not be deemed to have knowledge of any Event of Default unless and until an officer at the Trustee's corporate trust operation responsible for the administration of its duties hereunder shall have actual knowledge thereof or the Trustee shall have received written notice thereof at the Principal Corporate Trust Office. The Trustee shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of a default or Event of Default thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it.

(f) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through attorneys in fact, agents or receivers, and shall not be answerable for the negligence or misconduct of any such attorney-of-fact, agent or receiver selected by it with due care. The Trustee shall be entitled to advice of counsel and other professionals concerning all matters of trust and its duty hereunder, including verification reports in connection with any defeasance of the Bonds, but the Trustee shall not be answerable for the professional malpractice of any attorney in law or certified public accountant in connection with the rendering of his professional advice in accordance with the terms of this Indenture, if such attorney in law or certified public accountant was selected by the Trustee with due care.

(g) The Trustee shall not be concerned with or accountable to anyone for the subsequent use or application of any moneys that shall be released or withdrawn in accordance with the provisions hereof.

(h) Whether or not therein expressly so provided, every provision of this Indenture and the Sublease, relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provision of this Article.

Section 8.04 Right of Trustee and Tender Agent to Rely on Documents. The Trustee and the Tender Agent shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee and the Tender Agent may consult with counsel, who may be counsel of or to the Authority, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate of the Authority, and such Certificate shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Indenture in reliance upon such Certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable.

Section 8.05 Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Authority, the City, the Credit Provider, and any Bondholder, and their agents and representatives duly authorized in writing, at reasonable hours and under reasonable conditions.

Section 8.06 Separate or Co-Trustee. At any time or times, for the purpose of meeting any legal requirements of any jurisdiction, the Trustee shall have power to appoint, and, upon the request of the Credit Facility Provider, or the Holders of at least 25% in aggregate principal amount of Bonds Outstanding and with the consent of the City and the Credit Provider, shall appoint, one or more Persons approved by the Trustee either to act as co-trustee or co-trustees, jointly with the Trustee, to act as separate trustee or separate trustees, and to vest in such Person or Persons, in such capacity, such rights, powers, duties, trusts or obligations as the Trustee may consider necessary or desirable, subject to the remaining provisions of this Section.

Every co-trustee or separate trustee shall, to the extent permitted by law but to such extent only, be appointed subject to the following terms, namely:

(a) The Bonds shall be authenticated and delivered solely by the Trustee.

(b) All rights, powers, trusts, duties and obligations conferred or imposed upon the trustees shall be conferred or imposed upon and exercised or performed by the Trustee,

or by the Trustee and such co-trustee or co-trustees or separate trustee or separate trustees jointly, as shall be provided in the instrument appointing such co-trustee or co-trustees or separate trustee or separate trustees, except to the extent that, under the law of any jurisdiction in which any particular act or acts are to be performed, the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such act or acts shall be performed by such co-trustee or co-trustees or separate trustee or separate trustees.

(c) Any request in writing by the Trustee to any co-trustee or separate trustee to take or to refrain from taking any action hereunder shall be sufficient warrant for the taking, or the refraining from taking, of such action by such co-trustee or separate trustee.

(d) Any co-trustee or separate trustee may, to the extent permitted by law, delegate to the Trustee the exercise of any right, power, trust, duty or obligation, discretionary or otherwise.

(e) The Trustee at any time, by any instrument in writing, may accept the resignation of or remove any co-trustee or separate trustee appointed under this Section.

(f) No trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder, nor will the act or omission of any trustee hereunder be imputed to any other trustee.

(g) Any demand, request, direction, appointment, removal, notice, consent, waiver or other action in writing delivered to the Trustee shall be deemed to have been delivered to each such co-trustee or separate trustee.

(h) Any moneys, papers, securities or other items of personal property received by any such co-trustee or separate trustee hereunder shall forthwith, so far as may be permitted by law, be turned over to the Trustee.

Upon the acceptance in writing of such appointment by any such co-trustee or separate trustee, it or he shall be vested with such rights, powers, duties or obligations, as shall be specified in the instrument of appointment jointly with the Trustee (except insofar as local law makes it necessary for any such co-trustee or separate trustee to act alone) subject to all the terms hereof. Every such acceptance shall be filed with the Trustee. To the extent permitted by law, any co-trustee or separate trustee may, at any time by an instrument in writing, constitute the Trustee its or his attorney-in-fact and agent, with full power and authority to do all acts and things and to exercise all discretion on its or his behalf and in its or his name.

In case any co-trustee or separate trustee shall die, become incapable of acting, resign or be removed, all rights, powers, trusts, duties and obligations of said co trustee or separate trustee shall, so far as permitted by law, vest in and be exercised by the Trustee unless and until a successor co-trustee or separate trustee shall be appointed in the manner herein provided.

Section 8.07 Compensation and Indemnification. The Authority shall pay to the Trustee and the Tender Agent (solely from Additional Rental) from time to time reasonable compensation for all services rendered under this Indenture, and also all reasonable expenses, charges, legal and consulting fees and other disbursements and those of their attorneys, agents

and employees, incurred in and about the performance of their powers and duties under this Indenture.

No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of its rights or powers, if it has not received the agreed compensation for such services or, in cases where the Trustee has a right to reimbursement or indemnification for such performance or exercise, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it; provided, however, that the Tender Agent and the Trustee shall in no event condition any draw upon the Credit Facility or any payment to Bondholders from such draws under the Credit Facility upon the provision of any indemnification for such performance.

Section 8.08 Notice to Rating Agency. The Trustee shall give written notice to any Rating Agency if (i) a successor Trustee is appointed hereunder, (ii) if this Indenture, the Sublease, the Remarketing Agreement or the Credit Facility is amended or supplemented in any material manner, or, if any of such documents are amended with the consent of the Credit Provider, (iii) if the Credit Facility expires, is terminated, substituted, or is extended, (iv) if a successor Remarketing Agent is appointed, (v) if the Bonds are paid and this Indenture defeased pursuant to Section 10.01, (vi) if the Bonds are redeemed in whole or in part pursuant to Section 4.01 or are subject to mandatory tender pursuant to Section 4.08, or (vii) if the Bonds are changed to another Mode, provided that the Trustee shall incur no liability for failure to give any such notice.

ARTICLE IX

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 9.01 Amendments Permitted.

(a) This Indenture and the rights and obligations of the Authority and of the Holders of the Bonds and of the Trustee may be modified or amended from time to time and at any time by an indenture or indentures supplemental thereto, which the Authority and the Trustee may enter into when the written consent of the Holders of a majority in aggregate principal amount of all Bonds then Outstanding, the Majority Holder and the Credit Provider shall have been filed with the Trustee. No such modification or amendment shall (1) extend the fixed maturity of any Bond, or reduce the amount of principal thereof, or change the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, or extend the time of payment or reduce the amount of any Mandatory Sinking Account Payment, or reduce any premium payable upon the redemption thereof, without the consent of the Holder of each Bond so affected, or (2) reduce the aforesaid percentage of Bonds the consent of the Holders of which is required to effect any such modification or amendment, or permit the creation of any lien on the Revenues and other assets pledged under this Indenture prior to or on a parity with the lien created by this Indenture, or deprive the Holders of the Bonds of the lien created by this Indenture on such Revenues and other assets (except as expressly provided in this Indenture), without the consent of the Holders of all of the Bonds then Outstanding, or (3) modify any of the rights or obligations of the Trustee without its prior written consent thereto;

nor shall the Trustee be required to consent to any such amendment that adversely affects its rights or obligations hereunder or under the Sublease, the Credit Facility or the Remarketing Agreement. It shall not be necessary for the consent of the Bondholders to approve the particular form of any Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof. Promptly after the execution by the Authority and the Trustee of any Supplemental Indenture pursuant to this subsection (a), the Trustee shall mail a notice, setting forth in general terms the substance of such Supplemental Indenture, to each Rating Agency then rating the Bonds, to the Credit Provider and to the Holders of the Bonds at the addresses shown on the bond registration books of the Trustee. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Indenture.

(b) This Indenture and the rights and obligations of the Authority, of the Trustee and of the Holders of the Bonds may also be modified or amended from time to time and at any time by an indenture or indentures supplemental hereto, which the Authority and the Trustee may enter into without the consent of any Bondholders (but with the consent of (i) the Credit Provider unless such modification or amendment affects only the Fixed Rate Bonds and (ii) the Majority Holder unless the Bonds bear interest at a rate other than the Bank Index Interest Rate), if the Trustee determines that the provisions of such Supplemental Indenture shall not materially adversely affect the interests of the Holders of the Bonds, including, without limitation, for any one or more of the following purposes:

(i) to add to the covenants and agreements of the Authority in this Indenture contained other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the Authority;

(ii) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in this Indenture, or in regard to matters or questions arising under this Indenture, as the Authority may deem necessary or desirable and not inconsistent with this Indenture;

(iii) to modify, amend or supplement this Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute;

(iv) to make the Bonds eligible for deposit with any securities depository;

(v) to obtain a rating on the Bonds;

(vi) to conform to the terms and provisions of any Credit Facility; or

(vii) to make any modification or amendment to this Indenture, even if consent of Holders would otherwise be required (i) if such amendment will be effective upon the remarketing of Bonds following the mandatory tender of the Bonds pursuant to

Sections 4.07, 4.08, 4.09 or 4.10 hereof or (ii) with respect to the Bonds in a Daily Mode, a Weekly Mode or a R-FLOATs Mode (except during any Non-Remarketing Period) only, if notice of such proposed modification or amendment is given to Holders (in the same manner as notices of redemption are given) at least 15 days before the effective date thereof and on or before such effective date, the Holders have the right to demand purchase of their Bonds pursuant to Section 4.06 hereof; provided, that, on or prior to the effective date of such modification or amendment, the Trustee shall obtain a Favorable Opinion of Bond Counsel.

The Trustee shall give notice of any such modification or amendment to each Rating Agency then rating the Bonds provided the Trustee shall incur no liability for failure to do so.

(c) The Trustee may in its discretion, but shall not be obligated to, enter into any such Supplemental Indenture authorized by subsections (a) or (b) of this Section that materially adversely affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Section 9.02 Effect of Supplemental Indenture. Upon the execution of any Supplemental Indenture pursuant to this Article, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Authority, the Trustee, the Credit Provider, the Majority Holder and all Holders of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 9.03 Endorsement of Bonds; Preparation of New Bonds. Bonds delivered after the execution of any Supplemental Indenture pursuant to this Article may, and if the Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the Authority and the Trustee as to any modification or amendment provided for in such Supplemental Indenture, and, in that case, upon demand of the Holder of any Bond Outstanding at the time of such execution and presentation of his Bond for the purpose at the office of the Trustee or at such additional offices as the Trustee may select and designate for that purpose, a suitable notation shall be made on such Bond. If the Supplemental Indenture shall so provide, new Bonds so modified as to conform, in the opinion of the Authority and the Trustee, to any modification or amendment contained in such Supplemental Indenture, shall be prepared and executed by the Authority and authenticated by the Trustee, and upon demand of the Holders of any Bonds then Outstanding shall be exchanged at the Principal Corporate Trust Office, without cost to any Bondholder, for Bonds then Outstanding, upon surrender for cancellation of such Bonds, in equal aggregate principal amounts.

Section 9.04 Amendment of Particular Bonds. The provisions of this Article shall not prevent any Bondholder from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

ARTICLE X

DEFEASANCE

Section 10.01 Discharge of Indenture. The Bonds may be paid by the Authority in any of the following ways, provided that the Authority also pays or causes to be paid any other sums payable hereunder by the Authority:

- (a) by paying or causing to be paid the principal or Redemption Price of and interest on the Bonds, as and when the same become due and payable;
- (b) by depositing with the Trustee, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 10.03) to pay or redeem all Bonds then Outstanding; or
- (c) by delivering to the Trustee, for cancellation by it, all Bonds then Outstanding.

If the Authority shall also pay or cause to be paid all other sums payable hereunder by the Authority and no amounts are owing to the Credit Provider or the Bank Index Interest Rate Bondholders with respect to the Bonds or under the Continuing Covenant Agreement, then and in that case, at the election of the Authority (evidenced by a Certificate of the Authority), filed with the Trustee, signifying the intention of the Authority to discharge all such indebtedness and this Indenture and upon receipt by the Trustee of an Opinion or Opinions of Counsel to the effect that the obligations under this Indenture have been discharged, and notwithstanding that any Bonds shall not have been surrendered for payment, this Indenture and the pledge of Revenues and other assets made under this Indenture and all covenants, agreements and other obligations of the Authority under this Indenture shall cease, terminate, become void and be completely discharged and satisfied, except only as provided in Sections 5.06 and 10.02. In such event, upon Request of the Authority, the Trustee shall cause an accounting for such period or periods as may be requested by the Authority to be prepared and filed with the Authority and shall execute and deliver to the Authority all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over, transfer, assign or deliver all moneys or securities or other property held by it pursuant to this Indenture that are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption (i) to the Credit Provider to the extent of any amounts owed to such Credit Provider pursuant to the Reimbursement Agreement, (ii) to the Bank Rate Bondholder to the extent of any amounts owed to the Bank Rate Bondholder pursuant to the Continuing Covenant Agreement or the Sublease and (iii) otherwise, to the City; provided that in all events moneys in the Rebate Fund shall be subject to the provisions of Section 5.06.

Section 10.02 Discharge of Liability on Bonds. Upon the deposit with the Trustee, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 10.03) to pay or redeem any Outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond), provided that, if such Bond is to be redeemed prior to maturity, notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice, then all liability of

the Authority in respect of such Bond shall cease, terminate, become void and be completely discharged and satisfied, except only that thereafter the Holder thereof shall be entitled to payment of the principal or Redemption Price of and interest on such Bond by the Authority and the Authority shall remain liable for such payment, but only out of such money or securities deposited with the Trustee as aforesaid for its payment, provided further, however, that the provisions of Section 10.04 shall apply in all events.

Section 10.03 Deposit of Money or Securities with Trustee. Whenever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may include money or securities held by the Trustee in the funds and accounts established pursuant to this Indenture (other than the Purchase Fund and the Rebate Fund) and shall be:

(a) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity (based on the Maximum Rate for periods for which the actual interest rate is not known), except that, in the case of Bonds that are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or Redemption Price of such Bonds and all unpaid interest thereon to the redemption date (based on the Maximum Rate for periods for which the actual interest rate is not known); or

(b) Investment Securities described in clause (1) of the definition thereof in Section 1.01 (not callable by the Authority thereof prior to maturity, unless with respect to Investment Securities described in clause (1)(b) such call by the Authority was anticipated in the verification report relating to the escrow of which such Investment Securities are a part) the principal of and interest on which when due (without any income from the reinvestment thereof) will provide money sufficient to pay the principal or Redemption Price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Bonds to be paid or redeemed (based on an assumed interest rate of 12% per annum for periods for which the actual interest rate is not known), as such principal or Redemption Price and interest become due, provided that, in the case of Bonds that are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice;

provided, in each case, that the Trustee shall have been irrevocably instructed (by the terms of this Indenture or by Request of the Authority) to apply such money to the payment of such principal or Redemption Price and interest on such Bonds.

(c) Notwithstanding the foregoing, while any of the Bonds are Variable Rate Bonds, they may not be redeemed pursuant to this Article unless the date fixed for redemption is within the same number of days as the Credit Facility then in effect supports interest on the Bonds. Bonds to be redeemed are not subject to optional tender for purchase pursuant to Section 4.06 and may not be remarketed after irrevocable instructions are given pursuant to subsection (b) above.

Section 10.04 Payment of Bonds After Discharge of Indenture. Notwithstanding any provisions of this Indenture, any moneys held by the Trustee in trust for the payment of the Redemption Price or the principal of, or interest on, any Bonds and remaining unclaimed for two years (or, if less, one day before such moneys would escheat to the State of California under then applicable State law) after the principal of all of the Bonds has become due and payable (whether at maturity or upon call for redemption as provided in this Indenture), if such moneys were so held at such date, or two years (or, if less, one day before such moneys would escheat to the State of California under then applicable State law) after the date of deposit of such moneys if deposited after said date when all of the Bonds became due and payable, shall be repaid to the City (unless such moneys are proceeds of the Credit Facility and moneys are owed to the Credit Provider by the City, in which event to the Credit Provider or unless such moneys are moneys owed to the Bank Rate Bondholder, in which event to the Bank Rate Bondholder) free from the trusts created by this Indenture upon receipt of an indemnification agreement acceptable to the Trustee indemnifying the Trustee with respect to claims of Holders of Bonds that have not yet been paid, and all liability of the Trustee with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to the City or Credit Provider as aforesaid, the Trustee may (at the cost of the City) first mail to the Holders of Bonds that have not yet been paid, at the addresses shown on the bond registration books maintained by the Trustee, a notice, in such form as may be deemed appropriate by the Trustee with respect to the Bonds so payable and not presented and with respect to the provisions relating to the repayment to the City or Credit Provider of the moneys held for the payment thereof.

ARTICLE XI

MISCELLANEOUS

Section 11.01 Liability of Authority Limited to Revenues. Notwithstanding anything in this Indenture or in the Bonds contained, the Authority shall not be required to advance any moneys derived from any source other than the Revenues and other assets pledged under this Indenture for any of the purposes in this Indenture mentioned, whether for the payment of the principal or Redemption Price of or interest on the Bonds or for any other purpose of this Indenture. Nevertheless, the Authority may, but shall not be required to, advance for any of the purposes hereof any funds of the Authority that may be made available to it for such purposes.

Section 11.02 Successor Is Deemed Included in All References to Predecessor. Whenever in this Indenture either the Authority or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the Authority or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 11.03 Limitation of Rights to Parties, City, Credit Provider and Bondholders. Nothing in this Indenture or in the Bonds expressed or implied is intended or shall be construed to give to any person other than the Authority, the Trustee, the City, the Credit Provider, the Majority Holder and the Holders of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Indenture or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be

held to be for the sole and exclusive benefit of the Authority, the Trustee, the City, the Credit Provider and the Holders of the Bonds. The Credit Provider and the Majority Holder is expressly deemed to be a third-party beneficiary of this Indenture.

Section 11.04 Waiver of Notice. Whenever in this Indenture the giving of notice by mail, Electronic Means or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 11.05 Destruction of Bonds. Whenever in this Indenture provision is made for the cancellation by the Trustee and the delivery to the Authority of any Bonds, the Trustee shall, in lieu of such cancellation and delivery, destroy such Bonds and deliver a certificate of such destruction to the Authority.

Section 11.06 Severability of Invalid Provisions. If any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of this Indenture, and this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority hereby declares that it would have entered into this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Indenture may be held illegal, invalid or unenforceable.

Section 11.07 Notices. All notices to the Credit Provider and the Majority Holder shall be given by Electronic Means (unless otherwise provided herein) and confirmed in writing as soon as practicable. Any notice required to be given to Bondholders shall also be given to the Credit Provider. Any notice to or demand upon the Trustee may be served or presented, and such demand may be made, at the Principal Corporate Trust Office (original address shown below), or at such other address as may have been filed in writing by the Trustee with the Authority. Except with respect to notices to the Credit Provider or with respect to claims under the Credit Facility, which notices shall be given in accordance with such documents, any notice to or demand upon the Authority, the City, the Remarketing Agent or the Tender Agent, if any, shall be deemed to have been sufficiently given or served for all purposes by being delivered or sent by telex or by being deposited, postage prepaid, in a post office letter box, addressed, as the case may be, to the respective following addresses (or to such other address as may have been filed in writing by such party with the Trustee):

- (1) to the Authority at:
100 N. Garfield Avenue, Room N125
Pasadena, California 91109
Attention: Director of Finance

- (2) to the Remarketing Agent at the address specified in writing by the Remarketing Agent upon appointment thereof
- (3) to the Trustee at:
Deutsche Bank National Trust Company
1761 East Saint Andrew Place
Santa Ana, California 92705
Attention: Corporate Trust Department
- (4) to the Tender Agent at the address specified in writing by the Tender Agent upon appointment thereof
- (5) to the Credit Provider at the address specified in writing by a Credit Provider upon such Credit Provider's providing its Credit Facility
- (6) to the Majority Holder at:
Union Bank, N.A.
445 South Figueroa Street, 608-228
Los Angeles, California 90071
Attention: Karen Coleman, Vice President
- (7) to S&P at:
55 Water Street
New York, New York 10041
Attention: Public Finance
or pubfin_structured@standardandpoors.com
- (8) to Fitch at:
One State Street Plaza
New York, New York 10004
Attention: Public Finance

Section 11.08 Evidence of Rights of Bondholders. Any request, consent or other instrument required or permitted by this Indenture to be signed and executed by Bondholders may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such Bondholders in person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, or of the holding by any person of Bonds transferable by delivery, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and of the Authority if made in the manner provided in this Section.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent or other instrument acknowledged to him the

execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer.

The ownership of Bonds shall be proved by the bond registration books held by the Trustee.

Any request, consent, or other instrument or writing of the Holder of any Bond shall bind every future Holder of the same Bond and the Holder of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Authority in accordance therewith or reliance thereon.

Section 11.09 Disqualified Bonds. In determining whether the Holders of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds that are held by or for the account of the Authority or the City, or by any other obligor on the Bonds, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority, the City or any other obligor on the Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Bonds so owned that have been pledged in good faith may be regarded as Outstanding for the purposes of this Section if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority, the City or any other obligor on the Bonds. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee.

Section 11.10 Money Held for Particular Bonds. The money held by the Trustee for the payment of the interest, principal or Redemption Price due on any date with respect to particular Bonds (or portions of Bonds in the case of registered Bonds redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Holders of the Bonds entitled thereto, subject, however, to the provisions of Section 10.04.

Section 11.11 Funds and Accounts. Any fund or account required by this Indenture to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee, either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds and accounts shall at all times be maintained in accordance with industry standards to the extent practicable, and with due regard for the requirements of Section 6.06 and for the protection of the security of the Bonds and the rights of every Holder thereof. The Trustee may establish such additional funds and accounts as it deems necessary to perform its obligations hereunder.

Section 11.12 Waiver of Personal Liability. No member, officer, agent or employee of the Authority shall be individually or personally liable for the payment of the principal or Redemption Price or interest on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof; but nothing herein contained shall relieve any

such member, officer, agent or employee from the performance of any official duty provided by law or by this Indenture.

Section 11.13 Credit Provider; Majority Holder. (a) So long as the Credit Provider is not in default under the Credit Facility, the Credit Provider shall be deemed to be the owner of the Bonds for the purpose of all approvals, consents, waivers or institution of any action and the direction of all remedies, except as otherwise provided herein. So long as the Bonds bear interest at a Bank Index Interest Rate, the Majority Holder shall be deemed to be the owner of the Bonds for the purpose of all approvals, consents, waivers or institution of any action and the direction of all remedies, except as otherwise provided herein.

(b) Notwithstanding any provisions contained herein to the contrary, during any period when there is no Credit Facility in effect, all references to the Credit Facility and the Credit Provider contained herein shall be null and void and of no force and effect. Notwithstanding any provisions contained herein to the contrary, during any Mode other than the Bank Index Interest Rate Mode and the Bank Term Rate Mode, all references to the Majority Holder contained herein shall be null and void and of no force and effect.

Section 11.14 Business Days. When any action is provided for herein to be done on a day named or within a specified time period, and the day or the last day of the period falls on a day other than a Business Day, such action may be performed on the next ensuing Business Day with the same effect as though performed on the appointed day or within the specified period.

Section 11.15 Governing Law. This Indenture and the Bonds are contracts made under the laws of the State of California, and shall be governed by and construed in accordance with such laws applicable to contracts made and performed in said State.

Section 11.16 Execution in Several Counterparts. This Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Authority and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the PASADENA PUBLIC FINANCING AUTHORITY has caused this Indenture to be signed in its name by its duly authorized officer and _____, in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by one of the officers thereunto duly authorized all as of the day and year first above written.

**PASADENA PUBLIC FINANCING
AUTHORITY**

By: _____

ATTEST:

Secretary

**DEUTSCHE BANK NATIONAL TRUST
COMPANY, AS TRUSTEE**

By: _____
Authorized Representative

By: _____
Authorized Representative

EXHIBIT A
FORM OF BOND

No. R-1

\$ _____

**PASADENA PUBLIC FINANCING AUTHORITY,
LEASE REVENUE BOND
(ROSE BOWL RENOVATION PROJECT)
[SERIES 2013A (TAX-EXEMPT)] [SERIES 2013B (TAXABLE)]**

<u>INTEREST RATE:</u>	<u>MATURITY DATE:</u>	<u>DATED DATE:</u>	<u>CUSIP:</u>
Variable	December 1, 2017	_____, 2013	None

REGISTERED OWNER: UNION BANK, N.A.

PRINCIPAL AMOUNT: _____

THIS BOND IS SUBJECT TO RESTRICTIONS ON TRANSFER AS SET FORTH IN THE INDENTURE

The PASADENA PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority, duly organized and validly existing under and pursuant to the laws of the State of California (the "Authority"), for value received, hereby promises to pay (but only out of Revenues and any other amounts pledged therefore pursuant to the Indenture hereinafter mentioned) to the registered owner (the "Holder") identified above or registered assigns, on the maturity date set forth above, the principal amount set forth above and to pay from time to time (but only out of such sources) interest on the balance of said principal amount until payment of the principal amount has been made or duly provided for, at the rates and on the dates determined as described herein and in the Indenture, except as the provisions hereinafter set forth with respect to redemption or tender prior to maturity may become applicable hereto. The principal and purchase price of and premium, if any, on this Bond are payable by check in lawful money of the United States of America upon surrender hereof at the Principal Corporate Trust Office of Deutsche Bank National Trust Company, or its successors and assigns, as trustee (the "Trustee"). Payment of the interest on this Bond in a particular Mode shall be made in the time, form and manner set forth in the Indenture, dated as of _____ 1, 2013 (the "Indenture"), between the Authority and the Trustee, as the Indenture may be amended and supplemented from time to time in accordance with its terms. As long as Union Bank, N.A. is the Holder of the Bonds, said principal, purchase price and interest payments shall be made to Union Bank, N.A. by wire transfer in immediately available funds. 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. All capitalized terms used and not otherwise defined herein shall have the meanings for such terms as are set forth in the Indenture.

This Bond is one of a duly authorized issue of bonds of the Authority designated as the "Pasadena Public Finance Authority Lease Revenue Bonds (Rose Bowl Renovation Project)" (the "Bonds") issued in the series specified above in an aggregate principal amount of \$ _____. The Bonds are issued under and pursuant to the provisions of Article 4 of the Joint Exercise of Powers Act (comprising Chapter 5 of Division 7 of Title 1 of the California Government Code) and all laws amendatory thereof or supplemental thereto (the "Act"), Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and under and pursuant to the provisions of the Indenture. Reference is hereby made to the Indenture and all indentures supplemental thereto for a description of the rights thereunder of the Holders of the Bonds, of the nature and extent of the security, of the rights, duties and immunities of the Trustee and of the rights and obligations of the Authority thereunder, to all of the provisions of which Indenture the Holder of this Bond, by acceptance hereof, assents and agrees.

The Bonds are being issued for the purpose of providing for the acquisition, construction and installation of certain public improvements in the City of Pasadena (the "City") consisting of the Rose Bowl Improvements, for the refunding of the 2006 Refunded Bonds, the funding of a reserve fund for the Bonds and paying certain costs of issuance of the Bonds.

The Bonds are special obligations of the Authority payable as to principal and interest from 2013 Base Rental Payments to be made by the City under the Amended and Restated Sublease, executed and entered into as of May 1, 2011, by and between the Authority and the City, as modified and amended by that certain First Amendment to Amended and Restated Sublease, dated as of _____ 1, 2013, by and between the Authority and the City (as so modified and amended, the "Sublease"), and other funds pledged therefor under the Indenture.

Under the Indenture, the Authority assigned to the Trustee for the benefit of the Holders of the Bonds substantially all of the Authority's rights in and to the Sublease, including its right to receive the Base Rental Payments thereunder. The Base Rental Payments will be used to reimburse the Bank for draws on the Credit Facility, if any, which are used to make principal and interest payments on the Bonds.

The Bonds will not constitute obligations, nor evidence any indebtedness of, the City or the State of California (the "State"), or of any political subdivision thereof (other than the special obligations of the Authority as provided in the Indenture), and neither the faith and credit nor the taxing power of the Authority, the City or the State, or any political subdivision thereof, will be pledged to the payment of the Bonds. The obligation of the City to make the Rental Payments under the Sublease does not constitute a debt of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation to make such Rental Payments does not constitute an indebtedness of the City or the State or of any political subdivision thereof within the meaning of any constitutional or statutory debt limit or restriction.

[This Bond shall bear interest from the Interest Payment Date next preceding the date of authentication hereof unless such date of authentication is after a Record Date and on or before the next succeeding Interest Payment Date, in which event from such Interest Payment Date, or unless such date of authentication is on or before the initial Record Date for the Bonds, in which event from the Dated Date specified above. In the manner hereinafter provided and subject to

the provisions of the Indenture, the term of this Bond will be divided into consecutive Interest Periods during each of which this Bond shall bear interest in a particular Mode. The initial interest Mode for this Bond is the [Bank Index Interest Rate Mode] [Bank Term Rate Mode.]

This Bond shall bear interest until payment of the principal or redemption price hereof shall have been made or provided for on the due date hereof in accordance with the provisions of the Indenture, whether at maturity, upon redemption or otherwise. Interest on the Bonds shall be paid on each Interest Payment Date with respect to the immediately preceding Interest Period as provided in the Indenture, provided that if any Interest Payment Date is not a Business Day, such interest shall be mailed or wired on the next succeeding Business Day, with the same effect as if made on the day such payment was due. Interest on the Bonds shall be calculated on the basis set forth in the Indenture.

This Bond shall be delivered in the form of a fully registered Bond in the applicable denominations for the then current Mode as set forth in the Indenture.

At the times and subject to the conditions set forth in the Indenture, the Authority, as directed by the City, may elect that the Bonds shall bear interest at an interest rate, and for a period, different from those then applicable.

This Bond shall be subject to mandatory tender for purchase at the times and in the manner set forth in the Indenture.

BY ACCEPTANCE OF THIS BOND, THE HOLDER OR BENEFICIAL OWNER HEREBY AGREES THAT IF THIS BOND IS TO BE PURCHASED AND IF MONEYS SUFFICIENT TO PAY THE PURCHASE PRICE SHALL BE HELD BY THE TENDER AGENT ON THE DATE THIS BOND IS TO BE PURCHASED, THIS BOND SHALL BE DEEMED TO HAVE BEEN PURCHASED AND SHALL BE PURCHASED ACCORDING TO THE TERMS OF THE INDENTURE FOR ALL PURPOSES OF THE INDENTURE, WHETHER OR NOT THIS BOND SHALL HAVE BEEN DELIVERED TO THE TENDER AGENT, AND THE HOLDER OF THIS BOND SHALL HAVE NO CLAIM HEREON, UNDER THE INDENTURE OR OTHERWISE, FOR ANY AMOUNT OTHER THAN THE PURCHASE PRICE HEREOF PAYABLE ON SUCH PURCHASE DATE.

The Bonds are also subject to redemption prior to the Maturity Date at the times and at the redemption prices set forth in the Indenture with respect to the then current Mode for the Bonds.

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.

Notice of any optional or mandatory redemption shall be given by first-class mail, postage prepaid, not less than 30 days nor more than 60 days prior to the date fixed for redemption to, among others, the Holders of Bonds to be redeemed at their addresses appearing on the registration books for the Bonds maintained by the Trustee. If less than all of the Bonds are to be redeemed, the particular Bonds to be redeemed shall be selected as provided in the Indenture.

This Bond is transferable by the Holder hereof, in Person, or by his or her attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer a new fully registered Bond or Bonds of like tenor in Authorized Denominations, for the same aggregate principal amount, will be issued to the transferee in exchange for this Bond.

The Authority, the City, the Trustee, the Credit Provider, and the Remarketing Agent may treat the Person in whose name this Bond is registered as the Holder hereof for the purpose of receiving payment as herein provided and for all other purposes.

The Indenture and the rights and obligations of the Authority and of the Holders of the Bonds and of the Trustee may be modified or amended from time to time and at any time by an indenture or indentures supplemental thereto, which the Authority and the Trustee may enter into when the written consent of the Holders of a majority in aggregate principal amount of all Bonds then Outstanding and the Credit Provider shall have been filed with the Trustee. No such modification or amendment shall (i) extend the fixed maturity of any Bond, or reduce the amount of principal thereof, or change the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, or extend the time of payment or reduce the amount of any Mandatory Sinking Account Payment, or reduce any premium payable upon the redemption thereof, without the consent of the Holder of each Bond so affected, or (ii) reduce the aforesaid percentage of Bonds the consent of the Holders of which is required to effect any such modification or amendment, or permit the creation of any lien on the Revenues and other assets pledged under the Indenture prior to or on a parity with the lien created by the Indenture, or deprive the Holders of the Bonds of the lien created by the Indenture on such Revenues and other assets (except as expressly provided in this Indenture), without the consent of the Holders of all of the Bonds then Outstanding, or (iii) modify any of the rights or obligations of the Trustee without its prior written consent thereto; nor shall the Trustee be required to consent to any such amendment that adversely affects its rights or obligations under the Indenture or under the Sublease, the Credit Facility or the Remarketing Agreement.

The Indenture and the rights and obligations of the Authority, of the Trustee and of the Holders of the Bonds may also be modified or amended from time to time and at any time by an indenture or indentures supplemental to the Indenture, but only as and to the extent provided in the Indenture.

No member, officer, official, agent or employee of the Authority and no member, officer, official, agent or employee of the City or the State or any department, board or agency of the City or the State shall be individually or personally liable for the payment of the principal or purchase price of or premium if, any, or interest on this Bond or be subject to any personal liability or accountability by reason of the issuance hereof.

It is hereby certified that all of the conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of California and that the amount of this Bond, together

with all other indebtedness of the Authority, does not exceed any limit prescribed by the Constitution or statutes of the State of California.

This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon shall have been manually signed by the Trustee.

[The Holder of this Bond hereby expressly opts out of Article 8 of the Uniform Commercial Code.]

IN WITNESS WHEREOF, the Pasadena Public Financing Authority has caused this Bond to be executed in its name and on its behalf by its Chairman and attested by its Secretary, all as of the Dated Date identified above.

**PASADENA PUBLIC FINANCING
AUTHORITY**

By: _____
Chairman

ATTEST:

Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Dated:

**DEUTSCHE BANK NATIONAL TRUST
COMPANY, AS TRUSTEE**

By: _____
Authorized Representative

FORM OF ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned registered Bond and do(es) hereby irrevocably constitute and appoint _____ attorney to transfer the same on the bond register of the Trustee, with full power of substitution in the premises.

Dated: _____

Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of the within registered Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

EXHIBIT B

FORM OF INVESTOR LETTER

[Date]

Pasadena Public Finance Authority
Pasadena, California

City of Pasadena
Pasadena, California

Deutsche Bank National Trust Company,
as Trustee
Los Angeles, California

Re: Pasadena Public Financing Authority Lease Revenue Bonds
(Rose Bowl Renovation Projects), Series 2013 (the "Bonds")

Ladies and Gentlemen:

The undersigned, _____ (the "Purchaser") is the purchaser of \$ _____ aggregate principal amount of the bonds described above (the "Bonds"). This Investor Letter is delivered pursuant to the requirements of that certain Bond Indenture, dated as of _____ 1, 2013 (the "Indenture"), by and between the Pasadena Public Finance Authority (the "Authority") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). Capitalized terms used but not defined herein have the meanings set forth in the Continuing Covenant Agreement, dated as of _____ 1, 2013 (the "Agreement"), by and among the Authority, the City of Pasadena (the "City") and Union Bank, N.A.

The Purchaser hereby makes the following representations and warranties to the City, the Authority and the Trustee in connection with the Purchaser's purchase of the Bonds:

1. The Purchaser is a "qualified institutional buyer" as defined in Rule 144A promulgated under the Securities Act of 1933, as amended (the "1933 Act"). The Purchaser has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of taxable obligations, to be capable of evaluating the merits and risk of our investment in the Bonds.

2. The City and the Authority have provided the Purchaser with access to information and the opportunity to ask questions of, and receive answers from, the City and the Authority concerning the terms and conditions of the Bonds and with the opportunity to request information from the City or the Authority relating to the City or the Authority and the Bonds that the Purchaser deems necessary.

3. The Purchaser has made its own independent investigation of the facts and circumstances surrounding the City and the Authority and the Bonds and is not relying on the City or the Authority, its agents and employees with respect to the sufficiency and scope of such investigation. The Purchaser is relying upon the accuracy of the representations and warranties of the City and the Authority made in the Continuing Covenant Agreement and the other Related Documents.

4. The Purchaser acknowledges that the Bonds (a) are not being registered under the 1933 Act and are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (b) will not be listed on any stock or other securities exchange and (c) will not be readily marketable.

5. The Purchaser understands that the Bonds are secured in the manner set forth in the Indenture and has received and reviewed to its satisfaction a copy of the Indenture.

6. The Purchaser acknowledges that neither the City nor the Authority nor any of their agents have requested a rating for the Bonds.

7. The Purchaser acknowledges that neither the City nor the Authority has not prepared and is not obligated to prepare an official statement with respect to the Bonds in connection with the remarketing of the Bonds and the Bonds will be exempt from the continuing disclosure requirements of SEC Rule 15c2-12.

8. The Purchaser is purchasing the Bonds for its own account for investment and not with a view to resale or distribution. The Purchaser will not sell or re-offer the Bonds, or sell participation interests in the Bonds, except in the event that (i) such sale or re-offering complies with federal securities laws and regulations and (ii) any subsequent purchaser, assignee or transferee shall deliver to the City, the Authority and the Trustee prior to such assignment an Investor Letter substantially identical to this Investor Letter.

[PURCHASER]

By: _____
Name: _____
Title: _____