

(d) *Other Information.* The City and the Authority shall furnish to the Bank, as the Bank may reasonably request, such additional information concerning the Leased Premises, the Authority or the City in order to enable the Bank to determine whether the covenants, terms and provisions of this Agreement, the other Financing Documents to which the City or the Authority, as appropriate, is a party and all other Debt of the City have been complied with by the City or the Authority, as appropriate, and for that purpose all pertinent books, documents and vouchers relating to the business, affairs and properties of the Authority and the City shall at all reasonable times during regular business hours and upon three (3) days' prior notice be open to the inspection of such accountants or other agents (who may make copies of all or any part thereof at their own cost and expense) as shall from time to time be designated by the Bank. Without limiting the foregoing, upon three (3) days' prior notice the Authority and the City will permit the Bank to visit and inspect any of the properties of the Authority and the City, respectively, during regular business hours and to discuss the affairs, finances and accounts of the Authority and the City with officials of the Authority and the City and any accounting firm performing services for the Authority or the City, as often as the Bank may reasonably request.

(e) *Compliance with Obligations.* The Authority and the City shall observe and comply with all of their obligations arising in connection with the City's Debt, the other Financing Documents and all laws of the State applicable to the Authority and the City.

(f) *Litigation.* The Authority and the City shall forthwith notify the Bank in writing with respect to any pending or threatened litigation with respect to the Authority, the City, the Leased Premises or the Project the existence of which causes the representations set forth in Section 4.1(e) or 4.2(e) hereof to be untrue or inaccurate in any material respect.

(g) *Licenses, Permits, Etc.* The Authority and the City will take all necessary and appropriate action to ensure the continuance in force of all material consents, licenses, permits, orders, decrees, approvals, authorizations, registrations and filings obtained or made in connection with the Leased Premises, the Project, this Agreement or the other Financing Documents to which the Authority or the City is a party or necessary to authorize the execution, delivery and performance by the Authority and the City of this Agreement, the other Financing Documents to which the Authority or the City is a party and all other agreements to be delivered in connection with any thereof.

(h) *Books and Records.* The Authority and the City shall keep or cause to be kept adequate and proper records and books of account with respect to the Authority, the City and the Leased Premises in which complete and correct entries shall be made, reflecting all financial transactions of the City in connection with the proceeds of the Bonds allocable to it.

(i) *Use of Proceeds.* The City shall use the proceeds of the Bonds for the purposes set forth in the Trust Agreement.

(j) *Maintenance of Existence.* Except as may be required by State law, the City shall preserve and maintain its existence as a municipal corporation organized and existing under a charter adopted pursuant to the Constitution and the laws of the State, and its rights, franchises and privileges material to the conduct of its business and shall not reorganize, merge or consolidate with or into any Person, wind up, liquidate or dissolve its affairs (or suffer any liquidation or dissolution) or convert, sell, assign, transfer, lease or otherwise dispose of (or agree to do any of the foregoing at any future time), whether in one transaction or a series of transactions, all or substantially all of its property or assets. Except as may be required by State law, the Authority shall preserve and maintain its existence as a joint exercise of powers authority duly organized, existing and in good standing under and by virtue of the laws of the State, including, particularly, Chapter 5, Division 7, Title 1 (commencing with Section 6500 of the Government Code of the State), and its rights, franchises and privileges material to the conduct of its business and shall not reorganize, merge or consolidate with or into any Person, wind up, liquidate or dissolve its affairs (or suffer any liquidation or dissolution) or convert, sell, assign, transfer, lease or otherwise dispose of (or agree to do any of the foregoing at any future time), whether in one transaction or a series of transactions, all or substantially all of its property or assets. Notwithstanding the foregoing, the Authority and the City may reorganize, merge or consolidate with or into any Person if and so long as the Person surviving such reorganization, merger or consolidation assumes all indebtedness, liabilities and obligations of the Authority or the City, respectively, hereunder pursuant to a written agreement satisfactory in form and substance to the Bank.

(k) *Notice of Adverse Change.* The Authority and the City shall notify the Bank as soon as possible after any member of the City council, officer of the City or officer of the Authority acquires knowledge of the occurrence of (i) the filing of any action or the occurrence of any activity which would could lead to an initiative or referendum which could lead to the diminution or reallocation of the any revenues or funds received by the City or (ii) any other event which, in the reasonable judgment of such member or officer, is likely to have a material adverse effect on the ability of the Authority or the City to perform its obligations under this Agreement or under any other Financing Document to which the Authority or the City is a party.

(l) *Trustee and Other Agents.* The Authority and the City shall immediately notify the Bank of any resignation of the Trustee, the Tender Agent or the Remarketing Agent.

(m) *Other Matters.* The Authority and the City shall execute and deliver to the Bank all such documents and instruments, and do all such acts and things, as may be necessary or reasonably required by the Bank to enable the Bank to exercise and enforce its rights under this Agreement and to realize thereon, and record and file and re-record and re-file all such documents and instruments, at such time or times, in such manner and at such place or places, all as may be necessary or reasonably required by the Bank to validate, preserve and protect the Lien of the Bank under this Agreement.

(n) *Annual Appropriations.* The City shall make annual appropriations at levels required under the Lease Agreement to pay all Lease Payments and Additional Payments.

(o) *Maintenance of Insurance.* The City covenants that it will maintain or cause to be maintained insurance as required by the Lease Agreement on the Leased Premises.

(p) *Investments.* Promptly upon any change therein, the City shall deliver to the Bank a copy of the City's current investment policy or the current investment policy of the county in which the City is located or the current investment policy of any other entity which maintains an investment pool in which the City has invested any of its funds, as the case may be.

(q) *Conversion to Fixed Rate.* In the event the Bank declines at any time, in its sole discretion, to extend the Scheduled Expiration Date and the Authority is unable to provide an Alternate Liquidity Facility by such date, the Authority will use its best efforts to convert the interest rate with respect to the Bonds to a Fixed Rate by such Scheduled Expiration Date or as soon thereafter as possible.

Section 5.2. Negative Covenants. As long as this Agreement is in effect, and until all amounts payable hereunder, and under any Bank Bonds, are indefeasibly paid in full, the Authority and the City shall not, unless the Bank shall otherwise consent in writing:

(a) agree to amend, supplement, extend, modify, waive, revise or otherwise alter or terminate any term of the Bonds or any other Financing Document;

(b) appoint, remove or consent to the appointment or removal of the Trustee, the Tender Agent or the Remarketing Agent without the consent of the Bank, which consent shall not be unreasonably withheld;

(c) violate any law, rule, regulation, or governmental order to which it is subject, which violation involves a reasonable likelihood of materially and adversely affecting the Leased Premises, the financial condition, business or results of operations of the Authority or the City or the ability of the Authority or the City to perform its obligations under this Agreement or any other Financing Document to which it is a party;

(d) permit the marketing of any Bonds pursuant to the Official Statement or other offering document unless the Bank shall have approved in writing of the description of the Bank contained in such document or the Official Statement;

(e) invest any amounts on deposit in any of the funds or accounts held or maintained by the Trustee pursuant to the Trust Agreement in any investments other than Permitted Investments;

(f) take any action, or cause the Trustee or Tender Agent to take any action under the Trust Agreement, inconsistent with the rights of the Bank under this Agreement;

(g) take any action which would result in the City's obligations to the Bank under this Agreement not ranking at least *pari passu* in right of payment with all unsecured general fund lease obligations of the City to other creditors;

(h) so long as any of the City's obligations hereunder remain unpaid or any Bank Bonds remain Outstanding, terminate this Agreement, the Lease Agreement or the Authority Lease or replace the Facility with or Alternate Liquidity Facility;

(i) deviate from the investment policies of the City or from the provisions of the Government Code of the State, as in effect from time to time;

(j) abandon, vacate or close the Leased Premises; or

(k) encumber, transfer, sell, lease, convey or otherwise dispose of, any interest in, nor create, suffer or assume any Lien to be created on the Leased Premises, except for Permitted Encumbrances.

ARTICLE VI

CONDITIONS PRECEDENT

Section 6.1. Conditions Precedent to Effectiveness. The initial Commitment Period shall commence on the date (the "*Closing Date*") that each of the following conditions precedent have been fulfilled to the satisfaction of the Bank and its counsel:

(a) *City Resolutions; Other Financing Documents.* (i) No proceedings taken by the City or the Authority with respect to the Bonds, this Agreement, the Financing Documents and the transactions contemplated hereunder have been revoked or rescinded or otherwise amended or modified and each shall be in full force and effect; (ii) the Financing Documents shall be in full force and effect and shall be in form and substance satisfactory to the Bank; and (iii) the Bank and its counsel shall have received copies of each such document and the Official Statement along with a certificate of an Authorized Representative of the City or the Authority, as applicable, dated the Closing Date to the effect that (A) such copies are true, correct and complete copies of such documents and (B) such documents were duly issued, adopted or executed and delivered and are in full force and effect.

(b) *Opinions.* The Bank shall have received legal opinions of counsel to the City, the Authority and the Trustee and an opinion of Special Counsel, as to such matters as the Bank may reasonably request, each such opinion to be addressed to the Bank, dated the Closing Date and in form and substance satisfactory to the Bank and its counsel.

(c) *Defaults; Representations and Warranties.* (i) No Default and no default under any of the Financing Documents shall have occurred and be continuing or will occur upon the purchase by the Bank of any Bonds and (ii) the representations of the City set forth in Article V and of the City and the Authority set forth in any Financing Document shall be true and correct on and as of the Closing Date with the same force and effect as if made on and as of such date.

(d) *No Litigation.* No action, suit, investigation or proceeding shall be pending or, to the knowledge of the City, threatened (i) in connection with the Bonds, the Financing Documents or this Agreement or any transactions contemplated thereby or hereby or (ii) against or affecting the City or the Authority, in which an adverse decision could have a material adverse effect on the business, operations or condition (financial or otherwise) of the City or the Authority, as the case may be, or the ability of the City to perform its obligations hereunder, or the ability of the City or the Authority to perform its obligations under the Financing Documents to which each is a party.

(e) *Financial Statements.* The Bank shall have received the most recent audited financial statements of the City for the fiscal years ended June 30, 2011, 2012 and 2013, and evidence that the City shall have ended each of the five most recently ended fiscal years with a positive fund balance.

(f) *No Material Adverse Change.* Since the date of the most recent financial statements of the City, no material adverse change shall have occurred in the status of the business, operations or conditions (financial or otherwise) of the City or its ability to perform its obligations under the Financing Documents to which it is a party.

(g) *Certificates.* The Bank shall have received (i) certified copies of all proceedings taken by the City and the Authority authorizing the execution, delivery and performance of this Agreement and the Financing Documents to which each is a party, as applicable, and the transactions contemplated hereby and thereby, and (ii) a certificate or certificates of one or more Authorized Representatives of the City and the Authority, as applicable, dated the Closing Date certifying (A) as to the matters set forth in clauses (c), (d) and (f) of this Section 6.1, (B) to the effect that all consents, permits, licenses and approvals of, and filings, registrations and declarations with, governmental authorities that are required to be obtained or made by the City or the Authority in connection with the Bonds, the Financing Documents and this Agreement have been obtained or made and (C) the name, incumbency and signature of each individual authorized to sign this Agreement, the Financing Documents to which the City or the Authority is a party and the other documents or certificates to be delivered by the City or the Authority pursuant hereto or thereto, on which the Bank may conclusively rely until a revised certificate is similarly delivered.

(h) *Payment of Fees.* All fees and expenses due and payable in accordance with the provisions of Article III and Section 8.5 hereof shall have been paid.

(i) *Ratings.* The Bank shall have received (i) evidence that the Bonds shall have received long-term and short-term ratings of [“AA+/A-1+”] by S&P and [“AA/F1+”] by Fitch and (ii) evidence that Bank Bonds (and the related CUSIP number for such Bank Bonds) shall have been assigned a long-term rating equal to the rating assigned to the Bonds by at least one Rating Agency.

(j) *Trustee and Tender Agent Resolutions.* The Bank shall have received copies of the resolutions of the Trustee and the Tender Agent authorizing the execution, delivery and performance of the Financing Documents to which they are a party, certified as of the Closing Date by the Secretaries of the Tender Agent and the Trustee.

(k) *Trustee and Tender Agent Bonds.* The Bank shall have received certificates of authorized representatives of the Trustee and the Tender Agent certifying as to the authority, incumbency and specimen signatures of the authorized representatives of the Tender Agent and the Trustee authorized to sign the Financing Documents to which they are a party and any other documents to be delivered by them hereunder and who will be authorized to represent the Tender Agent and the Trustee in connection with this Agreement, upon which the Bank may rely until it receives a new certificate.

(l) *Governmental Approvals.* The Bank shall have received true and correct copies of any and all governmental approvals necessary for the City to enter into this Agreement and the Financing Documents to which it is a party and the transactions contemplated thereby and hereby.

(m) *Evidence of Authority.* The Bank shall have received such other certifications as to matters of fact, due authorization, execution and delivery by the parties thereto of the Financing Documents, evidence of corporate authority, copies of governmental consents, permits, licenses and approvals, and other documents as shall be reasonably requested by the Bank, and the form and substance of any order or other official action granting any consent, permit, license or approval shall be satisfactory to the Bank.

(n) *No Prohibition.* No law, regulation, ruling or other action of the United States, the State or any political subdivision or authority therein or thereof shall be in effect or shall have occurred, the effect of which would be to prevent the Bank from fulfilling its obligations under this Agreement.

(o) *Appointment of Agents.* The appointment of the Trustee, Tender Agent and Remarketing Agent shall have been approved by the Bank.

(p) *Evidence of Insurance.* The Bank shall have received evidence that the insurance policies required by Section 5.1(o) hereof are in full force and effect.

(q) *Bank Bond CUSIP.* The Bank shall have received written evidence satisfactory to the Bank that a CUSIP number has been obtained and reserved from

Standard & Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc., for Bank Bonds.

(r) *Other Matters.* All other legal matters pertaining to the execution and delivery of this Agreement, the Official Statement and the Financing Documents shall be satisfactory to the Bank and its counsel, and the Bank shall have received such other statements, certificates, agreements, documents and information with respect to the City, the Authority and the other parties to the Financing Documents and matters contemplated by this Agreement as the Bank may reasonably request.

Section 6.2. Conditions Precedent to Each Purchase. The obligation of the Bank to make any Purchase on any date is subject to the conditions precedent that on the date of such Purchase (a) the Bank shall have received a Request for Purchase and (b) no Event of Termination shall have occurred and be continuing. Unless the City shall have otherwise previously advised the Bank in writing, delivery to the Bank of a Request for Purchase shall be deemed to constitute a representation and warranty by the City that on the date of such Purchase, to the City's knowledge, no Termination Event shall have occurred and be continuing.

ARTICLE VII

EVENTS OF TERMINATION; EVENTS OF DEFAULT; REMEDIES

Section 7.1. Events of Termination. Each of the following shall constitute an "Event of Termination" under this Agreement:

(a) *Payments.* Any principal of, or interest on any Bonds or Bank Bonds is not paid when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise); or

(b) *Other Obligations.* (i) The City or the Authority, as applicable, shall fail to pay when due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) any indebtedness of the Authority or the City, as applicable, which constitutes a general fund lease obligation of the City which is payable on a priority senior to or on a parity with the Bonds, and such failure shall continue beyond any applicable period of grace specified in any underlying resolution, indenture, contract or instrument providing for the creation of or concerning such indebtedness, or (ii) pursuant to the provisions of any resolution, indenture, contract or instrument providing for the creation of or concerning any indebtedness of the Authority or the City, as applicable, which constitutes a general fund lease obligation of the City, the maturity of any such indebtedness, as a result of the occurrence of any default by the Authority or the City, as applicable, under such resolution, indenture, contract or instrument and the continuance of such default beyond any applicable period of grace set forth therein, such indebtedness is or may be accelerated, or may be required to be prepaid prior to the stated maturity thereof; or

(c) *Insolvency.* (i) The Authority or the City shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its Debts, or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or the Authority or the City shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Authority or the City any case, proceeding or other action of a nature referred to in clause (i) above which (x) results in an order for such relief or in the appointment of a receiver or similar official or (y) remains undismissed, undischarged or unbonded for a period of sixty (60) days; or (iii) there shall be commenced against the Authority or the City, any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets, which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; or (iv) the Authority or the City shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) the Authority or the City shall generally not, or shall be unable to, or so admit in writing its inability to, pay its Debts; or (vi) the Authority, the City or the State of California or any Governmental Authority having jurisdiction over the Authority or the City imposes a debt moratorium with respect to repayment when due and payable of the principal of or interest on any indebtedness of the Authority or the City; or

(d) *Invalidity.* (i) Any provision of this Agreement, the Bonds, the Authority Lease, the Lease Agreement or the Trust Agreement relating to the payment of principal or interest on Bonds or Bank Bonds shall at any time for any reason cease to be valid and binding on, or fully enforceable against, the Authority or the City as determined by any court or Governmental Authority having appropriate jurisdiction in a final nonappealable judgment, or (ii)(a) the validity or enforceability of any provision of this Agreement, the Bonds, the Authority Lease, the Lease Agreement or the Trust Agreement relating to the payment of principal or interest on Bonds or Bank Bonds shall be contested in writing by an Authorized Representative of the Authority or the City pursuant to official action of the governing bodies thereof or (b) any Governmental Authority having appropriate jurisdiction over the Authority or the City shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree pursuant to which any material provision of this Agreement, the Bonds, the Authority Lease, the Lease Agreement or the Trust Agreement relating to the payments of principal or interest on Bonds or Bank Bonds shall be null and void, invalid or unenforceable, or (c) the Authority or the City, pursuant to official action shall deny in writing that the Authority or City, as applicable, has any or further liability or obligation under this Agreement, the Trust Agreement, the Authority Lease, the Lease Agreement or the Bonds; or

(e) *Ratings Downgrade.* The long-term unenhanced rating by Fitch and S&P on any general fund lease obligation indebtedness of the City which is payable on a priority senior to or on a parity with the Bonds shall be withdrawn or suspended for credit related reasons or reduced below “BBB-” (or its equivalent) and “BBB-” (or its equivalent), respectively.

Section 7.2. Events of Default. Each of the following shall constitute an “Event of Default” under this Agreement.

(a) *Other Payments.* Nonpayment of other amounts payable under this Agreement (not otherwise referred to in Section 7.1(a)), and such failure to pay shall continue for ten (10) days after the same shall have become due; or

(b) *Representation.* Any material representation or warranty made by the Authority or the City to the Bank in this Agreement, a Financing Document or in any certificate or statement delivered hereunder shall be incorrect or untrue in any material respect when made or deemed to have been made; or

(c) *Certain Covenants.* The Authority or the City, as applicable, shall default in the due performance or observance of the covenants set forth in Section 5.1(e), 5.1(n), 5.1(q) or 5.2; or

(d) *Other Covenants.* The Authority shall default in any material respect in the due performance or observance of any other term, covenant or agreement contained or incorporated by reference in this Agreement (other than those referred to in Section 7.1(a), 7.2(a), 7.2(b) and 7.2(c)) and such default shall remain unremedied for a period of thirty (30) days or more; or

(e) *Other Documents.* Any “Event of Default” under the Trust Agreement or any “Event of Default” which is not cured within any applicable cure period under any of the other Financing Documents shall occur; or

(f) *Other Invalidities.* Any material provision of this Agreement, the Bonds, the Authority Lease, the Lease Agreement or the Trust Agreement, other than a provision described in clause Section 7.1(d)(i), shall at any time for any reason cease to be valid and binding on the Authority, or shall be declared in a final nonappealable judgment by any court having jurisdiction over the Authority to be null and void, invalid, or unenforceable, or the validity or enforceability thereof shall be contested in writing by an Authorized Officer of the Authority; or

(g) *Other Ratings Downgrade.* The long-term unenhanced rating by any of Fitch or S&P on any general fund lease obligation indebtedness of the City is reduced below “A-” (or its equivalent) or “A-” (or its equivalent), respectively; or

(h) *Judgments.* A final, nonappealable judgment or order for the payment of money in excess of \$5,000,000 payable for the general fund of the City which shall be

rendered against the Authority or the City, and in either case, with respect to which, in the reasonable opinion of the Bank, adequate cash reserves have not been established, or other means of satisfying or otherwise funding the judgment have not been undertaken, satisfactory to the Bank and such judgment or order shall continue unsatisfied and unstayed for a period of sixty (60) days.

Section 7.3. Remedies. If any Event of Termination or Event of Default shall have occurred:

(a) *Immediate Termination.* Upon the occurrence of an Event of Termination under Section 7.1(a), 7.1(b)(i), 7.1(c), 7.1(d)(i), or 7.1(e) hereof, the Available Commitment shall immediately be reduced to zero, in which case the obligations of the Bank under this Agreement shall immediately terminate and expire without the requirement of notice by the Bank. After such termination or expiration, the Bank shall deliver, within two (2) Business Days, to the Authority, the City, the Trustee and the Remarketing Agent written notice of such termination or expiration; *provided*, that the Bank shall incur no liability or responsibility whatsoever by reason of its failure to give such notice and such failure to provide such written notice shall have no effect on the validity or enforceability of such termination or expiration.

(b) *Termination with Notice.* In the case of any Event of Default under Section 7.2 hereof or an Event of Termination under Section 7.1(b)(ii) hereof, the Bank may give written notice of such Event of Default or Event of Termination, as applicable, and termination of the Agreement (a "*Notice of Termination*") and request a Default Tender, to the Trustee, the Authority, the City and the Remarketing Agent specifying the date on which the Available Commitment and the Commitment Period shall terminate, which date shall not be earlier than the thirtieth (30th) day (or if such day is not a Business Day, the next following Business Day) after such Notice of Termination is received by the Trustee. On such date the Available Commitment shall terminate and the Bank shall be under no obligation hereunder to purchase Bonds.

(c) *Suspension - Contest to Validity.* Upon the occurrence of an Event of Termination under Section 7.1(d)(ii) hereof, the obligations of the Bank hereunder shall be immediately and automatically suspended from the time of the occurrence of such Event of Termination, and in the event any provision of this Agreement, the Bonds, the Authority Lease, the Lease Agreement or the Trust Agreement relating to the ability or obligation of the Authority or the City to make payments of principal or interest in the Bonds (including Bank Bonds) is declared to be null and void, or it is determined that the Authority or the City has no liability under this Agreement, the Bonds, the Authority Lease, the Lease Agreement or the Trust Agreement, in any case, by a court or other Governmental Authority with competent jurisdiction, then the obligations of the Bank under this Agreement will terminate in accordance with Section 7.3(a) hereof; *provided, however*, that if such provisions are upheld in their entirety, then the Bank's obligations under this Agreement shall be automatically reinstated and the terms of this Agreement will continue in full force and effect (unless this Agreement shall have otherwise expired or been terminated in accordance with its terms) as if there had been no such suspension.

If the Event of Termination which gave rise to the suspension of the obligations of the Bank hereunder has not been cured or does not cease to exist prior to the three (3) year anniversary of such occurrence, the obligations of the Bank hereunder shall be terminated upon written notice from the Bank, to the Authority, and thereafter the Bank shall have no further obligations hereunder.

(d) *Other Terminations.* Upon the occurrence of an Event of Termination described in Section 7.1(c)(ii) or 7.1(c)(iii) hereof, the obligation of the Bank to purchase Bonds under this Agreement shall immediately terminate and expire without the requirement of notice by the Bank upon the first to occur of (A) (i) the appointment of a receiver or similar official for the Authority or the City or (ii) an order by the court before which such case, proceeding or other action was brought is entered granting the relief described in Section 7.1(c)(i) or (B) (i) in the case of Section 7.1(c)(ii), the close of business on the sixtieth (60th) day following commencement of the case, proceeding or other action described in Section 7.1(c)(i) if said case, proceeding or other action has not been dismissed, discharged or bonded by the close of business on such sixtieth (60th) day or (ii) in the case of Section 7.1(c)(iii), the close of business on the sixtieth (60th) day if the case, proceeding or action described therein has not been vacated, discharged, or stayed or bonded pending appeal prior to the close of business on such sixtieth (60th) day. In the event that an order described in clause (A) (ii) above is denied prior to the sixtieth (60th) day following commencement of the case, proceeding or other action described therein, or in the event that such case, proceeding or other action described in clause (A) is, in the case of clause (B)(i) above, dismissed, discharged or bonded on or prior to the close of business on the sixtieth (60th) day or, in the case of clause (B)(ii) above, such case, proceeding or other action is vacated, discharged, or stayed or bonded pending appeal prior to the close of business on such sixtieth (60th) day, the obligations of the Bank to purchase Bonds hereunder shall not terminate and the terms of this Agreement will continue in full force and effect (unless the obligations of the Bank to purchase Bonds hereunder shall have otherwise terminated in accordance with the terms hereof).

(e) *Other Remedies.* In addition to the rights and remedies set forth in Section 7.3(a), (b), (c) and (d) hereof, in the case of any Event of Termination specified in Section 7.1 hereof or in the case of any Event of Default specified in Section 7.2 hereof, the Bank shall have all the rights and remedies available to it under this Agreement, the Financing Documents or otherwise pursuant to law or equity; *provided, however,* that the Bank shall not have the right to terminate its obligation to purchase Bonds or to declare any amount due hereunder due and payable except as expressly provided herein.

(f) *No Waiver of Remedies.* No waiver of any breach of or default under any provision of any of the Financing Documents shall constitute or be construed as a waiver by the Bank of any subsequent breach of or default under that or any other provision of any of the Financing Documents.

ARTICLE VIII

MISCELLANEOUS

Section 8.1. Payments to the Bank. All payments to the Bank hereunder shall be made without setoff or counterclaim in accordance with Section 2.9 hereof. To the full extent permitted by law: (a) the City and the Authority hereby waive (i) presentment, demand, notice of demand, protest, notice of protest, notice of dishonor and notice of non-payment; (ii) to the extent the Bank is not in default hereunder, the right, if any, to the benefit of, or to direct application of, any security hypothecated to the Bank until all obligations of the City and the Authority to the Bank hereunder, howsoever arising, shall have been paid; (iii) the right to require the Bank to proceed against the City or the Authority hereunder, or against any Person under any guaranty or similar arrangement, or under any agreement between the Bank and any Person or to pursue any other remedy in the Bank's power; (iv) all statutes of limitation; and (v) any defense arising out of the election by the Bank to foreclose on any security by one or more nonjudicial or judicial sales; (b) the Bank may exercise any other right or remedy, even though any such election operates to impair or extinguish the City or the Authority's right to reimbursement from, or any other right or remedy it may have against, any person, or any security; and (c) the City and the Authority agree that the Bank may proceed against the City or Authority or any Person directly and independently of any other, and that any forbearance, change of rate of interest, or acceptance, release or substitution of any security, guaranty, or loan or change of any term or condition thereunder or under any Financing Document (other than by mutual agreement between the City or the Authority and the Bank) shall not in any way affect the liability of the Authority hereunder.

Section 8.2. Right to Set-off. (a) Upon the occurrence and during the continuance of any Event of Termination or Event of Default, the Bank is hereby authorized at any time and from time to time, without notice to the City or the Authority (any such notice being expressly waived by the City and the Authority) and to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held by the Bank to or for the credit or the account of the Authority against any and all of the obligations of the Authority to the Bank now or hereafter existing under this Agreement, irrespective of whether or not the Bank shall have made any demand hereunder.

(b) The Bank agrees promptly to notify the Authority in writing after any such set-off and application; *provided* that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Bank under this Section 8.2 are in addition to other rights and remedies (including, without limitation, other rights of set-off) which the Bank may have.

Section 8.3. Liability of the Bank. The City assumes all risks of the acts or omissions of the Trustee, the Authority, the Tender Agent and the Remarketing Agent with respect to the Bonds. Neither the Bank, nor any of its officers, directors, employees or agents, shall be liable or responsible for (i) the use which may be made of the proceeds of the Bonds or of any acts or omissions of the Trustee, the Tender Agent or the Authority or any transferee in connection therewith, (ii) the validity, sufficiency or genuineness of documents, or of any endorsement(s)

thereon (other than the validity as against the Bank of any agreement to which the Bank is a party), even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged, (iii) the lack of validity or enforceability of this Agreement, the Bonds, the other Financing Documents or any other agreement or instrument relating thereto (other than the validity or enforceability as against the Bank of any agreement to which the Bank is a party), or (iv) any other circumstances whatsoever in making or failing to make payment under this Agreement; *provided*, that the Authority shall have a claim against the Bank, and the Bank shall be liable to the Authority, to the extent of any direct, as opposed to consequential, damages suffered by the Authority which the Authority proves were caused by (i) the Bank's willful misconduct or gross negligence in determining whether a Request for Purchase presented hereunder complied with the terms hereof, or (ii) the Bank's willful failure to make a Purchase required to be made by it hereunder after the presentation to it by the Trustee of a conforming Request for Purchase. In furtherance and not in limitation of the foregoing, the Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information (other than actual knowledge to the contrary) to the contrary.

Section 8.4. Indemnification. The City and the Authority, to the extent permitted by law hereby indemnifies and holds the Bank harmless from and against any and all claims, damages, losses, liabilities, costs or expenses which the Bank may incur or which may be claimed against the Bank by any person:

(a) by reason of any inaccuracy in any material respect, or any untrue statement or alleged untrue statement of any material fact, contained in the Official Statement or any amendment or supplement thereto (other than information regarding the Bank), or by reason of the omission or alleged omission to state therein a material fact necessary to make the statements contained in the Official Statement, in the light of the circumstances under which they were made, not misleading; or

(b) by reason of or in connection with the execution, delivery or performance of this Agreement or any other Financing Document or any transaction contemplated hereby or thereby; *provided, however*, that the City shall not be required to indemnify the Bank pursuant to this paragraph (b) for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by (i) the willful misconduct or gross negligence of the Bank, or (ii) the Bank's willful failure to make a Purchase required to be made by it hereunder after the presentation to it by the Trustee of a confirming Request for Purchase.

Section 8.5. Costs and Expenses. The Authority agrees to pay on demand, whether or not the transactions contemplated by this Agreement are consummated, all costs and expenses paid or incurred by the Bank, including the reasonable fees and out-of-pocket expenses of counsel for the Bank in connection with any amendment to this Agreement or the other Financing Documents, the enforcement hereof or thereof or the protection of the rights of the Bank hereunder or thereunder.

Section 8.6. Participants. The Bank shall have the right to grant participations from time to time (to be evidenced by one or more Participation Agreements) in this Agreement, the Facility and the Bank Bonds to one or more other Participants; *provided* that the grant of any such participation shall not terminate or otherwise affect any obligation of the Bank hereunder. Each Participant purchasing such a participation shall in the discretion of the Bank have all rights of the Bank hereunder to the extent of the participation purchased. In connection with the granting of participations, the Bank may disclose to any proposed Participant any information that the City delivers or discloses pursuant to this Agreement.

Section 8.7. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Authority, the City and the Bank, and their respective successors and assigns, except that neither of the Authority, the City nor the Bank (except as provided in Section 8.6 hereof) shall have the right to assign its rights hereunder or any interest herein without the prior written consent of the other party hereto, and *provided further*, that no such assignment shall be made which would result in the lowering, withdrawal or suspension of the then existing rating on the Bonds by Fitch or S&P.

Section 8.8. Modification or Waiver of this Agreement. This Agreement is intended by the parties hereto as a final expression of their agreement with respect to the subject matter hereof, and is intended as a complete and exclusive statement of the terms and conditions of that agreement. No modification or waiver of any provision of this Agreement (including this Section 8.8) shall be effective unless the same shall be in writing and signed by the Bank, the Authority and the City. Any modification or waiver referred to in this Section 8.8 shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on the Authority in any case shall entitle the Authority to any other or further notice or demand in the same, similar or other circumstances. The Authority agrees to notify and the Rating Agency of any modification or amendment to this Agreement.

Section 8.9. No Waiver of Rights by the Bank; Cumulative Rights. No course of dealing or failure or delay on the part of the Bank in exercising any right, power or privilege hereunder shall preclude any other or further exercise or the exercise of any right, power or privilege. The rights of the Bank under this Agreement and the other Financing Documents are cumulative and not exclusive of any rights or remedies which the Bank would otherwise have.

Section 8.10. Governing Law; Jurisdiction; Waiver of Jury Trial. (a) This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of New York with respect to the obligations of the Bank and the internal laws of the State with respect to the obligations of the City and the Authority. Each party hereto consents to and submits to in personam jurisdiction and venue in the State of New York and in the federal district courts which are located in the Borough of Manhattan in the State of New York. Each party asserts that it has purposefully availed itself of the benefits of the laws of the State of New York and waives any objection to in personam jurisdiction on the grounds of minimum contacts, waives any objection to venue, and waives any plea of forum non conveniens. This consent to and submission to jurisdiction is with regard to any action related to this Agreement. Regardless of whether the party's actions took place in the State of New York or elsewhere in the United States, this

submission to jurisdiction is nonexclusive, and does not preclude either party from obtaining jurisdiction over the other in any court otherwise having jurisdiction.

(b) Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. The City further agrees that, in the event of litigation, it will not personally or through its agents or attorneys seek to repudiate the validity of this Section 8.10, and it acknowledges that it freely and voluntarily entered into this agreement to waive trial by jury in order to induce the Bank to enter into this Agreement. If and to the extent that the foregoing waiver of the right to a jury trial is unenforceable for any reason in such forum, each of the parties hereto hereby consents to the adjudication of all claims pursuant to judicial reference as provided in California Code of Civil Procedure Section 638, and the judicial referee shall be empowered to hear and determine all issues in such reference, whether fact or law. Each of the parties hereto represents that each has reviewed this waiver and consent and each knowingly and voluntarily waives its jury trial rights and consents to judicial reference following consultation with legal counsel on such matters. In the event of litigation, a copy of this Agreement may be filed as a written consent to a trial by the court or to judicial reference under California Code of Civil Procedure Section 638 as provided herein.

Section 8.11. Notices. All notices and communications hereunder shall be given by hand delivery, with a receipt being obtained therefor, by United States certified or registered mail, or by telegram, telex or by other telecommunication device capable of creating written record of such notice and its receipt. To the extent that any telecommunication notice is permitted hereunder, the parties hereto shall provide appropriate telex and, to the extent available, facsimile numbers. Notices and communications hereunder shall be effective when received and shall be sent to the following addresses (or to such other address(es) of which any party hereto shall notify the other parties in accordance herewith):

If to the Bank, to: **[Bank of the West
180 Montgomery Street
San Francisco, California 94104
Attention: Sharon Sacks
Telephone: (415) 765-4916
Telecopier: (866) 235-9308
E-mail: shari.sacks@bankofthewest.com**

With a copy to: **Bank of the West
180 Montgomery Street
San Francisco, California 94104
Attention: Edward C. (Ted) Neu
Telephone: (415) 765-4938
E-mail: ted.neu@bankofthewest.com]**

If to the City, to: City of Pasadena
Pasadena City Hall
100 N. Garfield, Room 345
Pasadena, California 91109

Attention: Director of Finance
Facsimile: (626) 744-4350
Telephone: (626) 744-4309

If to the Authority, to: Pasadena Public Financing Authority
Pasadena City Hall
100 N. Garfield
Pasadena, California 91109
Attention: Treasurer
Facsimile: (626) 744-4350
Telephone: (626) 744-4309

If to the Trustee, to: Wells Fargo Bank, National Association
E2818-176 MAC
707 Wilshire Blvd., 17th Floor
Los Angeles, California 90017
Attention: Corporate Trust Department
Facsimile: (213) 614-3355
Telephone: (213) 614-3350

If to the Remarketing Agent to: Merrill Lynch, Pierce, Fenner & Smith Incorporated
Merrill Lynch World Headquarters
4 World Financial Center
9th Floor, Municipal Markets
New York, New York 10080
Attention: Municipal Money Markets Dept.
Facsimile: (212) 449-6440
Telephone: (212) 449-5101

Section 8.12. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original but both or all of which, when taken together, shall constitute but one document, and shall become effective when copies hereof which, when taken together, bear the signatures of each of the parties hereto.

Section 8.13. Certificates, Etc. In connection with the execution and delivery of this Agreement, the parties hereto may rely on any certificates delivered by or on behalf of each other respective party hereto as representations and warranties as to the matters therein certified.

Section 8.14. Severability. In case any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. The parties shall negotiate in good faith to replace any invalid, illegal or unenforceable provision with a valid provision, which, to the extent possible, will preserve the economic effect of the invalid, illegal or unenforceable provisions.

Section 8.15. Waiver of Rules of Construction. The City hereby waives any and all provisions of law to the effect that an ambiguity in a contract or agreement should be interpreted against the party responsible for its drafting.

Section 8.16. Assignment to Federal Reserve Bank. The Bank may assign and pledge all or any portion of the obligations owing to it to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operation Circular issued by such Federal Reserve Bank, *provided* that any payment in respect of such assigned obligations made by the City to the Bank in accordance with the terms of this Agreement shall satisfy the City's obligations hereunder in respect of such assigned obligation to the extent of such payment. No such assignment shall release the Bank from its obligations hereunder.

Section 8.17. Integration. This Agreement is intended to be the final agreement between the parties hereto relating to the subject matter hereof and this Agreement and any agreement, document or instrument attached hereto or referred to herein shall supersede all oral negotiations and prior writings with respect to the subject matter hereof.

Section 8.18. USA PATRIOT Act Notice. The Bank hereby notifies the Authority that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies the Authority, which information includes the name and address of the Authority and other information that will allow the Bank to identify the Authority in accordance with the Patriot Act.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto authorized as of the date first above written.

PASADENA PUBLIC FINANCING AUTHORITY

[Seal]

Attest:

By: _____
Executive Director

CITY OF PASADENA, CALIFORNIA

By: _____
City Manager

[Seal]

Attest:

City Clerk

Approved as to Form:

By: _____
City Attorney

BANK OF THE WEST

By: _____
Name: Edward C. Neu
Title: Director

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

FORM OF REQUEST FOR PURCHASE

[Purchase Date]

Bank of the West
180 Montgomery Street
San Francisco, California 94104
Attention: Sharon Sacks, Edward C. (Ted) Neu

Ladies and Gentlemen:

The undersigned, Wells Fargo Bank, National Association, as Trustee, refers to the Standby Bond Purchase Agreement dated as of **[September __, 2014]** (the "*Liquidity Agreement*") by and among the Pasadena Public Financing Authority, the City of Pasadena, California and you (the terms defined therein being used herein as therein defined) and hereby requests, pursuant to Section 2.1 of the Liquidity Agreement, that you make a Purchase under the Liquidity Agreement of Bonds for which we have not received remarketing proceeds from the Remarketing Agent, and in that connection sets forth below the following information relating to such Purchase:

(a) The Purchase Price of the Bonds to be purchased pursuant hereto is \$ _____, which amount is equal to \$ _____ representing the principal amount and \$ _____ representing accrued and unpaid interest with respect to such Bonds;

(b) To our knowledge, the Purchase Price of the Bonds does not exceed the Available Commitment as of the date hereof; and

(c) We have not received from any party any Notice of Termination which has not been rescinded.

Your purchase of Bonds hereunder should be made by wire transfer of immediately available funds to the undersigned in accordance with the instructions set forth below:

[Insert wiring instructions]

Very truly yours,

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Representative

EXHIBIT B

FORM OF REQUEST FOR EXTENSION

[Date]

Bank of the West
180 Montgomery Street
San Francisco, California 94104
Attention: Sharon Sacks, Edward C. (Ted) Neu

Ladies and Gentlemen:

Reference is made to the Standby Bond Purchase Agreement dated as of **[September __, 2014]** (the "*Liquidity Agreement*") by and among the Pasadena Public Financing Authority (the "*Authority*"), the City of Pasadena, California and you (the terms defined therein being used herein as therein defined).

The Authority hereby requests, pursuant to Section 2.15 of the Liquidity Agreement, that the Scheduled Expiration Date with respect to the Available Commitment as of the date hereof be extended to _____, _____. Pursuant to such Section 2.15, we have enclosed with this request the following information:

1. The outstanding principal evidenced by the Bonds;
2. A reasonably detailed description of any and all Defaults that have occurred and are continuing;
3. Confirmation that all representations and warranties of the Authority and the City as set forth in Article IV of the Liquidity Agreement are true and correct as though made on the date hereof and that no Default has occurred and is continuing on the date hereof except for the defaults referenced in paragraph 2 above; and
4. Any other pertinent information previously requested by the Bank.

The Bank is required to notify the Authority of its decision with respect to this request within 60 days of the date of receipt hereof. If the Bank fails to notify the Authority of its decision within such 60-day period, the Bank shall be deemed to have rejected such request.

Very truly yours,

PASADENA PUBLIC FINANCING AUTHORITY

By: _____
Name: _____
Title: _____

EXHIBIT C

FORM OF NOTICE OF NON-REINSTATEMENT

Pasadena Public Financing Authority
Pasadena City Hall
100 North Garfield Avenue
Pasadena, California 91109
Attention: Executive Director

Ladies and Gentlemen:

Reference is made to the Standby Bond Purchase Agreement dated as of [September __, 2014] (the "*Liquidity Agreement*") by and among the Pasadena Public Financing Authority, the City of Pasadena, California and the undersigned (the terms defined therein being used herein as therein defined).

We hereby notify you that an [Event of Default] [Event of Termination] has occurred under Section ____ of the Liquidity Agreement. As a result, unless and until you have been advised otherwise by us, the Available Commitment will not be reinstated and will be permanently reduced to \$ [an amount equal to the principal amount of the outstanding Bonds that are not Bank Bonds and the amount available to pay accrued interest thereof] as of the date of this notice.

IN WITNESS WHEREOF, we have executed and delivered this Notice of Non-Reinstatement as of the _____ day of _____, ____.

Very truly yours,

BANK OF THE WEST

By: _____
Name: _____
Title: _____

cc: Wells Fargo Bank, National Association, as Trustee
Merrill, Lynch, Pierce, Fenner & Smith Incorporated, as Remarketing Agent

EXHIBIT D

FORM OF NOTICE OF TERMINATION

Pasadena Public Financing Authority
Pasadena City Hall
100 North Garfield Avenue
Pasadena, California 91109
Attention: Executive Director

Ladies and Gentlemen:

Reference is made to the Standby Bond Purchase Agreement dated as of [**September __, 2014**] (the "*Liquidity Agreement*") by and among the Pasadena Public Financing Authority, the City of Pasadena, California and the undersigned (the terms defined therein being used herein as therein defined).

We hereby notify you that an [**Event of Default**] [**Event of Termination**] has occurred under Section __ of the Liquidity Agreement. As a result, unless and until you have been advised otherwise by us:

1. The Available Commitment is hereby reduced to \$0.00 and no further Purchases will be made by the Bank; and
2. The Available Commitment will no longer be reinstated.

IN WITNESS WHEREOF, we have executed and delivered this Notice of Termination as of the ____ day of _____, ____.

BANK OF THE WEST

By: _____
Name: _____
Title: _____

cc: Wells Fargo Bank, National Association, as Trustee
Merrill, Lynch, Pierce, Fenner & Smith Incorporated, as Remarketing Agent

EXHIBIT E

FORM OF NOTICE OF TERMINATION OR REDUCTION

Bank of the West
180 Montgomery Street
San Francisco, California 94104
Attention: Sharon Sacks, Edward C. (Ted) Neu

Ladies and Gentlemen:

Reference is made to the Standby Bond Purchase Agreement dated as of [September __, 2014] (the "*Liquidity Agreement*") by and among the Pasadena Public Financing Authority (the "*Authority*"), the City of Pasadena, California and you (the terms defined therein being used herein as therein defined).

[The Authority hereby informs you that the Available Commitment is terminated in accordance with the Liquidity Agreement because (a) the interest rate with respect to the Bonds has been converted to a Fixed Interest Rate or (b) the Authority has delivered to the Trustee or Alternate Liquidity Facility.]

OR

[(a) The Authority hereby informs you that the Available Commitment is reduced from [insert amount as of the date of Bond] to [insert new amount], such reduction to be effective on _____.

(b) Upon the foregoing reductions, the amount of the Available Commitment will not be less than the sum of the principal evidenced by all outstanding Bonds plus interest evidenced thereby calculated at percent (_ %) per annum for a period of ____ days.]

IN WITNESS WHEREOF, the Authority has executed and delivered this Notice this ____ day of _____, ____.

PASADENA PUBLIC FINANCING AUTHORITY

By: _____
Name: _____
Title: _____

cc: Wells Fargo Bank, National Association

EXHIBIT F

FORM OF REQUEST FOR REINSTATEMENT

Bank of the West
180 Montgomery Street
San Francisco, California 94104
Attention: Sharon Sacks, Edward C. (Ted) Neu

Ladies and Gentlemen:

Reference is made to the Standby Bond Purchase Agreement dated as of **[September __, 2014]** (the "*Liquidity Agreement*") by and among the Pasadena Public Financing Authority, the City of Pasadena, California and you (the terms defined therein being used herein as therein defined).

1. The undersigned is the Trustee under the Trust Agreement.
2. We are holding for the account of the Bank, or will be holding upon receipt of payment for the Bank Bonds remarketed by the Remarketing Agent on the date hereof, for delivery to the Bank in accordance with the Trust Agreement and the Liquidity Agreement the amount of \$_____.
3. The Bank is requested to reinstate the Available Commitment by an amount equal to **[the amount specified in paragraph 2 plus, to the extent such amount specified in paragraph 2 is less than the Bank Purchase Price, the amount of such deficiency paid by the Authority to the Bank, as specified in a notice from the Authority to the Trustee].**

IN WITNESS WHEREOF, the Trustee has executed and delivered this certificate as of the
____ day of _____, ____.

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

By: _____
[Title of Authorized Officer]

Reinstatement as Requested Acknowledged
this ____ day of _____, ____.

BANK OF THE WEST

By: _____
[Title of Authorized Officer]

EXHIBIT G

FORM OF NOTICE OF EXTENSION

[Date]

Pasadena Public Financing Authority
Pasadena City Hall
100 North Garfield Avenue
Pasadena, California 91109
Attention: Executive Director

Ladies and Gentlemen:

Reference is made to the Standby Bond Purchase Agreement dated as of **[September __, 2014]** (the "*Liquidity Agreement*") by and among the Pasadena Public Financing Authority, the City of Pasadena, California and the undersigned (the terms defined therein being used herein as therein defined).

We hereby notify you that, pursuant to Section 2.15 of the Liquidity Agreement, as of _____, _____ (the "*Closing Date*"), the Scheduled Expiration Date with respect to the Available Commitment shall be extended to _____, _____. Your acknowledgment hereof shall be deemed to be your representation and warranty that all your representations and warranties contained in Article IV of the Liquidity Agreement are true and correct and will be true and correct as of the Closing Date and that no Default has occurred and is continuing.

Very truly yours,

BANK OF THE WEST

By: _____
Name: _____
Title: _____

Receipt of the above Notice of Extension is hereby acknowledged as of this ____ day of _____, ____.

PASADENA PUBLIC FINANCING AUTHORITY

By: _____
Name: _____
Title: _____

cc: Wells Fargo Bank, National Association

EXHIBIT H

FORM OF NOTICE OF MANDATORY TENDER

Wells Fargo Bank, National Association
333 South Grand Avenue, Suite 740
Los Angeles, California 90071
Attention: Corporate Trust Department

Ladies and Gentlemen:

Reference is made to the Standby Bond Purchase Agreement dated as of **[September __, 2014]** (the "*Liquidity Agreement*") by and among the Pasadena Public Financing Authority, the City of Pasadena, California and the undersigned (the terms defined therein being used herein as therein defined).

We hereby notify you that an **[Event of Default]** has occurred under Section 7.2 **[_____]** of the Liquidity Agreement. As a result, unless and until you have been advised otherwise by us:

1. You are requested to cause the mandatory tender of the Bonds pursuant to Section 4.02 of the Trust Agreement;
2. In accordance with Section 7.3(b) of the Liquidity Agreement the Available Commitment shall terminate on _____ **[a date which is not less than thirty (30) days from the date of receipt of this Notice (unless such day is not a Business Day, in which case such termination date shall be on the next preceding Business Day)]**;
3. Upon our purchase of the Bonds, the Available Commitment will be reduced to \$0.00; and
4. The Available Commitment will only be reinstated upon receipt of written notice from us.

IN WITNESS WHEREOF, we have executed and delivered this Notice of Mandatory Tender
as of the _____ day of _____, _____.

Very truly yours,

BANK OF THE WEST

By: _____

Name: _____

Title: _____