

**FIRST AMENDMENT TO BOND PURCHASE AGREEMENT**

This FIRST AMENDMENT TO CONTINUING COVENANT AGREEMENT (this "*Amendment*") is dated [January \_\_, 2018] (the "*Amendment Date*"), among City of Pasadena (the "*City*"), Pasadena Public Financing Authority (the "*Authority*") and MUFJ Union Bank, N.A., as Bank (the "*Bank*"). All capitalized terms herein and not defined herein shall have the meanings set forth in the hereinafter defined Agreement.

**WITNESSETH**

WHEREAS, the City, the Authority and the Bank have previously entered into that certain Bond Purchase Agreement dated as of May 1, 2011 (as amended, the "*Agreement*"), relating to the Pasadena Public Financing Authority Variable Rate Demand Lease Revenue Bonds (Rose Bowl Refinancing and Improvement Projects) Series 2006;

WHEREAS, pursuant to Section 9.03 of the Agreement, the Agreement may be amended by a written amendment thereto executed by the City, the Authority and the Bank; and

WHEREAS, the City and the Authority have requested that certain amendments be made to, and a waiver be granted with respect to certain provisions of, the Agreement, and the Bank has agreed to make such amendments to and grant such waivers with respect to the Agreement subject to the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the premises, the parties hereto hereby agree as follows:

1. AMENDMENTS.

Upon the satisfaction of the conditions precedent set forth in Section 2 hereof, the Agreement is hereby amended as follows:

1.01. Section 1.01 of the Agreement is hereby amended by the addition of the following defined term thereto in the appropriate alphabetical order:

*"Amendment Date"* means [January \_\_, 2018].

1.02. Section 3.04 of the Agreement is hereby amended and restated in its entirety to read as follows:

*Section 3.04. Optional Redemption or Conversion Fee.* The City shall pay to the Bank as Additional Rental an optional redemption or conversion fee in connection with each optional redemption of all or any portion of the Bonds or each conversion of the interest rate on all or any portion of the Bonds from the Bank Index Interest Rate prior to the first anniversary of the Amendment Date, in an amount equal to the product of

(A) the Applicable Spread in effect on the date of optional redemption or conversion, as applicable, (B) the principal amount of the Bonds to be optionally redeemed or converted to an interest rate other than the Bank Index Interest Rate in effect on the Amendment Date, and (C) a fraction, the numerator of which is equal to the number of days from and including the date of such optional redemption or conversion, as applicable, to and including the first anniversary of the Amendment Date, and the denominator of which is 365, payable on the date that all or any portion of the Bonds are optionally redeemed or the date on which the interest rate on all or any portion of the Bonds are converted to bear interest at a rate other than the Bank Index Interest Rate in effect on the date hereof; *provided, however,* that no redemption or conversion fee that shall be due and payable in the event that the Bank requests compensation from the City for increased costs imposed upon the Bank pursuant to Section 3.02 hereof. After the first anniversary of the Amendment Date, the Authority may optionally redeem all or any portion of the Bonds or convert the interest rate on all or any portion of the Bonds from the Bank Index Interest Rate in effect on the date hereof, to a different interest rate mode (including a subsequent Bank Index Interest Rate upon giving the Bank at least thirty (30) days prior written notice.

1.03. Article IX of the Agreement is hereby amended to include the following additional Section 9.16 in the appropriate order therein:

*Section 9.16. No Advisory or Fiduciary Responsibility.* In connection with all aspects of the transactions contemplated by this Agreement and the Related Documents (including in connection with any amendment, waiver or other modification of this Agreement or of any Related Document), each of the City and the Authority acknowledges and agrees that: (a)(i) any arranging, structuring and other services regarding this Agreement and the Related Documents provided by the Bank or any Affiliate of the Bank are arm's length commercial transactions between each of the City and the Authority on the one hand, and the Bank and any Affiliate of the Bank on the other hand, (ii) each of the City and the Authority has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) each of the City and the Authority is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated by this Agreement and the Related Documents; (b)(i) the Bank and each Affiliate of the Bank is and has been acting solely as a principal and has not been, is not, and will not be acting as an advisor, agent or fiduciary for either the City or the Authority or any other Person and (ii) neither the Bank nor any Affiliate of the Bank has any obligation to the City or the Authority with respect to the transactions contemplated by this Agreement and the Related Documents, except those obligations expressly set forth herein; and (c) the Bank and each Affiliate of the Bank may be engaged in a broad



range of transactions that involve interests that differ from those of the Borrower, and neither the Bank nor any Affiliate of the Bank has any obligation to disclose any of such interests to the City or the Authority. To the fullest extent permitted by applicable Laws, each of the City and the Authority hereby waives and releases any claims that it may have against the Bank and each Affiliate of the Bank with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of the transactions contemplated by this Agreement and the Related Documents.

2. CONDITIONS PRECEDENT.

This Amendment shall be effective as of the Amendment Date subject to the satisfaction of or waiver by the Bank of all of the following conditions precedent:

2.01. Receipt by the Bank of (i) counterparts of this Amendment executed by the City and the Authority and (ii) an executed copy of that certain Supplemental Bond Indenture dated as of January 1, 2018, by and between the Authority and Trustee.

2.02. Receipt by the Bank of the opinions of (i) counsel to the City and the Authority as to the due execution, delivery and enforceability of the Agreement, as amended by this Amendment, and (ii) bond counsel, covering such matters as the Bank may reasonably request, in each case in form and substance satisfactory to the Bank.

2.03. Receipt by the Bank of copies of the resolutions of the Authority and the City approving the execution and delivery of this Amendment and the other matters contemplated hereby.

2.04. Payment to the Bank on or before the Amendment Date of the reasonable legal fees and expenses of counsel to the Bank.

2.05. All other legal matters pertaining to the execution and delivery of this Amendment shall be reasonably satisfactory to the Bank and its counsel.

3. REPRESENTATIONS AND WARRANTIES OF THE CITY AND THE AUTHORITY.

3.01. Each of the City and the Authority hereby represents and warrants that the following statements are true and correct as of the Amendment Date:

(a) the representations and warranties of the City and the Authority contained in Article V of the Agreement and in each of the other Related Documents are true and correct on and as of the Amendment Date as though made on and as of such date (except to the extent the same expressly relate to an earlier date);

(b) no Default or Event of Default has occurred and is continuing or would result from the execution of this Amendment;

(c) the execution, delivery and performance by the City and the Authority of this Amendment and the Agreement, as amended hereby, are within its respective powers, have been duly authorized by all necessary action and do not contravene any law, rule or regulation, any judgment, order or decree or any contractual restriction binding on or affecting the City or the Authority;

(d) no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the City and the Authority of this Amendment or the Agreement, as amended hereby; and

(e) this Amendment and the Agreement, as amended hereby, constitute legal, valid and binding obligations of the City and the Authority enforceable against each of the City and the Authority in accordance with their respective terms, except that (i) the enforcement thereof may be limited by bankruptcy, reorganization, insolvency, liquidation, moratorium and other laws relating to or affecting the enforcement of creditors' rights and remedies generally, as the same may be applied in the event of the bankruptcy, reorganization, insolvency, liquidation or similar situation of either the City or the Authority, and (ii) no representation or warranty is expressed as to the availability of equitable remedies.

#### 4. MISCELLANEOUS.

4.01. Except as specifically amended herein, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Amendment need not be made in any note, document, agreement, letter, certificate, the Agreement or any communication issued or made subsequent to or with respect to the Agreement, it being hereby agreed that any reference to the Agreement shall be sufficient to refer to, and shall mean and be a reference to, the Agreement, as hereby amended. If any representation or warranty made by or on behalf of either the City or the Authority in this Amendment shall be incorrect or untrue in any material respect when made or deemed to have been made or delivered, it shall constitute an Event of Default under Section 7.01(c) of the Agreement. In case any one or more of the provisions contained herein 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 hereby. THIS AMENDMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE.

4.02. This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Delivery of a counterpart hereof by facsimile transmission or by e-mail transmission of a portable document format file (also known as a "PDF" file) shall be effective as delivery of a manually executed counterpart hereof.

4.03. The City, Authority and Bank hereby acknowledge and agree that the Agreement, as amended hereby, is a [**“Bank Agreement”**]\* under the Sublease.

[SIGNATURE PAGE FOLLOWS]

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\* Defined term to be confirmed

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the Amendment Date.

MUFG UNION BANK, N.A.

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

PASADENA PUBLIC FINANCING AUTHORITY

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

CITY OF PASADENA, CALIFORNIA

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_