

AFTER RECORDATION PLEASE RETURN TO:

Norton Rose Fulbright US LLP
555 South Flower Street, Suite 4100
Los Angeles, California 90071
Attention: []

THIRD AMENDMENT TO AMENDED AND RESTATED SUBLEASE

Dated as of December 1, 2018

by and between the

PASADENA PUBLIC FINANCING AUTHORITY

and the

CITY OF PASADENA

Relating to

§
PASADENA PUBLIC FINANCING AUTHORITY
Lease Revenue Refunding Bonds
(Rose Bowl Renovation Project)
Series 2018A (Tax-Exempt) and Series 2018B (Taxable)

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THIRD AMENDMENT TO AMENDED AND RESTATED SUBLEASE

This Third Amendment to Amended and Restated Sublease is executed and entered into as of December 1, 2018 (this "Third Amendment to Amended and Restated Sublease"), and amends the Sublease, executed and entered into as of February 1, 2006 (the "Original Sublease"), as amended by the First Amendment to Sublease, dated as of November 1, 2010 (the "First Amendment to Sublease"), as amended by the Amended and Restated Sublease, dated as of May 1, 2011 (the "Amended and Restated Sublease"), as amended by the First Amendment to Amended and Restated Sublease, dated as of January 1, 2013 (the "First Amendment to Amended and Restated Sublease") and the amended by the Second Amendment to Amended and Restated Sublease, dated as of October 1, 2016 (the "Second Amendment to Amended and Restated Sublease") (as it may from time to time be further amended or supplemented, collectively, the "Sublease"), each by and between the CITY OF PASADENA, a municipal corporation duly organized and existing under its Charter and the Constitution and laws of the State of California (the "City"), and the PASADENA PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority duly created by and existing under the laws of the State of California (the "Authority").

RECITALS:

WHEREAS, the City is authorized pursuant to its Charter and the laws of the State of California to lease real and personal property which is necessary and proper for public purposes and the leasing and operation of the Leased Property is necessary and proper for public purposes; and

WHEREAS, the Authority and the City provided for the acquisition, construction and installation of certain public improvements consisting of Rose Bowl Improvements to the existing Leased Property and the City Hall Improvements to the City's City Hall and for the prepayment of the Certificates; and

WHEREAS, concurrently with the execution and delivery of the Original Sublease, the Authority and the Trustee entered into the Indenture, dated as of February 1, 2006, as amended and restated by the Amended and Restated Indenture, dated as of May 1, 2011 (together, the "2006 Indenture"), pursuant to which the Authority issued the Pasadena Public Financing Authority Variable Rate Demand Lease Revenue Bonds (Rose Bowl Refinancing and Improvement Projects), Series 2006 (the "2006 Bonds") and financed the costs of the Rose Bowl Improvements, the City Hall Improvements and prepaid the Certificates; and

WHEREAS, concurrently with the execution and delivery of the First Amendment to Sublease, the Authority and the Trustee entered into a separate Indenture, dated as of November 1, 2010 (the "2010 Indenture") pursuant to which the Authority issued the Pasadena Public Financing Authority Lease Revenue Bonds, Series 2010A (the "2010A Bonds"), Series 2010B (Taxable-Build America Bonds) (the "2010B Bonds"), Series 2010C (Taxable) (the "2010C Bonds") and Series 2010D (Taxable-Recovery Zone Economic Development Bonds) (the "2010D Bonds" and collectively with the 2010A Bonds, the 2010B

Bonds and the 2010C Bonds, the "2010 Bonds") and financed the costs of additional improvements to the Rose Bowl Stadium; and

WHEREAS, concurrently with the execution of the First Amendment to Amended and Restated Sublease, the Authority and the Trustee entered into a separate Bond Indenture, dated as of January 1, 2013 (the "2013 Indenture"), by and between the Authority and the Trustee, pursuant to which the Authority issued its Pasadena Public Financing Authority Lease Revenue Bonds (Rose Bowl Renovation Project), Series 2013A and Series 2013B (collectively, the "2013 Bonds") which refunded a portion of the 2006 Bonds and financed the costs of additional improvements to the Rose Bowl Stadium; and

WHEREAS, concurrently with the execution of the Second Amendment to Amended and Restated Sublease, the Authority and the Trustee entered into a separate Bond Indenture, dated as of October 1, 2016 (the "2016 Indenture"), by and between the Authority and the Trustee, pursuant to which the Authority issued its Pasadena Public Financing Authority Lease Revenue Refunding Bonds (Rose Bowl Renovation Project), Series 2016A (the "2016 Bonds") which refunded a portion of the 2010A Bonds and financed the costs of additional improvements to the Rose Bowl Stadium; and

WHEREAS, concurrently with the execution and delivery of this Third Amendment to Amended and Restated Sublease, the Authority and the Trustee will enter into a new Indenture, dated as of December 1, 2018 (the "2018 Indenture") pursuant to which the Authority will issue the Pasadena Public Financing Authority Lease Revenue Refunding Bonds, Series 2018A (Tax-Exempt) and Series 2018B (Taxable) (together, the "2018 Bonds") to defease and redeem all of the 2013 Bonds; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Lease; and

WHEREAS, pursuant to Section 5.07 of the Sublease, the 2018 Bonds are payable from the Base Rental Payments to be made by the City under the Sublease and certain funds held by the Trustee under the 2018 Indenture;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

ARTICLE XX

DEFINITIONS

Section 20.01 Amended Definitions.

Unless the context otherwise requires, the terms defined in this Section, shall for all purposes hereof and of any amendment hereof have the meanings defined herein and in Section 1.01, Section 12.01, and Section 16.01, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein. All other capitalized terms used herein without definition shall have the meanings set forth in Section 1.01 of the 2006 Indenture.

“Bonds” means the 2006 Bonds, the 2010 Bonds, the 2013 Bonds, the 2016 Bonds, the 2018 Bonds and any additional bonds hereafter issued in accordance with Section 5.07 of the Sublease; provided, however that the term “Bonds” in the following sections shall refer solely to the 2006 Bonds: Section 4.03, Section 5.01(a)(ii), Section 5.01(a)(iv), Section 5.01(a)(v) and Section 5.01(b)(x).

“Expiry Date” means, with respect to the Base Rental Payments, March 1, 20__.

“Indenture” means the 2006 Indenture, the 2010 Indenture, the 2013 Indenture, the 2016 Indenture, the 2018 Indenture and any other indenture providing for the issuance of Bonds in accordance with Section 5.07 of the Sublease.

“Lease” means that certain Lease, dated as of February 1, 2006, by and between the City and the Authority relating to the Leased Property, as amended by the First Amendment to Lease, dated as of November 1, 2010, as amended by the Amended and Restated Lease, dated as of May 1, 2011, as amended by the First Amendment to Amended and Restated Lease, dated as of October 1, 2016 and the Second Amendment to Amended and Restated Lease, dated as of December 1, 2018 as the same may be amended and supplemented from time to time in accordance herewith and therewith.

“Sublease” has the meaning set forth in the preambles hereto.

“2006 Bonds,” “2006 Indenture,” “2010 Bonds,” “2010 Indenture,” “2013 Bonds,” “2013 Indenture,” “2016 Bonds,” “2016 Indenture,” “2018 Bonds” and “2018 Indenture,” have the respective meanings set forth in the preambles hereto.

ARTICLE XXI

TERM OF SUBLEASE

Section 21.01 Term of the Sublease. The term of the Sublease shall commence on the Closing Date and shall end on the Expiry Date, unless such term is extended or sooner terminated as hereinafter provided. If on the Expiry Date the Rental Payments payable hereunder shall not be fully paid and the Bonds shall not be fully paid and retired, or if the Rental Payments shall have been abated at any time and for any reason, then such Expiry

Date shall be extended until ten (10) days after the Rental Payments payable hereunder shall be fully paid and all the Bonds shall be fully paid, except that in no event shall the Expiry Date be extended more than 25 years following the final stated maturity date of any Bond. If prior to the Expiry Date, all Bonds shall have been fully paid, or deemed fully paid in accordance with their respective Indenture, such Expiry Date shall be ten (10) days thereafter or ten (10) days after written notice by the City to the Authority to the effect that all Bonds have been fully paid or deemed fully paid in accordance with Article X of the Indenture, whichever is earlier.

ARTICLE XXII

RENTAL PAYMENTS

Section 22.01 Rental Payments. In order to reflect the reduction of Base Rental Payments resulting from the defeasance and redemption of all of the 2013 Bonds, Exhibit B-2 to the First Amendment to Sublease is hereby eliminated.

The City agrees to pay to the Authority, its successors or assigns, without deduction or offset of any kind, as rental for the right of the use and possession of the Leased Property, the following amounts at the following times:

2018 Base Rental. The City shall pay to the Authority Base Rental Payments at the times and in the amounts set forth in the Base Rental Payment Schedule attached hereto as Exhibit B-3 and made a part hereof, a portion of which Base Rental Payments shall constitute interest; provided that the aggregate Base Rental Payments for each Lease Year shall not exceed the fair rental value of the Leased Property plus the undischarged portion of the Excess Amount. The interest components of the Base Rental Payments shall be paid by the City as and constitute interest paid on the principal components of the Base Rental Payments to be paid by the City hereunder.

ARTICLE XXIII

MISCELLANEOUS

Section 23.01 Coordination of Indenture. When funds or accounts under the Indenture are referred to in this Sublease, such references shall be understood to apply to the 2006 Indenture, the 2010 Indenture, the 2013 Indenture, the 2016 Indenture and the 2018 Indenture, and any deposits to be made to such funds or accounts shall be made on a parity, proportionate basis between the 2006 Indenture, the 2010 Indenture, the 2013 Indenture, the 2016 Indenture and the 2018 Indenture, as set forth in a written direction of the City filed with the Trustee. In addition, the redemption of Outstanding Bonds referred to in Section 7.01 of the Sublease shall be made on a parity, proportionate basis pursuant to Section 4.01(f) of the 2006 Indenture, Section 4.01(a) of the 2010 Indenture, Section 4.01(e) of the 2013 Indenture, Section 2.03(a) of the 2016 Indenture and Section 2.03(a) of the 2018 Indenture, as set forth in a written direction of the City filed with the Trustee.

Section 23.02 Execution in Counterparts. This Third Amendment to Amended and Restated Sublease may be executed and entered into in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 23.03 Effect of Third Amendment to Amended and Restated Sublease. Except as provided in this Third Amendment to Amended and Restated Sublease, the provisions of the Sublease shall remain in full force and effect.

IN WITNESS WHEREOF, the Authority and the City have caused this Third Amendment to Amended and Restated Sublease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

PASADENA PUBLIC FINANCING
AUTHORITY

ATTEST:

By _____
Chairman

By _____
Secretary

CITY OF PASADENA

By _____
Mayor

ATTEST:

By _____
City Clerk

APPROVED AS TO FORM:

By _____
City Attorney

APPROVED AS TO FORM:

By _____
Eric Tashman
Norton Rose Fulbright US LLP
Bond Counsel

EXHIBIT B-3

2018 BASE RENTAL PAYMENT SCHEDULE

2018 Base Rental Payment Date	Principal	Interest	Total
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\$			
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