

INDENTURE

by and between the

PUBLIC FACILITIES FINANCING AUTHORITY
OF THE CITY OF SAN DIEGO

and

[TRUSTEE],

as Trustee

Dated as of _____ 1, 2000

\$XX,XXX,000
PUBLIC FACILITIES FINANCING AUTHORITY
OF THE CITY OF SAN DIEGO
LEASE REVENUE BONDS, SERIES 2000A

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS; EQUAL SECURITY

Section 1.01. Definitions 2

Section 1.02. Equal Security 14

ARTICLE II

ISSUANCE OF 2000A BONDS; REGISTRATION AND TRANSFER OF BONDS

Section 2.01. Authorization and Purpose of 2000A Bonds 15

Section 2.02. Terms of the 2000A Bonds 15

Section 2.03. Redemption of 2000A Bonds 16

Section 2.04. Form of 2000A Bonds 18

Section 2.05. Execution of Bonds 18

Section 2.06. Transfer and Payment of Bonds 19

Section 2.07. Exchange of Bonds 19

Section 2.08. Bond Registration Books 19

Section 2.09. Mutilated, Destroyed, Stolen or Lost Bonds 20

Section 2.10. Temporary Bonds 20

Section 2.11. Validity of Bonds 20

Section 2.12. Special Covenants as to Book-Entry Only Bonds 21

ARTICLE III

ISSUANCE OF ADDITIONAL BONDS

Section 3.01. Conditions for the Issuance of Additional Bonds 23

Section 3.02. Procedure for the Issuance of Additional Bonds 24

TABLE OF CONTENTS
(continued)

Page

ARTICLE IV
ESTABLISHMENT OF CERTAIN FUNDS;
DEPOSIT AND APPLICATION OF PROCEEDS

Section 4.01. Establishment of Certain Funds	25
Section 4.02. Procedure for the Issuance of 2000A Bonds	26
Section 4.03. Application of Proceeds and Other Monies	26
Section 4.04. Costs of Issuance Funds	26
Section 4.05. Construction Fund	27

ARTICLE V
REVENUES

Section 5.01. Pledge of Revenues	28
Section 5.02. Receipt and Deposit of Revenues in the Bond Fund	28
Section 5.03. Establishment and Maintenance of Accounts for Use of Money in the Bond Fund	28
Section 5.04. Investment of Moneys in Funds and Accounts	32

ARTICLE VI
COVENANTS OF THE AUTHORITY AND THE TRUSTEE

Section 6.01. Punctual Payment and Performance	33
Section 6.02. Against Encumbrances	33
Section 6.03. Against Sale or Disposition of the Leased Property	33
Section 6.04. Tax Covenants; Rebate Fund	34

TABLE OF CONTENTS
(continued)

Page

Section 6.05. Payment of Claims	35
Section 6.06. Payment of Taxes and Compliance with Governmental Regulations	35
Section 6.07. Insurance	36
Section 6.08. Insurance Proceeds and Condemnation Awards; Title Insurance	36
Section 6.09. Accounting Records and Reports	37
Section 6.10. Facility Lease and Other Documents	37
Section 6.11. Other Liens	37
Section 6.12. Prosecution and Defense of Suits	38
Section 6.13. Further Assurances	38
Section 6.14. Continuing Disclosure	38

ARTICLE VII
THE TRUSTEE

Section 7.01. Appointment and Acceptance of Duties	38
Section 7.02. Duties, Immunities and Liabilities of Trustee	39
Section 7.03. Merger or Consolidation	41
Section 7.04. Compensation	41
Section 7.05. Liability of Trustee	41
Section 7.06. Right to Rely on Documents	42
Section 7.07. Preservation and Inspection of Documents	43
Section 7.08. Rights of Owners	43

TABLE OF CONTENTS
(continued)

Page

ARTICLE VIII
AMENDMENT OF THE INDENTURE

Section 8.01. Amendment of the Indenture	43
Section 8.02. Disqualified Bonds	44
Section 8.03. Endorsement or Replacement of Bonds After Amendment	44
Section 8.04. Amendment by Mutual Consent	44

ARTICLE IX
EVENTS OF DEFAULT AND REMEDIES OF HOLDERS

Section 9.01. Events of Default	44
Section 9.02. Proceedings by Trustee	45
Section 9.03. Effect of Discontinuance of Abandonment	45
Section 9.04. Rights of Owners	46
Section 9.05. Restriction on Owners' Action	46
Section 9.06. Power of Trustee to Enforce	46
Section 9.07. Remedies Not Exclusive	47
Section 9.08. Waiver of Events of Default; Effect of Waiver	47
Section 9.09. Application of Moneys	47
Section 9.10. Consent of the Insurer Upon Default	48

ARTICLE X
DEFEASANCE

Section 10.01. Discharge of Bonds	48
Section 10.02. Unclaimed Money	50

TABLE OF CONTENTS
(continued)

Page

ARTICLE XI
MUNICIPAL BOND INSURANCE POLICY

Section 11.01. Payments Under the Municipal Bond Insurance Policy . 50
Section 11.02. Information To Be Given To The Insurer 52
Section 11.03. Consent of Insurance in Addition to Owner Consent . . 53
Section 11.04. Consent of Insurer in the Event of Insolvency 53

ARTICLE XII
MISCELLANEOUS

Section 12.01. Liability of Authority Limited to Revenues 53
Section 12.02. Benefits of the Indenture Limited to Parties 53
Section 12.03. The Insurer as Third Party Beneficiary 54
Section 12.04. Successor Is Deemed Included In All References to
Predecessor 54
Section 12.05. Execution of Documents by Owners 54
Section 12.06. Waiver of Personal Liability 54
Section 12.07. Acquisition of Bonds by Authority 54
Section 12.08. Destruction of Canceled Bonds 55
Section 12.09. Content of Certificates 55
Section 12.10. Publication for Successive Weeks 55
Section 12.11. Funds, Accounts and Subaccounts 55
Section 12.12. Article and Section Headings and References 55
Section 12.13. Partial Invalidity 56
Section 12.14. Execution in Several Counterparts 56

TABLE OF CONTENTS
(continued)

Page

Section 12.15. Law Governing 56
Section 12.16. Notices 56

EXHIBIT A – FORM OF 2000A BONDA-1
EXHIBIT B – FORM OF CONSTRUCTION FUND REQUISITIONB-1

An extra section break has been inserted above this paragraph. Do not delete this section break if you plan to add text after the Table of Contents/Authorities. Deleting this break will cause Table of Contents/Authorities headers and footers to appear on any pages following the Table of Contents/Authorities.

INDENTURE

THIS INDENTURE, dated as of _____ 1, 2000 (the "Indenture"), by and between the PUBLIC FACILITIES FINANCING AUTHORITY OF THE CITY OF SAN DIEGO, a joint exercise of powers entity duly organized and existing under and by virtue of the laws of the State of California (the "Authority"), and [TRUSTEE], a banking corporation existing under and by virtue of the laws of the State of California, as trustee (the "Trustee");

WHEREAS, the City and the Authority desire to finance the construction of a state-of-the-art baseball park (the "Ballpark"), a multi-story parking facility and a public park to be located adjacent to the Ballpark (collectively, the "Project");

WHEREAS, to provide funds for the Project, the Authority desires to issue Lease Revenue Bonds, Series 2000A (the "2000A Bonds") in the aggregate principal amount of Two Hundred _____ Million Dollars (\$2XX,XXX,000);

WHEREAS, in order to provide for the repayment of the 2000A Bonds, the Authority and the City intend to execute and deliver the Ballpark Facility Lease, dated as of _____ 1, 2000 (the "Facility Lease");

WHEREAS, the 2000A Bonds will be payable from Base Rental Payments to be made by the City pursuant to the Facility Lease;

WHEREAS, in order to provide for the authentication and delivery of the 2000A Bonds and any Additional Bonds issued hereunder (the 2000A Bonds and any such Additional Bonds being collectively referred to as the "Bonds"), to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal thereof, premium, if any, and interest thereon, the Authority has authorized the execution and delivery of this Indenture; and

WHEREAS, the Authority has determined that all acts and proceedings required by law necessary to make the Bonds, when executed by the Authority, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal limited obligations of the Authority, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of the Indenture have been in all respects duly authorized;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of, premium, if any, and interest on all Bonds at any time issued and outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, the Authority does hereby covenant and agree with the Trustee, for the benefit of the respective owners from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS; EQUAL SECURITY

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this section shall for all purposes hereof and of any Supplemental Indenture and of any certificate, opinion, request or other document herein or therein mentioned have the meanings herein specified. Capitalized undefined terms used herein shall, unless the context otherwise requires, have the meanings ascribed thereto in the Facility Lease.

Additional Bonds

“Additional Bonds” means all lease revenue bonds or refunding lease revenue bonds of the Authority authorized by and at any time Outstanding pursuant hereto and executed, issued and delivered in accordance with Article III.

Agency

“Agency” means the Redevelopment Agency of the City of San Diego, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California.

Agreement

“Agreement” shall mean the Amended and Restated Joint Exercise of Powers Agreement, dated as of January 11, 1999, between the City and the Agency creating the Public Facilities Financing Authority of the City of San Diego, as originally executed and as it may be amended or supplemented from time to time in accordance with the terms thereof.

Annual Debt Service

“Annual Debt Service” means, for any Bond Year, the sum of (1) the interest payable on all Outstanding Bonds in such Bond Year, assuming that all Outstanding Serial Bonds are retired as scheduled and that all Outstanding Term Bonds, if any, are redeemed or paid from the Sinking Account as scheduled (except to the extent that such interest is to be paid from the proceeds of the sale of any Bonds), (2) the principal amount of all Outstanding Serial Bonds, if any, maturing by their terms in such Bond Year, and (3) the principal amount of all Outstanding Term Bonds, if any, required to be redeemed or paid in such Bond Year (together with the redemption premiums, if any, thereon).

Authority

“Authority” means the Public Facilities Financing Authority of the City of San Diego, a joint powers agency created by the City and the Agency pursuant to California Government Code Sections 6500 et seq. and the Agreement.

Authorized Denominations

“Authorized Denominations” means \$5,000 and any integral multiple thereof.

Base Rental Payments

“Base Rental Payments” means all amounts payable by the City as the Base Rental pursuant to Section 5.01(a) of the Facility Lease.

Beneficial Owner

“Beneficial Owner” means any person who has the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

Bond Fund

“Bond Fund” means the fund by that name established pursuant to Section 4.01 hereof.

Bond Year

“Bond Year” means the period from _____ 1 to the following _____
31.

Bonds

“Bonds” means the 2000A Bonds and all Additional Bonds.

Business Day

“Business Day” means a day of the year which is not a Saturday or Sunday, or a day on which banking institutions located in California are required or authorized to remain closed, or on which the New York Stock Exchange is closed.

Certificate of Completion

“Certificate of Completion” means a Certificate of the City filed with the Trustee, stating that the Ballpark being financed with the proceeds of the Bonds has been acquired, constructed, installed and improved and that all Construction Costs have been paid or provided for.

Certificate of the Authority

“Certificate of the Authority” means an instrument in writing signed by the Chair, the Treasurer or the Secretary of the Authority, or by any other officer or authorized delegate of the Authority duly authorized by the Authority for that purpose.

Certificate of the City

“Certificate of the City” means an instrument in writing signed by the City Manager of the City, or by any other officer of the City duly authorized by the City for that purpose.

City

“City” means the City of San Diego, a municipal corporation duly organized and existing under its charter and the laws of the State.

Closing Date

“Closing Date” means _____, 2000.

Code

“Code” means the Internal Revenue Code of 1986, as amended.

Construction Costs

“Construction Costs” means all costs of acquiring, constructing, installing or improving the Project, including, but not limited to:

(i) all costs which the Authority or the City shall be required to pay to a manufacturer, vendor or contractor or any other person under the terms of any contract or contracts for the acquisition, construction, installation or improvement of the Project;

(ii) obligations of the Authority, the City or others incurred for labor and materials (including obligations payable to the Authority, the City or others for actual out-of-pocket expenses of the Authority, the City or others) in connection with the acquisition, construction, installation or improvement of the Project, including reimbursement to the Authority, the City or others for all advances and payments made in connection with the Project prior to or after delivery of the Bonds;

(iii) the costs of performance or other bonds and any and all types of insurance that may be necessary or appropriate to have in effect during the course of acquisition, construction, installation or improvement of the Project;

(iv) all costs of engineering and architectural services, including the actual out-of-pocket costs of the Authority or the City for test borings, surveys, estimates, plans and specifications and preliminary investigations therefor, development fees and sales commissions, and for supervising acquisition, construction, installation and improvement, as well as for the performance of all other duties required by or consequent to the proper acquisition, construction, installation or improvement of the Project; and

(v) any sums required to reimburse the Authority or the City for advances made by the Authority or the City for any of the above items or for any other costs

incurred and for work done by the Authority or the City which are properly chargeable to the acquisition, construction, installation or improvement of the Project.

Construction Fund

“Construction Fund” means the fund by that name established pursuant to Section 4.01 hereof.

Continuing Disclosure Agreement

“Continuing Disclosure Agreement” means that certain Continuing Disclosure Agreement between the City and the Trustee, dated as of _____ 1, 2000, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

Corporate Trust Office of the Trustee

“Corporate Trust Office of the Trustee” means the principal corporate trust office of the Trustee in _____, California or such other or additional offices as may be specified to the Authority by the Trustee in writing, except that with respect to presentation of Bonds for payment or for registration of transfer and exchange such term shall mean the office or agency of the Trustee in New York, New York or such other address as may be specified in writing by the Trustee.

Costs of Issuance

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the City or the Authority relating to the issuance, sale and delivery of the Bonds and the execution and delivery of this Indenture, the Site Lease and the Facility Lease, including but not limited to filing and recording costs, settlement costs, printing costs, reproduction and binding costs, initial fees and charges of the Trustee (including legal fees), financing discounts, legal fees and charges, insurance fees and charges, financial and other professional consultant fees, costs of rating agencies or credit ratings, fees for transportation and safekeeping of the Bonds and charges and fees in connection with the foregoing.

Costs of Issuance Fund

“Costs of Issuance Fund” means the fund by that name established pursuant to Section 4.01 hereof.

Credit Facility

“Credit Facility” means any line of credit, letter of credit, insurance policy, surety bond or other credit source deposited with the Trustee pursuant to Section 5.03(c)(5) hereof.

Defeasance Securities

“Defeasance Securities” means (a) Federal Securities which are not callable for redemption prior to their maturity for any person other than the owner thereof and (b) other Permitted Investments (i) which either are not callable for redemption prior to their maturities by any person other than the owner thereof or for which an option to redeem prior to maturity has previously been irrevocably exercised (or an irrevocable covenant to exercise such option has previously been made by the person entitled to exercise such option) and the redemption date of such securities has thereby been irrevocably fixed prior to the use of any such securities as Defeasance Securities, and (ii) which at the time of their initial use as Defeasance Securities are rated in the highest generic rating category by S&P or Moody’s.

Event of Default

“Event of Default” shall have the meaning contained in Section 9.01 hereof.

Facility Lease

“Facility Lease” means that certain Ballpark Facility Lease, dated as of _____ 1, 2000, between the City and the Authority under which the Authority subleases to the City the Ballpark Facility, as originally executed and as it may from time to time be amended or supplemented in accordance with the terms thereof.

Federal Securities

“Federal Securities” means United States of America Treasury bills, notes, bonds or certificates of indebtedness, or obligations for which the full faith and credit of the United States of America are unconditionally pledged for the payment of interest and principal, or securities evidencing direct ownership interests in such obligations or in specified

portions of the interest on or principal of such obligations that are held by a custodian in safekeeping on behalf of the owners of such securities.

Financial Newspaper

“Financial Newspaper” means The Wall Street Journal or The Bond Buyer or any other newspaper or journal printed in the English language publishing financial news and selected by the City, whose decision shall be final and conclusive.

Fiscal Year

“Fiscal Year” means each annual period of the Authority which, as of the date hereof, is the period from July 1 to the following June 30.

Fitch

“Fitch” means Fitch IBCA, Inc., or any successor credit rating agency selected by the Authority.

Indenture

“Indenture” means this Indenture, dated as of _____ 1, 2000, between the Authority and the Trustee, as originally executed and as it may from time to time be amended or supplemented by all Supplemental Indentures executed pursuant to the provisions hereof.

Information Services

“Information Services” means Financial Information, Inc.’s “Daily Called Bond Service,” 30 Montgomery Street, 10th Floor, Jersey City, New Jersey 17302, Attention: Editor; Kenny Information Services’ “Called Bond Service,” 65 Broadway, 16th Floor, New York, New York 10006; Moody’s Investors Service’s “Municipal and Government,” 99 Church Street, 8th Floor, New York, New York 10007, Attention: Municipal News Reports; and Standard and Poor’s Corporation’s “Called Bond Record,” 25 Broadway, 3rd Floor, New York, New York 10004; or, in accordance with then current guidelines of the Securities and Exchange Commission, to such other addresses and/or such other services providing information with respect to called bonds, or to such services as the Authority may designate in a Certificate of the Authority delivered to the Trustee.

Insurance Trustee

“Insurance Trustee” shall have the meaning contained in Section 11.01(b) hereof.

Insurer

“Insurer” means _____, a _____.

Interest Account

“Interest Account” means the account by that name established pursuant to Section 5.03 hereof.

Interest Payment Date

“Interest Payment Date” means each _____ 1 and _____ 1 commencing _____ 1, 2000.

Maximum Annual Debt Service

“Maximum Annual Debt Service” means the largest Annual Debt Service during the period from the date of such determination through the final maturity date of any Outstanding Bonds.

Moody’s

“Moody’s” means Moody’s Investors Service, Inc., or any successor credit rating agency selected by the Authority.

Municipal Bond Insurance Policy

“Municipal Bond Insurance Policy” means the municipal bond insurance policy issued by the Insurer insuring the payment when due of the principal of and interest on the 2000A Bonds as provided therein.

Net Proceeds

“Net Proceeds” means, collectively, the net proceeds of any insurance or condemnation award resulting from any damage or destruction of any portion of the Leased Property payable in accordance with the Facility Lease.

Opinion of Counsel

“Opinion of Counsel” means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the Authority or the City.

Outstanding

“Outstanding,” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 8.02) all Bonds theretofore or thereupon executed by the Authority and authenticated and delivered by the Trustee pursuant hereto including, but not limited to, 2000A Bonds as described in Section 10.01(c) hereof, except:

- (i) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;
- (ii) Bonds paid or deemed to have been paid within the meaning of Section 10.01 hereof; and
- (iii) Bonds in lieu of or in substitution for which other Bonds shall have been executed by the Authority and authenticated and delivered pursuant hereto.

Owner

“Owner” means any person who shall be the registered owner of any Outstanding Bond, as shown on the registration books required to be maintained by the Trustee pursuant to Section 2.08 hereof.

Participant

“Participant” shall have the meaning contained in Section 2.12 hereof.

Permitted Investments

“Permitted Investments” means any of the following to the extent then permitted by law and Section 6.04:

(i) United States of America Treasury bills, notes, bonds or certificates of indebtedness, or obligations of, or obligations guaranteed directly or indirectly by, the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America or any Federal Reserve Bank) or securities or other instruments evidencing direct ownership interests in such obligations or in specified portions of the interest on or principal of such obligations, which shall be held by a custodian on behalf of such owners;

(ii) (A) obligations issued by banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks, the Federal Home Loan Bank Board, the Federal Home Loan Mortgage Corporation, the Resolution Funding Corporation, the Federal Farm Credit System, the Student Loan Marketing Association or the Tennessee Valley Authority, or (B) obligations, participations or other instruments of or issued by, or fully guaranteed as to interest and principal by, the Federal National Mortgage Association (excluding stripped mortgage backed securities which are valued at greater than par on the unpaid principal), or (C) guaranteed portions of Small Business Administration notes, or (D) participations or other instruments of or issued by a federal agency or a United States of America government-sponsored enterprise; provided, however, that prior to investing in investments described in clause (D) hereof, the City shall have provided to the Trustee a Certificate of the City that such investment shall have been approved for investment hereunder by the Rating Agencies;

(iii) bills of exchange or time drafts drawn on and accepted by a commercial bank (including the Trustee or its affiliates), otherwise known as bankers acceptances, which are eligible for purchase by members of the Federal Reserve System and which are drawn on any bank the short-term obligations of which are of the highest letter and numerical rating category as provided by the Ratings Agencies; provided that purchases of eligible bankers acceptances may not exceed 270 days' maturity;

(iv) commercial paper of “prime” quality of the highest ranking or of the highest letter and numerical rating as provided by the Ratings Agencies, which commercial paper is limited to issuing corporations that are organized and operating

within the United States of America and that have total assets in excess of five hundred million dollars (\$500,000,000) and that have an "A" or higher rating for the issuer's unsecured debentures, other than commercial paper, as provided by the Ratings Agencies; provided that purchases of eligible commercial paper may not exceed 270 days maturity;

(v) certificates of deposit, whether negotiable or non-negotiable, issued by a state or national bank (including the Trustee or its affiliates) or a state or federal savings and loan association, provided that such certificates of deposit shall be either (A) continuously and fully insured by the Federal Deposit Insurance Corporation or (B) have maturities of not more than 365 days and issued by any state or national bank or a state or federal savings and loan association, the short term obligations of which are rated in the highest short term letter and numerical rating category by the Rating Agencies;

(vi) any repurchase agreement with any state or national bank (including the Trustee or its affiliates) or government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York, which agreement is either (A) with any institution which has debt rated no lower than "AA" or whose commercial paper is rated no lower than "F-1" by Fitch, if then rating the Bonds, no lower than "P-1" by Moody's, if then rating the Bonds, and no lower than "A-1" by S&P, if then rating the Bonds, (B) with any corporation or other entity that falls under the jurisdiction of the Federal Bankruptcy Code; (1) the term of such repurchase agreement is less than one year or due on demand; (2) the Trustee or a third party acting solely as agent for the Trustee has possession of the collateral; (3) the market value of the collateral is maintained at levels acceptable to the Rating Agencies as evidenced by a Certificate of the City delivered to the Trustee; (4) failure to maintain the requisite collateral levels will require the Trustee to liquidate the collateral immediately; (5) the repurchase agreement securities must be either obligations of, or fully guaranteed as to principal and interest by, the United States of America or any agency of the United States of America, certificates of deposit or bankers' acceptances; and (6) repurchase agreement securities are free and clear of any third-party lien or claim; or (C) with financial institutions insured by the Federal Deposit Insurance Corporation or any broker-dealer with "retail customers" which falls under the jurisdiction of the Securities Investors Protection Corporation; provided that: (1) the market value of the collateral is maintained at levels acceptable to the Rating Agencies as evidenced by a Certificate of the City delivered to the Trustee; (2) the Trustee or a third party acting solely as agent for the Trustee has possession of the collateral; (3) the Trustee has a perfected first priority security interest in the collateral; (4) the collateral is free and clear of third-party liens and in

the case of a Securities Investors Protection Corporation broker was not acquired pursuant to a repurchase agreement or reverse repurchase agreement; and (5) failure to maintain the requisite collateral percentage will require the Trustee to liquidate the collateral immediately;

(vii) certificates, notes, warrants, bonds or other evidence of indebtedness of the State of California or of any political subdivision or public agency thereof which are rated in the highest short-term rating category or within one of the two highest long term rating categories of the Rating Agencies (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date);

(viii) for amounts less than \$10,000, interest-bearing demand or time deposits (including certificates of deposit) in a nationally or state-chartered bank including affiliates of the Trustee, or state or federal savings and loan association in the State of California, fully insured by the Federal Deposit Insurance Corporation, including the Trustee or any affiliate thereof;

(ix) investments in taxable government money market portfolios restricted to obligations with an average maturity of one year or less, issued or guaranteed as to payment of principal and interest by the full faith and credit of the United States of America and rated in either of the two highest rating categories by the Rating Agencies, including funds for which the Trustee, its affiliates or subsidiaries provide investment advisory or other management services;

(x) guaranteed investment contracts or funding agreements (in either case approved for investment hereunder by the Rating Agencies as evidenced by a Certificate from the City to the Trustee) fully collateralized at all times with permitted collateral from domestic or Canadian insurance companies or insurance holding companies rated at least "Aa3" or "AA-" as to claims paying ability by the Rating Agencies, U.S. branches of foreign banks rated at least "Aa3" or "AA-" by the Rating Agencies, domestic banks rated at least "A2" or "A" by the Rating Agencies, or, if such agreement is in a repurchase format, registered broker/dealers subject to SIPC or primary government security dealers rated, or whose parent is rated, at least "A3" or "A-" by the Rating Agencies and, in any case, if the investment contracts or funding agreements with such securities dealers, commercial banks or insurance companies is unconditionally guaranteed by an entity meeting the respective foregoing rating requirements, such rating shall be deemed the rating of such securities dealers, commercial banks or insurance companies and, in measuring the maturity of an investment under this subsection (x), such maturity shall be deemed to be the time at

which the investment can be liquidated by the Trustee at par plus accrued interest without the payment of any penalty;

(xi) shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California which consists exclusively of investments permitted by Section 53635 of Title 5, Division 2, Chapter 4 of the Government Code of the State of California, as it may be amended; and

(xii) any other investment approved in writing by the Insurer and the Rating Agencies.

Rating Agencies

“Rating Agencies” means Moody’s, Inc., S&P or Fitch, or in the event that Moody’s, or S&P, or Fitch no longer maintains a rating on the Bonds, any other nationally recognized bond rating agency then maintaining a rating on the Bonds, but, in each instance, only so long as Moody’s, S&P or Fitch or other nationally recognized rating agency then maintains a rating on the Bonds.

Rebate Fund

“Rebate Fund” shall have the meaning contained in Section 6.04 hereof.

Rebate Requirement

“Rebate Requirement” with respect to a series of Bonds shall have the meaning set forth in the applicable Tax Certificate.

Record Date

“Record Date” means the 15th day of the month immediately preceding an Interest Payment Date, whether or not such day is a Business Day.

Redemption Account

“Redemption Account” means the account by that name established pursuant to Section 5.03 hereof.

Representative Letter

“Representative Letter” means the Blanket Letter of Representations delivered upon the issuance of the Bonds to DTC by the Authority.

Reserve Account

“Reserve Account” means the account by that name established pursuant to Section 5.03 hereof.

Reserve Requirement

“Reserve Requirement” means, as of any date of calculation, the least of (i) 10% of the stated principal amount of the Bonds, (ii) Maximum Annual Debt Service for the current or any future Bond Year, or (iii) 125% of average Annual Debt Service. For purposes of determining if the amount on deposit in the Reserve Account equals the Reserve Requirement, any Credit Facility shall be deemed to be a deposit in the face amount or stated amount of such Credit Facility, less any unreimbursed drawings or other amounts not reinstated under such Credit Facility.

Revenues

“Revenues” means all Base Rental Payments made pursuant to the Facility Lease and interest or profits from the investment of money in any fund, account or subaccount (other than the Rebate Fund) pursuant to Section 5.04.

Securities Depositories

“Securities Depositories” means: The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Fax-(516) 227-4039 or 4190; Philadelphia Depository Trust Company, Reorganization Division, 1900 Market Street, Philadelphia, Pennsylvania 19103, Attention: Bond Department, Fax-(215) 496-5058; or to such other addresses and/or such other securities depositories as the Authority may designate in writing to the Trustee.

Serial Bonds

“Serial Bonds” means Bonds for which no sinking fund payments are provided.

Sinking Account

“Sinking Account” means the account by that name established within the Principal Account pursuant to Section 5.03(b)(2)(B) hereof.

S&P

“S&P” means Standard & Poor’s Ratings Services, or any successor credit rating agency selected by the Authority.

State

“State” means the State of California.

Supplemental Indenture

“Supplemental Indenture” means any indenture then in full force and effect which has been duly executed and delivered by the Authority and the Trustee amendatory hereof or supplemental hereto; but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

Tax Certificate

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

Term Bonds

“Term Bonds” means Bonds which are payable on or before their specified maturity dates from sinking fund payments established for that purpose and calculated to retire such Bonds on or before their specified maturity dates.

Trustee

“Trustee” means [TRUSTEE], a banking corporation existing under and by virtue of the laws of the State of California, or any other association or corporation which may at any time be substituted in its place as provided in Section 7.02.

2000A Bonds

“2000A Bonds” means all lease revenue bonds of the Authority authorized by and at any time Outstanding pursuant hereto and issued, executed and delivered in accordance with Article II.

Written Request of the Authority

“Written Request of the Authority” means a request in writing signed by the Chair, the Treasurer or the Secretary of the Authority, or by any other officer or authorized delegate of the Authority duly authorized by the Authority for that purpose.

Written Request of the City

“Written Request of the City” means a request in writing signed by the City Manager of the City, or by any other officer of the City duly authorized by the City for that purpose.

Section 1.02. Equal Security. In consideration of the acceptance of the Bonds by the Owners thereof, this Indenture shall be deemed to be and shall constitute a contract between the Authority and the Trustee for the benefit of the Owners from time to time of all Bonds authorized, issued, executed and delivered hereunder and then Outstanding to secure the full and final payment of the interest on and principal of and redemption premiums, if any, with respect to all Bonds which may from time to time be authorized, issued, executed and delivered hereunder, subject to the agreements, conditions, covenants and provisions contained herein; and all agreements and covenants set forth herein to be performed by or on behalf of the Authority shall be for the equal and proportionate benefit, protection and security of all Owners of the Bonds without distinction, preference or priority as to security or otherwise of any Bonds over any other Bonds by reason of the number or date thereof or the time of authorization, sale, issuance, execution or delivery thereof or for any cause whatsoever, except as expressly provided herein or therein.

ARTICLE II

ISSUANCE OF 2000A BONDS; REGISTRATION AND TRANSFER OF BONDS

Section 2.01. Authorization and Purpose of 2000A Bonds. The Authority has reviewed all proceedings heretofore taken relative to the authorization of the 2000A Bonds and has found, as a result of such review, and hereby finds and determines that all acts,

conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the 2000A Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and that the Authority is now duly authorized to issue the 2000A Bonds in the form and manner provided herein for the purpose of providing funds to finance the Project, and that the 2000A Bonds shall be entitled to the benefit, protection and security of the provisions hereof.

Section 2.02. Terms of the 2000A Bonds. (a) The 2000A Bonds shall be designated "Public Facilities Financing Authority of the City of San Diego Lease Revenue Bonds, Series 2000A" and shall be in the aggregate principal amount of Two Hundred _____ Million Dollars (\$2XX,XXX,000). The 2000A Bonds shall be dated _____ 1, 2000, shall be issued only in fully registered form in Authorized Denominations (not exceeding the principal amount of 2000A Bonds maturing at any one time), and shall mature on the dates and in the principal amounts and shall bear interest at the rates as set forth in the following schedule:

Maturity Date (____ 1)	Principal Amount	Interest Rate
	\$	%
TOTAL	\$	%

(b) The principal of the 2000A Bonds shall be payable in lawful money of the United States of America at the Corporate Trust Office of the Trustee upon presentation and surrender of such 2000A Bonds.

(c) The 2000A Bonds shall bear interest at the rates set forth above, payable on the Interest Payment Dates in each year, commencing on _____ 1, 200X. Each 2000A Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless such date of authentication is during the period commencing after a Record Date through and including the next succeeding Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless such date of

authentication is prior to the first Record Date, in which event it shall bear interest from _____ 1, 200X; provided, however, that if on the date of authentication of any 2000A Bonds, interest is then in default on the Outstanding 2000A Bonds, such 2000A Bonds shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the Outstanding 2000A Bonds.

(d) Payment of interest on the 2000A Bonds due on or before the maturity or prior redemption thereof shall be made to the person in whose name such 2000A Bonds is registered, as of the Record Date preceding the applicable Interest Payment Date, on the registration books kept by the Trustee pursuant to Section 2.08, such interest to be paid by check mailed by first class mail on such Interest Payment Date to such Owner at his address as it appears on such books as of the Record Date; provided, however, that upon the written request of an Owner of \$1,000,000 or more in aggregate principal amount of the 2000A Bonds received by the Trustee prior to the applicable Record Date, interest shall be paid by wire transfer in immediately available funds. Any such written request shall remain in effect until rescinded in writing by the Owner.

(e) Interest on the 2000A Bonds shall be payable in lawful money of the United States of America and shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Section 2.03. Redemption of 2000A Bonds.

(a) The 2000A Bonds are subject to redemption prior to their respective maturity dates, in Authorized Denominations, upon notice as hereinafter provided, on any date, as a whole or in part, from Net Proceeds, as provided in Section 6.08 herein and Sections 5.05 and 7.01 of the Facility Lease, at the principal amount thereof together with accrued interest to the date of redemption. The redemption date shall be a date, selected by the City on behalf of the Authority, no later than 75 days after receipt of the Written Request of the City delivered to the Trustee pursuant to Section 6.08(a).

(b) If less than all Outstanding 2000A Bonds are to be redeemed at any time pursuant to the provision of paragraph (a) above, the Trustee shall use the net insurance proceeds or condemnation awards attributable to the portion of the Leased Property destroyed, damaged, stolen or taken, to redeem, by lot among all maturities of 2000A Bonds, as directed in writing by the City, pursuant to the Facility Lease. Subject to the foregoing, if less than all Outstanding 2000A Bonds maturing by their terms on any one date are to be so redeemed at any one time, the Trustee shall select the 2000A Bonds of such maturity date to be redeemed in any manner that it deems appropriate; provided, however, that if the remaining Base Rental Payments will not be reasonably level after such prepayment of

Outstanding 2000A Bonds, the City shall deliver to the Trustee an Opinion of Counsel that the Facility Lease will continue to be a valid and binding obligation of the City after such redemption.

(c) The 2000A Bonds maturing on or before _____ 1, 20XX are not subject to optional redemption prior to their respective stated maturities. The 2000A Bonds maturing on or after _____ 1, 20XX shall be subject to redemption prior to their respective stated maturities at the option of the Authority on or after _____ 1, 20XX, as a whole, or in part (in such maturities as are designated to the Trustee by the Authority no later than 45 days prior to the redemption date or, if the Authority fails to designate such maturities, on a proportional basis among maturities) on any date, from funds derived by the Authority from any source at the following redemption prices (expressed as percentages of the principal amount of Bonds called for redemption), together with interest accrued thereon to the date fixed for redemption:

Redemption Date (dates inclusive)	Redemption Price
_____ 1, 20XX to _____ 30/31, 20XX	%
_____ 1, 20XX to _____ 30/31, 20XX	
_____ 1, 20XX and thereafter	

(d) The 2000A Term Bonds maturing on _____ 1, 20XX are also subject to redemption prior to their stated maturity, in part by lot, from sinking account payments deposited in the Sinking Account, on any _____ 1 on or after _____ 1, 20XX at the principal amount thereof and interest accrued thereon to the date fixed for redemption, without premium, according to the following schedule:

Year (_____ 1)	Principal Amount
a	\$

(e) Notice of redemption shall be mailed by the Trustee, not less than 30 nor more than 60 days prior to the redemption date to (i) the respective Owners of the 2000A Bonds designated for redemption at their addresses appearing on the registration books of the _____

^a Maturity

Trustee by first class mail; (ii) the Securities Depositories; and (iii) the Information Services. Notice of redemption to the Securities Depositories and the Information Services shall be given by registered mail or by overnight delivery. Each notice of redemption shall state the date of such notice, the redemption price, the name and appropriate address of the Trustee, the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity is to be redeemed, the distinctive certificate numbers of the 2000A Bonds of such maturity to be redeemed and, in the case of 2000A Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on each of said 2000A Bonds thereof and in the case of a 2000A Bond to be redeemed in part only, the specified portion of the principal amount thereof to be redeemed, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such 2000A Bonds be then surrendered at the address of the Trustee specified in the redemption notice.

(f) If notice of redemption has been duly given as aforesaid and money for the payment of the redemption price of the 2000A Bonds called for redemption is held by the Trustee, then on the redemption date designated in such notice 2000A Bonds shall become due and payable, and from and after the date so designated interest on the 2000A Bonds so called for redemption shall cease to accrue, and the Owners of such 2000A Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof.

(g) Failure by the Trustee to give notice pursuant to this Section to any one or more of the Information Services or Securities Depositories, or the insufficiency of any such notice, shall not affect the sufficiency of the proceedings for redemption. Failure by the Trustee to mail or otherwise provide notice of redemption pursuant to this Section to any one or more of the respective Owners of any 2000A Bonds designated for redemption shall not affect the sufficiency of the proceedings for redemption with respect to the Owners to whom such notice was mailed.

(h) All 2000A Bonds redeemed pursuant to the provisions of this Section shall be canceled by the Trustee and shall be delivered to, or upon the order of, the Authority and shall not be reissued.

Section 2.04. Form of 2000A Bonds. The 2000A Bonds and the authentication and registration endorsement and assignment to appear thereon shall be substantially in the forms set forth on Exhibit A hereto.

Section 2.05. Execution of Bonds. (a) The Chair of the Authority is hereby authorized and directed to execute each of the Bonds on behalf of the Authority and the

Secretary of the Authority is hereby authorized and directed to countersign each of the Bonds on behalf of the Authority. The signatures of such Chair or Secretary and said seal may be by printed, lithographed or engraved by facsimile reproduction. In case any officer whose signature appears on the Bonds shall cease to be such officer before the delivery of the Bonds to the purchaser thereof, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery of the Bonds.

(b) Only those Bonds bearing thereon a certificate of authentication and registration in substantially the form set forth in Exhibit A hereto, executed manually and dated by the Trustee, shall be entitled to any benefit, protection or security hereunder or be valid or obligatory for any purpose, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated and registered have been duly authorized, executed, issued and delivered hereunder and are entitled to the benefit, protection and security hereof.

Section 2.06. Transfer and Payment of Bonds. (a) Any Bond may, in accordance with its terms, be transferred in the books required to be kept pursuant to the provisions of Section 2.08 by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender, at the Corporate Trust Office of the Trustee, of such Bond for cancellation accompanied by delivery of a duly executed written instrument of transfer substantially in the form set forth in Exhibit A. Whenever any Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds of a like aggregate principal amount. The Trustee shall require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer as a condition precedent to the exercise of such privilege. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the City.

(b) The Authority and the Trustee may deem and treat the Owner of any Bond as the absolute owner of such Bond for the purpose of receiving payment thereof and for all other purposes, whether such Bond shall be overdue or not, and neither the Authority nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of and redemption premium, if any, on such Bond shall be made only to such Owner, which payments shall be valid and effectual to satisfy and discharge liability on such Bond to the extent of the sum or sums so paid.

(c) The Trustee shall not be required to register the transfer of any Bond (i) during the period commencing on the day which is five Business Days before the date on which Bonds are to be selected for redemption and ending on such date of selection, or (ii) which has been selected for redemption in whole or in part.

Section 2.07. Exchange of Bonds. (a) Bonds may be exchanged at the Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of the same series and maturity of other Authorized Denominations. The Trustee shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange as a condition precedent to the exercise of such privilege. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the City.

(b) The Trustee shall not be required to register the exchange of any Bond (i) during any period commencing on the day which is five Business Days before the date on which Bonds are to be selected for redemption and ending on such date of selection, or (ii) which has been selected for redemption in whole or in part.

Section 2.08. Bond Registration Books. The Trustee will keep sufficient books for the registration and transfer of the Bonds which shall at all times be open to inspection by the Authority during normal business hours with reasonable prior notice, and upon presentation for such purpose the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer the Bonds in such books as hereinabove provided.

Section 2.09. Mutilated, Destroyed, Stolen or Lost Bonds. (a) If any Bond shall become mutilated, the Trustee, at the expense of the Owner thereof, shall thereupon authenticate and deliver a new Bond of like series, maturity and Authorized Denomination in exchange and substitution for the Bond so mutilated, but only upon surrender, at the Corporate Trust Office of the Trustee, of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by the Trustee and delivered to, or upon the order of, the Authority.

(b) If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence is satisfactory to the Trustee and indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Owner, shall thereupon authenticate and deliver a new Bond of like series, maturity and Authorized Denomination in lieu of and in substitution for the Bond so lost, destroyed or stolen.

(c) The Trustee may require payment of a reasonable sum for each new Bond issued under this Section and of the expenses which may be incurred by the Authority and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds secured by this Indenture. Neither the Authority nor the Trustee shall be required to treat both the original Bond and any

replacement Bond as being Outstanding for the purpose of determining the principal amount of Bonds which may be issued hereunder or for the purpose of determining any percentage of Bonds Outstanding hereunder; both the original and replacement Bond shall be treated as one and the same.

Section 2.10. Temporary Bonds. The Bonds issued under this Indenture may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Authority, shall be in fully registered form and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed and authenticated in accordance with the terms hereof. If the Authority issues temporary Bonds it will execute and furnish definitive Bonds without delay and thereupon the temporary Bonds shall be surrendered, for cancellation, at the Corporate Trust Office of the Trustee, and the Trustee shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of Authorized Denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds delivered hereunder.

Section 2.11. Validity of Bonds. From and after the issuance of the Bonds, the findings and determinations of the Authority respecting the Bonds shall be conclusive evidence of (i) the existence of the facts so found and determined in any action or proceeding in any court in which the validity of the Bonds shall be required to see to the existence of any fact, or (ii) to the performance of any condition or to the taking of any proceeding required prior to such issuance, or (iii) to the application of the proceeds of sale of the Bonds. The validity of the issuance of the Bonds shall not be dependent on or affected in any way by the proceedings taken by the Authority for the financing of the Project or by any contracts made by the Authority or its agents in connection therewith, and shall not be dependent upon the completion of the acquisition or installation of the Project or upon the performance by any person, firm or corporation of his or its obligation with respect thereto. The recital contained in the Bonds that the same are issued pursuant hereto shall be conclusive evidence of their validity and of the regularity of their issuance, and all Bonds shall be incontestable from and after their issuance. The Bonds shall be deemed to be issued, within the meaning hereof, whenever the definitive Bonds (or any temporary Bonds exchangeable therefor) shall have been delivered to the purchaser thereof and the proceeds of sale thereof received.

Section 2.12. Special Covenants as to Book-Entry Only Bonds.

(a) Except as otherwise provided in subsections (b) and (c) of this Section 2.12, the Bonds initially executed and delivered hereunder shall be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York

("DTC"), or such other nominee as DTC may request. Payment of the principal of and interest on each Bond registered in the name of Cede & Co. shall be made to the account, in the manner and at the address indicated in or pursuant to the Letter of Representations delivered to DTC by the Authority and the Trustee.

(b) The Bonds executed and delivered hereunder shall be in the form of a single authenticated fully registered bond for each maturity. Upon initial execution of the Bonds, the ownership of all such Bonds shall be registered in the registration books maintained by the Trustee pursuant to Section 2.08 in the name of Cede & Co., as nominee of DTC, or such other nominee as DTC may request. The Trustee, the Authority and the City may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of and interest on such Bonds, selecting any Bonds or portions thereof to be prepaid, giving any notice permitted or required to be given to an Owner under the Indenture, registering the transfer of Bonds, obtaining any consent or other action to be taken by the Owners and for all other purposes whatsoever; and neither the Trustee, the Authority nor the City shall be affected by any notice to the contrary. Neither the Trustee nor the City shall have any responsibility or obligation to any Participant (which shall mean, for purposes of this Section 2.12, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly or indirectly own DTC), any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the registration records as being an Owner, with respect to (i) the accuracy of any records maintained by DTC or any Participant; (ii) the payment by DTC or any Participant of any amount in respect of the principal or interest represented by such Bonds; (iii) any notice which is permitted or required to be given to the Owners under the Indenture; (iv) the selection by DTC or any Participant of any person to receive payment in the event, if any, of a partial prepayment of the Bonds; or (v) any consent given or other action taken by DTC as Owner. The Trustee shall pay all principal of and premium, if any, and interest on the Bonds only at the times, to the accounts, at the addresses and otherwise in accordance with the Representation Letter. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of its then existing nominee, the Bonds will be transferable to such new nominee in accordance with subsection (f) of this Section 2.12.

(c) In the event that the Authority determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain bonds, the Trustee shall, upon the written instruction of the Authority, so notify DTC, whereupon DTC shall notify the Participants of the availability through DTC of Bonds. In such event, the Bonds will be transferable in accordance with subsection (f) of this Section 2.12. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice of such discontinuance to the City, the Authority or the Trustee and discharging its

responsibilities with respect thereto under applicable law. In such event, the Bonds will be transferable in accordance with subsection (f) of this Section 2.12. Whenever DTC requests the City, the Authority or the Trustee to do so, the Trustee, the Authority and the City will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of all bonds evidencing the Bonds then Outstanding. In such event, the Bonds will be transferable to such securities depository in accordance with subsection (f) of this Section 2.12, and thereafter, all reference in this Indenture to DTC or its nominee shall be deemed to refer to such successor securities depository and its nominee, as appropriate.

(d) Notwithstanding any other provision of this Indenture to the contrary, so long as all Bonds Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal and interest represented by each such Bond and all notices with respect to each such Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) The Authority shall execute and deliver the Representation Letter and, in connection with any successor nominee for DTC and any successor depository, enter into comparable arrangements, and shall have the same rights with respect to its actions thereunder as it has with respect to its actions under this Indenture.

(f) In the event that any transfer or exchange of Bonds is authorized under subsection (b) or (c) of this Section 2.12, such transfer or exchange shall be accomplished upon receipt by the Trustee from the registered owner thereof of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of Sections 2.06 and 2.07. In the event Bonds are issued to holders other than Cede & Co., its successor as nominee for DTC as holder of all the Bonds, another securities depository as holder of all the Bonds, or the nominee of such successor securities depository, the provisions of Sections 2.02, 2.03, 2.06 and 2.07 shall also apply to, among other things, the registration, exchange and transfer of the Bonds and the method of payment of principal of, premium, if any, and interest on the Bonds.

ARTICLE III

ISSUANCE OF ADDITIONAL BONDS

Section 3.01: Conditions for the Issuance of Additional Bonds. The Authority may at any time issue Additional Bonds payable from the Revenues as provided herein and secured by a pledge of the Revenues as provided herein equal to the pledge securing the Outstanding Bonds theretofore issued hereunder, but only subject to the following specific conditions, which are hereby made conditions precedent to the issuance of any such Additional Bonds:

(a) The Authority shall be in compliance with all agreements and covenants contained herein and no Event of Default shall have occurred and be continuing under the Facility Lease.

(b) The issuance of such Additional Bonds shall have been authorized by the Authority and shall have been provided for by a Supplemental Indenture which shall specify the following:

(1) the purpose for which such Additional Bonds are to be issued; provided, however, that the proceeds of such Additional Bonds shall be applied solely for the purpose of (i) financing, acquiring, constructing, maintaining, operating, improving and leasing the Project, including payment of all costs incidental to or connected with such financing (including interest during construction); (ii) increasing the Reserve Requirement; and/or (iii) refunding any Bonds then Outstanding, including payment of all costs incidental to or connected with such refunding;

(2) the authorized principal amount and designation of such Additional Bonds;

(3) the dated date and the maturity dates of, and the sinking fund payment dates, if any, for such Additional Bonds; provided, however, that (i) each maturity and sinking fund date shall fall upon _____ 1; (ii) all such Additional Bonds of like maturity shall be identical in all respects, except as to number and denomination; and (iii) serial maturities for Serial Bonds or sinking fund payments for Term Bonds, or any combination thereof, shall be established to provide for the retirement of such Additional Bonds on or before their respective longest maturity dates;

(4) the interest payment dates for such Additional Bonds, which shall be Interest Payment Dates;

(5) the redemption premiums, if any, and the redemption terms, if any, for such Additional Bonds;

(6) the amount, if any, to be deposited from the proceeds of sale of such Additional Bonds in the Interest Account;

(7) the amount, if any, to be deposited from the proceeds of sale of such Additional Bonds in an escrow fund or construction fund;

(8) the amount to be deposited from the proceeds of sale of such Additional Bonds in the Reserve Account, which amount shall be sufficient to cause the amount on deposit in the Reserve Account to equal the Reserve Requirement upon the issuance of such Additional Bonds;

(9) the forms of such Additional Bonds; and

(10) such other provisions as are necessary or appropriate and not inconsistent herewith.

(c) The Facility Lease shall have been further amended so as to increase the aggregate Base Rental Payments payable by the City thereunder by an amount at least sufficient to pay the interest on and principal of such Additional Bonds as the same become due, subject to the limitation that the increase in Base Rental Payments together with existing Base Rental Payments shall not in any year be in excess of the annual fair rental of the Leased Property determined as of the time the Additional Bonds are issued.

(d) The Authority shall have received confirmation in writing from the Rating Agencies that the issuance of such Additional Bonds will not, in and of itself, cause a downgrading or withdrawal of such rating. The Authority shall not seek such a confirmation in writing if the annual amount of interest and principal, including sinking fund payments, payable on the Additional Bonds, does not exceed the corresponding amount of such payments on the Outstanding Bonds being refunded, provided, however, that the term of the Additional Bonds does not exceed the term on the Outstanding Bonds being refunded.

Nothing contained herein shall limit the issuance of any lease revenue bonds of the Authority payable from the Revenues and secured by a pledge of the Revenues if, after

the issuance and delivery of such lease revenue bonds, none of the Bonds theretofore issued hereunder will be Outstanding.

Section 3.02. Procedure for the Issuance of Additional Bonds. The Authority may, at any time, execute Additional Bonds for issuance hereunder and deliver them to the Trustee, and thereupon such Additional Bonds shall be authenticated and delivered by the Trustee to the purchaser thereof upon the Written Request of the Authority, but only upon receipt by the Trustee of the following documents or money or securities, all of such documents dated or certified, as the case may be, as of the date of delivery of such Additional Bonds by the Trustee (unless the Trustee shall accept any of such documents bearing a prior date):

(a) an executed copy of the Supplemental Indenture authorizing the issuance of such Additional Bonds;

(b) a Written Request of the Authority as to the delivery of such Additional Bonds;

(c) an Opinion of Counsel to the effect that (i) the Authority has the right and power to execute and deliver the Supplemental Indenture and the Supplemental Indenture has been duly and lawfully executed and delivered by the Authority, is in full force and effect and is valid and binding upon the Authority and enforceable in accordance with its terms (except as enforcement may be limited by bankruptcy, insolvency, reorganization and other similar laws relating to the enforcement of creditors' rights and by equitable principles) and no other authorization for the execution and delivery thereof is required; (ii) the Supplemental Indenture creates the valid pledge of the Revenues which it purports to create as provided therein, subject to the application thereof to the purposes and on the conditions permitted hereby; (iii) such Additional Bonds are valid and binding special obligations of the Authority, enforceable in accordance with their terms (except as enforcement may be limited by bankruptcy, insolvency, reorganization and other similar laws relating to the enforcement of creditors' rights and by equitable principles) and the terms hereof and entitled to the benefits hereof, and such Additional Bonds have been duly and validly authorized, executed, issued and delivered in accordance herewith; (iv) the amendments to the Facility Lease required by Section 3.01(c) have been duly authorized, executed and delivered and are valid and binding upon the Authority and the City and enforceable in accordance with its terms (except as enforcement may be limited by bankruptcy insolvency, reorganization and other similar laws relating to the enforcement of creditors' rights and by equitable principles); and (v) the issuance of such Additional Bonds will not adversely affect the exclusion from gross income for federal tax purposes of interest on the Bonds then Outstanding;

(d) a Certificate of the Authority certifying that the conditions for the issuance of such Additional Bonds contained herein have been complied with and satisfied; and

(e) such further documents, opinions, money or securities as are required by the provisions of the Supplemental Indenture providing for the issuance of such Additional Bonds.

ARTICLE IV

ESTABLISHMENT OF CERTAIN FUNDS; DEPOSIT AND APPLICATION OF PROCEEDS

Section 4.01. Establishment of Certain Funds. (a) The Trustee shall establish the following special trust funds, which the Trustee agrees to maintain and keep separate and apart from all other funds and moneys held by the Trustee so long as the Bonds are Outstanding: the "Public Facilities Financing Authority of the City of San Diego Lease Revenue Bonds, Series 2000A Bond Fund" (the "Bond Fund"), the Public Facilities Financing Authority of the City of San Diego Lease Revenue Bonds, Series 2000A Costs of Issuance Fund" (the "Costs of Issuance Fund") and the "Public Facilities Financing Authority of the City of San Diego Lease Revenue Bonds, Series 2000A Construction Fund" (the "Construction Fund"). Incident to the issuance of Additional Bonds, the Supplemental Indenture may provide for the creation of additional special trust funds to be maintained by the Trustee.

(b) So long as any of the 2000A Bonds, or any interest thereon, remain unpaid, the moneys in the foregoing funds shall be used for no purpose other than those required or permitted by this Indenture.

Section 4.02. Procedure for the Issuance of 2000A Bonds. The Authority may, at any time, execute the 2000A Bonds for issuance hereunder and deliver them to the Trustee, and thereupon the 2000A Bonds shall be authenticated and delivered by the Trustee to the purchaser thereof upon the Written Request of the Authority and upon receipt of payment therefor from the purchaser thereof.

Section 4.03. Application of Proceeds and Other Monies. (a) Upon the receipt of payment for the 2000A Bonds on the Closing Date, the Trustee shall apply the proceeds of the 2000A Bonds as follows:

(1) the Trustee shall deposit the amount of \$ _____ in the Interest Account established within the Bond Fund which amount represents accrued interest received on the sale of the 2000A Bonds and interest payable on Interest Payment Dates to and including _____ 1, 20XX.;

(2) the Trustee shall deposit the amount of \$ _____ in the Reserve Account established within the Bond Fund;

(3) the Trustee shall deposit the amount of \$ _____ in the Cost of Issuance Fund and immediately thereafter shall transfer from such fund to the City the amount of \$ _____ as reimbursement for certain Costs of Issuance advanced by the City;

(4) the Trustee shall deposit the amount of \$ _____ in the Construction Fund, and immediately thereafter shall transfer from such fund to the City the amount of \$ _____ as reimbursement for certain costs of the Project advanced by the City.

(b) The Trustee acknowledges that the premium for the Municipal Bond Insurance Policy in the amount of \$ _____ was paid to the Insurer by separate transfer by the Underwriters, net of the purchase price, on the Closing Date.

Section 4.04. Costs of Issuance Fund. (a) The Trustee shall hold the moneys in the Costs of Issuance Fund and shall disburse such moneys from time to time to pay Costs of Issuance. The Trustee shall disburse moneys in the Costs of Issuance Fund from time to time upon receipt by the Trustee of a Written Request of the City or Authority (signed by the Chair, Vice-Chair, the Treasurer or the Secretary of the Authority, or by any Deputy City Manager or any Deputy Director and Assistant Auditor and Comptroller or Accounting Division Manager), which may be sent to the Trustee by facsimile, that:

- (1) states with respect to each disbursement to be made:
 - (A) the requisition number,
 - (B) the name and address of the person, firm or corporation to whom payment is due,
 - (C) the amount to be disbursed, and

(D) that each obligation therein has been properly incurred, and is a proper charge against the Costs of Issuance Fund and has not been the basis of any previous disbursement;

(2) specifies in reasonable detail the nature of the obligation; and

(3) is accompanied by a bill or statement of account for each obligation.

(b) The Trustee shall hold the moneys in the Costs of Issuance Fund and disburse such moneys therefrom in accordance with this Section. The Trustee shall, upon a Written Request of the City or Authority, which may be sent to the Trustee by facsimile, wire the funds to be disbursed to the City or the Authority in accordance with instructions contained in such Written Request of the City or the Authority.

(c) Upon the earlier of the date one year after the Closing Date or the date of receipt of a Certificate of the City stating that all Costs of Issuance have been paid, the Trustee shall transfer any amounts then remaining in the Costs of Issuance Fund to the Construction Fund until such time as the Certificate of Completion is delivered to the Trustee and thereafter to the Reserve Account to the extent amounts in the Reserve Account have been withdrawn to pay debt service on the Bonds and any amount remaining thereafter in the Costs of Issuance Fund shall be transferred to the Interest Account; provided, however, that investment earnings or equivalent amount may be transferred to the Rebate Fund as provided in Section 6.04 hereof.

Section 4.05. Construction Fund.

(a) The Trustee shall hold the moneys in the Construction Fund and shall disburse such moneys therefrom to pay the costs of the Project. Such disbursements shall be made from time to time upon receipt of a Written Request of the City on behalf of the Authority (in the form as set forth in Exhibit B hereto, signed by a representative of the City Manager's Office and Assistant Auditor Comptroller or Accounting Division Manager) which:

(1) states with respect to each disbursement to be made: (A) the requisition number, (B) the name and address of the person, firm or authority to whom payment is due, (C) the amount to be disbursed, and (D) that each obligation therein has been properly incurred, and is a proper charge against the Construction Fund and has not been the basis of any previous disbursement;

- (2) specifies in reasonable detail the nature of the obligation; and
- (3) is accompanied by a bill or statement of account for each obligation.

(b) If, after payment by the Trustee of all Written Requests of the City on behalf of the Authority and delivery to the Trustee of a Certificate of Completion, there shall remain any balance of money in the Construction Fund, all money so remaining shall be transferred first to the Reserve Account to the extent necessary to make the amount on deposit therein equal to the Reserve Requirement, and thereafter to the accounts of the Interest Account.

ARTICLE V
REVENUES

Section 5.01. Pledge of Revenues. (a) All Revenues and amounts on deposit in the funds, accounts and subaccounts established hereunder (other than amounts on deposit in the Rebate Fund created pursuant to Section 6.04) are hereby irrevocably pledged to the payment of the interest on and principal and redemption price, if any, of the Bonds as provided herein, and the Revenues shall not be used for any other purpose while any of the Bonds remain Outstanding; provided, however, that out of the Revenues there may be allocated such sums for such purposes as are expressly permitted by Section 5.03.

(b) The Trustee shall be entitled to and shall receive all of the Revenues, and any Revenues collected or received by the Authority shall be deemed to be held, and to have been collected or received, by the Authority as agent of the Trustee and shall forthwith be paid by the Authority to the Trustee.

Section 5.02. Receipt and Deposit of Revenues in the Bond Fund. In order to carry out and effectuate the pledge contained in Section 5.01 hereof, the Trustee agrees and covenants that all Revenues when and as received shall be received in trust hereunder for the benefit of the Owners and shall be deposited when and as received in the Bond Fund. All Revenues shall be accounted for through and held in trust in the Bond Fund, and the Authority shall have no beneficial right or interest in any of the Revenues except only as herein provided. All Revenues, whether received by the Authority in trust or deposited with the Trustee as herein provided, shall nevertheless be allocated, applied and disbursed solely to the purposes and uses hereinafter in this Article set forth, and shall be accounted for separately and apart from all other accounts, funds, money or other resources of the Authority.

Section 5.03. Establishment and Maintenance of Accounts for Use of Money in the Bond Fund. (a) Subject to Section 6.04, all money in the Bond Fund shall be set aside by the Trustee in the following respective special accounts within the Bond Fund (each of which is hereby created and each of which the Trustee hereby covenants and agrees to maintain) in the following order of priority:

- (1) Interest Account,
- (2) Principal Account,
- (3) Reserve Account, and
- (4) Redemption Account.

(b) All money in each of such accounts shall be held in trust by the Trustee and shall be applied, used and withdrawn only for the purposes hereinafter authorized in this Section.

(1) Interest Account. (A) On or before each Interest Payment Date, the Trustee shall set aside from the Bond Fund and deposit in the Interest Account that amount of money which, together with any money contained in the Interest Account, is equal to the aggregate amount of interest becoming due and payable on all Outstanding Bonds on such Interest Payment Date.

(B) No deposit need be made in the Interest Account if the amount contained in the Interest Account is at least equal to the aggregate amount of interest becoming due and payable on all Outstanding Bonds on such interest payment date.

(C) All money in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity).

(2) Principal Amount. (A) On or before _____ 1 of each year, beginning on _____ 1, 20XX, the Trustee shall set aside from the Bond Fund and deposit in the Principal Account an amount of money equal to the aggregate principal amount of all Outstanding Serial Bonds maturing

on such _____ 1, plus the aggregate amount of all sinking fund payments required to be made with respect to the Term Bonds on such _____ 1. No deposit need be made in the Principal Account if the amount contained therein is at least equal to the aggregate amount of the principal of all Outstanding Serial Bonds maturing by their terms on such _____ 1, plus the aggregate amount of all sinking fund payments required to be made on such _____ 1, for all Outstanding Term Bonds.

(B) The Trustee shall establish and maintain within the Principal Account a separate subaccount for the Term Bonds of each series and maturity, designated as the "2000A Bonds Sinking Account" (the "Sinking Account"), inserting therein the series and maturity (if more than one such subaccount is established for such series) designation of such Bonds. With respect to each Sinking Account, on each mandatory sinking account payment date established for such Sinking Account, the Trustee shall apply the mandatory sinking account payment required on that date to the redemption (or payment at maturity, as the case may be) of Term Bonds of the series and maturity for which such Sinking Account was established, upon the notice and in the manner provided herein or in the Supplemental Indenture pursuant to which such series of Bonds were issued; provided that, at any time prior to giving such notice of such redemption, the Trustee may apply moneys in such Sinking Account at the written direction of the City to the purchase of Term Bonds of such series and maturity at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as shall be determined by the City, except that the purchase price (excluding accrued interest) shall not exceed the redemption price that would be payable for such Bonds upon redemption by application of such mandatory sinking account payment. If, during the twelve-month period immediately preceding said mandatory sinking account payment date, the Trustee has purchased Term Bonds of such series and maturity with moneys in such Sinking Account, such Bonds so purchased shall be applied, to the extent of the full principal amount thereof, to reduce said mandatory sinking account payment.

(C) All money in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds as they shall become due and payable, except

that any money in any Sinking Account shall be used and withdrawn by the Trustee only to purchase or to redeem or to pay Term Bonds for which such sinking account was created.

(3) Reserve Account. (A) All amounts deposited into the Reserve Account shall be used only for the purposes set forth herein while any of the Bonds remain Outstanding and are hereby irrevocably pledged to the payment of the interest, principal and redemption premiums, if any, with respect to the Bonds.

(B) On or before [Principal Payment Date] of each year, beginning on _____ 1, 20XX, the Trustee will set aside from the Bond Fund and deposit in the Reserve Account that amount of money which shall be required to maintain the Reserve Account in the full amount of the Reserve Requirement or such larger amount as shall be required to be maintained in the Reserve Account by any Supplemental Indenture. No deposit need be made in the Reserve Account so long as there shall be on deposit therein a sum equal to at least the amount required by this paragraph to be on deposit therein.

(C) All money in the Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of replenishing the Interest Account or the Principal Account in such order, in the event of any deficiency at any time in either of such accounts, or for the purposes of paying the interest, principal or redemption premiums, if any, with respect to the Bonds in the event that no other money of the Authority is lawfully available therefor, or for the retirement of all the Bonds then Outstanding, except that so long as the Authority is not in default hereunder. All interest income received by the Trustee on investment of moneys in the Reserve Account shall be transferred first to the Rebate Fund to the extent required pursuant to Section 6.04, as set forth in a Written Request of the Authority or the City to the Trustee, and thereafter to the Interest Account; provided, however, that such interest income shall be retained in the Reserve Account to the extent that amounts therein have been transferred in accordance with this paragraph (C) to make up a deficiency in the Interest Account or the Principal Account; and provided further, the amounts in the Reserve Account in excess of the then current Reserve Requirement shall be transferred to the Construction Fund until such time as the Certificate of Completion is delivered to the Trustee, and thereafter to the Interest Account.

(D) At any time that amounts in the Reserve Account are to be withdrawn pursuant to Section 5.03(b)(3)(C), the Trustee shall withdraw such amounts from any subaccounts therein as specified in a Written Request of the City. In the absence of such Written Request of the City, the Trustee shall withdraw amounts in each such subaccount on a pro rata basis.

(E) Notwithstanding anything herein to the contrary, at the option of the Authority or the City, amounts required to be held in the Reserve Account may be withdrawn, in whole or in part, upon the deposit of a Credit Facility with the Trustee, in a stated amount equal to the amounts so withdrawn; provided that at the time of such deposit the unsecured obligations of the Credit Facility are rated not lower than "Aa/AA" by the Rating Agencies and that prior to the deposit of such Credit Facility, the Rating Agencies shall be notified of such proposed withdrawal and the deposit of such Credit Facility shall not result in a withdrawal or downgrading of any rating of the Bonds then in effect by the Rating Agencies. Any such withdrawn moneys shall be transferred to the Interest Account or Principal Account or to a special account to be established for the payment of any fees in connection with obtaining such Credit Facility or to the Construction Fund to pay the costs of the Project or to the City for any other purpose, all at the option of the City. In the event a Credit Facility only partially replaces amounts on deposit in the Reserve Account, amounts remaining in the Reserve Account shall be exhausted first before the Credit Facility is drawn upon and any reimbursements to or for the benefit of the Reserve Account shall first be used to replace amounts paid from the Reserve Account and then to reimburse draws on the Credit Facility.

(4) Redemption Account. In addition to the above accounts, the Trustee shall establish and maintain within the Bond Fund, when required, a special account designated the "Redemption Account." All money in the Redemption Account shall be held in trust by the Trustee and shall be applied, used and withdrawn only for the purposes authorized in this section. Any Net Proceeds which, in accordance with a Written Request of the City or the Authority delivered to the Trustee pursuant to Section 6.08 and all other amounts received by the Trustee in connection with the redemption of the Bonds pursuant to Section 2.03 (except for any amounts for sinking fund redemptions pursuant to Section 2.03(d)) are to be used to redeem Bonds shall be deposited by the Trustee in the Redemption Account. The Trustee shall, on the scheduled redemption date, withdraw from the Redemption Account and pay to the Owners entitled thereto an amount equal to the redemption price of the Bonds to be redeemed on such date.

(5) Any delinquent Base Rental Payments and any proceeds of rental interruption insurance with respect to the real property encumbered by the Facility Lease shall be applied first to the Interest Account for the immediate payment of interest payments past due and then to the Principal Account for immediate payment of principal payments past due according to the tenor of any Bond, and then to the Reserve Account to the extent necessary to make the amount on deposit therein equal to the Reserve Requirement. Any remaining money representing delinquent Base Rental Payments and any proceeds of rental interruption insurance shall be deposited in the Bond Fund to be applied in the manner provided herein.

- Section 5.04. Investment of Moneys in Funds and Accounts. Moneys in the Bond Fund, the Costs of Issuance Fund, the Construction Fund and any accounts and subaccounts therein shall, upon the Written Request of the City or the Authority at least two Business Days before the investment, be invested by the Trustee in Permitted Investments. In the absence of a Written Request of the City or the Authority, the Trustee may invest moneys in such funds and accounts in Permitted Investments described in subparagraph (ix) of the definition of Permitted Investments. The obligations in which moneys in the said funds, accounts and subaccounts are invested shall mature on or prior to the date on which such moneys are estimated to be required to be paid out hereunder. The obligations in which moneys in the Reserve Account are so invested shall be invested in obligations maturing no later than seven years in the case of the Outstanding Bonds and any Additional Bonds (unless a different maturity is specified in the related Supplemental Indenture) after the date of investment, except that obligations in the Reserve Account may mature at a date which is more than the specified maximum if the Authority or the Authority and the City shall have entered into an agreement with a corporation, partnership or other business enterprise, having unsecured long-term credit ratings provided by the Rating Agencies, which at the time are "Aa" or higher as provided by Moody's, if then rating the Bonds, and "AA" as provided by S&P, if then rating the Bonds, under which the provider of the agreement will agree to purchase, at the amortized cost thereof to the Authority, such obligations in the event that obligations in the Reserve Account must be sold to pay principal of or interest on Bonds including Bonds that are redeemed in accordance with Section 2.03 or in the case of Additional Bonds in accordance with any mandatory sinking fund redemption or redemption from Net Proceeds. Any interest, income or profits from the deposits or investments of all funds, accounts and subaccounts hereunder (except the Rebate Fund and the Reserve Account to the extent required to be maintained therein or transferred pursuant to Section 5.03(c)) shall be deposited (i) prior to the delivery to the Trustee of the Certificate of Completion, to the Construction Fund or, at the election of the City as set forth in a Written Request of the City, to the Interest Account, to pay interest on the Bonds when and as the same shall become due and payable, and (ii) thereafter, first to the Reserve Account to the

extent required to maintain the Reserve Requirement, and thereafter to the Interest Account. For purposes of determining the amount of deposit in any fund, account or subaccount held hereunder, all Permitted Investments credited to such fund or account shall be valued, on or about December 1 during each year that Bonds are Outstanding, at the cost thereof (adjusting for any amortized premium or discount to maturity). Except as otherwise provided in this Section, Permitted Investments representing an investment of moneys attributable to any fund, account or subaccount and all investment profits or losses thereon shall be deemed at all times to be a part of said fund, account or subaccount. The Trustee shall maintain records with respect to each investment, including: (i) purchase date; (ii) purchase price; (iii) any accrued interest paid; (iv) face amount; (v) coupon rate; (vi) periodicity of interest payments; (vii) disposition price; (viii) any accrued interest received; and (ix) disposition date. The Trustee will furnish the Authority and the City periodic cash transaction statements which include detail for all investment transactions made by the Trustee hereunder. The Trustee or any of its affiliates may act as sponsor, advisor or manager in connection with any investments made by the Trustee hereunder. The Trustee may act as principal or agent in the acquisition or disposition of investments, and to the extent permitted under the Tax Certificate may commingle the funds, accounts and subaccounts established hereunder for investment purposes. The Trustee shall have no liability or responsibility for any loss resulting from any investment made in accordance with the provisions of this Article V.

ARTICLE VI

COVENANTS OF THE AUTHORITY AND THE TRUSTEE

Section 6.01. Punctual Payment and Performance. The Authority will punctually pay the interest on and the principal of and redemption premiums, if any, to become due on every Bond issued hereunder in strict conformity with the terms hereof and of the Bonds, and will faithfully observe and perform all the agreements and covenants contained herein and in the Bonds.

Section 6.02. Against Encumbrances. The Authority will not make any pledge of or place any charge or lien upon the Revenues except as provided herein, and will not issue any bonds, notes or obligations payable from the Revenues or secured by a pledge of or charge or lien upon the Revenues except the Bonds.

Section 6.03. Against Sale or Disposition of the Leased Property. Except as provided in the Facility Lease, the Authority will not sell or otherwise dispose of the Leased Property, enter into any agreement which impairs the use of the Leased Property or any part thereof necessary to secure adequate Revenues for the payment of the interest on and

principal of and redemption premiums, if any, with respect to the Bonds, or which would otherwise impair the rights of the Owners with respect to the Revenues.

Section 6.04. Tax Covenants: Rebate Fund.

(a) In addition to the other funds and accounts created pursuant hereto, the Trustee shall establish and maintain a fund separate from any other fund or account established and maintained hereunder designated the "Rebate Fund" (the "Rebate Fund"). Within the Rebate Fund, the Trustee shall maintain such accounts or subaccounts as are specified in a Written Request of the City or the Authority to the Trustee pursuant to the Tax Certificate. The Trustee shall deposit moneys in the Rebate Fund pursuant to a Written Request of the City or the Authority. Subject to the transfer provisions provided in paragraph (e) below, all money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement, for payment to the federal government of the United States of America, and none of the City, the Authority, the Trustee or the Owner of any Bond shall have any right in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Section and by the Tax Certificate (which is incorporated herein by reference). The Trustee shall be deemed conclusively to have complied with the provisions of this Section 6.04 and the Tax Certificate if it follows the Written Request of the City or the Authority, including supplying all necessary information in the manner provided in the Tax Certificate, and except as otherwise expressly provided herein, shall not be required to take any actions hereunder in the absence of written directions by the City or the Authority, and shall have no liability or responsibility to enforce compliance by the City or the Authority with the terms of the Tax Certificate or this Section. The Trustee agrees to comply with all Written Requests of the City or the Authority given pursuant to the Tax Certificate.

(b) Upon a Written Request of the City or the Authority, an amount shall be deposited into the Rebate Fund by the Trustee from deposits by the Authority, if and to the extent required, so that the balance of the amount on deposit thereto shall be equal to the Rebate Requirement. Computations of the Rebate Requirement shall be furnished by or on behalf of the City and the Authority in accordance with the Tax Certificate. The City shall provide the Trustee with written evidence that the computation of the Rebate Requirement has been made.

(c) The Trustee shall have no obligation to rebate any amounts required to be rebated pursuant to this Section, other than from moneys held in the funds and accounts created hereunder or from other moneys provided to it by the City or the Authority.

(d) The Trustee shall invest all amounts held in the Rebate Fund in Permitted Investments as directed by a Written Request of the City or the Authority. Money, including investment earnings, shall not be transferred from the Rebate Fund except as provided in paragraph (e) below.

(e) Upon receipt of a Written Request of the City or the Authority, the Trustee shall remit part or all of the amounts in the Rebate Fund to the United States of America, as so directed. In addition, if the City or the Authority so directs, the Trustee will deposit moneys into or transfer moneys out of the Rebate Fund from or into such accounts or fund as directed by the Written Request of the City or the Authority. Any funds remaining in the Rebate Fund in excess of the Rebate Requirement as of the end of any Bond Year shall be transferred to the Interest Account of the Bond Fund.

(f) Notwithstanding any other provision hereof, including, in particular, Article X, the obligation to remit the Rebate Requirement to the United States and to comply with all other requirements of this Section and the Tax Certificate shall survive the defeasance or payment in full of the Bonds.

(g) The Authority shall not use or permit the use of any proceeds of the Bonds and any Additional Bonds or any funds of the Authority, directly or indirectly, to acquire any securities or obligations, and shall not take or permit to be taken any other action or actions, which would cause the Bonds or any Additional Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code or obligations subject to federal income taxation because they are "federally guaranteed" within the meaning Section 103(h) of the Internal Revenue Code of 1954, as amended (the "1954 Code"), or Section 149(b) of the Code and any such applicable regulations promulgated from time to time thereunder. The Authority shall observe and not violate the requirements of Section 148 of the Code and any such applicable regulations. The Authority shall comply with all requirements of Sections 148 and 149(b) of the Code to the extent applicable to the 2000A Bonds.

(h) The Authority specifically covenants to comply with the provisions and procedures of the Tax Certificate.

(i) The Authority shall not use or permit the use of any proceeds of the Bonds or any funds of the Authority, directly or indirectly, in any manner, and shall not take or omit to take any action that would cause any of the Bonds to be treated as an obligation not described in Section 103(a) of the Code.

(j) Notwithstanding any provisions of this Section 6.04, if the Authority shall provide to the Trustee an Opinion of Counsel to the effect that any specified action

required under this Section 6.04 is no longer required or that some further or different action is required to maintain the exclusion from gross income for federal income tax purposes of interest with respect to the 2000A Bonds, the Trustee, the Authority and the City may conclusively rely on such opinion in complying with the requirements of this Section, and, notwithstanding Article VIII hereof, the covenants hereunder shall be deemed to be modified to that extent.

Section 6.05. Payment of Claims. The Authority will pay and discharge or cause to be paid and discharged any and all lawful claims for labor, materials or supplies which, if unpaid, might become a legal charge or lien upon the Leased Property or the Revenues or any part thereof or upon any funds under the control of the Authority or the Trustee superior to or on a parity with the charge and lien upon the Revenues securing the Bonds, or which might impair the security of the Bonds.

Section 6.06. Payment of Taxes and Compliance with Governmental Regulations. The Authority will pay and discharge or cause to be paid and discharged all applicable taxes, assessments and other governmental charges that may be levied, assessed or charged upon the Leased Property or any part thereof or upon the Revenues or any part thereof promptly as and when the same shall become due and payable. The Authority will duly observe and conform with all valid applicable regulations and requirements of any governmental authority relative to the use of the Leased Property or any part thereof, but the Authority shall not be required to comply with any such regulations or requirements so long as the application or the validity thereof shall be contested in good faith.

Section 6.07. Insurance. The Authority will maintain or cause to be maintained insurance with respect to the Leased Property as required by the Facility Lease.

Section 6.08. Insurance Proceeds and Condemnation Awards; Title Insurance.

(a) The Trustee shall receive all moneys which may become due and payable under any insurance policies obtained pursuant to Section 6.03(a)(1) of the Facility Lease and pursuant to any condemnation awards in a separate fund to be established and maintained by the Trustee and designated the "Insurance Proceeds and Condemnation Awards Fund," and shall apply the proceeds of such insurance as provided in Section 7.01 of the Facility Lease. The Trustee shall permit withdrawals of said proceeds from time to time upon receiving the Written Request of the City, stating that the City or the Authority has expended moneys or incurred liabilities in an amount equal to the amount therein requested to be paid over to it for the purpose of repair, reconstruction or replacement, and specifying the items

for which such moneys were expended, or such liabilities were incurred, in such reasonable detail as the Trustee may in its discretion require.

(b) The Trustee shall not be responsible for the sufficiency of any insurance required by the Facility Lease and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the City. Delivery to the Trustee of the schedule of insurance policies under the Facility Lease shall not confer responsibility upon the Trustee as to the sufficiency of coverage or amounts of such policies. The Trustee may request, in writing, that the City deliver to the Trustee certificates or duplicate originals or certified copies of each insurance policy described in the schedule required to be delivered by the City to the Trustee pursuant to Section 6.03 of the Facility Lease.

(c) Proceeds of any policy of title insurance received by the Trustee in respect of the Leased Property shall be applied and disbursed by the Trustee as follows:

(1) If the City determines that the title defect giving rise to such proceeds has not materially affected the operation of the Leased Property and will not result in an abatement of Base Rental Payments payable by the City under the Facility Lease, such proceeds shall at the election of the City as set forth in a Written Request of the City, be deposited in the Redemption Account and such proceeds shall be applied to cause the redemption of Outstanding Bonds in the manner provided in Section 2.03(a) or in the Construction Fund and utilized to improve or enhance the remaining Leased Property; or

(2) If any portion of the Leased Property has been affected by such title defect, and if the City determines that such title defect will result in an abatement of Base Rental Payments payable by the City under the Facility Lease, then the Trustee shall immediately deposit such proceeds in the Redemption Account and such proceeds shall be applied to cause the redemption of Outstanding Bonds in the manner provided in Section 2.03(a).

Section 6.09. Accounting Records and Reports. The Authority will keep or cause to be kept proper books of record and accounts in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocation and application of the Revenues, and such books shall be available for inspection by the Trustee, at reasonable hours and under reasonable conditions. Not more than six months after the close of each Fiscal Year, the Authority shall furnish or cause to be furnished to the Trustee a complete financial statement covering receipts, disbursements, allocation and application of Revenues for such Fiscal Year, and including a profit and loss statement and balance sheet.

The Authority shall also keep or cause to be kept such other information as is required under the Tax Certificate.

Section 6.10. Facility Lease and Other Documents. The Authority will at all times maintain and vigorously enforce all of its rights under the Facility Lease, and will promptly collect all rents and charges due for the use of the Leased Property as the same become due under the Facility Lease, and will promptly and vigorously enforce its rights against any tenant or other person who does not pay such rents or charges as they become due under the Facility Lease. The Authority will not do or permit anything to be done, or omit or refrain from doing anything, in any case where any such act done or permitted to be done, or any such omission of or refraining from action, would or might be a ground for cancellation, abatement or termination of the Facility Lease by the respective lessees thereunder.

Section 6.11. Other Liens. The Authority will keep the Leased Property free from judgments, mechanics' and materialmen's liens (except those arising from the acquisition, construction and installation of the Leased Property and except Permitted Encumbrances) and free from all liens, claims, demands and encumbrances of whatsoever prior nature or character to the end that the security for the Bonds provided herein will at all times be maintained and preserved free from any claim or liability which, in the judgment of the Trustee (and its determination thereof shall be final), might hamper the Authority in conducting its business or interfere with the City's use and occupancy of the Leased Property, and the Trustee at its option (after first giving the Authority ten days' written notice to comply therewith and failure of the Authority to so comply within such period) may defend against any and all actions or proceedings in which the validity hereof is or might be questioned, or may pay or compromise any claim or demand asserted in any such action or proceeding; provided, however, that in defending such actions or proceedings or in paying or compromising such claims or demands the Trustee shall not in any event be deemed to have waived or released the Authority from liability for or on account of any of its agreements and covenants contained herein, or from its liability hereunder to defend the validity hereof and the pledge of the Revenues made herein and to perform such agreements and covenants.

Section 6.12. Prosecution and Defense of Suits. (a) The Authority will promptly from time to time take or cause to be taken such action as may be necessary or proper to remedy or cure any defect in or cloud upon the title to the Leased Property, whether now existing or hereafter developing, and shall prosecute or cause to be prosecuted all such suits, actions and other proceedings as may be appropriate for such purpose and shall indemnify and hold the Trustee harmless from all loss, cost, damage and expense, including attorney's fees, which it may incur by reason of any such defect, cloud, suit, action or proceeding.

(b) The Authority will defend against every suit, action or proceeding except those arising out of the wrongful, willful act or actions of the Trustee at any time brought against the Trustee upon any claim arising out of the receipt, application or disbursement of any of the Revenues or involving the rights of the Trustee hereunder; provided, however, that the Trustee at its election may appear in and defend any such suit, action or proceeding.

Section 6.13. Further Assurances. Whenever and so often as requested to do so by the Trustee, the Authority will promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments, and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Owners all rights, interests, powers, benefits, privileges and advantages conferred or intended to be conferred upon them hereby.

Section 6.14. Continuing Disclosure. Pursuant to Section 4.03 of the Facility Lease, the City has undertaken all responsibility for compliance with continuing disclosure requirements, and the Authority shall have no liability to the Owners or any other person with respect to S.E.C. Rule 15c2-12. The Trustee hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement and Section 4.03 of the Facility Lease. Notwithstanding any other provision of this Indenture, failure of the City or the Trustee to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Trustee may (and, upon payment of its fees and expenses, including counsel fees, and receipt of indemnity satisfactory to it, at the request of any Participating Underwriter (as defined in the Continuing Disclosure Agreement) or the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall) or any Owner or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under Section 4.03 of the Facility Lease, or to cause the Trustee to comply with its obligations under this Section 6.14.

ARTICLE VII

THE TRUSTEE

Section 7.01. Appointment and Acceptance of Duties. The Trustee hereby accepts and agrees to the trusts hereby created to all of which the Authority agrees and the respective owners of the Bonds, by their purchase and acceptance thereof, agree.

Section 7.02. 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 which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture and no implied duties or obligations shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which 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 person would exercise or use under the circumstances in the conduct of his own affairs.

(b) So long as no Event of Default has occurred and is continuing, the Authority may remove the Trustee at any time and shall remove the Trustee if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners 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 commence a case under any bankruptcy, insolvency or similar law, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take control or charge of the Trustee or 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 a successor Trustee by an instrument in writing.

(c) The Trustee may resign by giving written notice of such resignation to the Authority and by giving notice of such resignation by mail, first class postage prepaid, to the Owners at the addresses listed in the bond register. Upon receiving such notice of resignation, the Authority shall promptly appoint a successor Trustee by an instrument in writing.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and shall 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 Owner (on behalf of himself and all other Owners) 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 written request of the Authority or 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 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, such successor Trustee shall mail a notice of the succession of such Trustee to the trusts hereunder by first class mail, postage prepaid, to the Owners at their addresses listed in the bond register.

(e) Any Trustee appointed under the provisions of this Section shall be a trust company corporation or bank having the powers of a trust company, having a corporate trust office in California, having a combined capital and surplus of at least fifty million dollars (\$50,000,000), and subject to supervision or examination by federal or state authority. If such bank corporation 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 corporation 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.

(f) For such time as the Municipal Bond Insurance Policy shall be in full force and effect and so long as Insurer is not in default under its Municipal Bond Insurance Policy (i) the Trustee may be removed at any time, at the request of Insurer, for any breach of the Trust set forth herein; (ii) Insurer shall receive prior written notice of any Trustee resignation; (iii) every successor Trustee appointed pursuant to this Section shall be a trust company or bank in good standing located in or incorporated under the laws of the State, duly authorized to exercise trust powers and subject to examination by federal or state authority, having a reported capital and surplus of not less than \$75,000,000 and acceptable to Insurer; and (iv) no removal, resignation or termination of the Trustee shall take effect until a successor, acceptable to Insurer, shall be appointed.

(g) No provision in this Indenture shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not assured to it.

(h) The Trustee shall not be responsible for the sufficiency, timeliness or enforceability of the Revenues.

(i) The Trustee shall not be accountable for the use or application by the Authority, the City or any other party of any funds which the Trustee has released under this Indenture.

(j) The Trustee may employ attorneys, agents or receivers in the performance of any of its duties hereunder and shall not be answerable for the misconduct of any such attorney, agent or receiver selected by it with reasonable care.

Section 7.03. 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 7.02 shall succeed to the rights and obligations of such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 7.04. Compensation. (a) The Authority shall pay the Trustee, or cause the Trustee to be paid, reasonable compensation for its services rendered hereunder and shall reimburse the Trustee for reasonable expenses, including attorney's fees, incurred by the Trustee in the performance of its obligations hereunder.

(b) The Authority agrees, to the extent permitted by law, to indemnify the Trustee and its respective officers, directors, members, employees, attorneys and agents for, and to hold them harmless against, any loss, liability or expense incurred without negligence or willful misconduct on their part arising out of or in connection with the acceptance or administration of the trusts imposed by this Indenture, including performance of their duties hereunder, including the costs and expenses of defending themselves against any claims or liability in connection with the exercise or performance of any of their powers or duties hereunder. Such compensation and indemnity shall survive the termination or discharge of the Indenture and resignation or removal of the Trustee.

Section 7.05. 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 assumes no responsibility for the correctness of the same, and makes no representations as to the validity or sufficiency of this Indenture, the Site Lease, the Facility Lease or of the Bonds, and shall incur no responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it. 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 depository for and permit any of its 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 Owners, whether or not such committee shall represent the Owners 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 the Trustee shall have been 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 Owners 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 not be liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture, except for actions arising from the negligence or willful misconduct of the Trustee. The permissive right of the Trustee to do things enumerated hereunder shall not be construed as a mandatory duty.

(e) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder or under the Facility Lease unless and until it shall have actual knowledge thereof, or shall have received written notice thereof at the Corporate Trust Office of the Trustee. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee shall not be responsible for reviewing the contents of any financial statements furnished to the Trustee

pursuant to Section 6.09 and may rely conclusively on the certificates provided hereunder to establish the compliance with its financial covenants hereunder.

(f) All indemnifications and releases from liability granted herein to the Trustee shall extend to the directors, officers, employees and agents of the Trustee.

(g) The Trustee shall have no responsibility or liability with respect to any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(h) Before taking any action under Article IX hereof or this Article at the request of the Owners, the Trustee may require that a satisfactory indemnity bond be furnished by the Owners for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct in connection with any action so taken.

Section 7.06. Right to Rely on Documents. (a) The Trustee 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 may consult with counsel, who may be counsel but need not 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.

(b) 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 seem reasonable.

Section 7.07. 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 and any Owner, and their agents and representatives duly authorized in writing, at reasonable hours and under reasonable conditions.

Section 7.08. Rights of Owners. Notwithstanding any other provision of this Indenture, in determining whether the rights of the Owners will be adversely affected by any action taken pursuant to the terms and provisions of this Indenture, the Trustee shall consider the effect on the Owners as if there were no Municipal Bond Insurance Policy.

ARTICLE VIII

AMENDMENT OF THE INDENTURE

Section 8.01. Amendment of the Indenture. (a) The Indenture and the rights and obligations of the Authority and of the Owners may be amended at any time by a Supplemental Indenture which shall become binding when the written consents of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in Section 8.02, are filed with the Trustee. No such amendment shall (i) extend the maturity of or reduce the interest rate on or otherwise alter or impair the obligation of the Authority to pay the interest on or principal of or redemption premium, if any, on any Bond at the time and place and at the rate and in the currency provided herein without the express written consent of the Owner of such Bond; (ii) permit the creation by the Authority of any pledge of the Revenues as provided herein superior to or on a parity with the pledge created hereby for the benefit of the Bonds; (iii) modify any rights or obligations of the Trustee without its prior written assent thereto; or (iv) modify any provision of this Indenture expressly recognizing or granting rights in or to the Insurer in any manner which affects the rights of the Insurer hereunder without its prior written assent thereto.

(b) The Indenture and the rights and obligations of the Authority and of the Owners may also be amended at any time by a Supplemental Indenture which shall become binding upon adoption without the consent of any Owners, but only to the extent permitted by law and after receipt of an approving Opinion of Counsel and only for any one or more of the following purposes:

(1) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or in regard to questions arising hereunder which the Authority may deem desirable or necessary and not inconsistent herewith and which shall not materially adversely affect the interests of the Owners; or

(2) to make any other change or addition hereto which shall not materially adversely affect the interests of the Owners or the Insurer, or to surrender any right or power reserved herein to or conferred herein on the Authority; or

(3) to provide for the issuance of any Additional Bonds and to provide the terms of such Additional Bonds, subject to the conditions and upon compliance with the procedure set forth in Article III.

Section 8.02. Disqualified Bonds. Bonds owned or held by or for the account of the Authority or the City shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided in this Article VIII, and shall not be entitled to consent to or take any other action provided in this Article VIII, provided, however, that the Trustee shall not be deemed to have knowledge that any Bond is owned or held by or for the account of the Authority or the City unless the Authority or the City is the registered Owner or the Trustee has received written notice that any other registered Owner is the Owner or is holding for the account of the Authority or City.

Section 8.03. Endorsement or Replacement of Bonds After Amendment. After the effective date of any action taken as hereinabove provided, the Authority may determine that the Bonds may bear a notation by endorsement in form approved by the Authority as to such action, and in that case upon demand of the Owner of any Outstanding Bond and presentation of his Bond for such purpose at the Corporate Trust Office of the Trustee a suitable notation as to such action shall be made on such Bond. If the Authority shall so determine, new Bonds so modified as, in the opinion of the Authority, shall be necessary to conform to such action shall be prepared and executed, and in that case upon demand of the Owner of any Outstanding Bond such new Bonds shall be exchanged at the Corporate Trust Office of the Trustee without cost to each Owner for Bonds then Outstanding upon surrender of such Outstanding Bonds.

Section 8.04. Amendment by Mutual Consent. The provisions of this Article VIII shall not prevent any Owner from accepting any amendment as to the particular Bonds owned by him, provided that due notation thereof is made on such Bonds.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES OF HOLDERS

Section 9.01. Events of Default. Any one or more of the following events shall be called an "Event of Default" under this Indenture:

(a) default shall be made in the due and punctual payment of the interest on any Bond when and as the same shall become due and payable;

(b) default shall be made in the due and punctual payment of the principal of or redemption premium, if any, on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed or by proceedings for redemption;

(c) default shall be made by the Authority in the performance of any of the other agreements or covenants required herein to be performed by the Authority, and such default shall have continued for a period of 60 days after the Authority shall have been given notice in writing of such default by the Trustee; or

(d) the Authority shall file a petition or answer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if a court of competent jurisdiction shall approve a petition filed with or without the consent of the Authority seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if under the provisions of any other law for the relief or aid of debtors any court of competent jurisdiction shall assume custody or control of the Authority or of the whole or any substantial part of its property.

Section 9.02. Proceedings by Trustee. (a) Subject to Section 9.10 herein, upon the happening and continuance of any Event of Default the Trustee in its discretion may, and at the written request of the Owners of not less than 25% in aggregate principal amount of Bonds Outstanding shall, do the following:

(1) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Owners and require the Authority to enforce all rights of the Owners of Bonds, including the right to require the Authority to receive and collect Revenues and to enforce its rights under the Facility Lease and to require the Authority to carry out any other covenant or agreement with Owners of Bonds and to perform its duties hereunder;

(2) bring suit upon the Bonds;

(3) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Owners; and

(4) as a matter of right, have a receiver or receivers appointed for the Revenues and the issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

(b) Notwithstanding the foregoing, neither this Indenture nor the Bonds provide for the remedy of acceleration of principal or interest due with respect to the Bonds prior to their stated due dates, and the rights of the Authority and its successors, including the Trustee, under the Facility Lease are limited such that there is no right to reclaim possession of the Leased Property notwithstanding the occurrence of an Event of Default.

Section 9.03. Effect of Discontinuance of Abandonment. In case any proceeding taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the Authority, the Trustee and the Owners shall be restored to their former positions and rights under this Indenture, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Section 9.04. Rights of Owners. (a) Anything in this Indenture to the contrary notwithstanding, subject to the limitations and restrictions as to the rights of the Owners in Sections 9.02 above and 9.05 and 9.10 below, upon the happening and continuance of any Event of Default, the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall have the right upon providing the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under this Indenture.

(b) The Trustee may refuse to follow any direction that conflicts with law or this Indenture or that the Trustee determines is prejudicial to rights of other Owners or would subject the Trustee to personal liability.

Section 9.05. Restriction on Owners' Action. In addition to the other restrictions on the rights of Owners to request action upon the occurrence of an Event of Default and to enforce remedies set forth in this Article IX, no Owner of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of any trust under this Indenture, or any other remedy under this Indenture or on said Bonds, unless such Owner previously shall have given to the Trustee written notice of an Event of Default as hereinabove provided and unless the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall have made written request of the Trustee to institute any such suit, action, proceeding or other remedy, after the right to exercise such powers or rights of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers in this Indenture granted, or to institute such action, suit or proceeding in its or their name; nor unless there also shall have been offered to the Trustee security and indemnity satisfactory

to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall not have complied with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the trusts of this Indenture or for any other remedy under this Indenture; it being understood and intended that no one or more Owners of the Bonds secured by this Indenture shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture, or to enforce any right under this Indenture or under the Bonds, except in the manner in this Indenture provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner in this Indenture provided, and for the equal benefit of all Owners of Outstanding Bonds; subject, however, to the provisions of this Section.

Section 9.06. Power of Trustee to Enforce. All rights of action under this Indenture or under any of the Bonds secured by this Indenture which are enforceable by the Trustee may be enforced by it without the possession of any of the Bonds, or the production thereof at the trial or other proceedings relative thereto, and any such suit, action or proceedings instituted by the Trustee shall be brought in its own name, as Trustee, for the equal and ratable benefit of the Owners of the Bonds subject to the provisions of this Indenture.

Section 9.07. Remedies Not Exclusive. No remedy in this Indenture conferred upon or reserved to the Trustee or to the Owners of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given under this Indenture or now or hereafter existing at law or in equity or by statute.

Section 9.08. Waiver of Events of Default; Effect of Waiver (a) The Trustee shall waive any Event of Default hereunder and its consequences and rescind any declaration of acceleration, upon the written request of the Owners of at least a majority in aggregate principal amount of all Outstanding Bonds. If any Event of Default shall have been waived as herein provided, the Trustee shall promptly give written notice of such waiver to the Authority and shall give notice thereof by first class mail, postage prepaid to all Owners of Outstanding Bonds if such Owners had previously been given notices of such Event of Default; but no such waiver, rescission and annulment shall extend to or affect any subsequent Event of Default, or impair any right or remedy consequent thereon.

(b) No delay or omission of the Trustee or of any Owner of the Bonds to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of

Default, or an acquiescence therein; and every power and remedy given by this Article IX to the Trustee and to the Owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 9.09. Application of Moneys. (a) Any moneys received by the Trustee pursuant to this Article IX, together with any moneys which upon the occurrence of an Event of Default are held by the Trustee in any of the funds and accounts hereunder (other than the Rebate Fund and other than moneys held for Bonds not presented for payment) shall, after payment of all fees and expenses of the Trustee, and the fees and expenses of its counsel, be applied as follows:

(1) unless the principal of all of the Outstanding Bonds shall be due and payable,

FIRST: to the payment of the persons entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege;

SECOND: to the payment of the persons entitled thereto of the unpaid principal of and premium, if any, on any of the Bonds which shall have become due (other than Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates and, if the amount available shall not be sufficient to pay in full the principal of and premium, if any, on such Bonds due on any particular date, then to the payment ratably, according to the amount due on such date, to the persons entitled thereto without any discrimination or privilege; and

THIRD to be held for the payment to the persons entitled thereto as the same shall become due of the principal of, interest, and premium, if any, on the Bonds, which may thereafter become due either at maturity or upon call for redemption prior to maturity and, if the amount available shall not be sufficient to pay in full such principal and premium, if any, due on any particular date, together with interest then due and owing thereon, payment shall be made in accordance with the FIRST and SECOND paragraphs hereof.

(2) if the principal of all of the Outstanding Bonds shall be due and payable, to the payment of the principal, and premium, if any, and interest then due and unpaid upon the Outstanding Bonds without preference or priority of any of principal, premium or interest over the others or of any installment of interest, or of any Outstanding Bond over any other Outstanding Bond, ratably, according to the amounts due respectively for principal, premium, and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective amounts of interest specified in the Outstanding Bonds.

(b) Whenever moneys are to be applied pursuant to the provisions of this Section 9.09, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. The Trustee shall give, by mailing by first class mail as it may deem appropriate, such notice of the deposit with it of any such moneys.

Section 9.10. Consent of the Insurer Upon Default. Anything in this Indenture to the contrary notwithstanding, upon the occurrence and continuance of an Event of Default as defined herein and during such time as the Municipal Bond Insurance Policy shall be in full force and effect and so long as the Insurer is not in default under the Municipal Bond Insurance Policy, the Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the Owners or the Trustee for the benefit of the Owners under this Indenture.

ARTICLE X

DEFEASANCE

Section 10.01. Discharge of Bonds.

(a) If the Authority shall pay or cause to be paid or there shall otherwise be paid to the Owners of all Outstanding Bonds the interest thereon and the principal thereof and the redemption premiums, if any, thereon at the times and in the manner stipulated herein and therein, then the Owners of such Bonds shall cease to be entitled to the pledge of the Revenues as provided herein, and all agreements, covenants and other obligations of the Authority to the Owners of such Bonds hereunder shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee 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 or deliver to the Authority all money

or securities held by it pursuant hereto which are not required for the payment of the interest on and principal of and redemption premiums, if any, on such Bonds.

(b) Subject to the provisions of Section 10.01(a), when any of the Bonds shall have been paid and if, at the time of such payment, the Authority shall have kept, performed and observed all the covenants and promises in such Bonds and in this Indenture required or contemplated to be kept, performed and observed by the Authority or on its part on or prior to that time, then this Indenture shall be considered to have been discharged in respect of such Bonds and such Bonds shall cease to be entitled to the lien of this Indenture and such lien and all covenants, agreements and other obligations of the Authority hereunder shall cease, terminate, become void and be completely discharged as to such Bonds.

(c) Notwithstanding the satisfaction and discharge of this Indenture or the discharge of this Indenture in respect of any Bonds, those provisions of this Indenture relating to the maturity of the Bonds, interest payments and dates thereof, tender and exchange provisions, exchange and transfer of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, nonpresentment of Bonds, and the duties of the Trustee in connection with all of the foregoing, remain in effect and shall be binding upon the Trustee and the Owners of the Bonds and the Trustee shall continue to be obligated to hold in trust any moneys or investments then held by the Trustee for the payment of the principal of, redemption premium, if any, and interest on the Bonds, to pay to the Owners of Bonds the funds so held by the Trustee as and when such payment becomes due. Notwithstanding the satisfaction and discharge of this Indenture or the discharge of this Indenture in respect of any Bonds, those provisions of this Indenture contained in Section 6.04 relating to the tax-exempt status of interest on the Bonds and Section 7.04 relating to the compensation and indemnification of the Trustee shall remain in effect and shall be binding upon the Trustee and the Authority.

(d) Any Outstanding Bonds shall prior to the maturity date or redemption date thereof be deemed to have been paid within the meaning of and with the effect expressed in subsections (a), (b) and (c) of this Section 10.01 if (i) in case any of such Bonds are to be redeemed on any date prior to their maturity date, the Authority shall have given to the Trustee in form satisfactory to it irrevocable instructions to mail, on a date in accordance with the provisions of Section 2.03 of this Indenture, notice of redemption of such Bonds on said redemption date, said notice to be given in accordance with Section 2.03 of this Indenture; (ii) there shall have been deposited with the Trustee either (A) money in an amount which shall be sufficient or Defeasance Securities which are not subject to redemption prior to maturity except by the holder thereof (including any such Defeasance Securities issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), the interest on and principal of which when paid will provide money which,

together with the money, if any, deposited with the Trustee at the same time, shall, as verified by an independent Certified Public Accountant, be sufficient to pay when due the interest to become due on such Bonds on and prior to the maturity date or redemption date thereof, as the case may be, and the principal of and redemption premiums, if any, with respect to such Bonds; and (3) in the event such Bonds are not by their terms subject to redemption within the next succeeding 60 days, the Authority shall have given the Trustee in form satisfactory to it irrevocable instructions to mail as soon as practicable, a notice to the Owners of such Bonds that the deposit required by clause (ii) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Section and stating the maturity date or redemption date upon which money is to be available for the payment of the principal of and redemption premiums, if any, on such Bonds. Defeasance Securities deposited with the Trustee may be replaced with other Defeasance Securities and profits, gains, income and any other economic benefits arising from such substitution shall inure to the benefit of, and be paid to, the City.

(e) Notwithstanding anything herein to the contrary, in the event that the principal and/or interest due on the 2000A Bonds shall be paid by Insurer pursuant to the Municipal Bond Insurance Policy, the 2000A Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Authority, and the assignment and pledge of the trust estate and all covenants, agreements and other obligations of the Authority to the registered owners shall continue to exist and shall run to the benefit of Insurer, and Insurer shall be subrogated to the rights of such registered owners.

Section 10.02. Unclaimed Money. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of any of the Bonds which remains unclaimed for two years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for redemption prior to maturity, if such money was held by the Trustee at such date, or for two years after the date of deposit of such money if deposited with the Trustee shall be repaid by the Trustee to the Authority as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the Authority for the payment of such Bonds; provided, however, that before being required to make any such payment to the Authority, the Trustee shall, upon the Written Request of the Authority and at the expense of the Authority, cause to be published once a week for two successive weeks in a Financial Newspaper, a notice that such money remains unclaimed and that, after a date named in such notice, which date shall not be less than 30 days after the date of the first publication of each such notice, the balance of such money then unclaimed will be returned to the Authority.

ARTICLE XI

MUNICIPAL BOND INSURANCE POLICY

Section 11.01. Payments Under the Municipal Bond Insurance Policy. For such time as the Municipal Bond Insurance Policy shall be in full force and effect, the Authority and the Trustee shall comply with the following provisions:

(a) At least one day prior to all Interest Payment Dates the Trustee will determine whether there will be sufficient funds in the funds and accounts to pay the principal of or interest on the 2000A Bonds on such Interest Payment Date. If the Trustee determines that there will be insufficient funds in such funds or accounts, the Trustee shall so notify Insurer. Such notice shall specify the amount of the anticipated deficiency, the 2000A Bonds to which such deficiency is applicable and whether such 2000A Bonds will be deficient as to principal or interest, or both. If the Trustee has not so notified Insurer at least one day prior to an Interest Payment Date, Insurer will make payments of principal and interest due on the 2000A Bonds on or before the first day next following the date on which Insurer shall have received notice of nonpayment from the Trustee.

(b) The Trustee shall, after giving notice to Insurer as provided in (a) above, make available to Insurer and, at Insurer's discretion, to the United States Trust Company of New York, as insurance trustee for Insurer or any successor insurance trustee (the "Insurance Trustee"), the registration books kept by the Trustee pursuant to Section 2.08 and all records relating to the funds and accounts maintained under this Indenture.

(c) The Trustee shall provide Insurer and the Insurance Trustee with a list of registered owners of 2000A Bonds entitled to receive principal or interest payments from Insurer under the terms of the Municipal Bond Insurance Policy, and shall make arrangements with the Insurance Trustee (i) to mail checks or drafts to the registered owners of 2000A Bonds entitled to receive full or partial interest payments from Insurer and (ii) to pay principal upon 2000A Bonds surrendered to the Insurance Trustee by the registered owners of 2000A Bonds entitled to receive full or partial principal payments from Insurer.

(d) The Trustee shall, at the time it provides notice to Insurer pursuant to (a) above, notify registered owners of 2000A Bonds entitled to receive the payment of principal or interest thereon from Insurer (i) as to the fact of such entitlement; (ii) that Insurer will remit to them all or a part of the interest payments next coming due upon proof of Owner entitlement to interest payments and delivery to the Insurance Trustee, in form satisfactory to the Insurance Trustee, of an appropriate assignment of the registered owner's right to payment; (iii) that should they be entitled to receive full payment of principal from Insurer,

they must surrender their 2000A Bonds (along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee to permit ownership of such 2000A Bonds to be registered in the name of Insurer) for payment to the Insurance Trustee, and not the Trustee; and (iv) that should they be entitled to receive partial payment of principal from Insurer, they must surrender their 2000A Bonds for payment thereon first to the Trustee who shall note on such 2000A Bonds the portion of the principal paid by the Trustee and then, along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee, to the Insurance Trustee, which will then pay the unpaid portion of principal.

(e) In the event that the Trustee has notice that any payment of principal of or interest on a 2000A Bond which has become Due for Payment and which is made to an Owner by or on behalf of the Authority has been deemed a preferential transfer and theretofore recovered from its registered owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Trustee shall, at the time Insurer is notified pursuant to (a) above, notify all registered owners that in the event that any registered owner's payment is so recovered, such registered owner will be entitled to payment from Insurer to the extent of such recovery if sufficient funds are not otherwise available, and the Trustee shall furnish to Insurer its records evidencing the payments of principal of and interest on the 2000A Bonds which have been made by the Trustee and subsequently recovered from registered owners and the dates on which such payments were made.

(f) In addition to those rights granted Insurer under this Indenture, Insurer shall, to the extent it makes payment of principal of or interest on 2000A Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Municipal Bond Insurance Policy, and to evidence such subrogation (i) in the case of subrogation as to claims for past due interest, the Trustee shall note Insurer's rights as subrogee on the registration books kept by the Trustee pursuant to Section 2.08, upon receipt from Insurer of proof of the payment of interest thereon to the registered owners of the 2000A Bonds; and (ii) in the case of subrogation as to claims for past due principal, the Trustee shall note Insurer's rights as subrogee on the registration books kept by the Trustee pursuant to Section 2.08, upon surrender of the 2000A Bonds by the registered owners thereof together with proof of the payment of principal thereof.

Section 11.02. Information To Be Given To The Insurer. For such time as the Municipal Bond Insurance Policy shall be in full force and effect and so long as Insurer is not in default under its Municipal Bond Insurance Policy, the Authority or the Trustee shall furnish to Insurer (to the attention of the Surveillance Department, unless otherwise indicated):

(a) Upon request as soon as practicable after the filing thereof, a copy of any financial statement of the City and any audit and annual report of the City.

(b) A copy of any notice to be given to the registered owners of the 2000A Bonds, including, without limitation, notice of any redemption of or defeasance of 2000A Bonds, and any certificate rendered pursuant to this Indenture relating to the security for the 2000A Bonds.

(c) The Trustee or the Authority shall notify Insurer of any failure of the City to provide relevant notice, certificates, etc.

(d) Upon the occurrence of an Event of Default which is continuing, the City will permit Insurer to discuss the affairs, finances and accounts of the City or any information Insurer may reasonably request regarding the security for the 2000A Bonds with appropriate officers of the Authority and of the City. The Trustee, the Authority and the City will permit Insurer to have access to the Leased Property and have access to and to make copies of all books and records relating to the 2000A Bonds at any reasonable time.

(e) Upon the occurrence of an Event of Default under Section 9.01(a), (b) or (d) hereof, which is continuing, Insurer shall have the right to request an accounting, to be completed at the City's expense within thirty (30) days after receipt of such written request; provided, however, that if compliance cannot occur within such period, then such period will be extended so long as compliance is begun within such period and diligently pursued, but only if such extension would materially adversely affect the interests of any registered owner of the 2000A Bonds.

(f) Notwithstanding any other provision of this Indenture, the Trustee or the Authority shall immediately notify Insurer if at any time there are insufficient moneys to make any payments of principal and/or interest as required and immediately upon the occurrence of any Event of Default hereunder.

(g) The Trustee or the Authority shall forward to Insurer a copy of the City's annual certification provided pursuant to Section 6.03 of the Facility Lease that the insurance policies required by Section 6.03 of the Facility Lease are in full force and effect, and will provide Insurer with copies of such policies upon request.

Section 11.03. Consent of Insurer in Addition to Owner Consent. Unless otherwise provided in this Section, Insurer's consent shall be required in addition to Owner consent, when required, for the following purposes: (i) execution and delivery of any supplemental Indenture or any amendment, supplement or change to or modification of the

Facility Lease; (ii) removal of the Trustee and selection and appointment of any successor trustee; and (iii) initiation or approval of any action not described in (i) or (ii) above which requires Owner consent.

Section 11.04. Consent of Insurer in the Event of Insolvency. Any reorganization or liquidation plan with respect to the City must be acceptable to Insurer. In the event of any reorganization or liquidation, Insurer shall have the right to vote on behalf of all Owners who hold Insurer-insured bonds absent a default by Insurer under the applicable Municipal Bond Insurance Policy insuring such 2000A Bonds.

ARTICLE XII

MISCELLANEOUS

Section 12.01. Liability of Authority Limited to Revenues.
(a) Notwithstanding anything contained herein, the Authority shall not be required to advance any money derived from any source of income other than the Revenues as provided herein for the payment of the interest on or principal of or redemption premiums, if any, on the Bonds or for the performance of any agreements or covenants herein contained. The Authority may, however, advance funds for any such purpose so long as such funds are derived from a source legally available for such purpose without incurring an indebtedness.

(b) The Bonds shall be limited obligations of the Authority and shall be payable solely from the Revenues and amounts on deposit in the funds and accounts established hereunder (other than amounts on deposit in the Rebate Fund created pursuant to Section 6.04). The Bonds do not constitute a debt or liability of the City or of the State of California and neither the faith and credit of the City nor of the State are pledged to the payment of the principal of or interest on the Bonds.

Section 12.02. Benefits of the Indenture Limited to Parties. Nothing contained herein, expressed or implied, is intended to give to any person other than the Authority, the Trustee, Insurer and the Owners any right, remedy or claim under or by reason hereof. Any agreement or covenant required herein to be performed by or on behalf of the Authority or any member, officer or employee thereof shall be for the sole and exclusive benefit of the Authority, the Trustee, Insurer and the Owners of the Bonds.

Section 12.03. The Insurer as Third Party Beneficiary. To the extent that this Indenture confers upon or gives or grants to Insurer any right, remedy or claim under or by reason of this Indenture, Insurer is hereby explicitly recognized as being a third-party

beneficiary hereunder and may enforce any such right remedy or claim conferred, given or granted hereunder.

Section 12.04. Successor Is Deemed Included In All References to Predecessor. Whenever herein either the Authority or any member, officer or employee thereof is named or referred to, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the Authority or such member, officer or employee, and all agreements and covenants required hereby to be performed by or on behalf of the Authority or any member, officer or employee thereof shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Section 12.05. Execution of Documents by Owners. (a) Any declaration, request or other instrument which is permitted or required herein to be executed by Owners may be in one or more instruments of similar tenor and may be executed by Owners in person or by their attorneys appointed in writing. The fact and date of the execution by any Owner or his attorney of any declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to make acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request or other instrument or writing 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 any Bonds and the amount, maturity, number and date of holding the same may be proved by the registration books relating to the Bonds at the office of the Trustee.

(b) Any declaration, request or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond with respect to anything done or suffered to be done by the Authority in good faith and in accordance therewith.

Section 12.06. Waiver of Personal Liability. No member, officer or employee of the Authority shall be individually or personally liable for the payment of the interest on or principal of or redemption premiums, if any, with respect to the Bonds by reason of their issuance, but nothing herein contained shall relieve any member, officer or employee of the Authority from the performance of any official duty provided by any applicable provisions of law or hereby.

Section 12.07. Acquisition of Bonds by Authority. All Bonds acquired by the Authority, whether by purchase or gift or otherwise, shall be surrendered to the Trustee for cancellation.

Section 12.08. Destruction of Canceled Bonds. Whenever provision is made for the return to the Authority of any Bonds which have been canceled pursuant to the provisions hereof, the Trustee shall destroy such Bonds and furnish to the Authority a certificate of such destruction.

Section 12.09. Content of Certificates. (a) Every Certificate of the Authority with respect to compliance with any agreement, condition, covenant or provision provided herein shall include (i) a statement that the person or persons making or giving such certificate have read such agreement, condition, covenant or provision and the definitions herein relating thereto; (ii) a brief statement as to the nature and scope of the examination or investigation upon which the statements contained in such certificate are based; (iii) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such agreement, condition, covenant or provision has been complied with; and (iv) a statement as to whether, in the opinion of the signers, such agreement, condition, covenant or provision has been complied with.

(b) Any Certificate of the Authority may be based, insofar as it relates to legal matters, upon an Opinion of Counsel unless the person making or giving such certificate knows that the Opinion of Counsel with respect to the matters upon which his certificate may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous. Any Opinion of Counsel may be based, insofar as it relates to factual matters information with respect to which is in the possession of the Authority, upon a representation by an officer or officers of the Authority unless the counsel executing such Opinion of Counsel knows that the representation with respect to the matters upon which his opinion may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous.

Section 12.10. Publication for Successive Weeks. Any publication required to be made hereunder for successive weeks in a Financial Newspaper may be made in each instance upon any Business Day of the first week and need not be made on the same Business Day of any succeeding week or in the same Financial Newspaper for any subsequent publication, but may be made on different Business Days or in different Financial Newspapers, as the case may be.

Section 12.11. Funds, Accounts and Subaccounts. Any fund, account or subaccount required herein to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee either as an account, subaccount or a fund, and may, for the purposes of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account,

subaccount or a fund; but all such records with respect to all such accounts, subaccounts and funds shall at all times be maintained in accordance with sound corporate trust industry practice and with due regard for the protection of the security of the Bonds and the rights of the Owners.

Section 12.12. Article and Section Headings and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof. All references herein to "Articles," "Sections" and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof, and the words "hereby," "herein," "hereof," "hereto," "herewith," "hereunder" and other words of similar import refer to the Indenture as a whole and not to any particular article, section, subdivision or clause hereof.

Section 12.13. Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the Authority or the Trustee shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof or of the Bonds, and the Owners shall retain all the benefit, protection and security afforded to them hereunder or any applicable provisions of law. The Authority and the Trustee hereby declare that they would have executed and delivered the Indenture and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the issuance of the Bonds pursuant hereto irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 12.14. 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.

Section 12.15. Law Governing. This Indenture shall be governed exclusively by the provisions hereof and by the laws of the State as the same from time to time exist.

Section 12.16. Notices. All approvals, authorizations, consents, demands, designations, notices, offers, requests, statements or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the

other party if delivered personally or if mailed by United States first class mail, postage prepaid, and, if to the Trustee, addressed to _____ Attention: _____, or if to the City, addressed to the City c/o Financial and Technical Services Business Center, 202 C Street, San Diego, California 92101, Attention: Deputy City Manager, or if to the Authority, addressed to Public Facilities Financing Authority of the City of San Diego, 202 C Street, San Diego, California 92101, Attention: Deputy City Manager, Financial and Technical Services Business Center, with a copy to the Trustee, or to such other addresses as the respective parties may from time to time designate by notice in writing.

Section 12.17. SECTION 12.17. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Indenture, is not a Business Day, such payment, with no interest accruing for the period after such nominal date, may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided therefore in this Indenture.

IN WITNESS WHEREOF, the Public Facilities Financing Authority of the City of San Diego has caused this Indenture to be signed in its name by its Authorized Delegate and attested by its Secretary and, in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed by its duly authorized officers, all as of the day and year first above written.

PUBLIC FACILITIES FINANCING AUTHORITY
OF THE CITY OF SAN DIEGO

By _____
Chairman

ATTEST:

By _____
Secretary

[TRUSTEE],
as Trustee

By _____
Authorized Officer

EXHIBIT A

[FORM OF 2000A BOND]

No. _____

\$ _____

**PUBLIC FACILITIES FINANCING AUTHORITY OF THE CITY OF SAN
DIEGO
LEASE REVENUE BOND, SERIES 2000A**

NEITHER THIS BOND NOR THE PAYMENT OF THE PRINCIPAL OR ANY PART THEREOF NOR ANY INTEREST THEREON CONSTITUTES A DEBT, LIABILITY OR OBLIGATION OF THE CITY OF SAN DIEGO OR STATE OF CALIFORNIA AND NEITHER THE FAITH AND CREDIT OF THE CITY OF SAN DIEGO NOR THE STATE OF CALIFORNIA ARE PLEDGED TO THE PAYMENT OF THE INTEREST ON OR PRINCIPAL OF THIS BOND.

<u>Interest</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Dated</u> <u>Date</u>	<u>CUSIP</u>
--------------------------------	--------------------------------	-----------------------------	--------------

REGISTERED OWNER: CEDE & CO

PRINCIPAL SUM: _____ DOLLARS

The Public Facilities Financing Authority of the City of San Diego, a joint powers agency created by the City of San Diego (the "City") and the Redevelopment Agency of the City of San Diego (the "Agency") pursuant to California Government Code Sections

6500 et seq. (the "Authority"), for value received, hereby promises to pay (but only out of the Revenues hereinafter referred to) to the registered owner specified above or registered assigns on the maturity date specified above (subject to any right of prior redemption provided for) the principal sum specified above, together with interest thereon from the interest payment date next preceding the date of authentication hereof (unless such date of authentication is during the period commencing after the last day of the month preceding an interest payment date, whether or not said day is a business day (the "Record Date") through and including the next succeeding interest payment date, in which event this Bond shall bear interest from such interest payment date, or unless such date of authentication is prior to the first Record Date, in which event it shall bear interest from the Dated Date specified above) until the principal hereof shall have been paid at the interest rate per annum specified above, payable on _____ 1, 20XX, and semiannually thereafter on _____ 1 and _____ 1 in each year; provided, however, that if on the date of authentication of this Bond, interest is then in default on this Bond, such Bond shall bear interest from the interest payment date to which interest has previously been paid or made available for payment.

The principal of this Bond shall be payable in lawful money of the United States of America at the corporate trust office of the Trustee in Los Angeles, California upon presentation and surrender of this Bond or such other place as designated by the Trustee.

Payment of interest on this Bond due on or before the maturity or prior redemption, thereof shall be made to the person in whose name such Bond is registered, as of the Record Date preceding the applicable interest payment date, on the registration books kept by the Trustee at its corporate trust office, such interest to be paid by check mailed by first class mail on such interest payment date to the registered owner at his address as it appears on such books as the Record Date; provided that upon the written request of an Owner by \$1,000,000 or more in aggregate principal amount of the 2000A Bonds received by the Trustee prior to the applicable Record Date, interest shall be paid by wire transfer in immediately available funds. Interest on this Bond shall be payable in lawful money of the United States of America and shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

This Bond is one of a duly authorized issue of bonds of the Authority designated as its "Public Facilities Financing Authority of the City of San Diego Lease Revenue Bonds, Series 2000A" (the "Bonds") in the aggregate principal amount of Two Hundred _____ Million Dollars (\$2XX,XXX,000), all of like tenor and date (except for such variations, if any, as may be required to designate varying numbers, maturities and interest rates), and is issued under and pursuant to the provisions of an Indenture, dated as of _____ 1, 2000 (the "Indenture"), by and between the Authority and _____, as trustee (the "Trustee") (copies of which are on file at the office of the Secretary of the Authority and at the corporate trust office of the Trustee).

The Bonds are limited obligations of the Authority and are payable, as to interest thereon and principal thereof, solely from the revenues derived from base rental payments paid by the City for the use and occupancy of the Leased Property (as defined in

the Indenture) as long as the City has such use and occupancy of the Leased Property, and amounts on deposit in the funds, accounts and subaccounts established under the Indenture (other than amounts on deposit in the Rebate Fund), all as set forth in the Indenture ("Revenues"). All the Bonds are equally and ratably secured in accordance with the terms and conditions of the Indenture by a pledge of the Revenues, which Revenues shall be held in trust for the security and payment of the interest on, principal of and redemption premiums, if any, with respect to the Bonds as provided in the Indenture.

The Bonds are special, limited obligations of the Authority and do not constitute a debt, liability or obligation of the City or of the State of California (the "State") or any political subdivision thereof and neither the faith and credit of the City nor the State are pledged to the payment of the principal of or interest on the Bonds.

Additional lease revenue bonds payable from the Revenues may be issued which will rank equally as to security with the Bonds; but only subject to the conditions and upon compliance with the procedures set forth in the Indenture. Reference is hereby made to the Indenture and any and all amendments thereof and supplements thereto for a description of the terms under which the Bonds are issued, the provisions with regard to the nature and extent of the Revenues, and the rights of the registered owners of the Bonds. All of the terms of the Indenture are hereby incorporated herein and constitute a contract between the Authority and the registered owner of this Bond, to all the provisions of which the registered owner of this Bond, by acceptance hereof, agrees and consents. Each registered owner hereof shall have recourse to all of the provisions of the Indenture and shall be bound by all of the terms and conditions thereof.

The Authority has agreed and covenanted that, for the payment of the interest on, the principal of and redemption premium, if any, with respect to this Bond and all other Bonds of this issue authorized by the Indenture when due, there has been created and will be maintained by the Trustee a special fund into which all Revenues (other than deposits to the Rebate Fund created by the Indenture) shall be deposited, and the Authority has allocated such Revenues solely to the payment of the interest on and principal of and redemption premiums, if any, on the Bonds, and the Authority will pay promptly when due the interest on and the principal of and redemption premium, if any, on this Bond and all other Bonds of this issue authorized by the Indenture out of said special fund, all in accordance with the terms and provisions set forth in the Indenture.

The Bonds are subject to redemption prior to their respective maturity dates, in authorized denominations, on any date, as a whole or in part, from net insurance proceeds or condemnation awards, upon the terms and conditions of, and as provided in, the Indenture,

at the principal amount thereof together with accrued interest to the date of redemption. If less than all outstanding Bonds are to be redeemed at any time, the Trustee shall use the net insurance proceeds or condemnation awards attributable to the portion of the Leased Property destroyed, damaged, stolen or taken to redeem, by lot among all maturities of 2000A Bonds, as directed in writing by the City, on behalf of the Authority. If less than all the outstanding Bonds maturing by their terms on any one date are to be redeemed at any one time, the Trustee shall select the Bonds of such maturity date to be redeemed in any manner that it deems appropriate and fair.

The Bonds are subject to optional redemption and mandatory sinking account redemption as more fully described in the Indenture.

As provided in the Indenture, notice of redemption of this Bond shall be given by first class mail not less than 30 days nor more than 60 days before the redemption date to the registered owner hereof. If notice of redemption has been duly given and money for the payment of the redemption price is held by the Trustee, then on the redemption date designated in such notice, this Bond shall become due and payable, and from and after the date so designated, interest on this Bond shall cease to accrue and the registered owner of this Bond shall have no rights with respect hereto except to receive payment of the redemption price hereof.

This Bond is transferable only on the books required to be kept for that purpose at the office of the Trustee by the registered owner hereof in person or by his duly authorized attorney upon payment of the charges provided in the Indenture and upon surrender of this Bond together with a written instrument of transfer duly executed by the registered owner or his duly authorized attorney, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount will be issued to the transferee in exchange therefor. The Trustee shall not be required to register the transfer of or exchange any Bond (1) during the period commencing on the day five business days before the date on which Bonds are to be selected for redemption and ending on such date of selection, or (2) which has been selected for redemption in whole or in part.

The Authority and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of the interest hereon and principal hereof and for all other purposes, whether or not this Bond shall be overdue, and neither the Authority nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of this Bond shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on this Bond to the extent of the sum or sums so paid.

The rights and obligations of the Authority and of the registered owners of the Bonds may be amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such amendment shall (1) extend the maturity of this Bond or reduce the interest rate hereon or otherwise alter or impair the obligation of the Authority to pay the interest hereon or principal hereof at the time and place and at the rate and in the currency

provided herein without the express written consent of the registered owner of this Bond, (2) permit the creation by the Authority of any pledge of the Revenues superior to or on a parity with the pledge created by the Indenture for the benefit of the Bonds, or (3) modify any rights or obligations of the Trustee without its prior written assent thereto, all as more fully set forth in the Indenture.

If the Authority shall pay or cause to be paid or there shall otherwise be paid to the registered owners of all outstanding Bonds the interest thereon, the principal thereof and the redemption premiums, if any, thereon at the times and in the manner stipulated herein and in the Indenture, then the registered owners of such Bonds shall cease to be entitled to the pledge of the Revenues as provided in the Indenture, and all agreements, covenants and other obligations of the Authority to the registered owners of such Bonds under the Indenture shall thereupon cease, terminate and become void and be discharged and satisfied.

This Bond shall not be entitled to any benefit, protection or security under the Indenture or become valid or obligatory for any purpose until the certificate of authentication and registration hereon endorsed shall have been manually executed and dated by the Trustee.

It is hereby certified that all acts and proceedings required by law necessary to make this Bond, when executed by the Authority, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal limited obligation of the Authority have been done and taken, and have been in all respects duly authorized.

IN WITNESS WHEREOF, the Public Facilities Financing Authority of the City of San Diego has caused this Bond to be executed in its name and on its behalf by the

manual or facsimile signature of its Chair and attested to by the manual or facsimile signature of its Secretary, and has caused this Bond to be dated _____ 1, 2000.

PUBLIC FACILITIES FINANCING AUTHORITY
OF THE CITY OF SAN DIEGO

By _____
Chairman

ATTEST:

By _____
Secretary

[FORM OF CERTIFICATE OF AUTHENTICATION AND REGISTRATION]

This is one of the Bonds described in the within mentioned Indenture which has been authenticated and registered on _____.

as Trustee

By _____

Authorized Signatory

BOND INSURANCE

Municipal Bond Insurance Policy No. ___ (the "Policy") with respect to payments due for principal of and interest on this Bond has been issued by _____ ("_____"). The Policy has been delivered to the United States Trust Company of New York, New York, New York, as the Insurance Trustee under said Policy and will be held by such Insurance Trustee or any successor insurance trustee. The Policy is on file and available for inspection at the principal office of the Insurance Trustee and a copy thereof may be secured from Insurer or the Insurance Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this bond acknowledges and consents to the subrogation rights of _____ as more fully set forth in the Policy.

**[FORM OF ASSIGNMENT TO
APPEAR ON SERIES 2000A BONDS]**

For value received the undersigned hereby sells, assigns and transfers unto _____, whose tax identification number is _____, the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney, to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:

NOTE: The signature to this Assignment must correspond with the name as written upon the face of the bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

NOTE: The signature must be guaranteed by an eligible guarantor institution.

EXHIBIT B

[FORM OF CONSTRUCTION FUND REQUISITION]

To:

Re: Public Facilities Financing Authority of the City of San Diego
Lease Revenue Bonds, Series 2000A

Requisition No. _____

The undersigned, on behalf of the Public Facilities Financing Authority of the City of San Diego (the "Authority"), hereby requests payment, from the Construction Fund identified above for the Project identified above, the total amount shown below to the order of the payee or payees named below, as payment or reimbursement for costs incurred or expenditures made in connection with the Project, as reflected in the related invoice(s) attached hereto. The payee(s), the purpose and the amount of the disbursement requested are as follows:

<u>Payee</u>	<u>Purpose</u>	<u>Amount</u>
[name and address]		\$
	Total	\$

The undersigned hereby certify that each obligation mentioned herein has been properly incurred, is a proper charge against the Construction Fund and has not been the basis

of any previous disbursement from the Construction Fund. A copy of the bill or statement for each obligation mentioned herein is attached hereto.

Dated: _____, _____

CITY OF SAN DIEGO

By: _____
City Manager's Representative

By: _____
Assistant Auditor and Comptroller or
Accounting Division Manager