

**MATERIAL EVENT NOTICE  
REPORT OF DEFEASANCE AND OPTIONAL REDEMPTION**

**Convention Center Expansion Financing Authority**

**Lease Revenue Bonds  
Series 1998A**

<b>Maturity Date (April 15)</b>	<b>CUSIP</b>
2013	79727LAM1
2014	79727LAN9
2015	79727LAP4
2016	79727LAQ2
2017	79727LAR0
2018	79727LAS8
2028	79727LAT6

On June 6, 2012, the Convention Center Expansion Financing Authority sold \$140,400,000 Lease Revenue Refunding Bonds, Series 2012A ("2012A Bonds"), the proceeds of which will be used to current refund on July 20, 2012, all of the outstanding Convention Center Expansion Financing Authority Lease Revenue Bonds, Series 1998A ("1998A Bonds"). The 1998A Bonds were considered defeased on June 20, 2012.

Attached are the Trustee's Notice of Defeasance and Optional Redemption issued on June 20, 2012.

DATED: June 21, 2012

CITY OF SAN DIEGO

By:   
Jay M. Goldstone  
Chief Operating Officer

**NOTICE OF DEFEASANCE AND OPTIONAL REDEMPTION OF BONDS OF  
CONVENTION CENTER EXPANSION FINANCING AUTHORITY  
LEASE REVENUE BONDS, SERIES 1998A**

Maturity Date (April 15)	Principal Amount	Redemption Price	Redemption Date	CUSIP*
2013	\$ 6,380,000	100%	July 20, 2012	79727LAM1
2014	6,715,000	100%	July 20, 2012	79727LAN9
2015	7,070,000	100%	July 20, 2012	79727LAP4
2016	7,440,000	100%	July 20, 2012	79727LAQ2
2017	7,830,000	100%	July 20, 2012	79727LAR0
2018	8,210,000	100%	July 20, 2012	79727LAS8
2028	107,075,000	100%	July 20, 2012	79727LAT6

Notice is hereby given to the owners of the outstanding Convention Center Expansion Financing Authority Lease Revenue Bonds, Series 1998A listed above (collectively, the "Refunded Bonds") that:

- i. Pursuant to the Indenture governing the Refunded Bonds that the Convention Center Expansion Financing Authority (the "Authority") has elected to redeem the entire \$150,720,000 outstanding principal amount of the Refunded Bonds maturing on April 1, 2013 through and including 2018 and 2028 on July 20, 2012 (the "Redemption Date") by payment of the principal amount, plus any accrued interest. The Refunded Bonds will cease to accrue interest from and after the Redemption Date.
- ii. There has been deposited in a redemption fund with The Bank of New York Mellon Trust Company, N.A. (the "1998 Trustee"), as trustee for the Refunded Bonds, certain monies and investments securities as permitted by the Indenture, dated as of September 1, 1998 (the "Indenture") pursuant to which the Refunded Bonds were issued, for the purpose of defeasing the Refunded Bonds.
- iii. The 1998 Trustee has been irrevocably instructed by the Authority to redeem the Refunded Bonds on July 20, 2012 at the redemption price stated above.
- iv. The Refunded Bonds are deemed to be paid in accordance with the Indenture and all obligations of the Authority and the 1998 Trustee under the Indenture have ceased and terminated except for the obligation of the 1998 Trustee to pay the owners of the Refunded Bonds from amounts on deposit in the redemption fund and the obligations of the Authority with respect to the Rebate Fund.

\* The use of the CUSIP numbers is solely for the convenience of the reader. The 1998 Trustee, the Authority and the City of San Diego, California shall not be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness as used in this notice.

Holders of the Refunded Bonds are requested to present their Refunded Bonds, at the following addresses:

*First Class/Registered/Certified*

**The Bank of New York Mellon**  
Global Corporate Trust  
P.O. Box 396  
East Syracuse, New York 13057

*Express Delivery Only*

**The Bank of New York Mellon**  
Global Corporate Trust  
111 Sanders Creek Parkway  
East Syracuse, New York 13057

*By Hand Only*

**The Bank of New York Mellon**  
Global Corporate Trust  
Corporate Trust Window  
101 Barclay Street, 1<sup>st</sup> Floor East  
New York, New York 10286

Dated: June 20, 2012

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., as 1998 Trustee  
Bondholder Communication: 800-254-2826

**IMPORTANT TAX NOTICE**

Withholding of 28% of gross proceeds of any payment made within the United States may be required by the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), unless the Bond Trustee has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee. **Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your securities.**

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