
BOND PURCHASE AGREEMENT

Dated as of June 1, 2004

between

CITY OF BURBANK

and

DEPFA BANK plc, New York Agency

Relating to the

City of Burbank
(Los Angeles County, California)
Pension Obligation Bonds, Series 2004

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BOND PURCHASE AGREEMENT

BOND PURCHASE AGREEMENT, dated as of June 1, 2004 between the CITY OF BURBANK, a chartered city and municipal corporation organized and existing under the Constitution and laws of the State of California (the "City"), and DEPFA BANK plc, New York Agency (the "Purchaser").

WITNESSETH

WHEREAS, the City has previously elected to become a contracting member of the California Public Employees' Retirement System ("PERS");

WHEREAS, the Public Employees' Retirement Law, constituting Part 3 of Division 5 of Title 2 of the California Government Code, commencing with Section 20000 of the California Government Code (the "Retirement Law") and the contract (the "PERS Contract") between the Board of Administration of PERS and the City Council of the City (the "City Council") obligate the City to (i) make contributions to PERS to fund pension benefits for certain City employees, (ii) amortize the unfunded accrued actuarial liability with respect to such pension benefits, and (iii) appropriate funds for the foregoing purposes;

WHEREAS, the City desires to authorize the issuance of its City of Burbank (Los Angeles County, California) Pension Obligation Bonds, Series 2004 (the "Bonds") pursuant to the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53570 of the California Government Code (the "Bond Law"), for the purpose of refunding all or a portion of the City's obligation to PERS, as shown in PERS Actuarial Valuation Report and as certified to by the City's actuary, to pay the unfunded accrued actuarial liability of the City with respect to the pension benefits under the Retirement Law and to pay the costs of issuance of the Bonds; and

WHEREAS, the City is requesting the Purchaser to purchase the Bonds and the Purchaser has agreed to purchase the Bonds under the terms and conditions and upon the basis of the representations, warranties and covenants set forth herein;

NOW, THEREFORE, in consideration of the premises and of the commitments made hereunder and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

Section 1.1. Definitions. Unless otherwise defined herein or the context otherwise requires, capitalized terms used herein shall have the meaning set forth in Section 1.01 of the Resolution. In addition, the following terms as used in this Agreement shall have the following meanings, unless the context otherwise requires. These definitions shall be equally applicable to both the singular and the plural forms of the terms so defined.

“Agreement” shall mean this Bond Purchase Agreement, as the same may be amended or supplemented from time to time.

“Assignee” shall have the meaning set forth in Section 7.5 hereof.

“Authorized Investments” shall have the meaning set forth in the Resolution.

“Authorized Representative” with respect to the City, shall mean the Mayor, City Manager, Financial Services Director or Treasurer of the City or any other person authorized by resolution of the City Council of the City delivered to the Purchaser to act on behalf of the City for purposes of this Agreement and designated in a written certificate of the City Clerk of the City delivered to the Purchaser containing the specimen signature of such person.

“Bankruptcy Law” shall mean Title 11, U.S. Code, as amended or supplemented, any successor statute thereto, or any similar Federal, state, or foreign law for the relief of debtors.

“Bond Law” shall have the meaning set forth in the preamble hereto.

“Bonds” shall have the meaning set forth in the preamble hereto.

“Business Day” shall have the meaning set forth in the Resolution.

“City” shall mean the City of Burbank, a chartered city and municipal corporation organized and existing under the Constitution and laws of the State.

“City Council” means the City Council of the City.

“Debt” of any Person shall mean at any date, without duplication, (i) all obligations of such Person for borrowed money and reimbursement obligations which are not contingent, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services which purchase price is due twelve months or more from the date of incurrence of the obligation in respect thereof, (iv) all obligations of such Person as lessee under capital leases, (v) all Debt of others Guaranteed by such Person, and (vi) all payment obligations of such Person, in addition to any obligations set forth in clauses (i) through (v) above, arising under any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate futures contract, interest rate option contract or other similar arrangement and under any foreign exchange contract, currency swap agreement, foreign exchange futures contract, foreign exchange option contract, synthetic cap or other similar agreement; provided that it is understood that Debt does not include contingent obligations of such Person to reimburse any other Person in respect of surety bonds or letters of credit to the extent that such surety bonds or letters of credit support Debt of such Person. For purposes of this definition, if any of the agreements or contracts set forth in clause (vi) above relate to any other obligation of a Person which is otherwise included in this definition of Debt, such agreements and contracts shall constitute Debt only to the extent that the payment obligations of such Person thereunder, less any amounts receivable by such Person thereunder, exceed or are expected to exceed the interest payable on the related Debt.

“Default” shall mean an event, act or occurrence which, with the giving of notice or the lapse of time (or both), would become an Event of Default.

“Effective Date” shall mean the date on which the Bonds are purchased by the Purchaser hereunder.

“Eligible Assignee” shall mean (i) a commercial bank organized under the laws of the United States, or any state thereof, and having a combined capital and surplus of at least \$100,000,000; (ii) a commercial bank organized under the laws of any other country which is a member of the Organization for Economic Cooperation and Development, or a political subdivision of any such country, and having a combined capital and surplus, as set forth in its most recent published report of condition, if any, of at least \$100,000,000, provided that such bank is acting through a branch or agency located in the United States; and (iii) any Bank Affiliate.

“Event of Default” shall have the meaning set forth in Section 6.1 hereof.

“Financing Documents” shall mean this Agreement, the Bonds, the Resolution and any other document or instrument required or stated to be delivered hereunder or thereunder, all in form and substance satisfactory to the Purchaser, as the same may be amended or supplemented from time to time in compliance with Section 4.2(a) hereof.

“GAAP” shall mean generally accepted accounting principles in the United States of America applicable to governmental entities and as in effect from time to time, as modified by (a) the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants, (b) statements and pronouncements of the Governmental Accounting Standards Board, and (c) the opinions, statements and pronouncements of any similar accounting body of comparable standing having authority over accounting by governmental entities.

“General Fund” shall mean the general fund of the City.

“Guarantee” by any Person shall mean any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise), (ii) entered into for the purpose of assuring in any other manner the obligee of such Debt of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part) or (iii) with respect to any letter of credit issued for the account of such other Person or as to which such other Person is otherwise liable for reimbursement of drawings, provided that the term Guarantee shall not include (i) endorsements for collection or deposit in the ordinary course of business, or (ii) performance or completion guarantees. The term “Guarantee” used as a verb has a corresponding meaning.

“Moody’s” shall mean Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, except that if such division shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency selected by the City and approved by the Purchaser (which shall not be under any liability by reason of such approval).

“Payment Account” shall mean the following account of the Purchaser, or such account as may be designated by the Purchaser in writing to the City:

ABA #021000089
for credit to DEPFA BANK plc, New York Agency
Account No. 3620 9957
Reference: Burbank, 2004.

“PERS” means the California Public Employees’ Retirement System, established under and pursuant to the Retirement Law.

“PERS Contract” means the contract between the Board of Administration of PERS and the City Council of the City, effective October 1, 1945.

“Person” shall mean an individual, a corporation, a partnership, an association, a joint venture, a trust, an unincorporated organization or any other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

“Purchaser” shall mean DEPFA BANK plc, New York Agency and its successors and assigns.

“Resolution” shall mean the resolution of the City Council of the City adopted on March 30, 2004, together with any other resolutions or proceedings taken by the City in connection with the issuance of the Bonds and the execution and delivery of the other Financing Documents, as the same may be amended or supplemented from time to time.

“Retirement Law” shall have the meaning set forth in the preamble hereto.

“S&P” shall mean Standard & Poor’s Ratings Services, a division of The McGraw Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, except that if such division shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term “S&P” shall be deemed to refer to any other nationally recognized securities rating agency selected by the City and approved by the Purchaser (which shall not be under any liability by reason of such approval).

“State” shall mean the State of California.

Section 1.2. Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with GAAP consistently applied, except as may be otherwise stated herein.

ARTICLE II

PURCHASE OF BONDS; PAYMENTS; MANDATORY SINKING FUND REDEMPTION;
NOTICE OF INTEREST RATES

Section 2.1. Purchase of Bonds. The Purchaser hereby agrees, subject to fulfillment, at or before the purchase of the Bonds, of each of the conditions precedent set forth in Section 5.1, and upon the basis of the representations, warranties and covenants set forth herein, to purchase all (but not less than all) of the Bonds from the City at a purchase price of \$25,120,000, representing the aggregate principal amount of the Bonds, and the City shall deliver or cause to be delivered to the Purchaser, at the offices of Quint & Thimmig LLP, San Francisco, California, the Bonds in typewritten form duly executed and authenticated, fully registered, upon payment in full of such purchase price by the Purchaser on the Effective Date.

Section 2.2. Manner of Payments. All payments to be made by or on behalf of the City to the Purchaser hereunder or under the Resolution shall be made, and shall not be considered made until received, in United States dollars in the Payment Account in immediately available funds. This Section 2.2 shall serve as a written request of the Purchaser on file with the Treasurer of the City pursuant to Section 2.02(e) of the Resolution to have principal and interest on the Bonds paid by wire transfer to the Payment Account.

Section 2.3. Mandatory Sinking Fund Redemption. The City hereby specifies the following mandatory sinking fund redemption schedule pursuant to Section 2.03(b) of the Resolution:

Mandatory Sinking Fund Redemption Date (June 1)	Principal Amount to be Redeemed
2005	\$ 180,000
2006	180,000
2007	260,000
2008	340,000
2009	430,000
2010	525,000
2011	630,000
2012	740,000
2013	860,000
2014	995,000
2015	1,135,000
2016	1,290,000
2017	1,455,000
2018	1,635,000

Mandatory Sinking Fund Redemption Date (June 1)	Principal Amount to be Redeemed
2019	1,825,000
2020	2,035,000
2021	2,260,000
2022	2,510,000
2023	2,775,000
2024	3,060,000

On or before the Business Day immediately preceding each mandatory sinking fund redemption date listed above, the City shall make mandatory sinking fund installment payments to the Treasurer for deposit in the Debt Service Account pursuant to Section 4.05(b) of the Resolution in the principal amounts listed above.

Section 2.4. Notice of Interest Rates. The Purchaser shall determine the LIBOR rate for each Interest Period as of the Variable Rate Calculation Date for each such Interest Period and give notice of such LIBOR rate to the City by electronic transmission to the City at ghanway@ci.burbank.ca.us (or to such other address(es) as the City may advise the Purchaser in writing) no later than one Euro Banking Day immediately prior to the start of each such Interest Period.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Section 3.1. Representations and Warranties of the City. The City hereby makes to the Purchaser each of the representations and warranties made by the City in any of the other Financing Documents as though such representations and warranties were set forth in full herein. In addition, the City represents and warrants to the Purchaser as of the Effective Date as follows:

(a) Organization and Authorization. The City is a chartered city and municipal corporation organized and existing under the Constitution and laws of the State.

(b) Authority to Adopt Documents. The City has full power and authority to own its properties and to carry on its business as now conducted and as contemplated to be conducted under the Financing Documents, to adopt, issue, execute, deliver and perform the Financing Documents, and to execute, deliver and perform all other agreements and instruments executed and delivered or to be executed and delivered by the City pursuant to or in connection with the Financing Documents and has full power and authority to perform its obligations under each of the foregoing.

(c) Obligations Legal, Valid and Binding.

(i) The Bonds have been duly issued, the Resolution has been duly and validly adopted, and the other Financing Documents have been duly and validly

authorized, executed and delivered, and the Financing Documents constitute the legal, valid and binding obligations of the City enforceable against the City in accordance with their respective terms, except insofar as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights and remedies generally, and by general principles of equity, whether applied by a court of law or equity.

(ii) The City is in full compliance with all of the material terms and conditions of the Financing Documents or under any other material mortgage, indenture, contract, agreement or undertaking to which it is a party or which purports to be binding on the City or on any of its assets and no Event of Default or Default has occurred and is continuing.

(d) No Legal Bar.

(i) The City is in compliance with and not in violation under any laws of the State which would adversely affect the City's existence or its powers and authority referred to in Section 3.1(b) hereof.

(ii) The adoption, issuance, execution, delivery and performance by the City of the Financing Documents, and all other agreements and instruments relating to all the foregoing executed and delivered by the City in connection herewith and therewith, (A) do not and will not violate any provision of the laws of the State or any other applicable law, regulation, order, writ, judgment or decree of any court, arbitrator or governmental authority, and (B) do not and will not violate any provision of, constitute a default under, or result in the creation or imposition of any lien on any of the assets of the City pursuant to the provisions of, any mortgage, resolution, indenture, contract, agreement or other undertaking to which the City is a party or which purports to be binding on the City or on any of its assets.

(iii) The City is not a party to, or otherwise subject to, any provision contained in any instrument evidencing Debt of the City, any agreement relating thereto, or any other contract or agreement which limits the amount of, or otherwise imposes restrictions on the incurring of, obligations of the City that would adversely affect the ability of the City to perform its obligations under the Financing Documents.

(e) Consents. The City has obtained, or will obtain on or before the Effective Date, all consents, permits, licenses and approvals of, and has made all filings, registrations and declarations with, governmental authorities required under law, to authorize the adoption, issuance, execution, delivery and performance of the Financing Documents and all other agreements delivered or to be delivered in connection with any thereof, and all such consents, permits, licenses, approvals, filings, registrations and declarations remain in full force and effect.

(f) Litigation. There is no action, suit, investigation or proceeding pending or threatened against the City (i) to restrain or enjoin the issuance, sale or delivery of the Bonds; (ii) in any way contesting or affecting the validity of the Financing Documents or any

transactions contemplated thereby; or (iii) in any way contesting the existence or powers of the City or in which an adverse decision could have a material adverse effect on the business, operations or condition (financial or otherwise) of the City or its ability to perform its obligations under the Financing Documents.

(g) Disclosure. The representations and statements made by the City in any Financing Document, or made by the City in any other document furnished to the Purchaser by the City in connection therewith, are accurate as of the date of this Agreement and do not, as of the date of this Agreement, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. All financial statements of the City furnished to the Purchaser were prepared in accordance with GAAP applied on a consistent basis throughout the periods involved. Since the date of the most recent financial statements referred to in the preceding sentence, no material adverse change has occurred in the business, operations or condition (financial or otherwise) of the City.

(h) Financing Documents. The representations and warranties of the City set forth in the Financing Documents are true and accurate in all material respects on the date of this Agreement as fully as though made on the date of this Agreement. The City makes as of the date of this Agreement each of such representations and warranties and each of the covenants contained in the other Financing Documents to, and for the benefit of, the Purchaser as if the same were set forth at length herein together with all applicable definitions thereto. No amendment, modification, termination or replacement of any such representations, warranties, covenants and definitions contained in the Financing Documents shall be effective to amend, modify, terminate or replace the representations, warranties, covenants and definitions incorporated herein by this reference, without the prior written consent of the Purchaser.

(i) No Proposed Legal Changes. There is no amendment, or to the knowledge of the City, no proposed amendment certified for placement on a statewide or local ballot, to the Constitution of the State or any published administrative interpretation of the Constitution of the State or any State law, or any legislation that has passed either house of the State legislature, or any published judicial decision interpreting any of the foregoing, the effect of which is (i) to materially adversely affect the Bonds or any holder thereof in its capacity as such, or (ii) to have a material adverse effect on the business, operations or condition (financial or otherwise) of the City or its ability to perform its obligations under the Financing Documents.

(j) General Fund Obligation; Retirement Law. The Bonds are the absolute and unconditional obligations of the City, payable from the General Fund, imposed upon the City by law and enforceable against the City pursuant to the Retirement Law. Payment of the principal of and interest on the Bonds is not limited to any special source of funds. The City is in compliance in all material respects with the Retirement Law to the extent applicable to it and has received no notice to the contrary from any governmental entity or agency, and upon issuance of the Bonds and consummation of the transactions contemplated by the Financing Documents, the City will have no current unfunded accrued actuarial liability to PERS. No event has occurred which could result in a material contribution deficiency or a material liability to PERS has occurred and is continuing.

(k) Sovereign Immunity. The City does not enjoy any rights of immunity on the grounds of sovereign immunity in respect of its obligations under any of the Financing Documents. To the extent that the City has or hereafter may acquire under any applicable law any right to immunity on the grounds of sovereignty, the City hereby irrevocably waives, to the extent permitted by law, such rights to immunity for itself in respect of its obligations under any of the Financing Documents.

(l) Maximum Interest Rate. The amounts payable to the Purchaser under the Bonds are not subject to any limitation as to maximum interest rate.

ARTICLE IV

COVENANTS

Section 4.1. Affirmative Covenants of the City. As long as this Agreement is in effect, and until all amounts payable to the Purchaser under the Bonds, are indefeasibly paid in full, the City covenants and agrees that:

(a) Financial Records. The City shall maintain all times financial records and furnish to the Purchaser (i) within two hundred ten (210) days after the close of each fiscal year of the City, a copy of the financial statements of the City for such year, audited by independent certified public accountants, together with a copy of the opinion delivered by such accountants in connection with such financial statements, together with a certificate of the City substantially in the form set forth as Exhibit A attached hereto; (ii) within thirty (30) days of proposal or adoption (as the case may be), summaries of the most recently proposed or adopted annual operating budget of the City (as the case may be) with respect to the General Fund; and (iii) copies of any "material events notices" as set forth in the United States Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C), if any, the City files in the normal course of affairs with any nationally recognized municipal securities repository with respect to General Fund obligations of the City pursuant to any continuing disclosure agreement.

(b) Notice of Default; Notice of Amendment. The City shall forthwith notify the Purchaser in writing as soon as possible but in any event within five (5) Business Days after becoming aware of the occurrence of any Default or Event of Default or any default under the any Financing Documents or any filing by the City of a petition in bankruptcy under the Bankruptcy Law. The City shall also notify the Purchaser within five (5) Business Days after becoming aware of the occurrence of any non-payment default or other event under any indenture, contract or instrument providing for the creation of any Debt of the City where the effect thereof is to accelerate, or permit the acceleration of, the maturity of such Debt. The City shall notify the Purchaser within five (5) Business Days after becoming aware of any amendment, modification or revision to any of the Financing Documents or to its investment policies.

(c) Budgets. If not included in the reports delivered pursuant to subparagraph (a) above, the City shall deliver to the Purchaser a copy of its final adopted annual budget for the next fiscal year and such additional period as may be covered by such budget as

soon as practicable but in any event within ninety (90) days of adoption of such budget. The City shall include in each budget amounts necessary to pay all principal of and interest on the Bonds and its obligations under this Agreement due in such fiscal year.

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

(e) Compliance With Obligations. The City shall observe and comply with all of its obligations arising in connection with the Financing Documents, all laws of the State or all other applicable laws, regulations, orders, writs, judgments or decrees of any court, arbitrator or governmental authority and any other material mortgage, indenture, contract, agreement or undertaking to which it is a party or which purports to be binding on the City or on any of its assets, as though such obligations were set forth in full herein (for the purpose of this provision the Financing Documents shall be deemed to continue in full force and effect notwithstanding any earlier termination thereof so long as any Bonds are owned by the Purchaser).

(f) Litigation. The City shall forthwith notify the Purchaser in writing as soon as possible but in any event within five (5) Business Days after the City reasonably determines the existence of any pending or threatened action, suit, investigation or proceeding with respect to the City the existence of which causes the representation set forth in Section 3.1(f) hereof to be untrue or inaccurate in any material respect.

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

(h) Maintenance of Existence. The City shall preserve and maintain its existence as a chartered city and municipal corporation organized and existing under the Constitution and laws of the State, and its rights, franchises and privileges material to the conduct of its business.

(i) Offering Memoranda and Official Statements. As soon as practicable after the sale by the City of any securities payable from the General Fund with respect to which

an offering memorandum or official statement was prepared, the City shall provide the Purchaser with a copy of such offering memorandum or official statement.

(j) Notice of Adverse Change. The City shall notify the Purchaser as soon as possible after any member of the City Council or official of the City acquires knowledge of the occurrence of (i) the filing of any action or the occurrence of any activity which would could lead to an initiative or referendum or (ii) any other event which, in the reasonable judgment of such member or official, is likely to have a material adverse effect on the business, operations or condition (financial or otherwise) of the City or its ability to perform its obligations under the Financing Documents.

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

(l) Annual Appropriations and Transfers. The City shall make annual appropriations and transfers at the levels required under the Resolution to pay the principal of and interest on the Bonds and its obligations under this Agreement when due.

(m) Use of Proceeds. The City will use or cause to be used the proceeds of the sale of the Bonds to refund all or a portion of the City's obligation to PERS, as shown in PERS Actuarial Valuation Report and as certified to by the City's actuary, to pay the unfunded accrued actuarial liability of the City with respect to the pension benefits under the Retirement Law and to pay the costs of issuance of the Bonds in accordance with the provisions of the Resolution.

Section 4.2. Negative Covenants of the City. As long as this Agreement is in effect, and until all amounts payable to the Purchaser under the Bonds, are indefeasibly paid in full, the City shall not, unless the Purchaser shall otherwise consent in writing:

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

(b) issue or incur any other Debt or enter into any other obligations payable from the General Fund, unless such Debt is payable on a parity with or subordinate to the Bonds;

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

(d) refer to the Purchaser in any offering document or official statement unless the Purchaser shall have approved in writing of the description of the Purchaser contained in such document; or

(e) take any action, or cause the taking of any action under the Resolution, inconsistent with the rights of the Purchaser under the Financing Documents; or

(f) take any action which would result in the City's obligations to the Purchaser hereunder and under the Bonds not ranking at least *pari passu* in right of payment with all unsecured General Fund obligations of the City to other creditors; or

(g) so long as any of the City's obligations to the Purchaser hereunder and under the Bonds remain unpaid, optionally redeem all of the Bonds without provision for payment of all amounts due to the Purchaser hereunder and under the Bonds; or

(h) engage in any of the following investment practices:

(i) increase or compound the dollar amount of funds available for investment by any means whatsoever, including obtaining loans, issuing debt, or purchasing securities on margin, including entering into reverse repurchase agreements, when the reinvestment funds are not matched to maturity, or similar instruments; or

(ii) invest (except to the extent appropriate as advised by an independent financial advisor to hedge existing interest rate risk) in any instrument commonly known as a derivative (such as, by way of example, an inverse floater, interest rate agreement, cap or collar) or invest in any other security with a derivative embedded in it (such as, by way of example, structured notes), other than an investment agreement otherwise permitted by the Government Code of the State; or

(iii) invest in any variable rate or floating rate security unless the interest rate therefor is determined on a basis designed to result in a value of the security approximately equal to par; or

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

(v) knowingly (after using reasonable efforts to determine the composition of the investment portfolio of the entity in question) invest in any entity or pooled investment program employing any investment strategy prohibited by clauses (i) through (iv) above, other than the Local Agency Investment Fund and similar government-sponsored investment funds or any fund rated "A" or above.

ARTICLE V

CONDITIONS PRECEDENT TO PURCHASE

Section 5.1. Conditions Precedent to Purchase of Bonds. The obligation of the Purchaser to purchase the Bonds shall be subject to the fulfillment, at or before the purchase of the Bonds, of each of the following conditions, in form and substance satisfactory to the Purchaser:

(a) Financing Documents. (i) The Resolution shall not have been revoked or rescinded or otherwise amended or modified and shall be in full force and effect; (ii) all Financing Documents shall be in full force and effect on and as of the Effective Date and shall be in form and substance satisfactory to the Purchaser; and (iii) the Purchaser shall have received a certified copy of the Resolution and executed copies of each other document along with a certificate of an Authorized Representative of the City dated the Effective Date to the effect that (A) such copies are true, correct and complete copies of such documents and (B) such documents were duly issued, adopted or executed and delivered, have not been modified, amended or rescinded and are in full force and effect on and as of the Effective Date.

(b) Opinions. The Purchaser shall have received legal opinions of: (i) the City Attorney of the City and (ii) Quint & Thimmig LLP, as Bond Counsel, as to such matters as the Purchaser may reasonably request, each such opinion to be addressed to the Purchaser, dated the Effective Date and in form and substance satisfactory to the Purchaser and its counsel.

(c) Representations and Warranties; No Default. The representations of the City set forth in Article II hereof or in any other Financing Document shall be true and correct on and as of the Effective Date with the same force and effect as if made on and as of such date, and no Default or Event of Default has occurred and is continuing on and as of the Effective Date.

(d) No Litigation. Except as disclosed in writing to the Purchaser, no action, suit, investigation or proceeding is pending or threatened against the City (i) to restrain or enjoin the issuance, sale or delivery of the Bonds; (ii) in any way contesting or affecting the validity of the Financing Documents or any transactions contemplated thereby; or (iii) in any way contesting the existence or powers of the City or in which an adverse decision could have a material adverse effect on the business, operations or condition (financial or otherwise) of the City or its ability to perform its obligations under the Financing Documents.

(e) Financial Statements; Budget; Investment Policies. The Purchaser shall have received the most recent unaudited financial statements of the City, the audited financial statements of the City for the fiscal years ended June 30, 2003, 2002 and 2001, a summary of the most recently proposed or adopted annual operating budget of the City with respect to the General Fund and a copy of the City's current investment policies.

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

(g) Certificate of the City. The Purchaser shall have received (i) certified copies of all proceedings taken by the City Council of the City authorizing the issuance of the Bonds and the execution, delivery and performance of the Financing Documents and the transactions contemplated thereby and (ii) a certificate or certificates of one or more Authorized Representatives of the City dated the Effective Date certifying (A) as to the matters set forth in clauses (a), (c), (d) and (f) of this Section 5.1, (B) to the effect that all consents, permits, licenses and approvals of, and filings, registrations and declarations with, governmental authorities that are required to be obtained or made in connection with the Financing Documents have been obtained or made, (C) the name, incumbency and specimen signature of each individual authorized to sign the Financing Documents and the other documents or certificates to be delivered by the City pursuant hereto or thereto, on behalf of the City on which the Purchaser may conclusively rely until a revised certificate is similarly delivered, and (D) as to other matters of fact as shall reasonably be requested by the Purchaser.

(h) Payment of Fees. All fees and expenses due and payable in accordance with the provisions of Section 7.4 hereof shall have been paid.

(i) Governmental Approvals. The Purchaser shall have received true and correct copies of any and all governmental approvals necessary for the City to issue the Bonds and to enter into the other Financing Documents and the transactions contemplated thereby and not otherwise covered by Section 5.1(a) hereof.

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

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

(l) Validation Judgment. A certified copy of a final, nonappealable judgment of the Superior Court of Los Angeles County validating the issuance of the Bonds, the execution and delivery of this Agreement, determining that the Bonds are General Fund obligations of the City and such other matters as the Purchaser may request.

(m) Actuarial Certification. The Purchaser shall have received the certification of an independent consultant of the unfunded accrued actuarial liability of the City with respect to the contributions to PERS to fund pension benefits for certain City employees.

(n) Purchaser Letter. The Purchaser shall have executed and delivered a letter to the City substantially in the form of Exhibit B attached hereto.

(o) Other Matters. All other legal matters pertaining to the purchase of the Bonds by the Purchaser hereunder and the adoption, issuance, execution, delivery and performance of the Financing Documents by the City shall be satisfactory to the Purchaser, and the Purchaser shall have received such other statements, certificates, agreements, documents and information with respect to the City and matters contemplated by this Agreement as the Purchaser may request.

ARTICLE VI

EVENTS OF DEFAULT

Section 6.1. Definition of Events. Each of the following events, acts or occurrences shall constitute an “Event of Default” under this Agreement:

(a) the City shall default in the performance or observance of any term, covenant, condition or agreement on its part to be performed or observed under Section 4.1(h), 4.1(l) or 4.1(m) or Section 4.2 hereof or (ii) the City shall default in the performance or observance of any other term, covenant, other condition or agreement on its part to be performed or observed and such Default shall continue unremedied for thirty (30) days after written notice thereof shall have been given to the City by the Purchaser; or

(b) any of the City’s representations or warranties made herein or in any statement or certificate at any time made or deemed made by or on behalf of the City pursuant hereto or in connection herewith, and/or in any of the other Financing Documents, is false or misleading in any material respect when made or deemed made; or

(c) the City shall either (i) become insolvent or generally fail to pay, or admit in writing its inability to pay, its debts as they become due; or (ii) voluntarily commence any proceeding or file any petition under the Bankruptcy Law or similar law seeking dissolution or reorganization or the appointment of a receiver, trustee, custodian or liquidator for itself or a substantial portion of its property, assets or business or to effect a plan or other arrangement with its creditors, or shall file any answer admitting the jurisdiction of the court and the material allegations of an involuntary petition filed against it in any bankruptcy, insolvency or similar proceeding, or shall be adjudicated bankrupt, or shall make a general assignment for the benefit of creditors, or shall consent to, or acquiesce in the appointment of, a receiver, trustee, custodian or liquidator for itself or a substantial portion of its property, assets or business; or (iii) take any action for the purpose of effectuating any of the foregoing; or

(d) involuntary proceedings or an involuntary petition shall be commenced or filed against the City under the Bankruptcy Law or similar law seeking the dissolution or reorganization of the City or the appointment of a receiver, trustee, custodian or liquidator for the City or of a substantial part of the property, assets or business of the City, or any writ, judgment, warrant of attachment, execution or similar process shall be issued or levied against a substantial part of the property, assets or business of the City, and such proceedings or petition shall not be dismissed, or such writ, judgment, warrant of attachment, execution or similar process shall not

be released, vacated or fully bonded, within thirty (30) days after commencement, filing or levy, as the case may be; or

(e) an event of default on the part of the City under any of the Financing Documents shall have occurred and be continuing; or

(f) the City shall fail to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) in respect of any Debt payable from the General Fund outstanding in a principal amount of \$1,000,000 or more, and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating thereto; or any other default under any agreement or instrument relating thereto, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to accelerate, or to permit the acceleration of, the maturity thereof; or any such Debt shall be properly declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), prior to the stated maturity thereof; or

(g) a final nonappealable judgment or order for the payment of money shall be rendered against the City and not satisfied by the City and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (ii) there shall be any period of sixty (60) consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(h) any material provision of any Financing Document shall at any time for any reason cease to be valid and binding on the City, or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by the City, or a proceeding shall be commenced by any governmental agency or authority having jurisdiction over the City seeking to establish the invalidity or unenforceability thereof, or the City shall deny that it has any or further liability or obligation under any Financing Document; or

(i) any of the funds or accounts established pursuant to the Resolution or any funds or accounts on deposit, or otherwise to the credit of, such funds or accounts shall become subject to any stay, writ, judgment, warrant of attachment, execution or similar process by any of the creditors of the City and such stay, writ, judgment, warrant of attachment, execution or similar process shall not be released, vacated or stayed within fifteen (15) days after its issue or levy; or

(j) the City's independent public accounting firm fails or refuses to deliver an unqualified opinion with respect to the financial statements of the City; or

(k) The City shall fail to make annual appropriations and transfers at the levels required under the Resolution in order to pay the principal of and interest on the Bonds and its obligations under this Agreement when due.

Section 6.2. Remedies. Upon the occurrence and during the continuance of any Event of Default, the Purchaser at its option, may, upon notice to the City, do any one or more of the following:

(a) deliver written notice of an Event of Default to the City and in accordance with the Resolution, require the declaration of an Event of Default and acceleration of the Bonds in accordance with the terms of the Resolution; or

(b) exercise any or all rights provided or permitted by law or granted pursuant to any of the Financing Documents in such order and in such manner as the Purchaser may, in its sole judgment, determine.

Section 6.3. No Waiver of Remedies. No waiver of any breach of or default under any provision of any of the Financing Documents shall constitute or be construed as a waiver by the Purchaser of any subsequent breach of or default under that or any other provision of any of the Financing Documents.

Section 6.4. Remedies Not Exclusive. No remedy herein conferred upon the Purchaser is intended to be exclusive of any other remedy herein or in any other agreement between the parties hereto or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law, in equity or by statute.

ARTICLE VII

MISCELLANEOUS

Section 7.1. Representations, Warranties and Covenants to Survive Delivery. The City agrees that all representations, warranties and covenants made by it herein and in the other Financing Documents shall be deemed to have been relied upon by the Purchaser notwithstanding any investigation heretofore or hereafter made by the Purchaser, and that all representations, warranties and covenants made by the City herein and therein and all of the Purchaser's rights hereunder and thereunder shall survive the delivery of the Bonds.

Section 7.2. Liability of the Purchaser. Neither the Purchaser, nor any of its officers, directors, employees or agents, shall be liable or responsible for (i) the use which may be made of the proceeds of the Bonds or of any acts or omissions of the City or any transferee in connection therewith, (ii) the validity, sufficiency or genuineness of documents, or of any endorsement(s) thereon (other than the validity as against the Purchaser of any agreement to which the Purchaser is a party), even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged, (iii) the lack of validity or enforceability of any Financing Document or any other agreement or instrument relating thereto (other than the validity or enforceability as against the Purchaser of any agreement to which the Purchaser is a party), or (iv) any other circumstances whatsoever in making or failing to make payment under this Agreement; provided, that the City shall have a claim against the Purchaser, and the Purchaser shall be liable to the City, to the extent of any direct, as opposed to consequential, damages suffered by the City which the City proves were caused by the Purchaser's willful misconduct or gross negligence. In furtherance and not in limitation of the foregoing, the Purchaser may accept documents that appear on their face to be in order, without responsibility

for further investigation, regardless of any notice or information (other than actual knowledge to the contrary) to the contrary.

Section 7.3. Indemnification. The City, to the extent permitted by law, hereby indemnifies and holds the Purchaser harmless from and against any and all claims, damages, losses, liabilities, costs or expenses which the Purchaser may incur or which may be claimed against the Purchaser by any person, by reason of or in connection with the adoption, issuance, execution, delivery or performance of any Financing Document or any transaction contemplated hereby or thereby; provided, however, that the City shall not be required to indemnify the Purchaser pursuant to this paragraph (b) for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or gross negligence of the Purchaser. The foregoing undertaking shall survive the delivery of the Bonds.

Section 7.4. Costs and Expenses. The City agrees to pay on demand, whether or not the transactions contemplated by this Agreement are consummated, (a) all costs and expenses paid or incurred by the Purchaser in connection with the preparation, review, execution and delivery of the Financing Documents, in an amount not to exceed \$2,000, plus the reasonable fees and out-of-pocket expenses of counsel for the Purchaser and (b) all costs and expenses paid or incurred by the Purchaser, including the fees and out-of-pocket expenses of counsel for the Purchaser, otherwise arising in connection with the Financing Documents, including without limitation, in connection with any amendment to any Financing Document, the enforcement or interpretation of any provisions hereof or thereof or the protection of the rights of the Purchaser hereunder or thereunder. The foregoing undertaking shall survive the delivery of the Bonds and (insofar as applicable) shall be effective whether or not any transaction hereby contemplated is consummated.

Section 7.5. Assignments. The Purchaser may assign and delegate all of its rights and obligations under any Financing Documents upon satisfaction of the requirements of Section 2.06 of the Resolution; provided, however, that notwithstanding the foregoing, the Purchaser may assign and pledge all or any portion of the obligations owing to it to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operating Circular issued by such Federal Reserve Bank, provided that any payment in respect of such assigned obligations made by the City to the Purchaser in accordance with the terms of this Agreement shall satisfy the City's obligations to the Purchaser under to the Bonds in respect of such assigned obligation to the extent of such payment. No such assignment shall terminate or otherwise affect any rights or obligations of the Purchaser under the Financing Documents.

Section 7.6. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the City and the Purchaser, and their respective successors and assigns, except that none of the City or the Purchaser (except as provided in Section 7.5 hereof) shall have the right to assign its rights hereunder or any interest herein without the prior written consent of the other party hereto.

Section 7.7. Modification or Waiver of this Agreement. This Agreement is intended by the parties hereto as a final expression of their agreement with respect to the subject matter

hereof, and is intended as a complete and exclusive statement of the terms and conditions of that agreement. No modification or waiver of any provision of this Agreement (including this Section 7.7) shall be effective unless the same shall be in writing and signed by the Purchaser and the City. Any modification or waiver referred to in this Section 7.7 shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on the City in any case shall entitle the City to any other or further notice or demand in the same, similar or other circumstances.

Section 7.8. No Waiver of Rights by the Purchaser; Cumulative Rights. No course of dealing or failure or delay on the part of the Purchaser in exercising any right, power or privilege hereunder shall preclude any other or further exercise or the exercise of any right, power or privilege. The rights of the Purchaser under the Financing Documents are cumulative and not exclusive of any rights or remedies which the Purchaser would otherwise have.

Section 7.9. Governing Law. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State with respect to the obligations of the Purchaser and the internal laws of the State with respect to the obligations of the City.

Section 7.10. Notices. All notices and communications hereunder shall be given by hand delivery, with a receipt being obtained therefor, by United States certified or registered mail, or by telegram, telex or by other telecommunication device capable of creating written record of such notice and its receipt. To the extent that any telecommunication notice is permitted hereunder, the parties hereto shall provide appropriate telex and, to the extent available, facsimile numbers. Notices and communications hereunder shall be effective when received and shall be sent to the following addresses (or to such other address(es) of which any party hereto shall notify the other parties in accordance herewith):

If to the Purchaser, to:

DEPFA BANK plc
New York Agency
623 Fifth Avenue, 22nd Floor
New York, New York 10022
Attention: Herbert Jacobs
Facsimile: (917) 286-2050
Telephone: (917) 286-2000

If to the City, to:

City of Burbank
301 East Olive Avenue, Suite 222
Burbank, California 91502
Attention: Financial Services Director
Facsimile: (818) 238-5520
Telephone: (818) 238-5500

with a copy to:

City of Burbank
City Hall
275 East Olive Avenue
Burbank, California 91502
Attention: Treasurer
Facsimile: (818) 238-5885
Telephone: (818) 238-5880

Section 7.11. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original but both or all of which, when taken together, shall constitute but one document, and shall become effective when copies hereof which, when taken together, bear the signatures of each of the parties hereto.

Section 7.12. Certificates, Etc. In connection with the execution and delivery of this Agreement, the parties hereto may rely on any certificates delivered by or on behalf of each other respective party hereto as representations and warranties as to the matters therein certified.

Section 7.13. Severability. In case any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. The parties shall negotiate in good faith to replace any invalid, illegal or unenforceable provision with a valid provision, which, to the extent possible, will preserve the economic effect of the invalid, illegal or unenforceable provisions.

Section 7.14. Waiver of Rules of Construction. The City hereby waives any and all provisions of law to the effect that an ambiguity in a contract or agreement should be interpreted against the party responsible for its drafting.


Section 7.15. Integration. This Agreement is intended to be the final agreement between the parties hereto relating to the subject matter hereof and this Agreement and any agreement, document or instrument attached hereto or referred to herein shall supersede all oral negotiations and prior writings with respect to the subject matter hereof.

Section 7.16. Headings. Article and Section headings used in this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

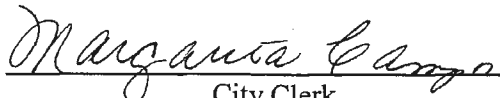
[Remainder of this page intentionally left blank]

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

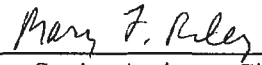
CITY OF BURBANK

By: 
Name: Derek Hanway
Title: Financial Services Director

Attest:


City Clerk

Approved as to Form and Legal Content
Dennis A. Barlow, City Attorney:


Senior Assistant City Attorney

DEPFA BANK plc, New York Agency

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

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

CITY OF BURBANK

By: _____
Name: _____
Title: _____

Attest:

City Clerk

Approved as to Form and Legal Content
Dennis A. Barlow, City Attorney:

Senior Assistant City Attorney

DEPFA BANK plc, New York Agency

By: Herbert F. Jacobs
Name: HERBERT F. JACOBS
Title: GENERAL MANAGER

By: Jane Russell
Name: Jane Russell
Title: Associate Director

EXHIBIT A

Form of Certificate of City Regarding No Event of Default

The undersigned, as an Authorized Representative of the City of Burbank, a chartered city and municipal corporation organized and existing under the Constitution and laws of the State of California (the "City"), as required by Section 4.1(a) of that certain Bond Purchase Agreement dated as of June 1, 2004 (the "Bond Purchase Agreement," to which reference is made for the definition of capitalized terms not otherwise defined herein) between the City and DEPFA BANK plc, New York Agency, relating to the City of Burbank (Los Angeles County, California) Pension Obligation Bonds, Series 2004 (the "Bonds"), hereby certifies as follows:

- (a) Attached are true and correct copies of the financial statements of the City for such year, audited by nationally recognized independent certified public accountants, together with a copy of the opinion delivered by such accountants in connection with such financial statements for the immediately preceding fiscal year of the City ended June 30, ____.

(b)

No Event of Default or event which with the passing of time or giving of notice, or both would constitute an Event of Default has occurred and is continuing; or

An Event of Default or event which with the passing of time or giving of notice, or both would constitute an Event of Default has occurred and is continuing, under the following circumstances:

- (c) The City's current budget includes amounts necessary to pay all principal of and interest on the Bonds and its obligations under this Agreement due during such fiscal year.
- (d) Other than the Bonds and any Debt outstanding on the date of issuance of the Bonds, the City has not issued or incurred any other Debt or entered into any other obligations payable from the General Fund, except such other Debt as may be permitted by Section 4.2(b) of the Bond Purchase Agreement. [If the City has issued any such permitted Debt, specify the type and amount of such Debt.]

and

- (e) If not previously provided pursuant to Section 4.1(i) of the Bond Purchase Agreement, attached are copies of any offering memorandum or official statement prepared with respect to any securities payable from the General Fund sold in the immediately preceding fiscal year of the City ended June 30, ____.

Dated: _____

By: _____
Name: _____
Title: _____

EXHIBIT B

Form of Investor Letter of Purchaser

The undersigned, as an authorized representative of DEPFA BANK plc, New York Agency (the "Purchaser"), as required by Section 4.1(n) of that certain Bond Purchase Agreement dated as of June 1, 2004 (the "Bond Purchase Agreement," to which reference is made for the definition of capitalized terms not otherwise defined herein) between the City and the Purchaser, relating to the City of Burbank (Los Angeles County, California) Pension Obligation Bonds, Series 2004 (the "Bonds") and Section 2.06 of the resolution of the City Council of the City adopted on March 30, 2004, in connection with the issuance of the Bonds, hereby certifies as follows:

- (a) The Purchaser has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal obligations of a nature similar to the Bonds to be able to evaluate the risks and merits of the investment represented by the purchase of the Bonds.
- (b) The Purchaser is acquiring the Bonds for its own account and not with a view to, or for sale in connection with, any distribution of the Bonds or any part thereof.
- (c) The Purchaser has not offered to sell, solicited offers to buy, or agreed to sell the Bonds or any part thereof, and has no present intention of reselling or otherwise disposing of the Bonds.
- (d) As a sophisticated investor, the Purchaser has made its own credit inquiry and analysis with respect to the City and the Bonds, and has made an independent credit decision based upon such inquiry and analysis.
- (e) The City has furnished to the Purchaser all the information which the Purchaser as a reasonable investor has requested of the City as a result of its having attached significance thereto in making its investment decision with respect to the Bonds, and has had the opportunity to ask questions of and receive answers from knowledgeable individuals concerning the City and the Bonds.
- (f) The Purchaser is able and willing to bear the economic risk of the purchase and ownership of the Bonds.

- (g) The Purchaser is a “qualified institutional buyer” as defined in Regulation 230.144A of the Securities Act of 1933 or is an “accredited investor” pursuant to Regulation D (17 CFR Section 230.501(a)).
- (h) The Purchaser understand that the Bonds (i) are not being registered under the Securities Act of 1933, as amended, and are not being registered or otherwise qualified for sale under the “Blue Sky” laws or regulations of any state, (ii) will not be listed on any stock or other securities exchange, (iii) will not carry a rating from any rating service, and (iv) may not be readily marketable.
- (i) The Purchaser agrees and acknowledges that the Bonds cannot be sold unless (i) they are subsequently registered under such acts or an exemption from such registration is available, and (ii) any such purchaser delivers a certification substantially containing the provisions of this and the preceding eight paragraphs.

Dated: _____

DEPFA BANK plc, New York Agency

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____