THIRD MODIFICATION OF PROFESSIONAL SERVICES AGREEMENT
BOND COUNSEL AGREEMENT NUMER 9146 (CCS)
(formerly Agreement Number 1578)

This Third Modification of Professional Services Agreement Number 9146 (CCS) ("Third Modification"), entered into as of May 8, 2012, by and between the CITY OF SANTA MONICA, a municipal corporation ("City"), and STRADLING, YOCCA, CARLSON & RAUTH ("Consultant"), is made with reference to the following:

RECITALS

A. On or about September 2, 2007, the City and Consultant entered into Professional Services Agreement Number 1578 (the "Original Agreement") for legal services pertaining to debt financing by the City, including evaluation of funding sources, rendering opinions to debt financing, and preparing documents related to debt financing, including official statements. The scope of services and all allowable costs are more fully set forth in Exhibit A, Scope of Services, of the Original Agreement.

B. On or about November 23, 2009, the City and Consultant entered into a First Modification of Porfessional Services Agreement Number 1578 ("First Modification"), renumbered to Agreement Number 9146 (CCS), to modify the Agreement to increase the total compensation to Consultant.

C. On or about June 6, 2011, the City and Consultant entered into a Second Modification of Professional Services Agreement Number 9146 (CCS) ("Second Modification") to modify the Agreement to increase the amount of compensation to an amount not to exceed $400,000. The Original Agreement, First Modification, and Second Modification may be referred to collectively as the "Agreement."

D. The City and Consultant desire to enter into this Third Modification to modify the Agreement to increase the total amount of compensation to an amount not to exceed $550,000.

NOW, THEREFORE, the parties agree as follows:

TERMS AND CONDITIONS

1. Section 4 of the Original Agreement, entitled "COMPENSATION", shall be deleted and replaced with the following:

> Consultant shall be compensated for Services performed pursuant to this Agreement, as set forth in Exhibit A, Scope of Services, in an amount not to exceed $550,000.

2. Except as expressly modified in this Third Modification, all other terms and conditions of the Agreement shall be and remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Third Modification on the day and year first above written.

ATTEST:

MARIA STEWART
City Clerk

CITY OF SANTA MONICA,
a municipal corporation

By: _____
ROD GOULD
City Manager

APPROVED AS TO FORM:

MARSHA JONES MOUTRIE
City Attorney

Consultant:
STRADLING, YOCCA, CARLSON, AND RAUTH

By: _____
BRIAN FORBATH
Bond Counsel