

**MODIFICATION NO. 1
TO AGREEMENT BETWEEN
CITY AND COUNTY OF SAN FRANCISCO
AND
BNY WESTERN TRUST COMPANY OF CALIFORNIA**

This Modification No. 1 of Agreement, dated for convenience as of December 4, 2001, is made and entered by and between the City and County of San Francisco ("City"), acting by and through its Airport Commission ("Commission"), and BNY Western Trust Company a subsidiary of the Bank of New York Company, Inc. ("Trustee"), located at 550 Kearny Street, Suite 600 San Francisco, California 94108-2527.

RECITALS

1. On December 3, 1991, the Commission adopted Resolution No. 91-0210, authorizing the issuance of San Francisco International Airport Revenue Bonds, Second Series, Second Series, (hereinafter referred to as the "1991 Master Bond Resolution") and may from time to time issue said bonds in such issuances as it may hereafter establish; and
2. The issuance of San Francisco International Airport Revenue Bonds, Second Series, requires the services of a Bond Trustee; and
3. The hiring of Trustee to provide Bond Trustee services constitutes the purchase of articles or things of unusual character and operations conducted outside the boundaries of the City and County of San Francisco within the meaning of San Francisco City Charter Section 7.1000 which authorizes such purchase by the department head upon the recommendation of the department head and approval of the Purchaser of Supplies; and
4. The services proposed in this Agreement are temporary in nature and the Commission does not have personnel in its employ who possess the necessary specialized knowledge to provide such services; and
5. On November 4, 1991, the Commission adopted Resolution No. 91-0197 authorizing the award of a contract to "Trustee" for Bond Trustee services; and
6. On December 4, 2001, the Commission, by its Resolution No. 01-0360 adopted November 20, 2001, authorized Modification No. 1 to this Agreement to increase the total compensation payable by \$600,000.

NOW, THEREFORE, Contractor and City agree as follows:

1. Modification of Section 4(a): Compensation, as follows:

For the complete and satisfactory performance of services detailed in Attachment A, City will pay Trustee for all expenses as detailed in Attachment A. For purposes of certification by the Controller, the total compensation will be the original contract amount, \$260,000, plus the approved increment of \$600,000 pursuant to Resolution No. 01-0360 for a total of \$ 860,000.

2. The term of this agreement shall continue until terminated in accordance with Article VIII of the 1991 Master Bond Resolution.
3. As modified hereby, this agreement shall remain in full force and effect.

Attachment A
Calculation of Charges

Trustee Services	Issue 1-4	Issue 5-27B, and all new issues.
Acceptance Fee per new issue	\$0	\$750
Annual Administration Fee	\$6,600 (for all four issues combined)	\$8.25 per million
Annual Escrow Agent (Registrar & Paying) Agent Acceptance fee per Escrow		\$1500 \$500
Investment Charge per transaction	\$25	\$25
Transaction Fee per Wire Transfers	\$25	\$25
Transaction Fee per Check	\$20	\$20
Bondholder Services per issue	\$100	\$100
Annual Audit Report per issue	\$50	\$50
Investment Agreement, or Repurchase/ Forward Purchase Agreement (if applicable)		\$500
Annual Fee of a Repurchase/ Forward Purchase Agreement (if applicable)		\$500
Redemption Processed per redemption ¹	\$500	\$500
Termination Fee per issue	\$250	\$250
Annual Maintenance Fee -Full Fast Bonds (if applicable)		\$250
Indirect Cost	Not to exceed \$150 per Issue	Not to exceed \$150 per Issue

Above fees to be guaranteed for a three (3) year period upon execution of this contract modification.

Trustee agrees to notify Commission sixty (60) days in advance of any fees or charges not shown in the above schedule. Such other fees and charges as may arise during the term of this contract shall be payable upon approval by Commission.

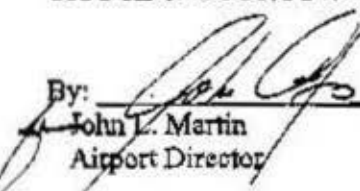
¹ The redemption fee applies only to early redemptions and not to scheduled sinking fund and principal payments, and is applied once to all the bonds within redeeming issues. In other words, this fee cannot be applied to each bond maturity within redemption.


IN WITNESS WHEREOF, Trustee and Commission have executed this Amendment as of the date first referenced above.

CITY

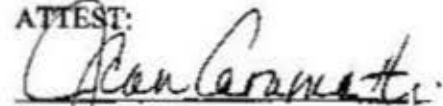
BNY Western Trust Company.

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

By: 
John L. Martin
Airport Director

By: 
Signature

ATTEST:


Jean Caramatti
Secretary
Airport Commission

ROSE M. RUELOS, VICE PRESIDENT
Name Title

BNY WESTERN TRUST COMPANY
Company Name

550 KEARNY ST., #600
Address

SAN FRANCISCO, CA. 94108
City State Zip

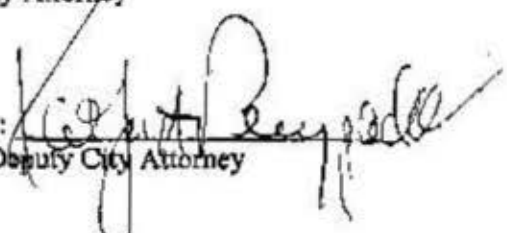
(415) 263-2418
Area Code Phone Number

Resolution No.: 01-0360

Adopted: December 4, 2001

APPROVED AS TO FORM:

Dennis J. Herrera
City Attorney

By: 
Deputy City Attorney

95-3571558
Federal Employer or Taxpayer
Identification Number

**ADDENDUM
TO
MODIFICATION NO. 1
TO AGREEMENT BETWEEN
CITY AND COUNTY OF SAN FRANCISCO
AND
BNY WESTERN TRUST COMPANY OF CALIFORNIA**

No. 4 Notification of Limitations on Contributions

This paragraph applies if this Amendment is in excess of \$50,000 and is for: (1) personal services; or (2) the selling or furnishing of any material, supplies or equipment; or (3) any combination of personal service; and the selling or furnishing of any material, supplies or equipment. San Francisco Campaign and Governmental Conduct Code (the "Conduct Code") Section 3.700 *et. seq.*, and San Francisco Ethics Commission Regulations 3.710(a)-1 - 3.730-1, prohibit the public officials who approved this Amendment from receiving: (1) gifts, honoraria, emoluments or pecuniary benefits of a value in excess of \$50; (2) any employment for compensation; or (3) any campaign contributions for any elective office for a period of up to six years from individuals and entities who are "public benefit recipients" of the contract. Public benefit recipients of the contract are: (1) the individual, corporation, firm, partnership, association, or other person or entity that is a party to the contract; (2) an individual or entity that has a direct 10% equity, or direct 10% participation, or direct 10% revenue interest in that party at the time this Amendment is executed; or (3) an individual who is a trustee, director, partner or officer of the contracting party at the time this Amendment is executed.

Contractor understands that any public official who approved this Amendment may not accept campaign contributions, gifts, or future employment from Contractor except as provided under the Conduct Code. Contractor agrees to notify any other individuals or entities that may be deemed "public benefit recipients" under the Conduct Code because of this Amendment. Upon request, Contractor agrees to furnish, before this Amendment is entered into, such information as any public official approving this Amendment may require in order to ensure such official's compliance with the Conduct Code. Upon request, the City agrees to provide, before this Amendment is entered into, Contractor with a list of public officials who, under the Conduct Code, will approve this Amendment. Failure of any public official who approved this Amendment to abide by the Conduct Code shall not constitute a breach by either the City or Contractor of this contract. Notwithstanding anything to the contrary in this contract, neither party shall have the right to terminate the contract due to any failure by the other party to provide the information described in this paragraph.

No. 5 Airport Intellectual Property

Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Airport Director's prior consent.

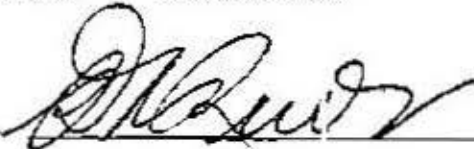
CONTRACTOR

Bank of New York Western Trust Company

Address 550 Kearny Street, Suite 600

San Francisco, CA 94108
City State Zip

(415) 263-2418
Area Code Phone Number

By 

Name Rose Ruelos

Title Vice President