

Letterhead of the Port of Los Angeles

LETTER OF REPRESENTATION

_____, 2013

Stifel Nicolaus & Company, Incorporated
515 S. Figueroa St., Suite 1800
Los Angeles, California 90071

As Representative of the Underwriters
Listed in the Bond Purchase Agreement
Described Herein

Ladies and Gentlemen:

The Alameda Corridor Transportation Authority (the “Authority”) proposes to issue the Alameda Corridor Transportation Authority Tax-Exempt Senior Lien Revenue Refunding Bonds, Series 2013A (the “Bonds”) pursuant to a Master Trust Indenture (the “Master Indenture”), as supplemented and amended by the First Supplemental Trust Indenture, the Second Supplemental Trust Indenture, the Third Supplemental Trust Indenture and the Fourth Supplemental Trust Indenture, each dated as of January 1, 1999, the Fifth Supplemental Trust Indenture, dated as of June 1, 2003, the Sixth Supplemental Trust Indenture and the Seventh Supplemental Trust Indenture, each dated as of February 1, 2004, the Eighth Supplemental Trust Indenture, dated as of June 1, 2012 (collectively, the “Prior Supplemental Indentures”), and by the Ninth Supplemental Trust Indenture, to be dated as of _____, 2013 (the “Ninth Supplemental Indenture” and the Master Indenture, as supplemented and amended by the Prior Supplemental Indentures and by the Ninth Supplemental Indenture, the “Indenture”), between the Authority and U.S. Bank National Association, as trustee (the “Trustee”).

The Authority, the BNSF Railway Company (“BNSF”), the Union Pacific Railroad Company (“Union Pacific” and together with BNSF, the “Railroads”), the City of Los Angeles, acting by and through its Board of Harbor Commissioners (the “Port of Los Angeles”), and the City of Long Beach, acting by and through its Board of Harbor Commissioners (the “Port of Long Beach” and together with the Port of Los Angeles, the “Ports”), have entered into the Alameda Corridor Use and Operating Agreement, dated as of October 12, 1998, as amended by the First Amendment to Alameda Corridor Use and Operating Agreement, dated as of July 5, 2006 (collectively, the “Use and Operating Agreement”), pursuant to which the Railroads have agreed to pay certain fees and charges for the use of the Rail Corridor and the Ports have agreed to make certain Shortfall Advances on the terms and subject to the conditions set forth therein. Certain revenues and other moneys to be derived by the Authority in connection with the Use and Operating Agreement are being pledged to secure the payment of the principal of, premium, if any, and interest on the Bonds.

The Bonds are being sold pursuant to a Bond Purchase Agreement, dated _____, 2013 (the "Purchase Agreement"), between the Authority and Stifel Nicolaus & Company, Incorporated DBA Stone & Youngberg, a division of Stifel Nicolaus, as representative (the "Representative") of the Underwriters named therein.

Capitalized terms used but not defined herein shall have the meanings given such terms in the Purchase Agreement or in the Use and Operating Agreement.

1. To induce you to enter into the Purchase Agreement and to purchase and reoffer the Bonds as contemplated in the Purchase Agreement, the Port of Los Angeles hereby represents and agrees with each of you as follows:

(a) the information relating to the Port of Los Angeles in the Preliminary Official Statement relating to the Bonds, dated _____, 2013 (the "Preliminary Official Statement"), and in the Official Statement relating to the Bonds, dated _____, 2013 (the "Official Statement"), [including under the headings "INTRODUCTION—The Ports," "AUTHORITY REVENUES—Containerized Cargo Throughput 2006-2012," "—Forecast Containerized Cargo Throughput 2013-2014" and "—Historical Cargo Throughput and Revenue Collections," "THE PORTS," "INVESTOR CONSIDERATIONS," "CONTINUING DISCLOSURE—The Authority and the Ports" and in Appendix B], has been provided to the Authority by the Port of Los Angeles for use in the Preliminary Official Statement and the Official Statement and is true and correct, and such information includes certain financial statements and other historical information with respect to the Port of Los Angeles, which fairly present the financial position of the Port of Los Angeles as of the dates indicated and the results of its operations, for the periods therein specified, and are in conformity with generally accepted accounting principles applicable to the Port of Los Angeles applied on a consistent basis, and there has been no material adverse change in the financial condition or results of operations of the Port of Los Angeles since the date thereof;

(b) since the date of the Port of Los Angeles's audited financial statements in the Preliminary Official Statement and in the Official Statement, neither the Port of Los Angeles nor any of its departments has sustained any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as disclosed in the Preliminary Official Statement and in the Official Statement; and there has not been any material adverse change affecting the financial position or results of operations of Port of Los Angeles, otherwise than as disclosed in the Preliminary Official Statement and in the Official Statement;

(c) the City of Los Angeles has been duly incorporated and is a validly existing charter city under the laws of the State of California, with power and authority vested in its Board of Harbor Commissioners to manage its properties, and to conduct its business as described in [Appendix B to] the Preliminary Official Statement and in the Official Statement [under the heading "PORT OF LOS ANGELES"];

(d) the execution and delivery by the Port of Los Angeles of the Port Agreements, the performance by the Port of Los Angeles of its obligations hereunder and thereunder, and the consummation of the transactions herein contemplated do not and will not (i)

conflict with any of the terms, conditions or provisions of the Charter of the City of Los Angeles, or (ii) conflict with, result in a material breach of or constitute a material default under any of the terms or conditions of any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Port of Los Angeles is a party, or any laws, judgment, decree, rules or regulations applicable to Port of Los Angeles of any court or other governmental body or any other applicable requirement of law, except for conflicts, breaches or defaults which, individually or in the aggregate, would not materially and adversely affect the Port of Los Angeles's ability to perform its obligations under the Port Agreements; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body was or is required for the execution and delivery of, and performance by the Port of Los Angeles of its obligations under the Port Agreements or the consummation by the Port of Los Angeles of the transactions contemplated herein or therein;

(e) there are no legal or governmental proceedings pending to which the Port of Los Angeles or any of its divisions is a party or of which any property of the Port of Los Angeles or any of its divisions is the subject, which the Port of Los Angeles has reasonable cause to believe will, either individually or in the aggregate, have a material adverse effect on the current or future financial position or results of operations of the Port of Los Angeles; and, to the best of the Port of Los Angeles's knowledge, no such proceedings are threatened by governmental authorities or threatened by others;

(f) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best of the Port of Los Angeles's knowledge, threatened against the Port of Los Angeles contesting or affecting the powers of the Port of Los Angeles with respect to, or the validity or enforceability of, or any authority for, the Port Agreements, the Use and Operating Agreement, [the Construction and Maintenance Agreement, the Right of Entry] or the Use Permit;

(g) the Port of Los Angeles is not in [material] breach of or in [material] default under the Port Agreements, the Use and Operating Agreement, [the Construction and Maintenance Agreement, the Right of Entry] or the Use Permit; and to its knowledge, the Port of Los Angeles is not in material breach of or in material default under any loan agreement, note, bond, resolution, indenture, agreement or other instrument to which the Port of Los Angeles is, or on or after the date of the Closing will be, a party or to which the Port of Los Angeles or any of its properties or assets is otherwise subject, and no event has occurred and is continuing that constitutes or that, with the passage of time or the giving of notice, or both, would constitute a material breach of or material default or event of default under any such agreement, law, regulation or instrument.

2. The Port of Los Angeles will undertake, pursuant to the Use and Operating Agreement and the Continuing Disclosure Certificate, to provide certain annual financial and operating information and to provide notices upon the occurrence of certain enumerated events. The form of this undertaking is set forth in the Continuing Disclosure Certificate included as Appendix D in the Preliminary Official Statement and in the Official Statement. [During the previous five years, the Port of Los Angeles has not failed to comply in any material respect with any of its previous undertakings under Rule 15c2-12].

3. The Port of Los Angeles hereby approves the Plan of Refunding (as defined in Resolution No. ____, adopted by the Port Commission on _____, 20__ (the "Port Resolution"), authorizing the execution of this Letter of Representation), including the Authority's obtaining of a debt service reserve surety policy, as permitted by the Indenture, in lieu of funding the Debt Service Reserve Fund for the Bonds with bond proceeds, by obtaining a surety policy from a surety provider whose credit rating is at least "A" or better from at least one nationally recognized rating agency, for the purpose of achieving present value debt service savings, notwithstanding the provisions of Section 7.3(k) of the Use and Operating Agreement, or any other provision thereof.

4. The Port of Los Angeles acknowledges and agrees that (i) in connection with the purchase and sale of the Bonds and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and not as the agents or fiduciaries of the Port of Los Angeles; (ii) the Underwriters have not assumed a fiduciary responsibility in favor of the Port of Los Angeles with respect to: (a) the offering of the Bonds or the process leading thereto (whether or not the Underwriters, or any affiliates of the Underwriters, have advised or are currently advising the Port of Los Angeles on other matters) or (b) any other obligation to the Port of Los Angeles except the obligations expressly set forth in the Bond Purchase Agreement and in this Letter of Representation; and (iii) the Port of Los Angeles has consulted its own legal, financial and other advisors to the extent it has deemed appropriate in connection with this transaction.

5. At the Closing, the Port of Los Angeles shall cause to be delivered to you the opinion of counsel to the Port of Los Angeles referred to in Paragraph [____] of the Purchase Agreement.

6. No representation or covenant herein shall be deemed to be the representation or covenant of any official, officer, agent or employee of the Port of Los Angeles in his or her individual capacity.

Very truly yours,

The Port of Los Angeles

By: _____
Title:

Accepted as of the date hereof:

Stifel Nicolaus & Company, Incorporated
As Representative of the Underwriters

By: _____
Name:
Title:

