

[\$[Principal Amount]]
HARBOR DEPARTMENT OF THE CITY OF LOS ANGELES
Refunding Revenue Bonds
2015 Series A
(Non-AMT)

BOND PURCHASE AGREEMENT

[Pricing Date]

Harbor Department of the City of Los Angeles
The Port of Los Angeles
425 South Palos Verdes Street
San Pedro, California 90731

Ladies and Gentlemen:

The undersigned, Siebert Brandford Shank & Co., L.L.C. (the “Representative”), on our own behalf and on behalf of RBC Capital Markets, LLC (together with the Representative, the “Underwriters”), offers to enter into this Bond Purchase Agreement (the “Purchase Agreement”) with the Harbor Department of the City of Los Angeles (the “Department”) which, upon the Department’s acceptance of this offer, will be binding upon the Department and the Underwriters. The offer made hereby is subject to acceptance by the Department by execution and delivery of this Purchase Agreement to the Representative at or prior to 5:00 P.M., Los Angeles time, on the date first above written, and if not so accepted will be subject to withdrawal by the Underwriters upon notice delivered to the Department at any time prior to the acceptance hereof by the Department.

The Representative represents and warrants that (i) it has been duly authorized by itself and the other Underwriters to execute this Purchase Agreement and (ii) it has been duly authorized by the Underwriters to act hereunder by and on behalf of itself and the other Underwriters and, as the Representative, to take all actions, and waive any condition or requirement, required or permitted to be taken or waived hereunder by the Representative or the Underwriters. The Underwriters shall not designate any other representative except upon the approval of the Department (which approval shall not be unreasonably withheld) .

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties, covenants and agreements hereinafter set forth, the Underwriters hereby agree, jointly and severally, to purchase from the Department for offering to the public, and the Department hereby agrees to sell to the Underwriters for such purpose, all (but not less than all) of the \$[Principal Amount] Harbor Department of the City of Los Angeles Refunding Revenue Bonds, 2015 Series A (the “Series 2015A Bonds”), to be dated their date of delivery. The Series 2015A Bonds shall be issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof. The Series 2015A Bonds shall mature on August 1 in each of the years and in the amounts set forth in Appendix A hereto. The Series 2015A Bonds shall bear interest on each February 1 and August 1 of each year commencing February 1, 2016 [and be subject to redemption as provided in the Official Statement hereinafter

mentioned]. The aggregate purchase price for the Series 2015A Bonds shall be \$_____ (representing the aggregate principal amount of the Series 2015A Bonds, plus net original issue premium of \$_____, and less an Underwriters' discount of \$_____).

2. The Series 2015A Bonds. The Series 2015A Bonds shall be issued under and pursuant to Section 609 of the Charter of the City, relevant ordinances of the City, and Section 11.28.1 et seq. of the Los Angeles Administrative Code (collectively, the "Charter"); and Resolution Nos. 15-7832 and 15-7833 adopted by the Board of Harbor Commissioners of the City of Los Angeles (the "Board") on July 13, 2015, and approved by the City Council of the City (the "City Council") and the Mayor of the City (the "Mayor") on August __, 2015 and August __, 2015, respectively, Resolution Nos. 15-[_____] and 15-[_____] (together with Resolution Nos. 15-7832 and 15-7833, the "Resolution"), adopted by the Board on August [20], 2015; and an Indenture of Trust, to be dated as of October 1, 2015 (the "Indenture"), by and between the Department and U.S. Bank National Association, as trustee (the "Trustee"). Capitalized terms in this Purchase Agreement that are not otherwise defined herein shall have the meanings given to such terms in the Official Statement (as hereinafter defined).

3. Purpose of Bonds. The Department will use proceeds of the Series 2015A Bonds, [together with other funds of the Department which may be required therefor], to (a) current refund and defease the Refunded Bonds (as defined in the Official Statement), [(b) fund a debt service reserve fund,] and (c) pay the costs of issuance of the Series 2015A Bonds.

A portion of the proceeds of the Series 2015A Bonds, [together with certain available moneys of the Department,] will be deposited in separate redemption accounts established and maintained for the Refunded Bonds by the Trustee. Such amounts will be held uninvested by the Trustee and on the redemption date for the Refunded Bonds (October [__], 2015) will be used to pay the redemption price of and interest on the Refunded Bonds.

4. Offering. It shall be a condition to the Department's obligations to sell and to deliver the Series 2015A Bonds to the Underwriters and to the Underwriters' obligations to purchase, to accept delivery of and to pay for the Series 2015A Bonds that the entire aggregate principal amount of the Series 2015A Bonds referred to in Paragraph 1 shall be issued, sold and delivered by the Department and purchased, accepted and paid for by the Underwriters at the Closing (as defined herein). The Underwriters agree to make a bona fide public offering of all the Series 2015A Bonds, at prices not in excess of the initial public offering prices (or at yields not less than the initial offering yields) as set forth in the Official Statement; provided that the Series 2015A Bonds may be offered and sold to certain dealers, unit investment trusts and money market funds, certain of which may be sponsored or managed by the Underwriters, at prices lower than such public offering prices and may effect transactions that stabilize or maintain the market price of the Series 2015A Bonds. The Department hereby authorizes the use by the Underwriters of the Resolution, the Indenture, the Continuing Disclosure Certificate (as defined herein) and the Official Statement, and any supplements or amendments thereto, and the information contained in each of such documents, in connection with the public offering and sale of the Series 2015A Bonds.

5. Official Statement. Upon the Department's acceptance of this offer, it shall be deemed to have ratified, approved and confirmed the Preliminary Official Statement of the

Department with respect to the Series 2015A Bonds, dated September __, 2015 (the “Preliminary Official Statement”). The Department hereby agrees to deliver or cause to be delivered to the Underwriters, no later than the earlier of (i) seven (7) business days after the date hereof or (ii) two (2) business day prior to the Closing Date, in order to permit the Underwriters to comply with Rule 15c2-12 of the Securities and Exchange Commission (“SEC”), and the applicable rules of the Municipal Securities Rulemaking Board (the “MSRB”), with respect to distribution of the Official Statement, conformed copies of the final Official Statement (in word-searchable PDF format), dated the date hereof (including all information previously permitted to have been omitted by Rule 15c2-12 and any amendments or supplements to such Official Statement as have been approved by the Department and the Representative). The Official Statement shall be substantially in the form of the Preliminary Official Statement, with only such changes as are necessary to reflect the principal amount, interest rates, maturity dates, and redemption provisions relating to the Series 2015A Bonds (said document, including its cover page, inside front cover page and Appendices, as the same may be amended and supplemented in accordance with this Purchase Agreement and as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, the “Official Statement”).

6. Representations, Warranties and Agreements of the Department. The Department represents and warrants to and agrees with the Underwriters that, as of the date hereof and as of the date of the Closing:

(a) the Department is a proprietary department of the City of Los Angeles duly organized and validly existing under the Charter and the laws of the State of California;

(b) the Department has full legal right, power and authority to enter into this Purchase Agreement, to adopt the Resolution, and to enter into and observe, perform and consummate the covenants, agreements and transactions contemplated by this Purchase Agreement, the Resolution, the Indenture and the Continuing Disclosure Certificate, and to issue, sell and deliver the Series 2015A Bonds to the Underwriters as provided herein; and, by all necessary official action, the Board has authorized and approved the Preliminary Official Statement and the Official Statement, has ratified and approved the distribution of the Preliminary Official Statement by the Underwriters to any potential purchasers of the Series 2015A Bonds and has authorized and approved the distribution of the Official Statement by the Underwriters to any purchasers of the Series 2015A Bonds;

(c) by all necessary official action, the Department has duly adopted the Resolution, has duly approved the Preliminary Official Statement and the delivery thereof to the Underwriters, has duly authorized and approved the Official Statement and the delivery thereof to the Underwriters, has duly authorized and approved the execution and delivery of, and the performance by the Department of the obligations in connection with the issuance of the Series 2015A Bonds on its part contained in this Purchase Agreement, the Resolution, the Indenture, the Series 2015A Bonds and the Continuing Disclosure Certificate, and the consummation by it of all other transactions contemplated by such documents in connection with the issuance of the Series 2015A Bonds; and the Indenture, the Series 2015A Bonds and the Continuing Disclosure Certificate (upon their execution and delivery) and this Purchase Agreement constitute the legal, valid and binding obligations of the Department, enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors’ rights

generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law);

(d) the Department is not in material breach of or default under any applicable constitutional provision, law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Department is a party or to which the Department or any of its property or assets is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or event of default under any such instrument; and the execution and delivery of this Purchase Agreement, the Indenture, the Series 2015A Bonds and the Continuing Disclosure Certificate and the adoption of the Resolution and compliance with the provisions on the Department's part contained therein, will not conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Department is a party or to which the Department or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Department or under the terms of any such law, regulation or instrument, except as provided by the Series 2015A Bonds, the Indenture and this Purchase Agreement;

(e) all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization of, which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Department of its obligations in connection with the issuance, sale and delivery of the Series 2015A Bonds under this Purchase Agreement and the Indenture have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Series 2015A Bonds; and, except as described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction in the matter which are required for the due authorization of, which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Department of its respective obligations under this Purchase Agreement, the Resolution, the Indenture, the Series 2015A Bonds and the Continuing Disclosure Certificate have been duly obtained;

(f) the Series 2015A Bonds, if and when issued, will be issued in accordance with the Indenture, and the Series 2015A Bonds and the Indenture will conform in all material respects to the descriptions thereof contained in the Official Statement under the captions "PLAN OF REFUNDING AND APPLICATION OF SERIES 2015A BOND PROCEEDS," "DESCRIPTION OF THE SERIES 2015A BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2015A BONDS," and "TAX MATTERS" in, and "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE" in Appendix C to the Official Statement; and the Continuing Disclosure Certificate conforms to the summary thereof contained in the Official Statement under the caption "CONTINUING DISCLOSURE";

(g) the Series 2015A Bonds, if and when issued, authenticated and delivered in accordance with the Indenture and sold to the Underwriters as provided herein, will be validly issued and outstanding obligations of the Department, enforceable in accordance with their terms and the terms of the Indenture, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws, judicial decisions or principles of equity relating to or affecting the enforcement of creditors' rights or contractual obligations generally and limitations on judicial remedies available against public agencies; and upon such issuance, authentication and delivery the Indenture will provide, for the benefit of the holders from time to time of the Series 2015A Bonds, a legally valid and binding pledge of and lien on the Revenues (as defined in the Indenture) and the funds and accounts pledged under the Indenture, subject only to the provisions of the Indenture permitting the application thereof on the terms and conditions set forth in the Indenture;

(h) as of the date hereof, 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 knowledge of the officer of the Department executing this Purchase Agreement, threatened against the Department, affecting the corporate existence of the Department or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the issuance or delivery of the Series 2015A Bonds or the collection of the Revenues of the Department pledged or to be pledged to pay the principal of and interest on the Series 2015A Bonds, or the pledge of and lien on the Revenues, funds and accounts pursuant to the Indenture, or contesting or affecting as to the Department the validity or enforceability of the Charter, this Purchase Agreement, the Indenture, the Series 2015A Bonds or the Continuing Disclosure Certificate or contesting the tax-exempt status of interest on the Series 2015A Bonds, or contesting the completeness or accuracy of the Official Statement or any supplement or amendment thereto, or contesting the powers of the Department or any authority for the issuance of the Series 2015A Bonds, the adoption of the Resolution, or the execution and delivery by the Department of this Purchase Agreement, the Indenture, the Series 2015A Bonds and the Continuing Disclosure Certificate nor, to the best knowledge of the officer of the Department executing this Purchase Agreement, is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Charter as to the Department and other applicable law or the adoption, authorization, execution, delivery or performance, as the case may be, by the Department of the Resolution, the Series 2015A Bonds, this Purchase Agreement, the Indenture or the Continuing Disclosure Certificate;

(i) the Preliminary Official Statement was "deemed final" by the Department as of its date and within the meaning of paragraph (a)(2) of 17 CFR Section 240.15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission, except for the permitted omissions provided under Rule;

(j) as of the date thereof and hereof, the Preliminary Official Statement (except for the information relating to The Depository Trust Company and its book-entry system, as to which no representation is made) did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(k) the Department will undertake, pursuant to the Continuing Disclosure Certificate, to be dated the date of delivery of the Series 2015A Bonds (the “Continuing Disclosure Certificate”) substantially in the form attached to the Official Statement as Appendix D, to provide certain annual financial information and to provide notices upon the occurrence of certain enumerated events;

(l) except as described in the Preliminary Official Statement and the Official Statement, the Department has never failed to comply, in any material respect, in the past five years with the terms of any continuing disclosure undertaking previously entered into by it pursuant to the Rule;

(m) at the time of the Department’s acceptance hereof, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein in the light of the circumstances in which they were made, not misleading (except for the information relating to The Depository Trust Company and its book-entry system, as to which no representation is made), and if the Official Statement is supplemented or amended pursuant to subparagraph 6(n) hereof, at the time of each supplement or amendment thereto, the Official Statement, as so supplemented or amended, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except for the information relating to The Depository Trust Company and its book-entry system, as to which no representation is made);

(n) each party hereto agrees that it will notify the other parties hereto if, within the period from the date of this Purchase Agreement to and including the date which is 25 days following the End of the Underwriting Period (as hereinafter defined) , such party discovers any pre-existing or subsequent fact or becomes aware of the occurrence of any event, in any such case which might cause the Official Statement (as the same may have been theretofore supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the written opinion of the Department or the Underwriters, the preparation and publication of a supplement or amendment to the Official Statement is, as a result of such fact or event (or any other event which becomes known to the Department or any Underwriter during such period) , necessary so that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Department will, at its expense, supplement or amend the Official Statement in such a manner so that the Official Statement, as so supplemented or amended, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and furnish copies of such supplement or amendment to the Underwriters in such numbers as the Representative may reasonably request. The Department and the Underwriters agree that they will cooperate in the preparation of any such amendment or supplement. As used herein, the term “End of the Underwriting Period” means the later of such time as (i) the Department delivers the Series 2015A Bonds to the Underwriters, or (ii) the Underwriters do not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Series 2015A Bonds for sale to the public. Unless the Representative gives notice to the contrary, the

“End of the Underwriting Period” shall be deemed to be the Closing Date. Any notice delivered pursuant to this provision shall be written notice delivered to the Department at or prior to the Closing Date, and shall specify a date (other than the Closing Date) to be deemed the End of the Underwriting Period;

(o) the Department will apply the proceeds from the sale of the Series 2015A Bonds for the purposes specified in the Resolution and the Indenture;

(p) between the date hereof and the Closing, except as contemplated by the Official Statement, the Department will not, without prior written notice to the Underwriters, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, other than in the ordinary course of its business;

(q) the Department will furnish such information, execute such instruments and take such other action not inconsistent with law in cooperation with the Underwriters as may be requested to (i) qualify the Series 2015A Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States of America as may be designated by the Underwriters, and (ii) determine the eligibility of the Series 2015A Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Series 2015A Bonds; provided, however, that the Department shall not be required to pay the cost or expense of any such qualification or determination or to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction;

(r) the financial statements of, and other financial information regarding, the Department set forth in the Preliminary Official Statement and the Official Statement fairly present the financial position and results of the operations of the Department as of the dates and for the periods therein set forth, and, to the best of the Department’s knowledge, (i) the audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied, and (ii) the other historical financial information has been determined on a basis substantially consistent with that of the Department’s audited financial statements included in the Preliminary Official Statement and the Official Statement; and, except as disclosed in the Preliminary Official Statement and the Official Statement, there has not been any material adverse change in the financial condition of the Department since June 30, 2014 and there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such material adverse change;

(s) any certificate signed by any official of the Department and delivered to the Representative or the Underwriters shall be deemed to be a representation and warranty by the Department hereunder to the Representative and each of the Underwriters as to the statements made therein; and

(t) the Department has not defaulted in the payment of principal of or interest on any of its debt obligations (“debt obligations” shall not include any industrial development bonds or private activity bonds the Department has issued on behalf of any other person and as to which the Department has no direct or indirect financial responsibility).

7. Closing. At 8:00 a.m., Los Angeles time, on [Closing Date], or at such other date and time as shall have been mutually agreed upon by the Department and the Representative, the Department will deliver or cause to be delivered to The Depository Trust Company (“DTC”) as described below, the Series 2015A Bonds in definitive form duly executed by the Department and authenticated by the Trustee, together with the other documents hereinafter mentioned; and the Underwriters will accept such delivery to DTC and pay the purchase price of the Series 2015A Bonds as set forth in Paragraph 1 hereof in federal or other immediately available funds, in an aggregate amount equal to such aggregate purchase price as set forth in Paragraph 1. Physical delivery of the Series 2015 Bonds shall be made to the Trustee as agent for DTC under the Fast Automated Securities Transfer (“FAST”) system, or as otherwise instructed by the Department or the Trustee. Payment for the delivery of the Series 2015A Bonds as aforesaid shall be made at the offices of Kutak Rock LLP, Los Angeles, California, or at such other place as shall have been mutually agreed upon by the Department and the Representative. Such payment and delivery is herein called the “Closing.” The Underwriters shall order a CUSIP identification number and the Department shall cause such CUSIP identification number to be printed on the Series 2015A Bonds, but neither the failure to print such number on any Series 2015 Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriters to accept delivery of and pay for the Series 2015A Bonds in accordance with the terms of this Purchase Agreement. The Series 2015A Bonds shall be prepared and delivered at least one business day prior to the date of the Closing to the offices of, or otherwise at the direction of, DTC in the form of one certificate for each maturity, fully registered in the name of Cede & Co., as nominee of DTC.

8. Closing Conditions. The Underwriters have entered into this Purchase Agreement in reliance upon the representations and warranties of the Department contained herein, and in reliance upon the representations and warranties to be contained in the documents and instruments to be delivered at the Closing, and upon the performance by the Department of its respective obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriters’ obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Series 2015A Bonds shall be conditioned upon the performance by the Department of its obligations to be performed hereunder and the delivery of the documents and instruments required to be delivered hereby at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) the representations and warranties of the Department contained or incorporated herein shall be true, complete and correct in all material respects at the date hereof and on and as of the date of the Closing as if made on the date of Closing;

(b) at the time of the Closing, (i) the Resolution and the Indenture shall be in full force and effect and shall not have been amended, modified or supplemented after the date thereof except as shall have been agreed to in writing by the Representative; and (ii) the Department shall have performed its obligations required under or specified in this Purchase Agreement, the Resolution and the Indenture to be performed at or prior to the Closing;

(c) at the time of the Closing, all official actions of the Department relating to this Purchase Agreement, the Indenture, the Series 2015A Bonds, the Continuing Disclosure Certificate and the Official Statement shall be in full force and effect in accordance with their

respective terms and shall not have been amended, modified or supplemented in any material respect from the date hereof except as may have been agreed to in writing by the Representative;

(d) At the time of the Closing, the Official Statement (as amended and supplemented) will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(e) at or prior to the Closing, the Underwriters shall receive the following documents, in each case reasonably satisfactory in form and substance to the Representative and to Underwriters' counsel, Hawkins Delafield & Wood LLP:

(i) the Official Statement and each supplement or amendment thereto, if any, executed on behalf of the Department by the Department's Executive Director, Deputy Executive Director or the Chief Financial Officer;

(ii) certified copies of each Resolution and Resolution Nos. 15-7830 and 15-7831 ("Resolution Nos. 15-7830/7831"), adopted by the Board on July 13, 2015, certified by the Secretary of the Board as having been duly adopted by the Board and as being in full force and effect in the form existing on the date hereof and have not been amended except as shall have been agreed to by the Representative;

(iii) an executed copy of the Indenture;

(iv) the approving legal opinion of Kutak Rock LLP, Bond Counsel to the Department ("Bond Counsel"), dated the date of Closing and addressed to the Department in substantially the form set forth in Appendix E to the Official Statement, together with a letter of such counsel, dated the date of the Closing and addressed to the Underwriters, to the effect that the foregoing legal opinion addressed to the Department may be relied upon by the Underwriters to the same extent as if such legal opinion were addressed to them;

(v) a supplemental opinion of Bond Counsel, dated the date of the Closing and addressed to the Underwriters, to the effect that:

(A) this Purchase Agreement and the Continuing Disclosure Certificate have been duly authorized, executed and delivered by have been duly authorized, executed and delivered by the Department and, assuming the due authorization, execution and delivery by the other parties thereto, as applicable, constitute binding and enforceable obligations of the Department in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to creditors' rights generally;

(B) the Series 2015A Bonds are exempt from registration under Section (3)(a)(2) of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended; and

(C) The information in the Official Statement under the headings “DESCRIPTION OF THE SERIES 2015A BONDS,” “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2015A BONDS,” “TAX MATTERS,” “APPENDIX C-SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE and “APPENDIX E-FORM OF OPINION OF BOND COUNSEL” excluding any material that may be treated as included under such captions by cross-reference, insofar as such statements expressly summarize certain provisions of the indenture and Bond Counsel’s Opinion concerning certain federal tax matters and State tax matters relating to the Series 2015A Bonds, are accurate in all material respects.

(vi) an opinion of Bond Counsel, dated the date of the Closing and addressed to the Underwriters, to the effect that that upon the issuance of the Series 2015A Bonds and the application of the proceeds thereof in accordance with the Indenture and the Indenture, dated as of October 1, 2005 (the “Refunded Bonds Indenture”), by and between the Department and the Trustee, the Refunded Bonds will be deemed to be paid in full under the Refunded Bonds Indenture and shall no longer be secured by or entitled to the benefits of the Refunded Bonds Indenture, except for the purpose of payment from moneys held by the Trustee for such purposes;

(vii) an opinion, dated the date of Closing and addressed to the Underwriters, of the Los Angeles City Attorney, as general counsel to the Department, to the effect that:

(A) the Department is a proprietary department of the City of Los Angeles duly organized and validly existing under the Charter and the laws of the State of California, and has full legal right, power and authority to execute and deliver, and to perform its obligations under, this Purchase Agreement, the Resolution, the Indenture, the Series 2015A Bonds and the Continuing Disclosure Certificate;

(B) the Resolution and Resolution Nos. 15-7830/7831 were duly adopted at meetings of the Board which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout;

(C) the Department has full legal right, power and authority (1) to enter into this Purchase Agreement, the Indenture, the Series 2015A Bonds and the Continuing Disclosure Certificate, (2) to adopt the Resolution and Resolution Nos. 15-7830/7831, (3) to issue, sell and deliver the Series 2015A Bonds to the Underwriters as provided herein, (4) to authorize the distribution of the Preliminary Official Statement and the execution and distribution the Official Statement, and (5) to carry out and consummate all other commercial transactions contemplated by this Purchase Agreement, the Indenture, the Series 2015A Bonds and the Continuing Disclosure Certificate;

(D) by official action of the Department prior to or concurrently with the acceptance hereof, the Department (1) has duly authorized and approved the

execution and delivery and adoption of, and the performance by the Department of its obligations contained in, this Purchase Agreement, the Indenture, the Series 2015A Bonds and the Continuing Disclosure Certificate, (2) has duly authorized the execution of the Official Statement and has duly ratified and authorized the distribution by the Underwriters of the Preliminary Official Statement and the Official Statement to potential purchasers of the Series 2015A Bonds, and (3) has duly authorized and approved the consummation by the Department of all transactions contemplated by this Purchase Agreement, the Indenture, the Series 2015A Bonds and the Continuing Disclosure Certificate;

(E) this Purchase Agreement, the Resolution, the Indenture, the Series 2015A Bonds, the Continuing Disclosure Certificate and the Official Statement have been duly authorized, executed and delivered by the Department, and the Purchase Agreement constitutes, and, upon due execution and delivery, the Indenture, the Series 2015A Bonds and the Continuing Disclosure Certificate will constitute, the legal, valid and binding obligations of the Department, enforceable against the Department in accordance with their respective terms.

(F) to the best of the City Attorney's knowledge after reasonable inquiry, the Department has complied with, and is not in material breach of or material default under the Charter, this Purchase Agreement, the Indenture, the Series 2015A Bonds or the Continuing Disclosure Certificate or any applicable constitutional provision, law or administrative regulation of the State of California or the United States or any agency or instrumentality of either, or any applicable judgment or decree, or any loan agreement, note, bond, resolution, indenture, agreement or other instrument known to the City Attorney after reasonable inquiry to which the Department is, or will on or after the date of Closing be, a party or to which the Department or any of its property or assets otherwise is or will be subject, and, to the best of the City Attorney's knowledge after reasonable inquiry, no event has occurred and is continuing which 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 instrument; and the execution, delivery and adoption by the Department of this Purchase Agreement, the Resolution, the Indenture, the Series 2015A Bonds and the Continuing Disclosure Certificate, and the issuance, sale and delivery of the Series 2015A Bonds, and compliance by the Department with the respective provisions contained in this Purchase Agreement, the Resolution, the Indenture, the Series 2015A Bonds and the Continuing Disclosure Certificate, does not and will not conflict with or constitute a material breach of or material default or event of default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, note, bond, resolution, indenture, agreement or other instrument known to the City Attorney after reasonable inquiry to which the Department is a party or to which the Department or any of its property or assets otherwise is or will be subject; nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or security interest or encumbrance of any nature whatsoever upon any of the revenues, property or assets of the Department or

under the terms of any such law, regulation or instrument, except as expressly provided by the Series 2015A Bonds and the Resolution and the Indenture;

(G) to the best knowledge of the City Attorney after reasonable inquiry, 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 threatened against the Department affecting the existence of the Department or the titles of its officers to their respective offices or affecting or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Series 2015A Bonds or the collection of Revenues or assets of the Department pledged or to be pledged to pay the principal of and interest on the Series 2015A Bonds or the pledge of and lien on the Revenues, funds or accounts pursuant to the Indenture, or contesting or affecting the validity or enforceability of the Charter as to the Department, this Purchase Agreement, the Resolution, the Indenture, the Series 2015A Bonds or the Continuing Disclosure Certificate, or contesting the tax-exempt status of interest on the Series 2015A Bonds or contesting the completeness or accuracy of the Official Statement or any supplement or amendment thereto, or contesting the powers of the Department or any authority for the issuance of the Series 2015A Bonds, the adoption of the Resolution, or the execution and delivery by the Department of this Purchase Agreement, the Resolution, the Indenture, the Series 2015A Bonds or the Continuing Disclosure Certificate or the consummation of the transactions contemplated thereby nor, to the best knowledge of the City Attorney, is there any basis for any such action, suit, proceeding, inquiry or investigation wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Charter as to the Department or the authorization, execution, delivery or performance by the Department of this Purchase Agreement, the Resolution, the Indenture, the Series 2015A Bonds or the Continuing Disclosure Certificate; and

(H) based upon the City Attorney's participation in the preparation of the Official Statement as counsel to the Department and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Official Statement, as of the date hereof, nothing has come to our attention which causes us to believe that (A) the Official Statement, as of its date, contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except for the statements contained in the Official Statement and the Appendices thereto relating to the book-entry-only system, The Depository Trust Company, the discussions contained therein relating to permits, licenses and approvals required for the construction and operation of the facilities or projects of the Department and the status thereof, all engineering, financial and statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, as to all of which the City Attorney need express no view or opinion) or (B) the Official Statement as of the date hereof contains any untrue statement of material fact or omits to state a material fact necessary to make the statements therein, in

the light of the circumstances under which they were made, not misleading (except as aforesaid) ;

(viii) a letter from Kutak Rock LLP, as disclosure counsel to the Department (“Disclosure Counsel”), addressed to the Department and the Underwriters, dated the Closing Date, to the effect that based upon the participation of the attorneys involved in the preparation of the Official Statement and without having undertaken to determine independently the accuracy and completeness of the statements contained in the Official Statement, no information came to the attention of such counsel in connection with the issuance and delivery of the Series 2015A Bonds which causes them believe that the Official Statement, as of its date and as of the date of Closing, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. Disclosure Counsel will not express any belief or opinion as to any CUSIP numbers, financial, technical, statistical, economic, engineering, demographic or tabular data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions, expressions of opinion, discussions contained therein relating to permits, licenses and approvals required for the construction and operation of the facilities or the projects of the Department and the status thereof, information about environmental matters and summaries thereof and references thereto included in the Official Statement or as to the information contained in the Official Statement under the captions “APPENDIX A—AUDITED FINANCIAL STATEMENTS OF THE HARBOR DEPARTMENT FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013,” “APPENDIX B—CERTAIN INFORMATION REGARDING THE CITY OF LOS ANGELES,” or “APPENDIX F—BOOK ENTRY ONLY SYSTEM” or any information in the Official Statement about the book-entry system, Cede & Co., or The Depository Trust Company.

(ix) an opinion of Hawkins Delafield & Wood LLP, Underwriters’ Counsel, dated the Closing Date, addressed to the Underwriters, in form and substance satisfactory to the Underwriters;

(x) a certificate of an Authorized Officer of the Department, dated the date of the Closing and signed by such Authorized Officer to the effect that:

(A) the representations and warranties of the Department contained herein are true and correct in all material respects on and as of the date of the Closing as if made on the date of the Closing, except that all references therein to the Preliminary Official Statement shall be deemed to be references to the Official Statement;

(B) except as may be stated to the contrary in the Official Statement, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, is pending or, to the best of his/her knowledge, threatened against the Department, affecting the existence of the Department or the titles of its officers to their respective offices or affecting or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Series

2015A Bonds or the collection of Revenues pledged to pay the principal of and interest on the Series 2015A Bonds, or the pledge of and lien on the Revenues and funds and accounts pursuant to the Indenture, or in any way contesting or affecting the validity or enforceability of the Charter as to the Department, the Series 2015A Bonds, the Resolution, the Indenture, the Continuing Disclosure Certificate or this Purchase Agreement, or contesting in any way the tax exempt status of the Series 2015A Bonds or the completeness or accuracy of the Preliminary Official Statement or the Official Statement as the same may be supplemented or amended; or contesting the powers of the Department or any authority for the issuance of the Series 2015A Bonds, the adoption of the Resolution or the authorization, execution and delivery of this Purchase Agreement, the Indenture, the Series 2015A Bonds or the Continuing Disclosure Certificate except as set forth in the Official Statement, nor, to the best of his or her knowledge, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Charter as to the Department, or the authorization, execution, delivery or performance by the Department of the Series 2015A Bonds, the Resolution, the Indenture, the Continuing Disclosure Certificate or this Purchase Agreement; and

(C) to the best of his or her knowledge, no event affecting the Department has occurred since the date of the Official Statement which should be disclosed in the Official Statement, as the same may be supplemented or amended, in order that the Official Statement not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein, or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(xi) a certificate of the Trustee, dated the Closing Date, to the effect that:

(A) the Trustee is duly organized and existing as a national banking association organized and existing under the laws of the United States of America, having the full power and authority to enter into and perform its duties under the Indenture and to authenticate the Series 2015A Bonds;

(B) the Trustee is duly authorized to enter into the Indenture, and, when the Indenture is duly authorized, executed and delivered by the Department, to authenticate and deliver the Series 2015A Bonds to the Underwriters pursuant to the terms of the Indenture;

(C) the execution and delivery by the Trustee of the Indenture, and compliance with the terms thereof, will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution or any other agreement or instrument to which the Trustee is a party or by which it is bound, or, to its best knowledge, any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties (except that no

representation, warranty or agreement is made by the Trustee with respect to any federal or state securities or blue sky laws or regulations);

(D) there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or, to the best of the knowledge of the Trustee, threatened against or affecting the existence of the Trustee or in any way contesting or affecting the validity or enforceability of the Series 2015A Bonds or the Indenture, or contesting the powers of the Trustee or its authority to enter into and perform its obligations under any of the foregoing, or wherein an unfavorable decision, ruling or finding would adversely affect the Trustee or the transactions contemplated in connection with the issuance and sale of the Series 2015A Bonds, or which, in any way, would adversely affect the validity of the Series 2015A Bonds or the Indenture or any agreement or instrument to which the Trustee is a party and which is used or contemplated for use in the Indenture, or the consummation of the transactions contemplated in connection with the issuance and sale of the Series 2015A Bonds;

(E) subject to the provisions of the Indenture, the Trustee will apply the proceeds from the Series 2015A Bonds to the purposes specified in the Indenture; and

(F) proceeds of the Series 2015A Bonds, together with other available moneys deposited to the respective redemption accounts for the Refunded Bonds, is sufficient to pay the principal and premium of and interest on the Refunded Bonds on the redemption date of the Refunded Bonds.

(xii) An opinion of counsel to the Trustee, dated the date of Closing, addressed to the Department and the Underwriters to the effect that:

(A) the Trustee is a national banking association organized and existing under the laws of the United States of America, having full power and being qualified to enter, accept and administer the trust created under the Indenture and to authenticate and deliver the Series 2015A Bonds;

(B) the Series 2015A Bonds have been duly authenticated by the Trustee in accordance with the Indenture, and the Indenture has been duly authorized, executed and delivered by the Trustee and, assuming due authorization, execution and delivery thereof by the Department, constitutes the legal, valid and binding obligation of the Trustee enforceable in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought; and

(C) no authorization, approval, consent or order of any governmental agency or any other person is required for the valid authorization, execution and

delivery of the Indenture or the authentication of the Series 2015A Bonds by the Trustee;

(xiii) a verification report of [Verification Agent] stating that it has verified the mathematical accuracy of the computations contained in the provided schedules to determine that the amounts to be held in the respective redemption accounts will be sufficient to pay the redemption price of and interest on the Refunded Bonds on the redemption date for the Refunded Bonds;

(xiv) an executed copy of the Continuing Disclosure Certificate, in substantially the form attached to the Official Statement;

(xv) evidence satisfactory to the Representative (1) that the Series 2015A Bonds have been rated at least “__” by Standard & Poor’s Ratings Group (“S&P”), at least “__” by Moody’s Investors Service (“Moody’s”) and at least “__” by Fitch Ratings and (2) that such ratings remain in effect and have not been suspended, withdrawn or downgraded as of the date of the Closing;

(xvi) the Letter of Representations or evidence of other appropriate arrangements with DTC; and

(xvii) such additional legal opinions, certificates, instruments and other documents as the Representative may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the Department’s representations and warranties contained herein and of the statements and information contained in the Official Statement, as the same may be supplemented or amended, and the due performance and satisfaction by the Department at or prior to the date of the Closing of all agreements then to be performed and all conditions then to be satisfied by the Department and to evidence the exclusion from gross income for federal income tax purposes of the interest of the Series 2015A Bonds.

9. Termination. The Underwriters may terminate this Purchase Agreement, without liability therefor, by notification to the Department if at any time subsequent to the date of this Purchase Agreement and at or prior to the Closing:

(a) there shall occur any change or any development involving a prospective change, in or affecting the business, properties or financial condition of the Department which, in the reasonable opinion of the Representative, materially impairs the investment quality, the marketability or the market price of the Series 2015A Bonds;

(b) legislation shall have been enacted by the Congress of the United States, or introduced by amendment or otherwise in or passed by either House of the Congress, or recommended or endorsed to the Congress for passage by the President of the United States, or favorably reported for passage to either House of the Congress of the United States by any committee of such House to which such legislation has been referred for consideration, or recommended or endorsed for passage or presented for consideration by any member of any such committee or by the Treasury Department of the United States, the Internal Revenue Service, or the staff of the Joint Committee on Taxation of the Congress, or a decision shall have been

rendered by a court of the United States, or the United States Tax Court, or an order, ruling, regulation (final, temporary or proposed) or official statement shall have been made by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency of appropriate jurisdiction, with respect to federal taxation of interest received on securities of the general character of the Series 2015A Bonds or which would have the effect of changing, directly or indirectly, the federal tax consequences of receipt of interest on securities of the general character of the Series 2015A Bonds in the hands of the owners thereof, which in the reasonable opinion of the Representative would materially adversely affect the market price of the Series 2015A Bonds or the ability to enforce contracts for the sale of the Series 2015A Bonds;

(c) there shall have occurred a declaration of war by the United States, any new outbreak of hostilities or any escalation in existing hostilities, or any other national or international calamity or crisis or an actual or imminent default or moratorium in respect of payment of any United States Treasury bills, bonds or notes, the effect of which, in the reasonable opinion of the Representative, would materially and adversely affect the ability of the Underwriters to market the Series 2015A Bonds or to enforce contracts for the sale of the Series 2015A Bonds;

(d) there shall have occurred the declaration of a general banking moratorium by any authority of the United States or the State of New York or the State of California;

(e) there shall be in force a general suspension of trading or other material restrictions not in force as of the date hereof on the New York Stock Exchange or other national securities exchange;

(f) any rating of bonds, notes or other obligations of the Department (including, without limitation, the Series 2015A Bonds) shall have been downgraded, suspended or withdrawn, or the possibility of such a downgrading, suspension or withdrawal shall have been publicly announced, or shall have been placed on "credit watch" or assigned a negative outlook or similar action and such action by Moody's, S&P or Fitch or, in the reasonable opinion of the Representative, will materially adversely affect the marketability or the market price of the Series 2015A Bonds;

(g) an event, fact or condition described in subparagraph 6(n) hereof shall have occurred or become known which, in the reasonable opinion of the Representative, would materially and adversely affect the ability of the Underwriters to market the Series 2015A Bonds or to enforce contracts for the sale of the Series 2015A Bonds and requires the preparation and publication of a supplement or amendment to the form of the Official Statement;

(h) any legislation, ordinance, rule or regulation shall be introduced in or enacted by any governmental body, board, department or agency of the State of California or the United States, or a decision by any court of competent jurisdiction within the State of California or any court of the United States shall be rendered, affecting the Department, which, in the reasonable opinion of the Representative, will materially adversely affect the marketability or the market price of the Series 2015A Bonds or the ability to enforce contracts for the sale of the Series 2015A Bonds; or

(i) legislation shall be enacted, or a decision of a court of the United States shall be rendered or any action shall be taken by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction in the subject matter which, in the opinion of counsel to the Underwriters, has the effect of requiring the contemplated distribution of the Series 2015A Bonds to be registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or the Indenture to be qualified under the Trust Indenture Act of 1939, as amended or that would make the reoffering and sale of the Series 2015A Bonds illegal.

10. Expenses. (a) The Underwriters shall be under no obligation to pay and the Department shall pay or cause to be paid the expenses incident to the performance of its obligations hereunder including but not limited to (i) the cost of preparation, printing and delivery of the Indenture; (ii) the costs of preparation, printing and delivery of the Preliminary Official Statement and of preparation, printing and delivery of the Official Statement and any supplements and amendments to either of such Official Statement; (iii) the cost of preparation and printing of the Series 2015A Bonds; (iv) the fees and disbursements of Bond Counsel, Disclosure Counsel and the Los Angeles City Attorney, as general counsel to the Department; (v) the fees and disbursements of Frasca & Associates, LLC for its services as financial advisor to the Department; (vi) the fees and disbursements of the Verification Agent, the Trustee and any other engineers, accountants, and other experts, consultants or advisers retained by the Department; (vii) the fees, if any, for bond ratings; (viii) the fees and disbursements of independent certified public accountants and any other independent auditor of the Department; and (x) the cost of delivering the purchase price for the Series 2015A Bonds in Federal Funds.

(b) The Underwriters shall pay only (i) the cost of the printing of the Agreement Among Underwriters and the Blue Sky Survey; (ii) all advertising expenses and Blue Sky filing fees in connection with the public offering of the Series 2015A Bonds; (iii) the fees and disbursements of Hawkins Delafield & Wood LLP, as counsel to the Underwriters; and (iv) all other expenses incurred by the Underwriters in connection with the public offering of the Series 2015A Bonds, including the fees and disbursements of any other counsel retained by them. The Department shall pay for any expenses (included in the expense component of the Underwriters' discount) incurred by the Underwriters on behalf of the Department in connection with the marketing, issuance and delivery of the Series 2015A Bonds, including, but not limited to, meals, transportation, lodging, and entertainment of the Department's employees and representatives.

(c) Notwithstanding the foregoing, if the Underwriters or the Department shall bring an action to enforce any part of this Purchase Agreement against the other, the unsuccessful party in such action shall owe to the successful party in such action, in addition to all other amounts or obligations which shall be held to be due and owing, the successful party's reasonable attorney's fees and costs, and other fees, costs and expenses, incurred in connection with such action.

11. Representations of Underwriters. The Underwriters represent and warrant to and agree with the Department that they are authorized to take any action under this Purchase Agreement required to be taken by them and that this Purchase Agreement is a binding contract of the Underwriters enforceable in accordance with its terms.

The Standard Provisions for City Personal Services Contracts (“PSC”) applicable to this transaction are specifically enumerated in Appendix B hereto are hereby incorporated herein by reference as though fully set forth herein.

12. Notices. Any notice or other communication to be given to the Department under this Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing to Harbor Department of The City of Los Angeles, The Port of Los Angeles, 425 South Palos Verdes Street, San Pedro, California 90731; Attention: Deputy Executive Director/Chief Financial Officer, and any notice or other communication to be given to the Underwriters under this Purchase Agreement may be given by delivering the same in writing to the Representative (in care of) Siebert Brandford Shank & Co., L.L.C., 523 West Sixth Street, Suite 703 Los Angeles, California 90014.

13. Relationship of Parties. The Department acknowledges and agrees that: (i) the transactions contemplated by this Purchase Agreement are arm’s length, commercial transactions between the Department and the Underwriters in which each of the Underwriters are acting solely as a principal and are not acting as a municipal advisor, financial advisor or fiduciary to the Department; (ii) the Underwriters have not assumed any advisory or fiduciary responsibility to the Department with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters or their affiliates have provided other services or are currently providing other services to the Department on other matters); (iii) the only obligations the Underwriters have to the Department with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement; and (iv) the Department has consulted its own financial and/or municipal, legal, accounting, tax, and other advisors, as applicable, to the extent it has deemed appropriate. The primary role of the Underwriters, as underwriters, is to purchase the Series 2015A Bonds, for resale to investors, in an arm’s-length commercial transaction between the Department and the Underwriters, as underwriters, have financial and other interests that differ from those of the Department.

14. Governing Law. The validity, interpretation and performance of this Purchase Agreement shall be governed by the laws of the State of California.

15. Parties in Interest. This Purchase Agreement when accepted by the Department in writing as heretofore specified shall constitute the entire agreement between the Department and the Underwriters and is made solely for the benefit of the Department and the Underwriters and no other person shall acquire or have any right hereunder or by virtue hereof. All of the Department’s representations, warranties and agreements contained in this Purchase Agreement shall remain operative and in full force and effect, regardless of: (i) any investigations made by or on behalf of the Underwriters; (ii) delivery of and payment for the Series 2015A Bonds pursuant to this Purchase Agreement; and (iii) any termination of this Purchase Agreement.

16. Headings. The headings of the paragraphs of this Purchase Agreement are inserted for convenience of reference only and shall not be deemed to be a part hereof.

17. Effectiveness. This Purchase Agreement shall become effective upon the execution of the acceptance hereof by the Department and shall be valid and enforceable at the time of such acceptance.

[Remainder of page intentionally left blank; signature page follows]

18. Counterparts. This Purchase Agreement may be executed in several counterparts, which together shall constitute one and the same instrument.

Very truly yours,

SIEBERT BRANDFORD SHANK & CO., L.L.C.
RBC CAPITAL MARKETS, LLC

By: SIEBERT BRANDFORD SHANK & CO.,
L.L.C
Representative of the Underwriters,
including themselves

By: _____
Managing Director

ACCEPTED:

This ___ day of September, 2015

THE CITY OF LOS ANGELES, BY ITS
BOARD OF HARBOR COMMISSIONERS

By: _____
Deputy Executive Director and
Chief Financial Officer

Attest:

By _____
Secretary, Harbor Department of the
City of Los Angeles, California

APPROVED AS TO FORM AND LEGALITY

September ____, 2015
MICHAEL N. FEUER, City Attorney
Janna B. Sidley, General Counsel

By _____
Heather M. McCloskey, Deputy

[Signature page to Bond Purchase Agreement]

APPENDIX A

MATURITY SCHEDULE

**[\$Principal Amount]
HARBOR DEPARTMENT OF THE CITY OF LOS ANGELES
Refunding Revenue Bonds
2015 Series A
(Non-AMT)**

Maturity Date (August 1)	Principal Amount	Interest Rate	Yield
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*Priced to par call on August 1, 20__

Redemption Provisions

Optional Redemption. The Series 2015A Bonds maturing on or before August 1, 20__ are not subject to optional redemption prior to maturity. The Series 2015A Bonds maturing on or after August 1, 20__, are subject to redemption at the option of the Department prior to their stated maturity, as a whole, or in part in integral multiples of \$5,000, on any date on or after August 1, 20__, at a redemption price equal to the principal amount thereof, plus accrued and unpaid interest thereon to the redemption date, without premium.

APPENDIX B

The Underwriters agree to comply with the City of Los Angeles (the “City”) requirements listed below:

A. Inspections and Audits

The Harbor Department of the City of Los Angeles (the “Department”) or any of its duly authorized representatives, upon reasonable written notice, shall receive access, for the purposes of audit and investigation, to any and all books, documents, papers and records of the Underwriters which pertain to the Purchase Agreement. Said books, documents, papers and records must be retained by the Underwriters for three years following final payment under the Purchase Agreement. The Department agrees and acknowledges that the Underwriters shall only be required to retain a copy of the final closing transcript for a period of no less than three years following final payment made by the Department hereunder.

B. Business Tax Registration Certificate

The Underwriters represent that they have obtained and presently hold the Business Tax Registration Certificate(s) required by the City’s Business Tax Ordinance (Article 1, Chapter 2, Sections 21.00 and following of the Los Angeles Municipal Code). The Underwriters will provide the Chief Financial Officer evidence that said Certificate has been obtained. The Underwriters shall maintain, or obtain as necessary, all such Certificates required of them under said Ordinance and shall not allow any such Certificate to be revoked or suspended. The Underwriters shall continue to remain in compliance with the City Business Tax Ordinance as it may be amended from time to time. See Exhibit A attached hereto.

C. Taxpayer Identification Number (“TIN”)

The Representative declares that it has an authorized TIN which will be provided to the Department prior to payment under the Purchase Agreement. No payments will be made under the Purchase Agreement without a valid TIN.

D. Prohibition Against Assignment or Delegation

The Underwriters may not, unless they have first obtained written permission of the Harbor Department:

1. Assign or otherwise alienate any of its rights under the Purchase Agreement, including the right to payment; or
2. Delegate, subcontract or otherwise transfer any of its obligations or duties under the Purchase Agreement.

E. Independent Contractor

The Underwriters shall act under the Purchase Agreement as an independent contractors and not as agents or employees of the City. The Underwriters shall not represent or otherwise

hold out themselves or any of their directors, officers, partners, employees, subcontractors or agents to be an agents or employees of the City.

F. Affirmative Action

The Underwriters agree to comply with Section 10.8.2 and 10.8.4 of the Los Angeles Administrative Code relating to nondiscrimination and affirmative action.

G. Small/Very Small Business Enterprise Program and Local Business Preference Program

It is the policy of the Department to provide Small Business Enterprises (SBE), Very Small Business Enterprises (VSBE) and Minority-Owned, Women-Owned, Disabled Veteran Business Enterprises and all Other Business Enterprises (MBE/WBE/DVBE/OBE) an equal opportunity to participate in the performance of all City contracts in all areas where such contracts afford such participation opportunities. Consultant shall assist the City in implementing this policy and shall use its best efforts to afford the opportunity for SBEs, VSBEs, MBEs, WBEs, DVBEs, and OBEs to achieve participation in subcontracts where such participation opportunities present themselves and attempt to ensure that all available business enterprises, including SBEs, VSBEs, MBEs, WBEs, DVBEs, and OBEs, have equal participation opportunity which might be presented under this Agreement.

It is also the policy of the Department to support an increase in local and regional jobs. The Department's Local Business Preference Program aims to benefit the Southern California region by increasing jobs and expenditures within the local and regional private sector. Consultant shall assist the City in implementing this policy and shall use its best efforts to afford the opportunity for Local Business Enterprises to achieve participation in subcontracts where such participation opportunities present themselves. See Exhibit B attached hereto.

NOTE: Prior to being awarded a contract with the City, Underwriters and all subconsultants must be registered with the City's Contract Management and Opportunities Database, Los Angeles Business Assistance Virtual Network (LABVN), at <http://www.labavn.org>.

H. Service Contractor Worker Retention Policy and Living Wage Policy Requirements.

The Board of Harbor Commissioners of the City of Los Angeles adopted Resolution No. 5771 on January 13, 1999, agreeing to adopt the provisions of Los Angeles City Ordinance No. 171004 relating to Service Contractor Worker Retention (SCWR), Section 10.36 et seq. of the Los Angeles Administrative Code, as the policy of the Harbor Department. Further, Charter Section 378 requires compliance with the City's Living Wage requirements as set forth by ordinance, Section 10.37 et seq. of the Los Angeles Administrative Code. The Underwriters shall comply with the policy whenever applicable. Violation of this provision, where applicable, shall entitle the Department to terminate the Purchase Agreement and otherwise pursue legal remedies that may be available.

I. Equal Benefits

The Underwriters agree to comply with Los Angeles Administrative Code Section 10.8.2.1 related to providing equal benefits to their employees with spouses and their employees with domestic partners.

J. Professional Liability Insurance

Each Underwriter certifies that it now has professional liability insurance in the amount of One Million Dollars (\$1,000,000) (the "Coverage Amount") which covers the services performed pursuant to the Purchase Agreement, and that it will expend every reasonable effort to keep such insurance or its equivalent in effect at all times during performance of the Purchase Agreement and until two (2) years following acceptance of the completed services. Each policy shall include a 10-day notice of cancellation for nonpayment of premium, and a 30-day notice of cancellation for any other reasons. Each Underwriter's insurance broker or agent shall submit for approval on each Underwriter's behalf said insurance to the City's online insurance compliance system Track4LA at <http://track4la.lacity.org/>. Alternatively, subject to approval by the City Attorney of the City and the Department's Risk Management Division, an Underwriter may comply with this provision by filing with the Department's Executive Director (1) a letter certifying that it is self-insured up to the Coverage Amount and (2) current financial statements.

K. Construction of Provisions and Title and Joint & Several Underwriter Obligations

All titles or subtitles appearing in the Purchase Agreement have been inserted for convenience and shall not be deemed to affect the meaning or construction of any of the terms or provisions thereof. The language of the Purchase Agreement shall be construed according to its fair meaning and not strictly for or against the City or the Underwriters. The singular shall include the plural. Use of the masculine, feminine or neuter genders shall be deemed to include the genders not used. The Underwriters' obligations and liabilities under the Purchase Agreement shall be joint and several.

L. Confidential Information

All information provided to the Underwriters by the City shall be considered confidential unless such information is released to the public by the City or is otherwise available as provided by law.

M. Conflict of Interest

It is hereby understood and agreed that the parties to the Purchase Agreement have read and are aware of the provisions of Section 1090 et seq. and Section 87100 et seq. of the Government Code relating to conflict of interest of public officers and employees, as well as the Los Angeles Municipal Code Municipal Ethics and Conflict of Interest provisions of Section 49.5.1 et seq. and Conflict of Interest Code of the City and Department. All parties to the Purchase Agreement agree that they are unaware of any financial or economic interest of any public officer or employee of the City relating to the Purchase Agreement. Notwithstanding any other provision of the Purchase Agreement, it is further understood and agreed that if such a

financial interest does exist at the inception of the Purchase Agreement, the Department may immediately terminate the Purchase Agreement by giving written notice thereof.

N. Compliance With Laws; Governing Law

The Underwriters shall abide by and obey all applicable federal, State of California and City laws including, but not limited to, the nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California and the City of Los Angeles. The Purchase Agreement shall be governed by, and construed in accordance with, the laws of the State of California, and the Underwriters shall stipulate that all actions or proceedings related to the Purchase Agreement shall be tried and litigated exclusively in the State or Federal courts located in the County of Los Angeles, State of California, in the judicial district required by court rules.

O. Workers Compensation

The Representative certifies that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that the Representative shall comply with such provisions before commencing the performance of the tasks under the Purchase Agreement. The Underwriters shall submit Workers' Compensation policies, whether underwritten by the state insurance fund or private carrier, which provide that the public or private carrier waives its right of subrogation against the City in any circumstance in which it is alleged that actions or omissions of the City contributed to the accident. Such Worker's Compensation and occupational disease requirements shall include coverage for all employees of the Underwriters, and for all employees of any subconsultants or other vendors retained by the Underwriters. Each Underwriter's insurance broker or agent shall submit for approval on each Underwriter's behalf said insurance to the City's online insurance compliance system Track4LA at <http://track4la.lacity.org/>.

P. Wage and Earnings Assignment Orders/Notices of Assignments

The Underwriters are obligated to fully comply with all applicable state and federal employment reporting requirements for the Underwriters' employees.

The Representative certifies that its principal owner(s) are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignments applicable to them personally. The Underwriters will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with Cal. Family Code Section 5230 et seq. The Underwriters will maintain such compliance throughout the term of this Agreement.

Q. Compliance with Los Angeles City Charter Sections 470(c) (12) and 609(e)

The Underwriters, any Subcontractors and their Principals are obligated to fully comply with City of Los Angeles Charter Sections 470(c) (12), 609(e) and related ordinances, regarding limitations on campaign contributions and fundraising to certain elected City officials or candidates for elected City office. Gifts to elected officials and certain City officials are also limited. Additionally, the Underwriters are required to provide and update certain information to

the City as specified by law. Any Underwriter subject to Charter Sections 470(c) (12) and 609(e), shall include the following notice in any contract with a subcontractor expected to receive at least \$100,000 for performance under the Purchase Agreement:

Notice Regarding Los Angeles Campaign Contribution and Fundraising Restrictions

As provided in Charter Sections 470(c) (12), 609(e) and related ordinances, you are subcontractor or underwriting firm on City of Los Angeles Harbor Department Agreement No. _____. Pursuant to City Charter Sections 470(c) (12) and 609(e), underwriting firm, subcontractor and principals are prohibited from making campaign contributions and fundraising for certain elected City officials or candidates for elected City office for 12 months after the City contract is signed. Additionally, gifts are limited to elected officials and certain City officials. Subcontractor is required to provide to Contractor names and addresses of the subcontractor's principals and contact information and shall update that information if it changes during the 12 month time period. Subcontractor's information included must be provided to Contractor within 10 business days. Failure to comply may result in termination of contract or any other available legal remedies including fines. Information about the restrictions may be found at the City Ethics Commission's website at <http://ethics.lacity.org> or by calling (213) 978-1960.

The Underwriters, any Subcontractors, and their Principals shall comply with these requirements and limitations. Violation of this provision shall entitle the City to terminate the Purchase Agreement and pursue any and all legal remedies that may be available.

EXHIBIT A

Copies of Business Tax Registration Certificate(s) required by the City's Business Tax Ordinance are attached hereto.

EXHIBIT B

SMALL/VERY SMALL BUSINESS ENTERPRISE PROGRAM AND LOCAL BUSINESS PREFERENCE PROGRAM

(1) SMALL/VERY SMALL BUSINESS ENTERPRISE PROGRAM

The City of Los Angeles Harbor Department is committed to creating an environment that provides all individuals and businesses open access to the business opportunities available at the Harbor Department in a manner that reflects the diversity of the City of Los Angeles. The Harbor Department's Small Business Enterprise (SBE) Program was created to provide additional opportunities for small businesses to participate in professional service and construction contracts. An overall Department goal of 25% SBE participation, including 5% Very Small Business Enterprise (VSBE) participation, has been established for the Program. The specific goal or requirement for each contract opportunity may be higher or lower based on the scope of work.

It is the policy of the Harbor Department to solicit participation in the performance of all service contracts by all individuals and businesses, including, but not limited to, SBEs, VSBEs, women-owned business enterprises (WBEs), minority-owned business enterprises (MBEs), and disabled veteran business enterprises (DVBES). The SBE Program allows the Harbor Department to target small business participation, including MBEs, WBEs, and DVBES, more effectively. It is the intent of the Harbor Department to make it easier for small businesses to participate in contracts by providing education and assistance on how to do business with the City, and ensuring that payments to small businesses are processed in a timely manner. **In order to ensure the highest participation of SBE/VSBE/MBE/WBE/DVBES, all proposers shall utilize the City's contracts management and opportunities database, the Los Angeles Business Assistance Virtual Network (LABAVN), at <http://www.labavn.org>, to outreach to potential subcontractors.**

The Harbor Department defines a SBE as an independently owned and operated business that is not dominant in its field and meets criteria set forth by the Small Business Administration in Title 13, Code of Federal Regulations, Part 121. Go to www.sba.gov for more information. The Harbor Department defines a VSBE based on the State of California's Micro-business definition which is 1) a small business that has average annual gross receipts of \$3,500,000 or less within the previous three years, or (2) a small business manufacturer with 25 or fewer employees.

The SBE Program is a results-oriented program, requiring consultants who receive contracts from the Harbor Department to perform outreach and utilize certified small businesses. **Based on the work to be performed, it has been determined that the percentage of small business participation will be 0%, including 0% VSBE participation.**

Consultant shall be responsible for determining the SBE status of its subconsultants for purposes of meeting the small business requirement. Subconsultants must qualify as an SBE based on the type of services that they will be performing under the Agreement. All business participation will be determined by the percentage of the total amount of compensation under the agreement paid to SBEs. The Consultant shall not substitute an SBE firm without obtaining prior approval

of the City. A request for substitution must be based upon demonstrated good cause. If substitution is permitted, Consultant shall endeavor to make an in-kind substitution for the substituted SBE.

(2) LOCAL BUSINESS PREFERENCE PROGRAM:

The Harbor Department is committed to maximizing opportunities for local and regional businesses, as well as encouraging local and regional businesses to locate and operate within the Southern California region. It is the policy of the Harbor Department to support an increase in local and regional jobs. The Harbor Department's Local Business Preference Program (LBPP) aims to benefit the Southern California region by increasing jobs and expenditures within the local and regional private sector.

The Harbor Department defines a LBE as:

- (a) A business headquartered within Los Angeles, Orange, Riverside, San Bernardino, or Ventura Counties; or
- (b) A business that has at least 50 full-time employees, or 25 full-time employees for specialty marine contracting firms, working in Los Angeles, Orange, Riverside, San Bernardino, or Ventura Counties.

In order for Harbor Department staff to determine the appropriate LBE preference, Consultant shall complete, sign, notarize (where applicable) and submit the attached Affidavit and Contractor Description Form. The Affidavit and Contractor Description Form will signify the LBE status of the Consultant and subconsultants. Prior to contract award, the Harbor Department will verify the status of all LBEs.

Consultant shall complete, sign, notarize (where applicable) and submit as part of the executed agreement the attached Affidavit and Contractor Description Form. The Contractor Description Form, when signed, will signify the Consultant's intent to comply with the SBE and LBPP requirements. Prior to contract award, the Harbor Department will verify the status of all SBEs. In addition, prior to being awarded a contract with the Harbor Department, all contractors and subcontractors must be registered on LABAVN.

In the event of Consultant's noncompliance during the performance of the Agreement, Consultant shall be considered in material breach of contract. In addition to any other remedy available to City under this Agreement or by operation of law, the City may withhold invoice payments to Consultant until noncompliance is corrected, and assess the costs of City's audit of books and records of Consultant and its subconsultants. In the event the Consultant falsifies or misrepresents information contained in any form or other willful noncompliance as determined by City, City may disqualify the Consultant from participation in City contracts for a period of up to five (5) years.

AFFIDAVIT OF COMPANY STATUS

“The undersigned declares under penalty of perjury pursuant to the laws of the State of California that the following information and information contained on **the attached Contractor Description Form** is true and correct and include all material information necessary to identify and explain the operations of

SIEBERT BRANDFORD SHANK & CO., L.L.C.

Name of Firm

as well as the ownership thereof. Further, the undersigned agrees to provide either through the prime consultant or, directly to the Harbor Department, complete and accurate information regarding ownership in the named firm, any proposed changes of the ownership and to permit the audit and examination of firm ownership documents in association with this agreement.”

- (1) **Small/Very Small Business Enterprise Program:** Please indicate the ownership of your company. Please check all that apply. At least one box must be checked:

SBE VSBE MBE WBE DVBE OBE

- A Small Business Enterprise (SBE) is an independently owned and operated business that is not dominant in its field and meets criteria set forth by the Small Business Administration in Title 13, Code of Federal Regulations, Part 121.

- A Very Small Business Enterprise (VSBE) is 1) a small business that has average annual gross receipts of \$3,500,000 or less within the previous three years, or (2) a small business manufacturer with 25 or fewer employees.

- A Minority Business Enterprise (MBE) is defined as a business in which a minority owns and controls at least 51% of the business. A Woman Business (WBE) is defined as a business in which a woman owns and controls at least 51% of the business. For the purpose of this project, a minority includes:

- (1) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);
- (2) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish Culture or origin, regardless of race) ;
- (3) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, The Indian Subcontinent, or the Pacific Islands); and
- (4) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).

- A Disabled Veteran Business Enterprise (DVBE) is defined as a business in which a disabled veteran owns at least 51% of the business, and the daily business operations are managed and controlled by one or more disabled veterans.
- An OBE (Other Business Enterprise) is any enterprise that is neither an SBE, VSBE, MBE, WBE, or DVBE.

(2) **Local Business Preference Program:** Please indicate the Local Business Enterprise status of your company. Only one box must be checked:

LBE Non-LBE

- A Local Business Enterprise (LBE) is: (a) a business headquartered within Los Angeles, Orange, Riverside, San Bernardino, or Ventura Counties; or (b) a business that has at least 50 full-time employees, or 25 full-time employees for specialty marine contracting firms, working in Los Angeles, Orange, Riverside, San Bernardino, or Ventura Counties.
- A Non-LBE is any business that does not meet the definition of a LBE

Signature _____

Title

Printed Name _____

Date Signed

NOTARY

On this _____ day of _____ 20 _____, before me appeared _____ to me personally known, who being duly sworn, did execute the

Name

foregoing affidavit, and did state that he/she was properly authorized by

_____ Name of Firm

to execute the affidavit and did so as his or he free act and deed.

SEAL

**Notary
Commission**

**Public
Expires**

Contractor Description Form

PRIME CONTRACTOR

Business Name: SIEBERT BRANDFORD SHANK & CO., L.L.C.
Owner's Ethnicity: _____ Gender _____
Group: SBE VSBE MBE WBE DVBE OBE (Circle all that apply)
Local Business Enterprise: YES _____ No X (Check only one)
Address: 100 Wall Street, 18th Floor, New York, NY 10005
Telephone: (213) 587-7402 FAX: (213) 236-0522
Contact Person/Title: Lisa Smith
Email Address: lsmith@sbsco.com

Business Name: RBC CAPITAL MARKETS
Owner's Ethnicity: _____ Gender _____
Group: SBE VSBE MBE WBE DVBE OBE X (Circle all that apply)
Local Business Enterprise: YES _____ No X (Check only one)
Address: Three World Financial Center, 200 Vesey Street, New York, NY 10281
Telephone: (212) 905-5907 FAX: _____
Contact Person/Title: Michael Lexton
Email Address: michael.lexton@rbccm.com

SUBCONTRACTOR

Business Name: _____ NONE _____ Award Total: \$ _____
Services to be provided: _____
Owner's Ethnicity: _____ Gender _____ Group: SBE VSBE MBE WBE DVBE OBE
(Circle all that apply)
Local Business Enterprise: YES _____ No _____ (Check only one)
Primary NAICS Code: _____ Average Three Year Gross Revenue: \$ _____
Address: _____
City/State/Zip: _____
Telephone: () _____ FAX: () _____
Contact Person/Title: _____
Email Address: _____