

**THIRD SUPPLEMENTAL
INTERMEDIATE LIEN TRUST INDENTURE**

By and Between

**THE CITY OF OAKLAND, CALIFORNIA,
ACTING BY AND THROUGH ITS
BOARD OF PORT COMMISSIONERS**

and

**U.S. BANK NATIONAL ASSOCIATION
as Trustee**

Dated as of [_____] 1, 2017

Relating to

**\$_[_____]]
PORT OF OAKLAND, CALIFORNIA**

**\$_[_____]]
INTERMEDIATE LIEN
REFUNDING REVENUE BONDS
2017 SERIES D
(PRIVATE ACTIVITY/AMT)**

**\$_[_____]]
INTERMEDIATE LIEN
REFUNDING REVENUE BONDS
2017 SERIES E
(GOVERNMENTAL/NON-AMT)**

**\$_[_____]]
INTERMEDIATE LIEN
REFUNDING REVENUE BONDS
2017 SERIES F
(PRIVATE ACTIVITY/NON-AMT)**

**\$_[_____]]
INTERMEDIATE LIEN
REFUNDING REVENUE BONDS
2017 SERIES G
(FEDERALLY TAXABLE)**

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THIRD SUPPLEMENTAL INTERMEDIATE LIEN TRUST INDENTURE

This THIRD SUPPLEMENTAL INTERMEDIATE LIEN TRUST INDENTURE (the “Third Supplemental Indenture”) dated as of [_____] 1, 2017, is between the City of Oakland, California, acting by and through its Board of Port Commissioners (the “Board”), which Board has been granted exclusive control and management of the department of the City of Oakland known as the “Port Department” pursuant to Article VII of the Charter of the City of Oakland, and U.S. Bank National Association, a national banking association organized and existing under the laws of the United States of America, as trustee (the “Trustee”), and supplements that Intermediate Lien Master Trust Indenture, dated as of October 1, 2007, between the Board and the Trustee, as previously supplemented by the First Supplemental Intermediate Lien Trust Indenture, dated as of October 1, 2007 (the “First Supplement”), and the Second Supplemental Intermediate Lien Trust Indenture, dated as of May 1, 2009, both by and between the Board and the Trustee (collectively, the “Intermediate Lien Master Trust Indenture”).

WHEREAS, the Intermediate Lien Master Trust Indenture provides, in Sections 2.09, 2.10 and 2.11 thereof, for the issuance of the Intermediate Lien Bonds to, among other things, refund certain indebtedness of the Board and, in Section 10.02 thereof, for the execution and delivery of Supplemental Indentures setting forth the terms of such Intermediate Lien Bonds; and

WHEREAS, the Board desires to defease and, as applicable, redeem or make scheduled payments on all of the outstanding Port of Oakland Intermediate Lien Refunding Revenue Bonds, 2007 Series A (AMT), 2007 Series B (Non-AMT) 2007 Series C (Non-AMT) (collectively, the “Prior Bonds”); and

WHEREAS, the Board has determined that it is in the best interest of the Port to provide funds for such purposes through the issuance of its \$[_____] Port of Oakland Intermediate Lien Refunding Revenue Bonds 2017 Series D (Private Activity/AMT), its \$[_____] Port of Oakland Intermediate Lien Refunding Revenue Bonds 2017 Series E (Governmental/Non-AMT), its \$[_____] Port of Oakland Intermediate Lien Refunding Revenue Bonds 2017 Series F (Private Activity/Non-AMT) and its \$[_____] Port of Oakland Intermediate Lien Refunding Revenue Bonds 2017 Series G (Federally Taxable) (collectively, the “2017 Intermediate Lien Bonds”) by execution and delivery of this Third Supplemental Indenture and in compliance with the provisions of the Intermediate Lien Master Trust Indenture.

WHEREAS, the 2017 Intermediate Lien Bonds shall be designated Intermediate Lien Common Reserve Fund Bonds (as defined in Section 1.02) for purposes of the First Supplement, and shall be secured by the Intermediate Lien Common Reserve Fund (as defined in Section 1.02).

WHEREAS, the Reserve Fund Insurance Policy issued by MBIA Insurance Corporation currently on deposit in the Intermediate Lien Common Reserve Fund will survive the refunding of the Prior Bonds and will continue to be applied towards the satisfaction of the Intermediate Lien Common Reserve Fund Requirement.

GRANTING CLAUSES

In addition to the security granted under the Intermediate Lien Master Trust Indenture, to further secure the payment of the 2017 Intermediate Lien Bonds and any other Intermediate Lien

Common Reserve Fund Bonds (as defined below), the Board hereby pledges and grants to the Trustee a lien on and security interest in any other Intermediate Lien Common Reserve Fund Bonds (as defined below) and assigns to the Trustee all right, title and interest of the Board in and to the Intermediate Lien Common Reserve Fund and all moneys and securities held from time to time therein and, with respect to any Reserve Fund Insurance Policy provided at any time in satisfaction of all or a portion of the Intermediate Lien Common Reserve Fund Requirement, all rights, title and interest in such instruments and the proceeds thereof.

ARTICLE I

AMENDMENTS; DEFINITIONS; INTERPRETATIONS

Section 1.01 *Amendments to the Intermediate Lien Master Trust Indenture.*

(a) *Effectiveness.* The Intermediate Lien Master Trust Indenture Amendments shall become effective, without necessity for any further action by the Board or any other entity, at such time as the 2017 Intermediate Lien Bonds have been issued and the Prior Bonds have been defeased.

(b) *Amendment to Section 5.13.* Section 5.13 of the Intermediate Lien Master Trust Indenture is hereby amended as indicated by the following marked provision, in which inserted language is indicated as double-underlined and deleted language is indicated as struck through:

“Section 5.13 Transfer of Port Facilities. The Board shall not, except as permitted below, transfer, sell or otherwise dispose of Port Facilities. For purposes of this Section 5.13, any transfer of an asset over which the Board retains or regains substantial control shall not, for so long as the Board has such control, be deemed a disposition of Port Facilities. Further, any lease, license, concession or similar arrangement entered into by the Board and granting others the right to use Port Facilities for any period in exchange for fair market value, as evidenced by a certificate of an Authorized Board Representative, shall not be deemed a transfer, sale, or disposition of Port Facilities for purposes of this Section 5.13.

The Board may transfer, sell or otherwise dispose of Port Facilities only if such transfer, sale or disposition complies with one or more of the following provisions:

- (a) The property being disposed of is inadequate, obsolete or worn out; or
- (b) The property proposed to be disposed of and all other Port Facilities disposed of in related transactions during the 12-month period ending on the day of such transfer (but excluding property disposed of under (a) above), will not, in the aggregate, constitute a Significant Portion of the Port determined as described below and the proceeds thereof are deposited into the Port Revenue Fund to be used as described below; or
- (c) The Board receives fair market value for the property, as evidenced by a certificate of an Authorized Board Representative, the proceeds thereof are deposited into the Port Revenue Fund to be used for any lawful purpose and, prior to the disposition of such property, there is delivered to the Trustee a certificate of a Consultant approved by ~~at least two (2) Authorized Board Representatives~~ an Authorized Board Representative to the

effect that notwithstanding such disposition, but taking into account the use of such proceeds in accordance with the expectations of the Board as evidenced by a certificate of an Authorized Board Representative, the Consultant estimates that the Board will be in compliance with Section 5.04(a) and (b) of this Intermediate Lien Indenture during each of the five Fiscal Years immediately following such disposition.

For purposes of this Section 5.13, the term “Significant Portion” of the Port Facilities means Port Facilities which, if such facilities had been disposed of by the Board at the beginning of the Fiscal Year which includes the month of commencement of the 12-month period referred to in (b) above would have resulted in a reduction in Pledged Revenues for such Fiscal Year of more than 10% when the actual Pledged Revenues for such Fiscal Year are decreased by the Pledged Revenues directly attributable to such Port Facilities.

Port Facilities which were financed with the proceeds of any Intermediate Lien Bonds the interest on which is then excluded from gross income for federal income tax purposes shall not be disposed of, except under the terms of provision (a) above, unless the Board has first received an opinion of Bond Counsel to the effect that such disposition will not cause the interest on such Intermediate Lien Bonds to become includable in gross income for federal income tax purposes and the proceeds of such disposition shall be used as provided in the applicable tax and non-arbitrage certificate or as otherwise advised by Bond Counsel. This paragraph shall be applied without regard to the second sentence of this Section.

No such disposition shall be permitted which would cause the Board to be in default of any other covenant contained in this Intermediate Lien Indenture.”

The revised Section 5.13 of the Intermediate Lien Master Trust Indenture shall therefore read, in its entirety:

“Section 5.13 Transfer of Port Facilities. The Board shall not, except as permitted below, transfer, sell or otherwise dispose of Port Facilities. For purposes of this Section 5.13, any transfer of an asset over which the Board retains or regains substantial control shall not, for so long as the Board has such control, be deemed a disposition of Port Facilities. Further, any lease, license, concession or similar arrangement entered into by the Board and granting others the right to use Port Facilities for any period in exchange for fair market value, as evidenced by a certificate of an Authorized Board Representative, shall not be deemed a transfer, sale, or disposition of Port Facilities for purposes of this Section 5.13.

The Board may transfer, sell or otherwise dispose of Port Facilities only if such transfer, sale or disposition complies with one or more of the following provisions:

- (a) The property being disposed of is inadequate, obsolete or worn out; or
- (b) The property proposed to be disposed of and all other Port Facilities disposed of in related transactions during the 12-month period ending on the day of such transfer (but excluding property disposed of under (a) above), will not, in the aggregate,

constitute a Significant Portion of the Port determined as described below and the proceeds thereof are deposited into the Port Revenue Fund to be used as described below; or

(c) The Board receives fair market value for the property, as evidenced by a certificate of an Authorized Board Representative, the proceeds thereof are deposited into the Port Revenue Fund to be used for any lawful purpose and, prior to the disposition of such property, there is delivered to the Trustee a certificate of a Consultant approved by an Authorized Board Representative to the effect that notwithstanding such disposition, but taking into account the use of such proceeds in accordance with the expectations of the Board as evidenced by a certificate of an Authorized Board Representative, the Consultant estimates that the Board will be in compliance with Section 5.04(a) and (b) of this Intermediate Lien Indenture during each of the five Fiscal Years immediately following such disposition.

For purposes of this Section 5.13, the term “Significant Portion” of the Port Facilities means Port Facilities which, if such facilities had been disposed of by the Board at the beginning of the Fiscal Year which includes the month of commencement of the 12-month period referred to in (b) above would have resulted in a reduction in Pledged Revenues for such Fiscal Year of more than 10% when the actual Pledged Revenues for such Fiscal Year are decreased by the Pledged Revenues directly attributable to such Port Facilities.

Port Facilities which were financed with the proceeds of any Intermediate Lien Bonds the interest on which is then excluded from gross income for federal income tax purposes shall not be disposed of, except under the terms of provision (a) above, unless the Board has first received an opinion of Bond Counsel to the effect that such disposition will not cause the interest on such Intermediate Lien Bonds to become includable in gross income for federal income tax purposes and the proceeds of such disposition shall be used as provided in the applicable tax and non-arbitrage certificate or as otherwise advised by Bond Counsel. This paragraph shall be applied without regard to the second sentence of this Section.

No such disposition shall be permitted which would cause the Board to be in default of any other covenant contained in this Intermediate Lien Indenture.”

(c) *Amendment to Section 5.19.* Section 5.19 of the Intermediate Lien Master Trust Indenture is hereby amended as indicated by the following marked provision, in which inserted language is indicated as double-underlined and deleted language is indicated as struck through:

“Section 5.19. Insurance; Application of Insurance Proceeds.

(a) Subject, in each case, to the condition that insurance is obtainable at reasonable rates and upon reasonable terms and conditions:

(i) the Board will procure and maintain or cause to be procured and maintained ~~commercial insurance or provide Qualified Self Insurance~~ with respect to the facilities constituting the Port and public liability insurance ~~in the form of commercial insurance or Qualified Self Insurance and~~, in each case, in such

amounts and against such risks as are, in the judgment of the Board, prudent and reasonable taking into account, but not being controlled by, the amounts and types of insurance ~~or self-insured programs~~ provided by similar ports;

(ii) ~~the Board will procure and maintain reasonable fidelity insurance or bonds on the position of Chief Financial Officer and on any other employees of the Board who handle or are responsible for funds of the Board; and [reserved]~~

(iii) the Board will place on file with the Trustee annually within 120 days after the close of each Fiscal Year a certificate of an Authorized Board Representative containing a summary of all insurance policies ~~and self-insured programs~~ then in effect with respect to the Port and the operations of the Board.

(b) ~~“Qualified Self Insurance” means insurance maintained through a program of self insurance or insurance maintained with a fund, company or association in which the Board may have a material interest and of which the Board may have control, either singly or with others. Each plan of Qualified Self Insurance shall be established in accordance with law, shall provide that reserves be established or insurance acquired in amounts adequate to provide coverage which the Board determines to be reasonable to protect against risks assumed under the Qualified Self Insurance plan, including any potential retained liability in the event of the termination of such plan of Qualified Self Insurance, and such self insurance program shall be reviewed at least once every 12 months by a Consultant who shall deliver to the Board a report on the adequacy of the reserves established thereunder. If the Consultant determines that such reserves are inadequate, he shall make a recommendation as to the amount of reserves that should be established and maintained, and the Board shall comply with such recommendation unless it can establish to the satisfaction of and receive a certification from a Consultant that a lower amount is reasonable to provide adequate protection to the Board. [reserved]~~

(c) If, as a result of any event, (1) one or more Port Facilities are destroyed or severely damaged and (2) such facilities were financed with the proceeds of any Intermediate Lien Bonds the interest on which is then excluded from gross income for federal income tax purposes, the Net Proceeds received as a result of such event of damage or destruction shall be used as provided in the applicable tax and non-arbitrage certificate or as otherwise advised by Bond Counsel.”

The revised Section 5.19 of the Intermediate Lien Master Trust Indenture shall therefore read, in its entirety:

“Section 5.19. Insurance; Application of Insurance Proceeds.

(a) Subject, in each case, to the condition that insurance is obtainable at reasonable rates and upon reasonable terms and conditions:

(i) the Board will procure and maintain or cause to be procured and maintained insurance with respect to the facilities constituting the Port and public liability insurance, in each case, in such amounts and against such risks as are, in

the judgment of the Board, prudent and reasonable taking into account, but not being controlled by, the amounts and types of insurance provided by similar ports;

(ii) [reserved]

(iii) the Board will place on file with the Trustee annually within 120 days after the close of each Fiscal Year a certificate of an Authorized Board Representative containing a summary of all insurance policies then in effect with respect to the Port and the operations of the Board.

(b) [reserved]

(c) If, as a result of any event, (1) one or more Port Facilities are destroyed or severely damaged and (2) such facilities were financed with the proceeds of any Intermediate Lien Bonds the interest on which is then excluded from gross income for federal income tax purposes, the Net Proceeds received as a result of such event of damage or destruction shall be used as provided in the applicable tax and non-arbitrage certificate or as otherwise advised by Bond Counsel.”

Section 1.02 ***Definitions.*** The following definitions shall apply to terms used in this Third Supplemental Indenture unless the context clearly requires otherwise:

“*Average Annual Debt Service*” shall mean, at any point in time, the average of the debt service scheduled to be due in any Fiscal Year with respect to all Intermediate Lien Common Reserve Fund Bonds then secured by the Intermediate Lien Common Reserve Fund during the period beginning with the then current Fiscal Year and ending with the Fiscal Year in which the last of such Intermediate Lien Common Reserve Fund Bonds mature by their terms.

“*Authorized Denominations*” means \$5,000 principal amount and integral multiples thereof.

[“*Bond Insurance Policy*” means the financial guaranty insurance policy issued by the Insurer to the Paying Agent to secure payment of the 2017 Intermediate Lien Bonds.]

“*Bond Year*” means a “Bond Year” as defined in the Tax Agreement.

“*Book-Entry Bonds*” shall mean the 2017 Intermediate Lien Bonds held by DTC (or its nominee) as the registered owner thereof pursuant to the terms and provisions of Section 2.05 hereof

“*Cede & Co.*” means Cede & Co., the nominee of DTC, or such other nominee as may be requested by an authorized representative of DTC.

“*Continuing Disclosure Certificate*” means the certificate of the Board dated as of [_____], 2017, agreeing to undertake for the benefit of the Owners and beneficial owners of the 2017 Intermediate Lien Bonds certain ongoing disclosure requirements.

“*Costs of Issuance*” means all costs and expenses incurred by the Board in connection with the issuance of the 2017 Intermediate Lien Bonds, including, but not limited to, costs and expenses of printing and copying documents, the preliminary official statement and official statement, and the 2017 Intermediate Lien Bonds, [bond insurance premium, Reserve Fund Insurance Policy,] underwriters’ compensation, and the fees, costs and expenses of rating agencies, the Trustee, counsel, accountants, financial advisors and other consultants.

[“*Demand for Payment*” means the certificate submitted to the Insurer for payment under the Surety Bond substantially in the form attached to the Surety Bond as Attachment 1 thereto.]

“*DTC*” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns.

“*Escrow Agent*” means U.S. Bank National Association, or any successor Escrow Agent appointed under the Escrow Agreement.

“*Escrow Agreement*” means that Escrow Agreement dated as of [_____] 1, 2017] between the Board and the Escrow Agent, under which a portion of the proceeds of the 2017 Intermediate Lien Bonds, along with other moneys, are to be deposited and used to pay principal of, premium, if any, and accrued interest on the Prior Bonds through and including the applicable redemption date or maturity date, as the case may be.

“*Escrow Fund*” means the “Port of Oakland Intermediate Lien Revenue Bonds, 2007 Series A, B and C, Escrow Fund” established under Section 1 of the Escrow Agreement.

“*First Supplement*” has the meaning given in the recitals hereto.

“*Holder*,” “*Bondholder*” or “*Owner*” means the registered owner of any 2017 Intermediate Lien Bonds including DTC or its nominee with respect to Book-Entry Bonds.

[“*Insurance Paying Agent*” means U.S. Bank Trust National Association, or its successor as Insurance Paying Agent as described in the Bond Insurance Policy.]

[“*Insurer*” means MBIA Insurance Corporation, a New York corporation, or any successor thereto.]

“*Interest Payment Date*” means each May 1 and November 1, commencing [_____] 1, 201[____], the dates upon which interest on the 2017 Intermediate Lien Bonds become due and payable.

“*Intermediate Lien Common Reserve Fund*” means the “2007 Common Reserve Fund” created as security for the Intermediate Lien Common Reserve Fund Bonds pursuant to Section 4.01 of the First Supplemental Indenture, which fund has been continued and renamed the “Intermediate Lien Common Reserve Fund” pursuant to Section 4.11 of this Third Supplemental Indenture.

“*Intermediate Lien Common Reserve Fund Bonds*” shall mean the 2017 Intermediate Lien Bonds and any other Intermediate Lien Bonds secured by the Intermediate Lien Common Reserve

Fund under the terms of the Intermediate Lien Master Trust Indenture and the applicable supplemental indenture, including, without limitation, this Third Supplemental Indenture.

“Intermediate Lien Common Reserve Fund Requirement” means an amount equal to the least of (a) the Average Annual Debt Service for all Intermediate Lien Common Reserve Fund Bonds then Outstanding, (b) the Maximum Aggregate Annual Debt Service for all Intermediate Lien Common Reserve Fund Bonds then Outstanding, and (c) 10% of the proceeds at their respective original issuance of all Intermediate Lien Common Reserve Fund Bonds of each Series then Outstanding; provided, however, that if, upon issuance of any Intermediate Lien Common Reserve Fund Bonds, such amount would require moneys to be credited to the Common Reserve Fund in an amount in excess of the maximum amount permitted under the Code to be then funded from the proceeds of tax-exempt bonds, the Intermediate Lien Common Reserve Fund Requirement shall mean an amount equal to the sum of the Intermediate Lien Common Reserve Fund Requirement immediately preceding such issuance of Intermediate Lien Common Reserve Fund Bonds and the maximum additional amount permitted under the Code to be then funded from the proceeds of such Intermediate Lien Common Reserve Fund Bonds for such purpose. The Intermediate Lien Common Reserve Fund Requirement shall be adjusted upon any principal payment (scheduled or unscheduled), redemption or defeasance of the Intermediate Lien Common Reserve Fund Bonds; provided that the adjusted Intermediate Lien Common Reserve Fund Requirement shall not exceed the Intermediate Lien Common Reserve Fund Requirement immediately preceding such principal payment (scheduled or unscheduled), redemption or defeasance.

“Intermediate Lien Master Trust Indenture” means the Intermediate Lien Master Trust Indenture, dated as of October 1, 2007, as amended and supplemented, between the Board and the Trustee, under which the 2017 Intermediate Lien Bonds are authorized and secured.

“Maximum Aggregate Annual Debt Service” shall mean, at any point in time, the maximum debt service scheduled to be due and payable in any Fiscal Year on all Intermediate Lien Common Reserve Fund Bonds then Outstanding, during the period beginning with the then current Fiscal Year and ending with the Fiscal Year in which the last of such Intermediate Lien Common Reserve Fund Bonds mature by their terms.

“Opinion of Tax Counsel” means an opinion of counsel, acceptable to the Board, experienced in matters relating to the tax exemption of interest on obligations issued by states and municipalities and their respective political subdivisions.

“Participants” means the participants of DTC, which include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations.

“Paying Agent,” for purposes of this Third Supplemental Indenture, shall mean the Trustee, or its successors and assigns.

“Prior Bonds” has the meaning given in the recitals hereto.

“Record Date” means the fifteenth (15th) day of the month preceding each Interest Payment Date.

“*Registrar*” for purposes of this Third Supplemental Indenture, means the Trustee.

“*Representation Letter*” means the Blanket Issuer Letter of Representations from the Board to DTC applicable to the 2017 Intermediate Lien Bonds.

[“*Reserve Fund Insurance Policy*” means any insurance policy, letter of credit, qualified surety bond or other financial instrument that can be drawn upon with respect to all Intermediate Lien Common Reserve Fund Bonds deposited in the Intermediate Lien Common Reserve Fund in lieu of or in partial substitution for cash or securities.]

“*Senior Lien Master Trust Indenture*” means that certain Amended and Restated Master Trust Indenture, dated as of April 1, 2006, between the Board and U.S. Bank National Association, as trustee, as the same has been and may be amended and supplemented in accordance therewith.

“*Series D Bonds*” means the \$[_____] principal amount of the Series D Bonds issued under the Intermediate Lien Master Trust Indenture and this Third Supplemental Indenture and designated as “Port of Oakland Intermediate Lien Refunding Revenue Bonds 2017 Series D (Private Activity/AMT).”

“*Series D Costs of Issuance Fund*” means the Costs of Issuance Fund created in Section 4.01 of this Third Supplemental Indenture and into which money is to be deposited to pay Costs of Issuance with respect to the issuance of the Series D Bonds.

“*Series D Debt Service Fund*” means the Debt Service Fund created in Section 4.01 of this Third Supplemental Indenture and into which money is to be deposited to pay debt service on the Series D Bonds.

“*Series E Bonds*” means the \$[_____] principal amount of the Series E Bonds issued under the Intermediate Lien Master Trust Indenture and this Third Supplemental Indenture and designated as “Port of Oakland Intermediate Lien Refunding Revenue Bonds 2017 Series E (Governmental/Non-AMT).”

“*Series E Costs of Issuance Fund*” means the Costs of Issuance Fund created in Section 4.01 of this Third Supplemental Indenture and into which money is to be deposited to pay Costs of Issuance with respect to the issuance of the Series E Bonds.

“*Series E Debt Service Fund*” means the Debt Service Fund created in Section 4.01 of this Third Supplemental Indenture and into which money is to be deposited to pay debt service on the Series E Bonds.

“*Series F Bonds*” means the \$[_____] principal amount of the Series F Bonds issued under the Intermediate Lien Master Trust Indenture and this Third Supplemental Indenture and designated as “Port of Oakland Intermediate Lien Refunding Revenue Bonds 2017 Series F (Private Activity/Non-AMT).”

“*Series F Costs of Issuance Fund*” means the Costs of Issuance Fund created in Section 4.01 of this Third Supplemental Indenture and into which money is to be deposited to pay Costs of Issuance with respect to the issuance of the Series F Bonds.

“*Series F Debt Service Fund*” means the Debt Service Fund created in Section 4.01 of this Third Supplemental Indenture and into which money is to be deposited to pay debt service on the Series F Bonds.

“*Series G Bonds*” means the \$[_____] principal amount of the Series G Bonds issued under the Intermediate Lien Master Trust Indenture and this Third Supplemental Indenture and designated as “Port of Oakland Intermediate Lien Refunding Revenue Bonds 2017 Series G (Federally Taxable).”

“*Series G Costs of Issuance Fund*” means the Costs of Issuance Fund created in Section 4.01 of this Third Supplemental Indenture and into which money is to be deposited to pay Costs of Issuance with respect to the issuance of the Series G Bonds.

“*Series G Debt Service Fund*” means the Debt Service Fund created in Section 4.01 of this Third Supplemental Indenture and into which money is to be deposited to pay debt service on the Series G Bonds.

“*Series 2017 Rebate Fund*” means the fund of that name created under Section 4.01 of this Third Supplemental Indenture.

[“*Surety Bond*” means the surety bond issued by the Insurer guaranteeing, subject to the terms and limitations thereof, certain debt service payments required to be made on the 2007 Bonds and any other Intermediate Lien Common Reserve Fund Bonds by the Board from the Intermediate Lien Common Reserve Fund under the Third Supplemental Indenture and any other Supplemental Intermediate Lien Indenture executed in connection with the issuance of such other Intermediate Lien Common Reserve Fund Bonds.]

“*Tax Agreement*” means that Tax Certificate and Agreement dated the date of issuance of the 2017 Intermediate Lien Bonds executed by the Board with respect to the Series D Bonds, the Series E Bonds and the Series F Bonds.

“*Third Supplemental Indenture*” means this Third Supplemental Intermediate Lien Trust Indenture, dated as of [_____] 1, 2017, by and between the Board and the Trustee, which sets forth the terms of the 2017 Intermediate Lien Bonds

“*2017 Intermediate Lien Bonds*” means, collectively, the Series D Bonds, the Series E Bonds, the Series F Bonds and the Series G Bonds issued under the Intermediate Lien Master Trust Indenture and this Third Supplemental Indenture.

Section 1.03 *Incorporation of Definitions Contained in the Intermediate Lien Master Trust Indenture.* Except as otherwise provided in Section 1.02 of this Third Supplemental Intermediate Lien Indenture, all words, terms and phrases defined in the Intermediate Lien Master Trust Indenture shall have the same meanings herein as in the Intermediate Lien Master Trust Indenture.

Section 1.04 *Article and Section References.* Except as otherwise indicated, references to Articles and Sections are to Articles and Sections of this Third Supplemental Indenture.

ARTICLE II

THE BONDS

Section 2.01 ***Designation of the Bonds; Principal Amount.*** The 2017 Intermediate Lien Bonds authorized to be issued under the Intermediate Lien Master Trust Indenture and this Third Supplemental Indenture shall be designated as “Port of Oakland Intermediate Lien Refunding Revenue Bonds 2017 Series D (Private Activity/AMT),” which shall be issued in the original principal amount of \$[_____]; “Port of Oakland Intermediate Lien Refunding Revenue Bonds 2017 Series E (Governmental/Non-AMT),” which shall be issued in the original principal amount of \$[_____]; “Port of Oakland Intermediate Lien Refunding Revenue Bonds 2017 Series F (Private Activity/Non-AMT),” which shall be issued in the original principal amount of \$[_____]; and “Port of Oakland Intermediate Lien Refunding Revenue Bonds 2017 Series G (Federally Taxable),” which shall be issued in the original principal amount of \$[_____].

Section 2.02 ***2017 Intermediate Lien Bonds Under the Intermediate Lien Master Trust Indenture; Security; Parity.*** The 2017 Intermediate Lien Bonds are issued under and subject to the terms of the Intermediate Lien Master Trust Indenture and are secured by and payable from the Intermediate Lien Pledged Revenues and other security provided in the Granting Clause of the Intermediate Lien Master Trust Indenture and in accordance with the terms of the Intermediate Lien Master Trust Indenture. In addition, the 2017 Intermediate Lien Bonds are hereby designated as Intermediate Lien Common Reserve Fund Bonds for purposes of the First Supplement and are therefore secured by moneys on deposit in the Intermediate Lien Common Reserve Fund (or from the proceeds of a Reserve Fund Insurance Policy provided in lieu thereof) established pursuant to Section 4.01(i) of the First Supplement and further described in Section 4.11 thereof. As provided in the First Supplement, the Intermediate Lien Common Reserve Fund secures the Intermediate Lien Common Reserve Fund Bonds (including the 2017 Intermediate Lien Bonds) without preference, priority or distinction as to any Intermediate Lien Common Reserve Fund Bond over any other Intermediate Lien Common Reserve Fund Bond, except as to the timing of payment of the Intermediate Lien Common Reserve Fund Bonds. Section 4.11 of the First Supplement, setting forth the terms and provisions governing the Intermediate Lien Common Reserve Fund, is hereby incorporated into this Third Supplemental Indenture, together with all definitions related thereto set forth in the First Supplement. Regardless of the form thereof, the 2017 Intermediate Lien Bonds are “Intermediate Lien Bonds” issued under the Intermediate Lien Master Trust Indenture and within the meaning thereunder.

Section 2.03 ***General Terms of the 2017 Intermediate Lien Bonds.*** The 2017 Intermediate Lien Bonds shall, upon initial issuance, be dated their date of delivery. Each 2017 Intermediate Lien Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless such date of authentication is an Interest Payment Date, in which event such 2017 Intermediate Lien Bond shall bear interest from such date of authentication, or unless such date of authentication is after a Record Date and before the next succeeding Interest Payment Date, in which event such 2017 Intermediate Lien Bond shall bear interest from such succeeding Interest Payment Date, or unless such date of authentication is on or prior to the Record Date preceding the first Interest Payment Date, in which event such 2017 Intermediate Lien Bond shall bear interest from its initial date of delivery. If interest on the 2017 Intermediate Lien Bonds shall be in default, 2017 Intermediate Lien Bonds issued in exchange for 2017 Intermediate Lien Bonds

surrendered for transfer or exchange shall bear interest from the Interest Payment Date to which interest has been paid in full on the 2017 Intermediate Lien Bonds surrendered. The 2017 Intermediate Lien Bonds shall be issued in Authorized Denominations.

Interest on the 2017 Intermediate Lien Bonds shall be paid on [____], 201[] and semiannually thereafter on each May 1 and November 1 and shall be calculated on the basis of a year of 360 days and twelve 30-day months.

At least sixteen (16) Business Days prior to each date on which principal or interest on any 2017 Intermediate Lien Bond shall be due and payable, the Trustee shall notify the Board of such payment, the date such payment is due and the amount of such payment and the Series of Bonds to which such payment relates. Such notice shall be given by telephone or facsimile transmission and promptly confirmed in writing. Failure by the Trustee to provide such notice shall not affect the obligation of the Board to make such payment when due.

The Series D Bonds shall be issued in the original principal amount of \$[_____] and shall mature on November 1 in the years and in the amounts and bear interest at the annual rates set forth in the following schedule:

Year <u>November 1</u>	Principal <u>Amount</u>	Interest <u>Rate</u>
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The Series E Bonds shall be issued in the original principal amount of \$[_____] and shall mature on November 1 in the years and in the amounts and bear interest at the annual rates set forth in the following schedule:

Year <u>November 1</u>	Principal <u>Amount</u>	Interest <u>Rate</u>
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Year	Principal	Interest
<u>November 1</u>	<u>Amount</u>	<u>Rate</u>

The Series F Bonds shall be issued in the original principal amount of \$[_____] and shall mature on November 1 in the years and in the amounts and bear interest at the annual rates set forth in the following schedule:

Year	Principal	Interest
<u>November 1</u>	<u>Amount</u>	<u>Rate</u>

The Series G Bonds shall be issued in the original principal amount of \$[_____] and shall mature on November 1 in the years and in the amounts and bear interest at the annual rates set forth in the following schedule:

Year	Principal	Interest
<u>November 1</u>	<u>Amount</u>	<u>Rate</u>

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
<u>November 1</u>	<u>Amount</u>	<u>Rate</u>

Payment of principal of the 2017 Intermediate Lien Bonds shall be made upon surrender of the 2017 Intermediate Lien Bonds to the Trustee or its agent; provided that with respect to 2017 Intermediate Lien Bonds which are Book-Entry Bonds, the Trustee may make other arrangements for payment of principal as provided in the Representation Letter. Payment of interest on 2017 Intermediate Lien Bonds which are not Book-Entry Bonds shall be paid by check or draft of the Trustee mailed by first-class mail to the person who is the registered Owner thereof on the Record Date, and such payment shall be mailed to such Owner at his address as it appears on the registration books of the Registrar, or upon written request, at least three Business Days prior to the applicable Record Date, to the Owner of 2017 Intermediate Lien Bonds aggregating not less than \$1,000,000 in principal amount by wire transfer in immediately available funds at an account maintained in the United States as such Owner shall have specified in writing prior to the applicable Record Date to the Trustee for such purpose. The payment of interest on Book-Entry Bonds shall be made as provided in Section 2.05 hereof. With respect to all 2017 Intermediate Lien Bonds, interest due and payable on any Interest Payment Date shall be paid to the person who is the registered owner as of the Record Date. The Series D Bonds shall be substantially in the form of Exhibit A1, the Series E Bonds shall be substantially in the form of Exhibit A2, the Series F Bonds shall be substantially in the form of Exhibit A3, and the Series G Bonds shall be substantially in the form of Exhibit A4, each of which is part of this Third Supplemental Indenture.

If the principal of a 2017 Intermediate Lien Bond becomes due and payable, but shall not have been paid as a result of a default hereunder, then such 2017 Intermediate Lien Bond shall bear interest at the same rate after such default as on the day before the default occurred until such payment is made or provided for.

Section 2.04 ***Exchange of Bonds.*** 2017 Intermediate Lien Bonds that are delivered to the Registrar for exchange may be exchanged for an equal total principal amount of the 2017 Intermediate Lien Bonds with the same interest rate and maturity date, and in Authorized Denominations.

The Registrar will not, however, be required to transfer or exchange any such 2017 Intermediate Lien Bond during the period established by the Registrar for selection of 2017 Intermediate Lien Bonds for redemption or any 2017 Intermediate Lien Bond that has been selected for redemption.

Section 2.05 ***Book-Entry Bonds.***

(a) Except as provided in subparagraph (c) of this Section 2.05, the registered owner of all of the 2017 Intermediate Lien Bonds shall be DTC and the 2017 Intermediate Lien Bonds shall be registered in the name of Cede & Co., as nominee for DTC, or in the name of such other nominee as may be requested by an authorized representative of DTC. Payment of principal or interest for any 2017 Intermediate Lien Bond registered in the name of Cede & Co. shall be made in accordance with DTC's standard procedures.

(b) The 2017 Intermediate Lien Bonds of each Series shall be initially issued in the form of a separate single authenticated fully registered 2017 Intermediate Lien Bond for each stated maturity and interest rate of such Series of the 2017 Intermediate Lien Bonds. Upon initial issuance, the ownership of such 2017 Intermediate Lien Bonds shall be registered in the registration books of the Registrar in the name of Cede & Co., as nominee of DTC. Except as otherwise provided in the Intermediate Lien Master Trust Indenture, the Trustee, the Registrar and the Board may treat DTC (or its nominee) as the sole and exclusive Owner of the 2017 Intermediate Lien Bonds registered in its name for the purposes of payment of the principal or redemption price of or interest on the 2017 Intermediate Lien Bonds, selecting the 2017 Intermediate Lien Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under the Intermediate Lien Master Trust Indenture or this Third Supplemental Indenture, registering the transfer of 2017 Intermediate Lien Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever, and none of the Trustee, the Registrar nor the Board shall be affected by any notice to the contrary. The Trustee shall pay all principal of and premium, if any, and interest on the 2017 Intermediate Lien Bonds that are Book-Entry Bonds only to or upon “the order of” (as that term is used in the Uniform Commercial Code as adopted in the State of California) DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Board’s obligations with respect to the principal of and premium, if any, and interest on the 2017 Intermediate Lien Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated 2017 Intermediate Lien Bond evidencing the obligation of the Board to make payments of principal of and premium, if any, and interest pursuant to the Intermediate Lien Master Trust Indenture. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the word “Cede & Co.” in this Third Supplemental Indenture shall refer to such new nominee of DTC.

(c) In the event the Board determines that it is in the best interest of the beneficial owners of the 2017 Intermediate Lien Bonds that they be able to obtain 2017 Intermediate Lien Bond certificates, and notifies DTC, the Trustee and the Registrar of such determination, then DTC will notify the Participants of the availability through DTC of such 2017 Intermediate Lien Bond certificates. In such event, the Trustee shall authenticate and the Registrar shall transfer and exchange 2017 Intermediate Lien Bond certificates as requested by DTC and any other Holders of 2017 Intermediate Lien Bonds in appropriate amounts. DTC may determine to discontinue providing its services with respect to the 2017 Intermediate Lien Bonds at any time by giving notice to the Board and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the Board and the Trustee shall be obligated to deliver 2017 Intermediate Lien Bond certificates as described in this Third Supplemental Indenture. In the event 2017 Intermediate Lien Bond certificates are issued, the provisions of the Intermediate Lien Master Trust Indenture and this Third Supplemental Indenture shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates. Whenever DTC requests the Board and the Trustee to do so, the Trustee and the Board will cooperate with DTC in taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the 2017 Intermediate Lien Bonds to any DTC Participant having 2017 Intermediate Lien Bonds credited to its DTC account or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the 2017 Intermediate Lien

Bonds. If the Board substitutes another depository in place of DTC, the word “DTC” in this Third Supplemental Indenture shall refer to such substitute depository.

(d) Notwithstanding any other provision of the Intermediate Lien Master Trust Indenture and this Third Supplemental Indenture to the contrary, so long as any 2017 Intermediate Lien Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on such 2017 Intermediate Lien Bond and all notices with respect to such 2017 Intermediate Lien Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) In connection with any notice or other communication to be provided to Bondholders pursuant to the Intermediate Lien Master Trust Indenture and this Third Supplemental Indenture by the Board or the Trustee with respect to any consent or other action to be taken by Bondholders, the Board or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible. Notice to DTC shall be given only when DTC is a Bondholder.

(f) NONE OF THE BOARD, THE REGISTRAR OR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DTC PARTICIPANT, INDIRECT PARTICIPANT, ANY PERSON CLAIMING A BENEFICIAL OWNERSHIP INTEREST IN ANY 2017 INTERMEDIATE LIEN BONDS UNDER OR THROUGH DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT, OR ANY OTHER PERSON WHO IS NOT SHOWN ON THE REGISTRATION BOOKS AS BEING A BONDHOLDER, WITH RESPECT TO, THE PAYMENT BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY PRINCIPAL OF, REDEMPTION PRICE OF, OR INTEREST ON THE 2017 INTERMEDIATE LIEN BONDS; THE PROVIDING OF NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS, BENEFICIAL OWNERS OR BONDHOLDERS UNDER THE INTERMEDIATE LIEN MASTER TRUST INDENTURE; THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT; THE SELECTION BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE 2017 INTERMEDIATE LIEN BONDS; ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS OWNER OF THE 2017 INTERMEDIATE LIEN BONDS; OR ANY OTHER PURPOSE.

ARTICLE III

REDEMPTION

Section 3.01 *Notices to Bondholders.* In the case of an optional redemption, the Board shall provide notice of redemption of any 2017 Intermediate Lien Bonds to the Trustee no fewer than twenty-five (25) days before the date fixed for such redemption (or such later date as is agreed to by the Trustee), which notice to the Trustee shall include any information required by the Trustee in order to provide the required notice of redemption to the affected Bondholders pursuant to this Section 3.01. The Trustee shall give notice of any redemption, in the name of the Board, to

Bondholders affected by redemption of the 2017 Intermediate Lien Bonds to be redeemed at least twenty (20) days but not more than sixty (60) days before the date fixed for such redemption by first-class mail (or, with respect to 2017 Intermediate Lien Bonds held by DTC, by an express delivery service for delivery on the next following Business Day, or by any other method approved by DTC) to each Owner of a 2017 Intermediate Lien Bond to be redeemed; each such notice shall be sent to the Owner's registered address as shown on the registration books kept by the Registrar.

Each notice of redemption sent by the Trustee shall specify the 2017 Intermediate Lien Bonds to be redeemed, the date of issue, interest rate and maturity date thereof, the numbers of the 2017 Intermediate Lien Bonds and the CUSIP number assigned to the 2017 Intermediate Lien Bonds to be redeemed (if less than all 2017 Intermediate Lien Bonds of a maturity and interest rate are being called for redemption), the principal amount to be redeemed, the date fixed for redemption, the redemption price, the place or places of payment, the Trustee's name, that payment will be made upon presentation and surrender of the 2017 Intermediate Lien Bonds to be redeemed, that interest, if any, accrued to the date fixed for redemption and not paid will be paid as specified in said notice, and that, provided sufficient money to pay the full redemption price is on deposit in the applicable account on the date fixed for redemption, on and after said date interest on the 2017 Intermediate Lien Bonds to be redeemed will cease to accrue. In the case of optional redemptions pursuant to Section 3.03 of this Third Supplemental Indenture, each such notice shall further state that the proposed redemption is conditioned on there being on deposit in the applicable account, on the date fixed for redemption, sufficient money to pay the full redemption price, plus accrued but unpaid interest to the date fixed for redemption, of the 2017 Intermediate Lien Bonds to be redeemed.

Failure to give any required notice of redemption as to any particular 2017 Intermediate Lien Bonds will not affect the validity of the call for redemption of any 2017 Intermediate Lien Bonds in respect of which no such failure occurs. Any notice sent as provided herein will be conclusively presumed to have been given whether or not actually received by the addressee. When notice of redemption is given, the 2017 Intermediate Lien Bonds called for redemption shall become due and payable on the date fixed for redemption at the applicable redemption price, provided that, in the case of optional redemption, sufficient money to pay the full redemption price of the 2017 Intermediate Lien Bonds to be redeemed is on deposit in the applicable account on the date fixed for redemption. In the event that funds are deposited with the Trustee sufficient for redemption, interest on the 2017 Intermediate Lien Bonds to be redeemed will cease to accrue as of the date fixed for redemption.

If any 2017 Intermediate Lien Bonds are not Book-Entry Bonds, at the time of redemption, then the following additional requirements shall apply to any notice of redemption:

(a) at least two (2) days before the date of the mailing required by the first paragraph of this Section 3.01, such redemption notice shall be given by (i) registered or certified mail postage prepaid, (ii) telephonically confirmed facsimile transmission or (iii) overnight delivery service, to the following securities depository:

The Depository Trust Company
711 Stewart Avenue

Garden City, NY 11530
Facsimile transmission: (516) 227-4164

(b) such redemption notice shall be submitted to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system.

Failure to give the notice described in the immediately preceding paragraph or any defect therein shall not in any manner affect the redemption of any 2017 Intermediate Lien Bond.

Section 3.02 *Redemption Dates.* The date fixed for redemption of 2017 Intermediate Lien Bonds to be redeemed pursuant to any optional redemption provision with respect to the 2017 Intermediate Lien Bonds and the following Section 3.03 will be a date specified by the Board and included in the notice delivered pursuant to Section 3.01.

Section 3.03 *Optional Redemption of the 2017 Intermediate Lien Bonds.*

(a) The Series F Bonds are not subject to optional redemption prior to their maturity.

(b) The Series D Bonds and the Series E Bonds due on and after [____], 20[___] are redeemable at the option of the Board, in whole or in part at any time, from any moneys that may be provided for such purpose on or after [____], 20[___] at a redemption price of 100% of the principal amount of such Bonds, plus accrued interest to the date fixed for redemption.

(c) The Series G Bonds are subject to optional redemption at the option of the Board prior to their stated maturity dates, as a whole or in part, on any Business Day, at the "Make-Whole Redemption Price," plus accrued and unpaid interest on such Bonds to be redeemed on the date fixed for redemption.

The "Make-Whole Redemption Price" is the greater of (i) 100 percent of the principal amount of such Bonds to be redeemed and (ii) the sum of the present value of the remaining scheduled payments of principal and interest on such Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Bonds are to be redeemed, discounted to the date on which such Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the "Treasury Rate" defined below, plus ____ (___) basis points.

"Treasury Rate" means, with respect to any redemption date for a particular Bond to be redeemed, the rate per annum, expressed as a percentage of the principal amount, equal to the semi-annual equivalent yield to maturity or interpolated maturity of the Comparable Treasury Issue, assuming that the Comparable Treasury Issue is purchased on the redemption date for a price equal to the Comparable Treasury Price, as calculated by the Designated Investment Banker.

"Comparable Treasury Issue" means, with respect to any redemption date for a particular Bond to be redeemed, the United States Treasury security or securities selected by the Designated Investment Banker which has an actual or interpolated maturity comparable to the remaining average life of the Bond to be redeemed, and that would be utilized in accordance with customary financial practice in pricing new issues of debt securities of comparable maturity to the remaining average life of the Bond to be redeemed.

“Comparable Treasury Price” means, with respect to any redemption date for a particular Bond to be redeemed, the average of four Reference Treasury Dealer Quotations for that redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or if the Designated Investment Banker obtains fewer than four Reference Treasury Dealer Quotations, the average of all quotations obtained by the Designated Investment Banker.

“Designated Investment Banker” means one of the Reference Treasury Dealers appointed by an Authorized Board Representative.

“Reference Treasury Dealer” means each of four firms, specified by an Authorized Board Representative from time to time, that are primary United States Government securities dealers in the City of New York (each, a “Primary Treasury Dealer”); provided, that if any of them ceases to be a Primary Treasury Dealer, an Authorized Board Representative is to substitute another Primary Treasury Dealer.

“Reference Treasury Dealer Quotations” means, with respect to each Reference Treasury Dealer and any redemption date for a Bond, the average, as determined by the Designated Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Designated Investment Banker by such Reference Treasury Dealer at 3:30 p.m., New York City time, on the Valuation Date.

“Valuation Date” means at least three (3) Business Days but not more than twenty (20) calendar days prior to the mailing of redemption notice.

In connection with an optional redemption of any Series G Bonds prior to their stated maturity dates, as a whole or in part, on any business day, at the Make Whole Redemption Price, an Authorized Board Representative would appoint a Designated Investment Banker and specify four Reference Treasury Dealers to take any further actions as provided herein.

If the Series G Bonds are not registered in book-entry only form, the Series G Bonds will be assigned certificate numbers. Any redemptions of less than all of a maturity of the Series G Bonds shall be effected by the Trustee by designating such Series G Bonds for optional redemption within a maturity in the order of the assigned certificate numbers.

If the Series G Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of the Series G Bonds, if less than all of a maturity of Series G Bonds are to be redeemed prior to maturity, the particular Series G Bonds or portions thereof to be redeemed shall be selected on a “Pro Rata Pass-Through Distribution of Principal” basis in accordance with DTC procedures, provided that, so long as the Series G Bonds are held in book-entry form, the selection for redemption of such Series G Bonds shall be made in accordance with the operational arrangements of DTC then in effect that currently provide for adjustment of the principal by a factor provided by the Trustee pursuant to DTC operational arrangements. If the Trustee does not provide the necessary information and identify the redemption as on a Pro Rata Pass-Through Distribution of Principal basis, the Series G Bonds will be selected for redemption in accordance with DTC procedures by lot within a maturity.

Section 3.04 ***Mandatory Sinking Fund Redemption of the 2017 Intermediate Lien Bonds.*** The Series [] Bonds with a stated maturity date of [], 20[] are subject to mandatory sinking fund redemption at the redemption price equal to the principal amount thereof plus accrued interest to the redemption date, without premium, on November 1 of the following years and in the following amounts:

<u>Year</u>	<u>Principal Amount</u>
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*Final Maturity

On or before the forty-fifth (45th) day prior to any mandatory sinking fund redemption date, the Trustee shall proceed to select for redemption (by lot in such manner as the Trustee may determine), from all Series [] Bonds subject to such redemption, an aggregate principal amount of such Series [] Bonds equal to the amount for such year as set forth in the appropriate table above and shall call such Series [] Bonds or portions thereof (in Authorized Denominations) for redemption and give notice of such call.

At the option of the Board, to be exercised by delivery of a written certificate to the Trustee on or before the sixtieth (60th) day next preceding any mandatory sinking fund redemption date, it may (a) deliver to the Trustee for cancellation 2017 Intermediate Lien Bonds or portions thereof (in Authorized Denominations) of the stated maturity and interest rate subject to such redemption purchased in the open market or otherwise acquired by the Board or (b) specify a principal amount of such 2017 Intermediate Lien Bonds or portions thereof (in Authorized Denominations) which prior to said date have been purchased or redeemed (otherwise than under the provisions of this Section 3.04) and previously cancelled by the Trustee at the request of the Board and not theretofore applied as a credit against any mandatory sinking fund redemption requirement. Each such 2017 Intermediate Lien Bond or portion thereof so delivered or previously redeemed shall be credited by the Trustee at 100% of the principal amount thereof against the obligation of the Board on such mandatory sinking fund redemption date.

Section 3.05 ***Payment of Bonds Called for Redemption.*** Upon surrender (in the case of 2017 Intermediate Lien Bonds held by DTC, subject to DTC's operational requirements) to the Trustee or the Trustee's agent, 2017 Intermediate Lien Bonds called for redemption shall be paid at the price stated in the notice, which price shall be determined in accordance with Section 3.03 hereof.

Section 3.06 ***Selection of Series D Bonds and Series E Bonds for Redemption; 2017 Intermediate Lien Bonds Redeemed in Part.*** The Series D Bonds and Series E Bonds are subject to redemption in such order of maturity and interest rate as the Board shall direct and by lot, selected in such manner as the Trustee shall deem appropriate (subject to DTC operational arrangements for 2017 Intermediate Lien Bonds held by DTC), within a maturity and interest rate.

Upon surrender of a 2017 Intermediate Lien Bond to be redeemed in part only, the Trustee will authenticate for the Holder a new 2017 Intermediate Lien Bond or 2017 Intermediate Lien

Bonds of the same maturity and interest rate equal in aggregate principal amount to the unredeemed portion of the 2017 Intermediate Lien Bond surrendered.

Section 3.07 *Effect of Redemption Call.* On the date fixed for redemption, notice having been given in the manner and under the conditions provided herein, and sufficient money to pay the full redemption price, plus accrued and unpaid interest to the date fixed for redemption, of the 2017 Intermediate Lien Bonds to be redeemed being on deposit in the applicable account on the date fixed for redemption, interest on such 2017 Intermediate Lien Bonds shall cease to accrue from and after such date fixed for redemption, such 2017 Intermediate Lien Bonds shall cease to be entitled to any lien, benefit or security under the Intermediate Lien Master Trust Indenture and the Owners of such 2017 Intermediate Lien Bonds shall have no rights in respect thereof except to receive payment of the redemption price plus accrued and unpaid interest to the date fixed for redemption. The 2017 Intermediate Lien Bonds called for redemption shall become due and payable on the date fixed for redemption; provided that, in the case of an optional redemption of all or a portion of the 2017 Intermediate Lien Bonds, such 2017 Intermediate Lien Bonds shall only become due and payable on such date if sufficient money to pay the full redemption price, plus accrued and unpaid interest to the date fixed for redemption, of such 2017 Intermediate Lien Bonds is on deposit in the applicable account on such date.

2017 Intermediate Lien Bonds that have been duly called for redemption under the provisions of this Article III, and for which payment of the redemption price of which, plus accrued and unpaid interest to the date fixed for redemption, shall be held in trust for the Holders of the 2017 Intermediate Lien Bonds to be redeemed, all as provided in this Third Supplemental Indenture, shall not be deemed to be Outstanding under the provisions of the Intermediate Lien Master Trust Indenture and this Third Supplemental Indenture.

ARTICLE IV

ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 4.01 *Establishment of Funds and Accounts.* The following funds, accounts and subaccounts are hereby established:

(a) Port of Oakland 2017 Series D Intermediate Lien Refunding Revenue Bonds Debt Service Fund (the “Series D Debt Service Fund”) and therein an Interest Account (the “Series D Interest Account”), a Principal Account (the “Series D Principal Account”) and a Redemption Account (the “Series D Redemption Account”);

(b) Port of Oakland 2017 Series D Intermediate Lien Refunding Revenue Bonds Costs of Issuance Fund (the “Series D Costs of Issuance Fund”);

(c) Port of Oakland 2017 Series E Intermediate Lien Refunding Revenue Bonds Debt Service Fund (the “Series E Debt Service Fund”) and therein an Interest Account (the “Series E Interest Account”), a Principal Account (the “Series E Principal Account”) and a Redemption Account (the “Series E Redemption Account”);

(d) Port of Oakland 2017 Series E Intermediate Lien Refunding Revenue Bonds Costs of Issuance Fund (the “Series E Costs of Issuance Fund”);

(e) Port of Oakland 2017 Series F Intermediate Lien Refunding Revenue Bonds Debt Service Fund (the “Series F Debt Service Fund”) and therein an Interest Account (the “Series F Interest Account”), a Principal Account (the “Series F Principal Account”) and a Redemption Account (the “Series F Redemption Account”);

(f) Port of Oakland 2017 Series F Intermediate Lien Refunding Revenue Bonds Costs of Issuance Fund (the “Series F Costs of Issuance Fund”);

(g) Port of Oakland 2017 Series G Intermediate Lien Refunding Revenue Bonds Debt Service Fund (the “Series G Debt Service Fund”) and therein an Interest Account (the “Series G Interest Account”), a Principal Account (the “Series G Principal Account”) and a Redemption Account (the “Series G Redemption Account”);

(h) Port of Oakland 2017 Series G Intermediate Lien Refunding Revenue Bonds Costs of Issuance Fund (the “Series G Costs of Issuance Fund”);

(i) Port of Oakland Series 2017 Intermediate Lien Refunding Revenue Bonds Rebate Fund (the “Series 2017 Rebate Fund”).

Section 4.02 *Application of Proceeds and Other Funds.*

(a) The net proceeds of the sale of the Series D Bonds, being the amount of \$[_____], along with a Port cash contribution in the amount of \$[_____], shall be deposited, transferred or paid by the Trustee as follows:

- (i) the sum of \$[_____] shall be deposited into the Series D Costs of Issuance Fund; and
- (ii) the sum of \$[_____] shall be transferred to the Escrow Agent for deposit to the Escrow Fund held under the Escrow Agreement.

(b) The net proceeds of the sale of the Series E Bonds, being the amount of \$[_____], along with a Port cash contribution in the amount of \$[_____], shall be deposited, transferred or paid by the Trustee as follows:

- (i) the sum of \$[_____] shall be deposited into the Series E Costs of Issuance Fund; and
- (ii) the sum of \$[_____] shall be transferred to the Escrow Agent for deposit to the Escrow Fund held under the Escrow Agreement.

(c) The net proceeds of the sale of the Series F Bonds, being the amount of \$[_____], along with a Port cash contribution in the amount of \$[_____], shall be deposited, transferred or paid by the Trustee as follows:

- (i) the sum of \$[_____] shall be deposited into the Series F Costs of Issuance Fund; and

- (ii) the sum of \$[] shall be transferred to the Escrow Agent for deposit to the Escrow Fund held under the Escrow Agreement.

(d) The net proceeds of the sale of the Series G Bonds, being the amount of \$[], along with a Port cash contribution in the amount of \$[], shall be deposited, transferred or paid by the Trustee as follows:

- (i) the sum of \$[] shall be deposited into the Series G Costs of Issuance Fund; and
- (ii) the sum of \$[] shall be transferred to the Escrow Agent for deposit to the Escrow Fund held under the Escrow Agreement.

The Trustee may establish temporary funds or accounts in its records to facilitate and record such deposits and transfers.

Section 4.03 *Series D Debt Service Fund.* The Trustee shall make deposits into the Series D Debt Service Fund as follows:

(a) *Interest Account.* The Trustee shall deposit into the Series D Interest Account (i) amounts received from the Board to be used to pay interest on the Series D Bonds (other than any amounts to be deposited into the Series D Redemption Account pursuant to subclause (c) below) and, if the Board enters into a Qualified Swap with respect to all or a portion of the Series D Bonds, to pay amounts due and payable to the provider of such Qualified Swap at such times as are provided in such Qualified Swap and (ii) if the Board enters into a Qualified Swap with respect to all or a portion of the Series D Bonds, any amounts received by the Board from the provider of such Qualified Swap. The Trustee shall also deposit into the Series D Interest Account any other amounts deposited with the Trustee for deposit in the Series D Interest Account or transferred from other funds and accounts for deposit therein. All amounts held at any time in the Series D Interest Account shall be held on a priority basis for the ratable security and payment of interest due on the Series D Bonds in accordance with their terms, and scheduled payments due and payable by the Board under any Qualified Swap entered into by the Board with respect to all or a portion of the Series D Bonds (not including any Subordinated Obligation, such as any Swap Termination Payments and any unscheduled payments due and payable under such Qualified Swap) at any time in proportion to the amounts due or accrued with respect to each of them. Earnings on the Series D Interest Account shall be withdrawn and paid to the Board for deposit into the Port Revenue Fund, unless an Event of Default exists under the Intermediate Lien Master Trust Indenture, in which event the earnings shall be retained in such account.

(b) *Principal Account.* The Trustee shall deposit into the Series D Principal Account amounts received from the Board to be used to pay principal of the Series D Bonds whether at maturity or by mandatory sinking fund redemption as provided in Section 3.04 of this Third Supplemental Indenture. The Trustee shall also deposit into the Series D Principal Account any other amounts deposited with the Trustee for deposit into the Series D Principal Account or transferred from other funds and accounts for deposit therein. Earnings on the Series D Principal Account shall be withdrawn and paid to the Board for deposit into the Port Revenue Fund, unless

an Event of Default exists under the Intermediate Lien Master Trust Indenture, in which event the earnings shall be retained in such account.

(c) *Redemption Account.* The Trustee shall deposit into the Series D Redemption Account amounts received from the Board or from other sources to be used to pay the principal of, interest on and premium, if any, on Series D Bonds which are to be redeemed in advance of their maturity (except redemptions occurring as a result of the operation of the mandatory sinking fund under Section 3.04 hereof, which amounts shall be deposited into the Series D Principal Account or into the Series D Interest Account, as applicable). Earnings on amounts from time to time deposited into the Series D Redemption Account shall be retained in such account or paid to the Board for deposit into the Port Revenue Fund in accordance with instructions given to the Trustee by an Authorized Board Representative at the time of such deposit.

The Series D Debt Service Fund shall be invested and reinvested as directed by an Authorized Board Representative in Permitted Investments.

Section 4.04 *Series D Costs of Issuance Fund.* There shall be deposited into the Series D Costs of Issuance Fund the amounts provided in Section 4.02(a)(i) above. The Trustee shall make payments or disbursements from the Series D Costs of Issuance Fund upon receipt from the Board of a written requisition (the form of which is attached as Exhibit B hereto) executed by an Authorized Board Representative, which requisition shall state, with respect to each amount requested thereby, (i) that such amount is to be paid from the Series D Costs of Issuance Fund, (ii) the number of the requisition from such Fund, (iii) the amount to be paid, the name of the entity to which the payment is to be made and the manner in which the payment is to be made, and (iv) describe the Costs of Issuance represented by such payment. Moneys held in the Series D Costs of Issuance Fund shall be invested and reinvested as directed by an Authorized Board Representative in Permitted Investments. Earnings on the Series D Costs of Issuance Fund shall be retained in such fund. Any amounts remaining in the Series D Costs of Issuance Fund on [____], 2018 shall be transferred to the Series D Debt Service Fund and the Series D Costs of Issuance Fund shall be closed.

Section 4.05 *Series E Debt Service Fund.* The Trustee shall make deposits into the Series E Debt Service Fund as follows:

(a) *Interest Account.* The Trustee shall deposit into the Series E Interest Account (i) amounts received from the Board to be used to pay interest on the Series E Bonds (other than any amounts to be deposited into the Series E Redemption Account pursuant to subclause (c) below) and, if the Board enters into a Qualified Swap with respect to all or a portion of the Series E Bonds, to pay amounts due and payable to the provider of such Qualified Swap at such times as are provided in such Qualified Swap and (ii) if the Board enters into a Qualified Swap with respect to all or a portion of the Series E Bonds, any amounts received by the Board from the provider of such Qualified Swap. The Trustee shall also deposit into the Series E Interest Account any other amounts deposited with the Trustee for deposit in the Series E Interest Account or transferred from other funds and accounts for deposit therein. All amounts held at any time in the Series E Interest Account shall be held on a priority basis for the ratable security and payment of interest due on the Series E Bonds in accordance with their terms, and scheduled payments due and payable by the Board under any Qualified Swap entered into by the Board with respect to all or a portion of the

Series E Bonds (not including any Subordinated Obligation, such as any Swap Termination Payments and any unscheduled payments due and payable under such Qualified Swap) at any time in proportion to the amounts due or accrued with respect to each of them. Earnings on the Series E Interest Account shall be withdrawn and paid to the Board for deposit into the Port Revenue Fund, unless an Event of Default exists under the Intermediate Lien Master Trust Indenture, in which event the earnings shall be retained in such account.

(b) *Principal Account.* The Trustee shall deposit into the Series E Principal Account amounts received from the Board to be used to pay principal of the Series E Bonds whether at maturity or by mandatory sinking fund redemption as provided in Section 3.04 of this Third Supplemental Indenture. The Trustee shall also deposit into the Series E Principal Account any other amounts deposited with the Trustee for deposit into the Series E Principal Account or transferred from other funds and accounts for deposit therein. Earnings on the Series E Principal Account shall be withdrawn and paid to the Board for deposit into the Port Revenue Fund unless an Event of Default exists under the Intermediate Lien Master Trust Indenture, in which event the earnings shall be retained in such account.

(c) *Redemption Account.* The Trustee shall deposit into the Series E Redemption Account amounts received from the Board or from other sources to be used to pay the principal of, interest on and premium, if any, on Series E Bonds which are to be redeemed in advance of their maturity (except redemptions occurring as a result of the operation of the mandatory sinking fund under Section 3.04 hereof, which amounts shall be deposited into the Series E Principal Account or into the Series E Interest Account, as applicable). Earnings on amounts from time to time deposited into the Series E Redemption Account shall be retained in such account or paid to the Board for deposit into the Port Revenue Fund in accordance with instructions given to the Trustee by an Authorized Board Representative at the time of such deposit.

The Series E Debt Service Fund shall be invested and reinvested as directed by an Authorized Board Representative in Permitted Investments.

Section 4.06 *Series E Costs of Issuance Fund.* There shall be deposited into the Series E Costs of Issuance Fund the amounts provided in Section 4.02(b)(i) above. The Trustee shall make payments or disbursements from the Series E Costs of Issuance Fund upon receipt from the Board of a written requisition (the form of which is attached as Exhibit B hereto) executed by an Authorized Board Representative, which requisition shall state, with respect to each amount requested thereby, (i) that such amount is to be paid from the Series E Costs of Issuance Fund, (ii) the number of the requisition from such Fund, (iii) the amount to be paid, the name of the entity to which the payment is to be made and the manner in which the payment is to be made and (iv) describe the Costs of Issuance represented by such payment. Moneys held in the Series E Costs of Issuance Fund shall be invested and reinvested as directed by an Authorized Board Representative in Permitted Investments. Earnings on the Series E Costs of Issuance Fund shall be retained in such fund. Any amounts remaining in the Series E Costs of Issuance Fund on [_____ 1, 2018] shall be transferred to the Series E Debt Service Fund and the Series E Costs of Issuance Fund shall be closed.

Section 4.07 *Series F Debt Service Fund.* The Trustee shall make deposits into the Series F Debt Service Fund as follows:

(a) *Interest Account.* The Trustee shall deposit into the Series F Interest Account (i) amounts received from the Board to be used to pay interest on the Series F Bonds (other than any amounts to be deposited into the Series F Redemption Account pursuant to subclause (c) below) and, if the Board enters into a Qualified Swap with respect to all or a portion of the Series F Bonds, to pay amounts due and payable to the provider of such Qualified Swap at such times as are provided in such Qualified Swap and (ii) if the Board enters into a Qualified Swap with respect to all or a portion of the Series F Bonds, any amounts received by the Board from the provider of such Qualified Swap. The Trustee shall also deposit into the Series F Interest Account any other amounts deposited with the Trustee for deposit in the Series F Interest Account or transferred from other funds and accounts for deposit therein. All amounts held at any time in the Series F Interest Account shall be held on a priority basis for the ratable security and payment of interest due on the Series F Bonds in accordance with their terms, and scheduled payments due and payable by the Board under any Qualified Swap entered into by the Board with respect to all or a portion of the Series F Bonds (not including any Subordinated Obligation, such as any Swap Termination Payments and any unscheduled payments due and payable under such Qualified Swap) at any time in proportion to the amounts due or accrued with respect to each of them. Earnings on the Series F Interest Account shall be withdrawn and paid to the Board for deposit into the Port Revenue Fund, unless an Event of Default exists under the Intermediate Lien Master Trust Indenture, in which event the earnings shall be retained in such account.

(b) *Principal Account.* The Trustee shall deposit into the Series F Principal Account amounts received from the Board to be used to pay principal of the Series F Bonds whether at maturity or by mandatory sinking fund redemption as provided in Section 3.04 of this Third Supplemental Indenture. The Trustee shall also deposit into the Series F Principal Account any other amounts deposited with the Trustee for deposit into the Series F Principal Account or transferred from other funds and accounts for deposit therein. Earnings on the Series F Principal Account shall be withdrawn and paid to the Board for deposit into the Port Revenue Fund unless an Event of Default exists under the Intermediate Lien Master Trust Indenture, in which event the earnings shall be retained in such account.

(c) *Redemption Account.* The Trustee shall deposit into the Series F Redemption Account amounts received from the Board or from other sources to be used to pay the principal of, interest on and premium, if any, on Series F Bonds which are to be redeemed in advance of their maturity (except redemptions occurring as a result of the operation of the mandatory sinking fund under Section 3.04 hereof, which amounts shall be deposited into the Series F Principal Account or into the Series F Interest Account, as applicable). Earnings on amounts from time to time deposited into the Series F Redemption Account shall be retained in such account or paid to the Board for deposit into the Port Revenue Fund in accordance with instructions given to the Trustee by an Authorized Board Representative at the time of such deposit.

The Series F Debt Service Fund shall be invested and reinvested as directed by an Authorized Board Representative in Permitted Investments.

Section 4.08 *Series F Costs of Issuance Fund.* There shall be deposited into the Series F Costs of Issuance Fund the amounts provided in Section 4.02(c)(i) above. The Trustee shall make payments or disbursements from the Series F Costs of Issuance Fund upon receipt from the Board of a written requisition (the form of which is attached as Exhibit B hereto) executed by an

Authorized Board Representative, which requisition shall state, with respect to each amount requested thereby, (i) that such amount is to be paid from the Series F Costs of Issuance Fund, (ii) the number of the requisition from such Fund (iii) the amount to be paid, the name of the entity to which the payment is to be made and the manner in which the payment is to be made and (iv) describe the Costs of Issuance represented by such payment. Moneys held in the Series F Costs of Issuance Fund shall be invested and reinvested as directed by an Authorized Board Representative in Permitted Investments. Earnings in the Series F Costs of Issuance Fund shall be retained in such fund. Any amounts remaining in the Series F Costs of Issuance Fund on [_____ 1, 2018] shall be transferred to the Series F Debt Service Fund and the Series E Costs of Issuance Fund shall be closed.

Section 4.09 *Series G Debt Service Fund.* The Trustee shall make deposits into the Series G Debt Service Fund as follows:

(a) *Interest Account.* The Trustee shall deposit into the Series G Interest Account (i) amounts received from the Board to be used to pay interest on the Series G Bonds (other than any amounts to be deposited into the Series G Redemption Account pursuant to subclause (c) below) and, if the Board enters into a Qualified Swap with respect to all or a portion of the Series G Bonds, to pay amounts due and payable to the provider of such Qualified Swap at such times as are provided in such Qualified Swap and (ii) if the Board enters into a Qualified Swap with respect to all or a portion of the Series G Bonds, any amounts received by the Board from the provider of such Qualified Swap. The Trustee shall also deposit into the Series G Interest Account any other amounts deposited with the Trustee for deposit in the Series G Interest Account or transferred from other funds and accounts for deposit therein. All amounts held at any time in the Series G Interest Account shall be held on a priority basis for the ratable security and payment of interest due on the Series G Bonds in accordance with their terms, and scheduled payments due and payable by the Board under any Qualified Swap entered into by the Board with respect to all or a portion of the Series G Bonds (not including any Subordinated Obligation, such as any Swap Termination Payments and any unscheduled payments due and payable under such Qualified Swap) at any time in proportion to the amounts due or accrued with respect to each of them. Earnings on the Series G Interest Account shall be withdrawn and paid to the Board for deposit into the Port Revenue Fund, unless an Event of Default exists under the Intermediate Lien Master Trust Indenture, in which event the earnings shall be retained in such account.

(b) *Principal Account.* The Trustee shall deposit into the Series G Principal Account amounts received from the Board to be used to pay principal of the Series G Bonds whether at maturity or by mandatory sinking fund redemption as provided in Section 3.04 of this Third Supplemental Indenture. The Trustee shall also deposit into the Series G Principal Account any other amounts deposited with the Trustee for deposit into the Series G Principal Account or transferred from other funds and accounts for deposit therein. Earnings on the Series G Principal Account shall be withdrawn and paid to the Board for deposit into the Port Revenue Fund unless an Event of Default exists under the Intermediate Lien Master Trust Indenture, in which event the earnings shall be retained in such account.

(c) *Redemption Account.* The Trustee shall deposit into the Series G Redemption Account amounts received from the Board or from other sources to be used to pay the principal of, interest on and premium, if any, on Series G Bonds which are to be redeemed in advance of

their maturity (except redemptions occurring as a result of the operation of the mandatory sinking fund under Section 3.04 hereof, which amounts shall be deposited into the Series G Principal Account or into the Series G Interest Account, as applicable). Earnings on amounts from time to time deposited into the Series G Redemption Account shall be retained in such account or paid to the Board for deposit into the Port Revenue Fund in accordance with instructions given to the Trustee by an Authorized Board Representative at the time of such deposit.

The Series G Debt Service Fund shall be invested and reinvested as directed by an Authorized Board Representative in Permitted Investments.

Section 4.10 *Series G Costs of Issuance Fund.* There shall be deposited into the Series G Costs of Issuance Fund the amounts provided in Section 4.02(d)(i) above. The Trustee shall make payments or disbursements from the Series G Costs of Issuance Fund upon receipt from the Board of a written requisition (the form of which is attached as Exhibit B hereto) executed by an Authorized Board Representative, which requisition shall state, with respect to each amount requested thereby, (i) that such amount is to be paid from the Series G Costs of Issuance Fund, (ii) the number of the requisition from such Fund (iii) the amount to be paid, the name of the entity to which the payment is to be made and the manner in which the payment is to be made and (iv) describe the Costs of Issuance represented by such payment. Moneys held in the Series G Costs of Issuance Fund shall be invested and reinvested as directed by an Authorized Board Representative in Permitted Investments. Earnings in the Series G Costs of Issuance Fund shall be retained in such fund. Any amounts remaining in the Series G Costs of Issuance Fund on [_____ 1, 2018] shall be transferred to the Series G Debt Service Fund and the Series E Costs of Issuance Fund shall be closed.

Section 4.11 *Intermediate Lien Common Reserve Fund.* The 2007 Common Reserve Fund created pursuant to Section 4.01 of the First Supplemental Indenture is hereby continued and renamed the “Intermediate Lien Common Reserve Fund.” Moneys held in the Intermediate Lien Common Reserve Fund shall be used for the purpose of paying principal and interest on the 2017 Intermediate Lien Bonds and any other Intermediate Lien Common Reserve Fund Bonds that may be so designated from time to time in accordance with the applicable Supplemental Intermediate Lien Indenture if, on any principal or interest payment date for any Intermediate Lien Common Reserve Fund Bonds (including, without limitation, the 2017 Intermediate Lien Bonds), the amount then held in the applicable Debt Service Fund (including, with respect to the 2017 Intermediate Lien Bonds, amounts in the Series D Debt Service Fund, the Series E Debt Service Fund, the Series F Debt Service Fund and the Series G Debt Service Fund) available therefor is insufficient to pay in full the amount then due on the subject Intermediate Lien Common Reserve Fund Bonds. Upon issuance of any additional Intermediate Lien Common Reserve Fund Bonds, the Board shall deposit such additional amount, if any, of money or one or more Reserve Fund Insurance Policies as may be required to satisfy the then applicable Intermediate Lien Common Reserve Fund Requirement with respect to all Intermediate Lien Common Reserve Fund Bonds that are secured by the Intermediate Lien Common Reserve Fund. The Intermediate Lien Common Reserve Fund shall secure the Intermediate Lien Common Reserve Fund Bonds without preference, priority or distinction as to any Intermediate Lien Common Reserve Fund Bond over any other Intermediate Lien Common Reserve Fund or Intermediate Lien Common Reserve Fund Bonds, except as to the timing of payment of the Intermediate Lien Common Reserve Fund Bonds. Moneys held in the Intermediate Lien Common Reserve Fund may also be used, at the written

direction of the Board, to make any deposit required to be made to the Rebate Fund created for the 2017 Intermediate Lien Bonds or for any other Intermediate Lien Common Reserve Fund Bonds if the Board does not have other funds available from which such deposit can be made. The Trustee shall annually, on or about July 1 of each year, commencing July 1, 2018 and at such other times as the Board or the Insurer (or any municipal bond insurer of the other Intermediate Lien Common Reserve Fund Bonds, as applicable) shall deem appropriate, value the Intermediate Lien Common Reserve Fund on the basis of the market value thereof. For purposes of determining the amount on deposit in the Intermediate Lien Common Reserve Fund, any Reserve Fund Insurance Policies or guaranteed investment contracts held by, or the benefit of which is available to, the Trustee as security for the Intermediate Lien Common Reserve Fund Bonds shall be deemed to be a deposit in the face amount of the policy or the stated amount or par value of the credit facility or the guaranteed investment contract provided, except that, if the amount available under a Reserve Fund Insurance Policy (or Reserve Fund Insurance Policies) or the guaranteed investment contract (or guaranteed investment contracts) has been reduced in accordance with its terms and such amount has not been reinstated nor another Reserve Fund Insurance Policy (or Reserve Fund Insurance Policies) or guaranteed investment contract (or guaranteed investment contracts) provided, then in valuing the Intermediate Lien Common Reserve Fund, the value of such Reserve Fund Insurance Policy or guaranteed investment contract shall be reduced accordingly. Upon each such valuation, the Trustee shall prepare a written certificate setting forth the Intermediate Lien Common Reserve Fund Requirement as of such valuation date and the value of the Intermediate Lien Common Reserve Fund and deliver a copy thereof to the Chief Financial Officer. If, upon any valuation, the value of the Intermediate Lien Common Reserve Fund exceeds the Intermediate Lien Common Reserve Fund Requirement, the excess amount shall be withdrawn and paid to the Board for deposit into the Port Revenue Fund; provided that no Event of Default then exists under the Intermediate Lien Master Trust Indenture or any Supplemental Intermediate Lien Indenture (including this Third Supplemental Indenture). If the value is less than the Intermediate Lien Common Reserve Fund Requirement, the Board shall replenish such amounts within 12 months from available Intermediate Lien Pledged Revenues after payment of principal of and interest due on any Intermediate Lien Bonds in accordance with Section 4.03 of the Intermediate Lien Master Trust Indenture.

Provided the Intermediate Lien Common Reserve Fund Requirement has been satisfied by both cash or securities and one or more Reserve Fund Insurance Policies, any payment of principal or interest on any Intermediate Lien Common Reserve Fund Bonds from the Intermediate Lien Common Reserve Fund shall first be made from any cash or securities then deposited in the Intermediate Lien Common Reserve Fund and only in the event no cash or securities remain in the Intermediate Lien Common Reserve Fund shall the Trustee be allowed to make a draw under such Reserve Fund Insurance Policies. Additionally, in the event that two or more Reserve Fund Insurance Policies have been entered into for the Intermediate Lien Common Reserve Fund, any payment of interest or principal to be made pursuant to the any of the Reserve Fund Insurance Policies shall be made on a *pro rata* basis proportionate to the face amount (or stated amount or par value) of such Reserve Fund Insurance Policies less amounts previously drawn thereunder and not reimbursed.

At such time as all Intermediate Lien Common Reserve Fund Bonds are paid in full or are deemed to be paid in full, the amount in the Intermediate Lien Common Reserve Fund may be used to pay the final installments of principal and interest on any Intermediate Lien Common

Reserve Fund Bond and otherwise may be withdrawn and transferred to the Board to be used for any lawful purpose, provided that, if such amounts are used for a purpose other than payment of Intermediate Lien Common Reserve Fund Bonds, there shall be delivered to the Trustee with the request for such funds an Opinion of Tax Counsel that the purpose for which such funds are to be used is a lawful purpose for which such proceeds may be used under the Act and that such use shall not adversely affect the exclusion of interest on any Intermediate Lien Common Reserve Fund Bond from gross income of the recipient thereof for federal income tax purposes.

One or more Reserve Fund Insurance Policies shall be acceptable in lieu of, or in substitution for, a deposit of cash or securities into the Intermediate Lien Common Reserve Fund created hereunder only if at the time of such deposit or substitution (i) such Reserve Fund Insurance Policy or Policies extend to the maturity of the Intermediate Lien Common Reserve Fund Bond with the latest maturity date or (ii) the Board agrees to replace such Reserve Fund Insurance Policy or Policies prior to their expiration with another Reserve Fund Insurance Policy or Policies or with cash.

Upon expiration or termination of any Reserve Fund Insurance Policy prior to the payment in full or deemed payment in full of all Intermediate Lien Common Reserve Fund Bonds, if the value of the Intermediate Lien Common Reserve Fund is less than the Intermediate Lien Common Reserve Fund Requirement, then the Board shall either provide one or more substitute Reserve Fund Insurance Policies that extend to the maturity of the Intermediate Lien Common Reserve Fund Bond with the latest maturity date (or to an earlier date if the Board makes the commitment described in the preceding paragraph) or shall provide cash, in either case in an amount sufficient to increase the value of the Intermediate Lien Common Reserve Fund to the Intermediate Lien Common Reserve Fund Requirement following such expiration or termination.

If moneys have been withdrawn from the Intermediate Lien Common Reserve Fund or a payment has been made under one or more Reserve Fund Insurance Policies constituting all or a portion of the Intermediate Lien Common Reserve Fund, and deposited into one or more Debt Service Funds for Intermediate Lien Common Reserve Fund Bonds (including, without limitation, the Series D Debt Service Fund, the Series E Debt Service Fund, the Series F Debt Service Fund or the Series G Debt Service Fund, as applicable) to prevent a default on the applicable Intermediate Lien Common Reserve Fund Bonds, then the Board will pay to the Trustee, from Intermediate Lien Pledged Revenues, but only as provided in Section 4.03 of the Intermediate Lien Master Trust Indenture the full amount so withdrawn, together with interest, if any, required under the terms of such Reserve Fund Insurance Policies, or so much as shall be required to restore the Intermediate Lien Common Reserve Fund to the Intermediate Lien Common Reserve Fund Requirement and to pay such interest, if any. Such repayment shall be made in 12 substantially equal monthly installments each due on the first Business Day of the month commencing with the first month after such withdrawal occurs. If such repayment is with respect to a draw under one or more Reserve Fund Insurance Policies, the Trustee shall pay to the provider or providers of such Reserve Fund Insurance Policy or Policies (on a pro rata basis proportionate to the amount drawn under each such Reserve Fund Insurance Policy and not previously reimbursed), the amount received by the Trustee from the Board which is designated to be used to reimburse the provider(s) of such Reserve Fund Insurance Policy or Policies. The Trustee shall immediately notify the Paying Agent of such reimbursement, and the amount available to be drawn under the Reserve Fund Insurance Policy or Policies shall increase by the amount of such reimbursement.

Repayments owed to the provider or providers of a Reserve Fund Insurance Policy or Policies shall be paid prior to funding the unfunded cash portion of the Intermediate Lien Common Reserve Fund Requirement; provided, however, that the Board's obligation to fund the Intermediate Lien Common Reserve Fund shall be on the same priority as the Board's obligation to fund reserve funds for its other Intermediate Lien Bonds. Amounts provided by the Board to the Trustee to fund the Board's reserve fund obligations for its Intermediate Lien Bonds must be distributed between the Intermediate Lien Common Reserve Fund and the reserve fund(s) for any other Intermediate Lien Bonds on a *pro rata* basis proportionate to the deficiencies in such reserve funds without regard to the existence of a cash funded debt service reserve or a reserve fund insurance policy.

Moneys in the Intermediate Lien Common Reserve Fund shall be invested and reinvested by the Trustee at the direction of an Authorized Board Representative in Permitted Investments having a term to maturity of not greater than five years or payable on demand at any time a draw on the Intermediate Lien Common Reserve Fund is required under the Intermediate Lien Master Trust Indenture.

Earnings on the Intermediate Lien Common Reserve Fund shall be paid by the Trustee to the Board for deposit into the Port Revenue Fund, unless (A) an amount has been withdrawn from the Intermediate Lien Common Reserve Fund as a result of a deficiency in the interest account or principal account of the Debt Service Fund of a Intermediate Lien Common Reserve Fund Bond (including any such accounts relating to the 2017 Intermediate Lien Bonds) and such withdrawal has not been repaid or, as of the most recent valuation of the Intermediate Lien Common Reserve Fund, the amount therein was valued at less than the Intermediate Lien Common Reserve Fund Requirement and the deficiency has not yet been restored, in either of which events the earnings shall be retained in the Intermediate Lien Common Reserve Fund until the deficiency therein has been eliminated or (B) an Event of Default then exists under the Intermediate Lien Master Trust Indenture or any applicable Supplemental Intermediate Lien Indenture (including this Third Supplemental Indenture), in which event the earnings shall be paid on a *pro rata* basis proportionate to the amount of interest becoming due and payable on the Intermediate Lien Common Reserve Fund Bonds on their next interest payment date(s) to the interest accounts of the Debt Service Funds for the Intermediate Lien Common Reserve Fund Bonds (including the 2017 Intermediate Lien Bonds).

Section 4.12 ***Sources of Payment of 2017 Intermediate Lien Bonds.*** The 2017 Intermediate Lien Bonds shall be secured by and payable from the Intermediate Lien Pledged Revenues as provided in the Intermediate Lien Master Trust Indenture and moneys and other interests held by the Trustee in the Intermediate Lien Common Reserve Fund. The Board may, but is not obligated to, provide for payment of principal and interest on the 2017 Intermediate Lien Bonds from any other source or from any other funds of the Board.

ARTICLE V

TAX COVENANTS

Section 5.01 ***Rebate Fund.*** The Board hereby agrees that it will enter into the Tax Agreement. The Series 2017 Rebate Fund will be funded if so required under the Tax Agreement, and amounts

in such Series 2017 Rebate Fund shall be held and disbursed in accordance with the Tax Agreement. For such purpose and to facilitate rebate compliance, the Trustee may, pursuant to the Tax Agreement and a written request of an Authorized Board Representative, establish within the Series 2017 Rebate Fund separate rebate accounts for the Series D Bonds, the Series E Bonds and the Series F Bonds.

Section 5.02 *Preservation of Tax Exemption.*

(a) The Board shall comply with those covenants and agreements set forth in the Tax Agreement.

(b) The Board shall not take any action which would adversely affect the exclusion from gross income of the interest on the Series D Bonds, Series E Bonds or Series F Bonds under Sections 103 and 141 through 150 of the Code.

(c) In the event the Board is of the opinion that it is necessary to restrict or limit the yield on the investment of money held by the Trustee or to use such money in certain manners, in order to avoid the Series D Bonds, Series E Bonds or Series F Bonds being considered “arbitrage bonds” within the meaning of Section 148 of the Code and the regulations thereunder as such may be applicable to the Series D Bonds, Series E Bonds or Series F Bonds at such time, the Board shall issue to the Trustee a certificate to such effect together with appropriate instructions, in which event the Trustee shall take such action as it is directed to take to use such money in accordance with such certificate and instructions, irrespective of whether the Trustee shares such opinion.

(d) The Board shall at all times do and perform all acts and things permitted by law and this Third Supplemental Indenture which are necessary or desirable in order to assure that interest paid on the Series D Bonds, Series E Bonds and Series F Bonds (or any of them) will not be included in gross income for federal income tax purposes (except, with respect to interest paid or to be paid on the Series D Bonds, for any person who is a “substantial user” of the facilities financed or refinanced with the proceeds of the Series D Bonds, as applicable or a “related person” within the meaning of Section 147(a) of the Code) and shall take no action that would result in such interest being included in gross income for federal income tax purposes.

ARTICLE VI

[PROVISIONS RELATING TO INSURER, BOND INSURANCE AND SURETY BOND]

Section 6.01 *[Bond Insurance Provisions to Come, if Needed.]*

ARTICLE VII

MISCELLANEOUS

Section 7.01 *Notices.*

(a) Any notice, request, direction, designation, consent, acknowledgment, certification, appointment, waiver or other communication required or permitted by this Third Supplemental

Indenture or the 2017 Intermediate Lien Bonds must be in writing except as expressly provided otherwise in this Third Supplemental Indenture or the 2017 Intermediate Lien Bonds.

(b) Any notice or other communication, unless otherwise specified, shall be sufficiently given and deemed given when mailed by first-class mail, postage prepaid, addressed to the Board or the Trustee at the addresses provided in the Intermediate Lien Master Trust Indenture or when delivered by hand and received by the Board or the Trustee at the addresses provided in the Intermediate Lien Master Trust Indenture. Any addressee may designate additional or different addresses for purposes of this Section.

Section 7.02 *Modification of Intermediate Lien Master Trust Indenture and this Third Supplemental Indenture.* The Board may, from time to time and at any time, execute and deliver Supplemental Indentures supplementing and/or amending the Intermediate Lien Master Trust Indenture and this Third Supplemental Indenture in the manner set forth in Article X of the Indenture.

Section 7.03 *[Third Party Beneficiary.* The Insurer is hereby expressly designated as a third party beneficiary of this Third Supplemental Indenture, and the terms, conditions and obligations of the Intermediate Lien Master Trust Indenture and this Third Supplemental Indenture which specifically benefit the Insurer shall be specifically enforceable by the Insurer unless the Insurer is in default of its payment obligations under the Bond Insurance Policy.]

Section 7.04 *Limitation of Rights.* Nothing expressed or implied in this Third Supplemental Indenture or the 2017 Intermediate Lien Bonds shall give any person other than the Trustee, the Board and the Bondholders any right, remedy or claim under or with respect to this Third Supplemental Indenture.

Section 7.05 *Severability.* If any provision of this Third Supplemental Indenture shall be determined to be unenforceable, that shall not affect any other provision of this Third Supplemental Indenture.

Section 7.06 *Payments or Actions Occurring on Non-Business Days.* If a payment date is not a Business Day or if any action required hereunder is required on a date that is not a Business Day, then payment may be made at that place on the next Business Day or such action may be taken on the next Business Day with the same effect as if payment were made on the action taken on the stated date, and no interest shall accrue for the intervening period.

Section 7.07 *Governing Law.* This Third Supplemental Indenture shall be governed by and construed in accordance with the laws of the State.

Section 7.08 *Captions.* The captions in this Third Supplemental Indenture are for convenience only and do not define or limit the scope or intent of any provisions or Sections of this Third Supplemental Indenture.

Section 7.09 *Counterparts.* This Third Supplemental Indenture may be signed in several counterparts. Each will be an original, but all of them together constitute the same instrument.

Section 7.10 ***Continuing Disclosure.*** The Board hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Third Supplemental Indenture, failure of the Board to comply with its obligations set forth in the Continuing Disclosure Certificate shall not constitute an Event of Default (as specified in Article VIII of the Intermediate Lien Master Trust Indenture); provided, however, that any participating underwriter for the 2017 Intermediate Lien Bonds or any Owner or beneficial owner of the 2017 Intermediate Lien Bonds may take such actions as may be necessary and appropriate to compel performance by the Board of its obligations under this Section 7.10, including seeking mandate or specific performance by court order.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Indenture to be duly executed, all as of the date first above written.

CITY OF OAKLAND, ACTING BY AND
THROUGH ITS BOARD OF PORT
COMMISSIONERS

Attest

By: _____
Secretary to the Board

By: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____
Authorized Officer

THIS AGREEMENT SHALL NOT BE VALID
OR EFFECTIVE FOR ANY PURPOSE
UNLESS AND UNTIL IT IS SIGNED BY THE
PORT ATTORNEY.

Approved as to form and legality as of this
__ day of _____, 2017.

Port Attorney
Port Resolution No. _____
P.A. # [_____]

EXHIBIT A1
FORM OF SERIES D BOND
[TO COME]

EXHIBIT A2
FORM OF SERIES E BOND
[TO COME]

EXHIBIT A3
FORM OF SERIES F BOND
[TO COME]

EXHIBIT A4
FORM OF SERIES G BOND
[TO COME]

EXHIBIT B

FORM OF COSTS OF ISSUANCE FUND REQUISITION

Requisition No. ____

To: U.S. Bank National Association
One California Street, Ste. 2100
San Francisco, California 94111
Attn: Corporate Trust Services

Re: Requisition of Funds from Port of Oakland Intermediate Lien
Refunding Revenue Bonds
2017 Series [Series Designation]
Costs of Issuance Fund

The amount requisitioned: \$_____

Payment to be made: As set forth in Schedule 1

Manner in which payment is to be made:_____

Description of Costs of Issuance to be paid: See Schedule 1

(Attach invoice)

The undersigned, an Authorized Board Representative within the meaning of the Intermediate Lien Master Trust Indenture dated as of October 1, 2007 between the Board of Port Commissioners of the City of Oakland, California (the "Board") and U.S. Bank National Association, as trustee (the "Trustee"), as supplemented by the Third Supplemental Intermediate Lien Trust Indenture (the "Third Supplemental Indenture") dated as of [_____] 1, 2017, by and between the Board and the Trustee, hereby requisitions the amount set forth above and directs that such amount be paid to the party(ies) set forth above from funds held in the Port of Oakland Intermediate Lien Revenue Refunding Bonds 2017 Series [Series Designation] Costs of Issuance Fund held under the Third Supplemental Indenture and directs that payment be made in the manner described above. The Costs of Issuance to be paid pursuant to this requisition are valid "Costs of Issuance" as defined in the Third Supplemental Indenture.

Dated: _____

By: _____
Authorized Board Representative

SCHEDULE 1

<u>Payee</u>	<u>Amount</u>	<u>Description of the Costs of Issuance</u>
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