

\$(PARF)
Port of Oakland
Intermediate Lien Refunding Revenue Bonds
2017 Series D
(Private Activity/AMT)

\$(PARE)
Port of Oakland
Intermediate Lien Refunding Revenue Bonds
2017 Series E
(Governmental/Non-AMT)

\$(PARF)
Port of Oakland
Intermediate Lien Refunding Revenue Bonds
2017 Series F
(Private Activity/Non-AMT)

\$(PARG)
Port of Oakland
Intermediate Lien Refunding Revenue Bonds
2017 Series G
(Federally Taxable)

BOND PURCHASE CONTRACT

[_____], 2017

City of Oakland, acting by and through
the Board of Port Commissioners
530 Water Street
Oakland, California 94607

Ladies and Gentlemen:

[Merrill Lynch, Pierce, Fenner & Smith Incorporated] (the “**Representative**”), acting on its own behalf and on behalf of the other underwriters named in Exhibit A hereto (collectively, together with the Representative, the “**Underwriters**”), offers to enter into this bond purchase contract (this “**Purchase Contract**”) with the City of Oakland, a municipal corporation, acting by and through its Board of Port Commissioners established and existing under Article VII of the Charter of the City of Oakland (the “**Port**”). Pursuant to the Charter of the City of Oakland (the “**Charter**”), the Board of Port Commissioners (the “**Board**”) has exclusive control and management of the department of the City of Oakland known as the Port Department (the “**Port Department**”). This offer is made subject to receipt by the Representative, on or prior to the date hereof, of the verbal confirmation required by Paragraph 6(c) hereof to be delivered on or before the date hereof, and is subject to acceptance by the Port by execution and delivery to the Representative of this Purchase Contract by 5:00 p.m. (California time) on the date hereof. If such verbal confirmation is not received or if this offer is not so accepted, this offer will be subject to withdrawal by the Underwriters upon written notice delivered to the Port by the Representative at any time prior to such receipt and acceptance. Upon such receipt and acceptance, this Purchase Contract will be binding upon the Port and upon the Underwriters.

Capitalized terms not otherwise defined herein shall have the meanings set forth in the hereinafter defined Preliminary Official Statement

The parties agree and acknowledge that the Port may designate any Authorized Board Representative (as defined in the hereinafter defined Intermediate Lien Master Indenture) to satisfy the Port's obligations to approve, acknowledge or revise any information or documents presented to or received by the Port under this Purchase Contract.

1. Purchase and Sale of the 2017 Intermediate Lien Bonds.

(a) Upon the terms and conditions and in reliance upon the representations and agreements hereinafter set forth, the Underwriters agree, jointly and severally, to purchase from the Port for offering to the public, and the Port hereby agrees to sell to the Underwriters for such purpose, all (but not less than all) of the (i) \$[PARD] Port of Oakland Intermediate Lien Refunding Revenue Bonds 2017 Series D (Private Activity/AMT) (the "**2017 Series D Intermediate Lien Bonds**"), (ii) [PARE] Port of Oakland Intermediate Lien Refunding Revenue Bonds 2017 Series E (Governmental/Non-AMT) (the "**2017 Series E Intermediate Lien Bonds**"), (iii) [PARF] Port of Oakland Intermediate Lien Refunding Revenue Bonds 2017 Series F (Private Activity/Non-AMT) (the "**2017 Series F Intermediate Lien Bonds**"), and (iv) [PARG] Port of Oakland Intermediate Lien Refunding Revenue Bonds 2017 Series G (Federally Taxable) (the "**2017 Series G Intermediate Lien Bonds**," and collectively with the 2017 Series D Intermediate Lien Bonds, the 2017 Series E Intermediate Lien Bonds and the 2017 Series F Intermediate Lien Bonds, the "**2017 Intermediate Lien Bonds**"). The aggregate purchase price for the 2017 Intermediate Lien Bonds shall be \$[] and is calculated as set forth in Schedule I attached hereto. It shall be a condition to the Port's obligation to sell and to deliver the 2017 Intermediate Lien Bonds to the Underwriters at the Closing (as defined in Paragraph 8 hereof), and it shall be a condition to the Underwriters' obligations to purchase, to accept delivery of and to pay for the 2017 Intermediate Lien Bonds at the Closing, that the entire aggregate principal amount of the 2017 Intermediate Lien Bonds shall be issued, sold and delivered by the Port and purchased, accepted and paid for by the Underwriters at the Closing.

(b) Each of the Underwriters, by signing this Purchase Contract, confirms on its own behalf that the only compensation it has received or will receive from the Port for services in connection with this Purchase Contract is such Underwriter's portion of the Underwriters' discount described in Schedule I attached hereto and that such compensation covers services in connection with the issuance of the 2017 Intermediate Lien Bonds and in connection with this Purchase Contract and no other services.

2. The 2017 Intermediate Lien Bonds. The 2017 Intermediate Lien Bonds are being issued in accordance with the provisions of, and pursuant to (a) the Charter; (b) Ordinance No. 2858, adopted by the Board on February 21, 1989 (the "**Ordinance**"); (c) the Resolution of the Board adopted on [], 2017 (the "**Authorizing Resolution**") authorizing the issuance of the 2017 Intermediate Lien Bonds and approving and authorizing the execution and delivery of this Purchase Contract and the other hereinafter defined 2017 Documents; (d) the Intermediate Lien Master Trust Indenture, dated as of October 1, 2007, as amended (the

“Intermediate Lien Master Indenture”), by and between the Port and U.S. Bank National Association, as trustee (the **“Intermediate Lien Trustee”**); and the Third Supplemental Intermediate Lien Trust Indenture, to be dated as of August 1, 2017 (the **“Third Supplemental Intermediate Lien Indenture,”** and together with the Intermediate Lien Master Indenture, the **“Intermediate Lien Indenture”**), by and between the Port and the Intermediate Lien Trustee. The 2017 Intermediate Lien Bonds shall be substantially in the form described in, and shall be secured pursuant to the provisions of, the Intermediate Lien Master Indenture and the Third Supplemental Intermediate Lien Indenture. The 2017 Intermediate Lien Bonds are limited obligations of the Port payable solely from Intermediate Lien Pledged Revenues (as that term is defined in the Intermediate Lien Master Indenture), certain funds and accounts specified in the Intermediate Lien Indenture and earnings on each.

The 2017 Intermediate Lien Bonds shall be dated the date of their initial delivery, shall mature (subject to prior redemption) on the dates and in the principal amounts, shall be subject to redemption at the times and prices and shall bear interest at the rates, set forth in Exhibit B attached hereto. The net proceeds of the 2017 Intermediate Lien Bonds, together with certain additional funds to be provided by the Port, shall be applied as described in the hereinafter defined Official Statement to (a) refund on a current basis all of the outstanding Port of Oakland Intermediate Lien Refunding Revenue Bonds 2007 Series A (the **“2007 Series A Bonds”**), Port of Oakland Intermediate Lien Refunding Revenue Bonds 2007 Series B (the **“2007 Series B Bonds”**), and Port of Oakland Intermediate Lien Refunding Revenue Bonds 2007 Series C (the **“2007 Series C Bonds,”** and collectively with the 2007 Series A Bonds and the 2007 Series B Bonds, the **“Refunded Bonds”**); [(ii) pay the purchase price for the Insurance Policy (as defined herein);] [and] (iii/ii)] pay the costs of issuing the 2017 Intermediate Lien Bonds.

[The scheduled payment of the principal of and interest on the 2017 Intermediate Lien Bonds when due will be guaranteed under an insurance policy (the **“Insurance Policy”**) to be issued concurrently with the delivery of the 2017 Intermediate Lien Bonds by [_____] (the **“Bond Insurer”**).]

3. **Authority of Representative; No Fiduciary Relationship.**

(a) The Representative confirms that, pursuant to an agreement among the Underwriters, the Representative has been duly authorized by the other Underwriters to execute this Purchase Contract and to act hereunder on behalf of the other Underwriters as Representative of the Underwriters. The Representative notes that each Underwriter is signing this Purchase Contract to confirm on its own behalf the information set forth in Paragraph 1(b) hereof and that the Representative confirms the information in that subparagraph only for itself and not on behalf of any other Underwriter.

(c) The Port acknowledges that neither the Representative nor any of the other Underwriters is acting as a municipal advisor as defined in Section 15B of the Securities Exchange Act of 1934, as amended (the **“Exchange Act of 1934”**), and that neither the Representative nor any of the other Underwriters has a fiduciary duty as such to the Port in connection with the offering and purchase and sale of the 2017 Intermediate Lien Bonds. The Port on its own behalf and the Underwriters on their own behalf each acknowledges and agrees that (i) the purchase and sale of the 2017 Intermediate Lien Bonds pursuant to

this Purchase Contract is an arm's-length, commercial transaction between the Port and the Underwriters; (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Representative and the other Underwriters are and have been acting solely as principals and not as financial advisors or municipal advisors to the Port or as agents of the Port; (iii) neither the Representative nor any of the other Underwriters has assumed an advisory responsibility in favor of the Port with respect to the offering contemplated herein or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Port on other matters); (iv) the Underwriters' engagements are as independent contractors and not in any other capacity; (v) the only contractual obligations the Underwriters have to the Port with respect to the transactions contemplated hereby are those set forth in this Purchase Contract; and (vi) the Underwriters have financial and other interests that differ from those of the Port. The Port and the Underwriters each have consulted with their own legal, accounting, tax, financial and other advisors, as applicable, to the extent they have deemed appropriate. The Representative acknowledges and agrees that nothing in the foregoing paragraph is intended to limit the Underwriters' obligations of fair dealing under Rule G-17 of the Municipal Securities Rulemaking Board (the "**MSRB**").

4. **Offering.** The Underwriters will make a bona fide public offering of all of the 2017 Intermediate Lien Bonds, at prices not in excess of the initial public offering prices or at yields not lower than the yields set forth on the inside front cover of the Official Statement; provided that the 2017 Intermediate Lien Bonds may be offered and sold to certain dealers (including dealers depositing the 2017 Intermediate Lien Bonds into unit investment trusts), money market funds (including money market funds sponsored or managed by the Underwriters) and others at prices lower than the initial public offering prices or at yields higher than the initial yields set forth in the Official Statement, and the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the 2017 Intermediate Lien Bonds at levels above those that otherwise would prevail in the open market and may discontinue such stabilizing at any time without prior notice. Following the execution hereof and subject to the foregoing, the offering prices or yields may be changed from time to time by the Underwriters without prior notice.

5. **Establishment of Issue Price.** [subject to additional comments from/discussions with the Port and Orrick]

(a) The Representative, on behalf of the Underwriters, agrees to assist the Port in establishing the issue price of the 2017 Series D Intermediate Lien Bonds, the 2017 Series E Intermediate Lien Bonds and the 2017 Series F Intermediate Lien Bonds (collectively, the "***Tax-Exempt 2017 Intermediate Lien Bonds***") and shall execute and deliver to the Port at Closing an "***issue price***" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit C, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, the Port and Bond Counsel (as hereinafter defined), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Tax-Exempt 2017 Intermediate Lien Bonds. [All actions to be taken by the Port under this Paragraph to establish the issue price of the Tax-Exempt 2017 Intermediate Lien Bonds may be taken on behalf of the Port by the Port's municipal

advisor identified herein and any notice or report to be provided to the Port may be provided to the Port's municipal advisor.]

(b) [Except as otherwise set forth in Exhibit C attached hereto,] the Port will treat the first price at which 10% of each maturity of the Tax-Exempt 2017 Intermediate Lien Bonds (the “**10% test**”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Contract, the Representative shall report to the Port the price or prices at which the Underwriters have sold to the public each maturity of the Tax-Exempt 2017 Intermediate Lien Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Tax-Exempt 2017 Intermediate Lien Bonds, the Representative agrees to promptly report to the Port the prices at which the Tax-Exempt 2017 Intermediate Lien Bonds of that maturity have been sold by the Underwriters to the public. That reporting obligation shall continue, whether or not the Closing Date (as hereinafter defined) has occurred, until the 10% test has been satisfied as to the Tax-Exempt 2017 Intermediate Lien Bonds of that maturity or until all of the Tax-Exempt 2017 Intermediate Lien Bonds of that maturity have been sold to the public.

[Subsection (c) shall apply only if the Representative agrees to apply the hold-the-offering-price rule, as described below.]

(c) The Representative confirms that the Underwriters have offered the Tax-Exempt 2017 Intermediate Lien Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the “**initial offering price**”), or at the corresponding yield or yields, set forth in Exhibit [A] attached hereto, except as otherwise set forth therein. Exhibit [A] also sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Tax-Exempt 2017 Intermediate Lien Bonds for which the 10% test has not been satisfied and for which the Port and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow the Port to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “**hold-the-offering-price rule**”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Tax-Exempt 2017 Intermediate Lien Bonds, the Underwriters will neither offer nor sell unsold Tax-Exempt 2017 Intermediate Lien Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the Underwriters have sold at least 10% of that maturity of the Tax-Exempt 2017 Intermediate Lien Bonds to the public at a price that is no higher than the initial offering price to the public.

The Representative shall promptly advise the Port when the Underwriters have sold 10% of that maturity of the Tax-Exempt 2017 Intermediate Lien Bonds to the public at a price that is

no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

The Port acknowledges that, in making the representation set forth in this subparagraph, the Representative will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Tax-Exempt 2017 Intermediate Lien Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Tax-Exempt 2017 Intermediate Lien Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The Port further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Tax-Exempt 2017 Intermediate Lien Bonds.

(d) The Representative confirms that:

(i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the Representative is a party) relating to the initial sale of the Tax-Exempt 2017 Intermediate Lien Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Tax-Exempt 2017 Intermediate Lien Bonds of each maturity allotted to it until it is notified by the Representative that either the 10% test has been satisfied as to the Tax-Exempt 2017 Intermediate Lien Bonds of that maturity or all Tax-Exempt 2017 Intermediate Lien Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative and as set forth in the related pricing wires, and

(ii) any agreement among underwriters relating to the initial sale of the Tax-Exempt 2017 Intermediate Lien Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Tax-Exempt 2017 Intermediate Lien Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Tax-Exempt 2017 Intermediate Lien Bonds of each maturity allotted to it until it is notified by the Representative or the Underwriter that either the 10% test has been satisfied as to the Tax-Exempt 2017 Intermediate Lien Bonds of that maturity or all the Tax-Exempt 2017

Intermediate Lien Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative or the Underwriter and as set forth in the related pricing wires.

(e) The Underwriters acknowledge that sales of any Tax-Exempt 2017 Intermediate Lien Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this Paragraph:

(i) “public” means any person other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Port (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Tax-Exempt 2017 Intermediate Lien Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Tax-Exempt 2017 Intermediate Lien Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Tax-Exempt 2017 Intermediate Lien Bonds to the public),

(iii) a purchaser of any of Tax-Exempt 2017 Intermediate Lien Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date of execution of this Purchase Contract by all parties.

6. Preliminary Official Statement; Official Statement; Verification Agent; Auditors.

(a) In connection with the public offering and sale of the 2017 Intermediate Lien Bonds, the Port hereby ratifies, confirms and approves the use and distribution by the Underwriters prior to the date hereof of the Preliminary Official Statement relating to the 2017 Intermediate Lien Bonds, dated [July __], 2017 (including the Appendices, any documents incorporated therein by reference and any supplements or amendments thereto prior to the date hereof, the “*Preliminary Official Statement*”). The Port has deemed final

and hereby deems final for purposes of Rule 15c2-12 promulgated under the Exchange Act of 1934 (“**Rule 15c2-12**”), except for information permitted to be omitted therefrom by Rule 15c2-12, the Preliminary Official Statement. The Representative and the Port each confirms it agreed to the preparation and distribution of the Preliminary Official Statement in printed and electronic form.

(b) The Port shall provide to the Underwriters, as soon as practicable after the date of the Port’s acceptance of this Purchase Contract, but, in any event, within seven (7) business days after the date hereof, but not later than the date required to accompany any confirmation that requests payment from any customer and in sufficient time to enable the Underwriters to comply with paragraph (b)(4) of Rule 15c2-12 and with the rules of the MSRB, printed copies of the Official Statement, dated the date hereof and executed on behalf of the Port by the President or any Vice President of the Board or the Executive Director, the Deputy Executive Director or the Chief Financial Officer of the Port, substantially in the form of the Preliminary Official Statement, with the addition of the pricing information and only such other changes as shall have been accepted by the Representative (such Preliminary Official Statement, with the addition of such pricing information and such other changes, and including the Appendices and any documents incorporated therein by reference, the “**Official Statement**”), in the quantities requested by the Underwriters to enable the Underwriters to comply with the requirements of the MSRB and Rule 15c2-12. The Port authorizes the Representative to file the Official Statement with the MSRB through its Electronic Municipal Market Access System (“**EMMA**”) within one (1) business day after receipt of printed copies of the Official Statement. The Representative agrees that if an amended Official Statement is prepared and delivered to the Underwriters in accordance with Paragraph 7(k) hereof, the Representative will make any required filings of such amended Official Statement with the MSRB or its designee. The Port and the Representative each confirms that it does not object to the distribution of the Official Statement in electronic form. The Port hereby authorizes and approves the use and distribution by the Underwriters of the Official Statement in connection with the public offering and sale of the 2017 Intermediate Lien Bonds.

(c) On or before the date of this Purchase Contract, the Port shall deliver or cause to be delivered to the Representative verbal confirmation from Causey Demgen & Moore P.C., the verification agent (the “**Verification Agent**”), as to the adequacy of the escrow for the payment and redemption of the Refunded Bonds.

(d) On or before the delivery of the Official Statement as provided in Paragraph 6(b) hereof, the Port shall deliver or cause to be delivered to the Representative the consent or awareness letter of Marcias, Gini and O’Connell LLP, the Port’s independent auditors, and a copy of the letter from the independent auditors concerning certain procedures performed at the direction of the Port.

7. **Representations and Agreements of the Port.** The Port represents to and agrees with each of the Underwriters that as of the date hereof:

(a) The Port Department is a duly constituted department of the City of Oakland (the “**City**”), validly existing pursuant to Article VII of the Charter;

(b) The Ordinance and the Authorizing Resolution each has been duly adopted by the Board; and each of the Ordinance and the Authorizing Resolution is in full force and effect and has not been amended, modified, superseded, rescinded or revoked;

(c) The Board has full power and authority to adopt the Authorizing Resolution, and the Port has full power and authority to enter into this Purchase Contract, the Third Supplemental Intermediate Lien Indenture, the Tax Certificate, to be dated the Closing Date, with respect to the Tax-Exempt 2017 Intermediate Lien Bonds (the “**Tax Certificate**”), the Escrow Agreement, [to be dated the Closing Date (the “**Escrow Agreement**”), by and between the Port and [the Intermediate Lien Trustee, as trustee and escrow agent], and the Continuing Disclosure Certificate, to be dated the Closing Date (the “**Continuing Disclosure Certificate**,” and collectively with this Purchase Contract, the Third Supplemental Intermediate Lien Indenture, the Tax Certificate and the Escrow Agreement, the “**2017 Documents**,” and the 2017 Documents, together with the Intermediate Lien Master Indenture and the DTC Issuer Letter of Representations, the “**Transaction Documents**”), to perform the obligations contemplated in this Purchase Contract and in the other Transaction Documents and under the Authorizing Resolution and the transactions described in the Preliminary Official Statement and in the Official Statement, to approve and “deem final” the Preliminary Official Statement, to approve, execute and deliver the Official Statement and to issue, sell and deliver the 2017 Intermediate Lien Bonds to the Underwriters as provided herein;

(d) By all necessary official action, the Port has duly authorized, approved and “deemed final” the Preliminary Official Statement and has duly authorized and approved the Official Statement, has authorized the execution of the Official Statement, has approved and ratified the distribution of the Preliminary Official Statement by the Underwriters to potential purchasers of the 2017 Intermediate Lien Bonds and has authorized and approved the distribution of the Official Statement by the Underwriters to purchasers and potential purchasers of the 2017 Intermediate Lien Bonds; the Port has duly authorized and approved the issuance of the 2017 Intermediate Lien Bonds and the execution and delivery of and the performance by the Port of its obligations under the 2017 Intermediate Lien Bonds, this Purchase Contract and each of the other 2017 Documents; and the Port has complied, and at the Closing will be in compliance, with its obligations under the Authorizing Resolution, the Ordinance, this Purchase Contract and the other Transaction Documents to be performed by the time of the Closing;

(e) The Port (i) is not in violation or breach of or default under any applicable law or administrative rule or regulation of the United States, the State of California (the “**State**”) or any department, division, agency or instrumentality of the United States or the State having jurisdiction over the Port or any Port properties; and (ii) is not in violation or breach of or default under any applicable court judgment or administrative decree or order, or any lease, note, resolution, indenture, contract, agreement or other instrument to which the Port is a party or by which (to the Port’s knowledge) any of the Port’s properties is bound, or to which any of its property is otherwise subject, and in case of (i) or (ii) that in any way affects the issuance or payment of the 2017 Intermediate Lien Bonds or the validity thereof or the validity of any of the Transaction Documents or that materially

affects the ability of the Port to perform any of its obligations under any of the Transaction Documents;

(f) The adoption of the Authorizing Resolution does not and the execution and delivery of the 2017 Intermediate Lien Bonds and the 2017 Documents and the performance by the Port of its obligations under the Transaction Documents that may affect payment of the 2017 Intermediate Lien Bonds will not violate, breach or constitute a default under any law, administrative regulation, judgment, decree or statute applicable to the Port or violate, breach or constitute a default under any indenture, mortgage, deed of trust, bond, note, resolution, lease, contract, agreement or other instrument to which the Port is a party or by which (to the Port's knowledge) any of the Port's properties is bound, or to which (to the Port's knowledge) any of its property is otherwise subject, nor will any such adoption, execution, delivery or performance result in the creation or imposition of any lien, charge or security interest or other encumbrance of any nature whatsoever upon any of the Intermediate Lien Pledged Revenues or any other properties or assets of the Port or under the terms of any such law, regulation or instrument, except in each case as provided in or permitted by the Intermediate Lien Indenture, the Senior Lien Master Trust Indenture or the Commercial Paper Indentures (as hereinafter defined);

(g) All consents, approvals, authorizations of governmental or regulatory authorities or by or on behalf of any creditors or any other third party (except for consents, approvals or authorizations as may be required of governmental or regulatory authorities to comply with Blue Sky laws as to which no representation is made) for the execution and delivery of the 2017 Intermediate Lien Bonds, this Purchase Contract and the other 2017 Documents and for the performance by the Port of its obligations contained herein and in the other Transaction Documents have been obtained; and all notices required by, or conditions contained in, any resolution, ordinance, trust indenture or other agreement relating to the issuance of additional debt have been or will be given, made or satisfied on or prior to the Closing Date (or irrevocable instructions satisfactory to Bond Counsel have been given to the Intermediate Lien Trustee);

(h) Other than as set forth in the Preliminary Official Statement and the Official Statement as of the date of this Purchase Contract, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, which has been formally served on the Port, or, to the knowledge of the Port, is now pending or threatened against the Port (i) seeking to prohibit, restrain or enjoin the issuance, sale, execution or delivery of the 2017 Intermediate Lien Bonds or in any way contesting or affecting the validity of the Charter, the Ordinance, the Authorizing Resolution or any proceedings of the Board taken concerning the issuance or sale of the 2017 Intermediate Lien Bonds, the pledge of the Intermediate Lien Pledged Revenues or the power of the Port to collect, apply or pledge the Pledged Revenues or the Intermediate Lien Pledged Revenue and to pay the principal of and premium, if any, and interest on the 2017 Intermediate Lien Bonds, (ii) challenging the creation, organization or existence of the Board or the Port Department or the titles of the officers of the Board or the Port Department to their respective offices or the powers of the Port relating to the 2017 Intermediate Lien Bonds or to the operations of the Port; (iii) contesting or affecting the validity or enforceability of the 2017 Intermediate Lien Bonds, the Intermediate Lien

Master Indenture, the Third Supplemental Intermediate Lien Indenture, this Purchase Contract or any of the other Transaction Documents; (iv) contesting the federal tax-exempt status of interest on any of the Tax-Exempt 2017 Intermediate Lien Bonds or on any of the Refunded Bonds; (v) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or (vi) except as otherwise disclosed in the Preliminary Official Statement and the Official Statement as of the date of this Purchase Contract, that would result in a material adverse change in the financial condition or operations of the Port; nor, to the best knowledge of the Port, is there any basis therefor;

(i) As of its date and as of the date hereof, the Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except information permitted by Rule 15c2-12 to be omitted and except information contained in the Preliminary Official Statement regarding [the Bond Insurer, the Insurance Policy,] The Depository Trust Company (“DTC”) and its book-entry system, statements consisting of economic or employment data obtained from third-party sources and information about individual Underwriter’s arrangements and other information under the heading “UNDERWRITING,” as to all of which no representation is made);

(j) The Official Statement does not, as of the date hereof, and as of the Closing will not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except for information contained in the Official Statement regarding [the Bond Insurer, the Insurance Policy,] DTC and its book-entry system, statements consisting of economic or employment data obtained from third-party sources and information about individual Underwriter’s arrangements and other information under the heading “UNDERWRITING,” as to all of which no representation is made); and if the Official Statement is amended or supplemented pursuant to Paragraph 7(k) hereof, at the time of each amendment or supplement, the Official Statement, as so amended or supplemented, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading (except that no representation is or will be made as to information contained in the Official Statement regarding DTC and its book-entry system, statements consisting of economic or employment data obtained from third-party sources and information about individual Underwriter’s arrangements and other information under the heading “UNDERWRITING”);

(k) During the period between the date of this Purchase Contract and the earlier of (i) 25 days after the “end of the underwriting period” (as defined below) or (ii) the time when the Official Statement is available to any person from the MSRB, but in no case less than 25 days following the end of the underwriting period, the Port (A) shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without prior written notice to the Underwriters, and (B) if any event shall occur or any new or pre-existing fact or condition shall become known that might or would cause the Official Statement, as then supplemented or amended, to contain an untrue statement

of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Port will notify the Representative, and, if in the reasonable opinion of the Representative or the Port, such event, fact or condition requires the preparation and publication of a supplement or amendment to the Official Statement, the Port at its expense shall amend or supplement the Official Statement in a form and in a manner reasonably approved by the Representative and shall provide to the Underwriters copies of such amendment or supplement in quantities sufficient to enable the Underwriters to comply with the rules of the MSRB; and, in connection with any such event or any such amendment or supplement, the Port agrees to provide or cause to be provided such additional certificates and opinions of counsel as the Representative shall request to evidence the accuracy and completeness of the Official Statement and any amendment or supplement thereto; as used herein and for the purposes of the foregoing, the term “end of the underwriting period” shall have the meaning set forth in Rule 15c2-12 and shall occur on the Closing Date, unless the Representative or another Underwriter notifies the Port in writing prior to the Closing Date that there exists an unsold balance of the 2017 Intermediate Lien Bonds, in which case the underwriting period shall be deemed to be extended for one or more additional periods of 30 days each (not to exceed a total of 60 days from the Closing Date), upon receipt of written notification from the Representative or from another Underwriter that there exists an unsold balance of the 2017 Intermediate Lien Bonds;

(l) The Port shall undertake, pursuant to the Intermediate Lien Indenture and the Continuing Disclosure Certificate, to provide to the MSRB for posting to EMMA certain annual financial information not later than 240 days after the end of the Port’s fiscal year (which currently is June 30) and notices of the occurrence of certain events as set forth in the Continuing Disclosure Certificate and will execute and deliver the Continuing Disclosure Certificate in the form included as Appendix E in the Preliminary Official Statement and in the Official Statement;

(m) [During the last five fiscal years, the Port has not failed to comply in all material respects with any previous undertakings pursuant to Rule 15c2-12];

(n) When issued, authenticated by the Intermediate Lien Trustee and delivered in accordance with the terms of the Intermediate Lien Indenture and sold to the Underwriters as provided herein, the 2017 Intermediate Lien Bonds will be duly authorized, executed, issued and delivered and will constitute legally valid and binding limited obligations of the Port enforceable against the Port in accordance with their terms, subject to bankruptcy, insolvency, moratorium and other similar laws relating to or affecting creditors’ rights generally (including, without limitation, fraudulent conveyance laws), to general principles of equity (including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief) regardless of whether considered in a proceeding in equity or at law, and to limitations on the enforcement of legal remedies against public agencies;

(o) The terms and provisions of this Purchase Contract, the Intermediate Lien Master Indenture and the Third Supplemental Intermediate Lien Indenture comply with the requirements of the Charter, the Ordinance and the Authorizing Resolution, and this

Purchase Contract constitutes and each of the other Transaction Documents, assuming due authorization, execution and delivery by the other respective parties thereto, will constitute legally valid and binding obligations of the Port, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, moratorium, and other similar laws relating to or affecting creditors' rights generally (including, without limitation, fraudulent conveyance laws), to general principles of equity (including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief) regardless of whether considered in a proceeding in equity or at law, and to limitations on the enforcement of legal remedies against public agencies;

(p) No "***Event of Default***" or event that with notice or lapse of time or both would become an Event of Default under the Intermediate Lien Indenture, the Senior Lien Master Trust Indenture, [the Trust Indenture, dated as of October 1, 1998 (as amended and supplemented from time to time, the "***1998 Commercial Paper Indenture***")], between the Port and U.S. Bank National Association, as trustee, or the Trust Indenture, dated as of September 1, 1999 (as amended and supplemented from time to time, the "***1999 Commercial Paper Indenture***" and together with the 1998 Commercial Paper Indenture, the "***Commercial Paper Indentures***"), between the Port and U.S. Bank National Association, as trustee] has occurred and is continuing;

(q) The Intermediate Lien Master Indenture creates a valid pledge of, lien on, and security interest in, and assignment to the Intermediate Lien Trustee of, the Intermediate Lien Pledged Revenues and the other funds and assets purported to be pledged under the Intermediate Lien Master Indenture, prior in right to any other pledge, lien or security interest in Intermediate Lien Pledged Revenues or such other funds and assets, except for the lien of any other outstanding Intermediate Lien Bonds (as defined in the Intermediate Lien Master Indenture) and of any additional Intermediate Lien Bonds (as defined in the Intermediate Lien Master Indenture) that may be issued in the future in accordance with and under the Intermediate Lien Master Indenture; and upon the execution and delivery of the Third Supplemental Intermediate Lien Indenture and the issuance of the 2017 Intermediate Lien Bonds, the Intermediate Lien Indenture will create for the benefit of the owners of the 2017 Intermediate Lien Bonds a valid pledge of, lien on and security interest in and assignment to the Intermediate Lien Trustee of the Intermediate Lien Pledged Revenues, the 2007 Intermediate Lien Common Reserve Fund and the other funds and assets purported to be pledged under the Intermediate Lien Indenture to secure the payment of the principal of and premium, if any, and interest on the 2017 Intermediate Lien Bonds, and the owners of the 2017 Intermediate Lien Bonds will be entitled to the benefit of the Intermediate Lien Indenture;

(r) (i) The basic financial statements of the Port for the fiscal years ended June 30, 2016 and 2015, have been audited by Marcias, Gini and O'Connell LLP, certified independent public accountants, including the notes thereto, and, as of the dates and for the periods indicated, fairly present the financial condition of the Port, subject to any limitations contained in the auditors' opinions; and (ii) there has been no material adverse change in the financial position or results of operation of the Port, since the dates of such

financial statements, except as otherwise disclosed in the Preliminary Official Statement and the Official Statement;

(s) The Port has full power and authority to conduct its business and operations as described in the Preliminary Official Statement and in the Official Statement;

(t) The Port has not defaulted in the payment of principal of or interest on any of its debt obligations;

(u) The Port has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Port is a bond issuer upon whose arbitrage certificates a bondowner may not rely;

(v) Between the date hereof and the Closing, except as disclosed in the Preliminary Official Statement and in the Official Statement and except for commercial paper notes and other obligations incurred in the ordinary course of business, the Port will not offer or issue any obligations for borrowed money, or incur any material liabilities, direct or contingent, payable from and secured by Pledged Revenues or Intermediate Pledged Revenues;

(w) Any certificate signed by an authorized officer of the Board or the Port Department and delivered to the Underwriters or the Intermediate Lien Trustee shall be deemed a representation or agreement by the Port (and not by such authorized officer in his or her individual capacity) to each of the Underwriters or the Intermediate Lien Trustee, as applicable, as to the statements made therein; and

(x) The Port will furnish such information, will execute such instruments and will take such other action in cooperation with the Underwriters as the Representative may reasonably request for the Underwriters (i) to qualify the 2017 Intermediate Lien Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Representative may designate and to continue such qualification in effect so long as required for the initial distribution of the 2017 Intermediate Lien Bonds until the end of the underwriting period, and (ii) to determine the eligibility of the 2017 Intermediate Lien Bonds for investment under the laws of such states and other jurisdictions; provided, however, that in no event shall the Port be required to take any action that would subject it to general or unlimited service of process in any jurisdiction in which it is not now so subject or to qualify as a broker-dealer.

8. **Closing.** At 9:00 a.m. (California time) on [August __], 2017, or at such other time or date as shall have been mutually agreed upon by the Port and the Representative (such time and date being herein referred to as the “**Closing Date**”) and subject to the terms of this Purchase Contract, the Port shall deliver or cause to be delivered to the DTC (or to the Intermediate Lien Trustee in accordance with DTC’s Fast Automated Securities Transfer System), the 2017 Intermediate Lien Bonds in definitive form duly executed by the Port and authenticated by the Intermediate Lien Trustee, and will deliver to the Underwriters at the offices of [Orrick, Herrington & Sutcliffe LLP, in San Francisco, California] (or such other location as may be designated by the Representative and approved by the Port), the Transaction Documents and other documents herein

mentioned, and subject to the terms of this Purchase Contract, the Underwriters will accept such delivery and pay the purchase price of the 2017 Intermediate Lien Bonds as set forth in Paragraph 1 hereof in immediately available funds at such place as shall have been mutually agreed upon by the Port and the Representative. Such payment and delivery is referred to in this Purchase Contract as the “**Closing**.”

The Representative shall order CUSIP identification numbers and the Port shall cause such CUSIP identification numbers to be printed on the 2017 Intermediate Lien Bonds, but neither the failure to print a CUSIP number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriters to accept delivery of and pay for the 2017 Intermediate Lien Bonds on the Closing Date in accordance with the terms of this Purchase Contract. The 2017 Intermediate Lien Bonds shall be prepared and delivered for inspection by the Representative at least one (1) business day prior the Closing Date in the form of one certificate for each maturity and interest rate, fully registered in the name of Cede & Co. (or in such other name as may be requested by an authorized representative of DTC), as the nominee of DTC.

9. **Closing Conditions.** The obligation of the Underwriters to accept delivery of and pay for the 2017 Intermediate Lien Bonds on the Closing Date shall be subject to the performance by the Port of its obligations hereunder at or prior to the Closing and are also subject to the following conditions:

(a) The representations of the Port herein shall be true and correct at the date hereof and on the Closing Date as if made on the Closing Date;

(b) On the Closing Date (i) each of the Transaction Documents, the Ordinance and the Authorizing Resolution shall be in full force and effect; (ii) neither the Ordinance nor the Authorizing Resolution shall have been amended, modified or supplemented since the date hereof, except for such amendments or modifications or supplements as may have been consented to by the Representative, which consent shall not be unreasonably withheld (in accordance with the provisions hereof); (iii) the Official Statement shall not have been amended, modified or supplemented since the date hereof; (iv) the Intermediate Lien Master Indenture shall be in full force and effect, and the Third Supplemental Intermediate Lien Indenture, the Continuing Disclosure Certificate, the Escrow Agreement and the Tax Certificate shall have been duly authorized, executed and delivered by the respective parties thereto, in the forms reviewed by the Representative prior to the date hereof, except for immaterial changes and except for such amendments or modifications as may have been consented to by the Representative, which consent shall not be unreasonably withheld; (v) the Board shall have adopted such resolutions, and the Port shall have duly authorized, executed and delivered such additional agreements, as shall, in the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Port (“**Bond Counsel**”), be necessary in connection with the transactions contemplated herein; and (vi) the Port shall perform or shall have performed all of its obligations required under or specified in this Purchase Contract and the other Transaction Documents and the Authorizing Resolution to be performed on or prior to the Closing Date;

(c) The 2017 Intermediate Lien Bonds shall have been duly authorized and executed and authenticated in accordance with the provisions of the Authorizing

Resolution, the Intermediate Lien Master Indenture and the Third Supplemental Intermediate Lien Indenture;

(d) At or prior to the Closing Date, the Underwriters shall receive the following documents, in each case reasonably satisfactory to the Representative:

(i) The Intermediate Lien Master Indenture, the Third Supplemental Intermediate Lien Indenture, the Continuing Disclosure Certificate, the Escrow Agreement and the Tax Certificate, duly executed and delivered by the respective parties thereto;

(ii) The Official Statement, approved and signed on behalf of the Port by the President or any Vice President of the Board or the Executive Director, the Deputy Executive Director or the Chief Financial Officer of the Port;

(iii) Copies of the Ordinance and the Authorizing Resolution, together with a certificate of the Secretary of the Board or an Authorized Board Representative dated the Closing Date stating that the Ordinance was duly adopted and the Authorizing Resolution was duly adopted by the Board, that the Ordinance and the Authorizing Resolution are in full force and effect as of the Closing Date, and that neither the Ordinance nor the Authorizing Resolution has been amended, modified, superseded, rescinded or repealed since the date hereof, except as shall have been agreed to by the Representative (which approval shall not be unreasonably withheld);

(iv) The approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, dated the Closing Date and addressed to the Port, in the form set forth as Appendix D to the Official Statement, and if such opinion is not addressed to the Underwriters, a letter or letters addressed to the Underwriters to the effect that the Underwriters may rely upon such opinion as if it were addressed to the Underwriters;

(v) [Orrick to review] A supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Port and the Underwriters, to the effect that (A) the execution, delivery and performance by the Port of each of the 2017 Documents has been duly authorized by all necessary action on the part of the Port, and each of the 2017 Document has been duly executed by the Port; (B) each 2017 Document constitutes the legally valid and binding obligation of the Port, enforceable against the Port in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally (including without limitation, fraudulent conveyance laws), by general principles of equity (including without limitation concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief) regardless of whether considered in a proceeding in equity or at law, and by limitations on the enforcement of legal remedies against public agencies; (C) the 2017 Intermediate Lien Bonds are not subject to the registration requirements of the Securities Act of

1933, as amended (the “*Securities Act of 1933*”), and the Intermediate Lien Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended (the “*Trust Indenture Act of 1939*”); (D) the 2017 Intermediate Lien Bonds are entitled to the benefit of the Intermediate Lien Master Indenture and the Third Supplemental Intermediate Lien Indenture, and the Intermediate Lien Master Indenture and the Third Supplemental Intermediate Lien Indenture create a valid pledge to secure the payment of the principal of and premium, if any, and interest on the 2017 Intermediate Lien Bonds of the Intermediate Lien Pledged Revenues and the other funds and assets pledged under the Intermediate Lien Master Indenture and the Third Supplemental Intermediate Lien Indenture, subject to the provisions of the Intermediate Lien Master Indenture and the Third Supplemental Intermediate Lien Indenture permitting the application of such other funds and assets for the purposes and on the terms and conditions set forth in the Intermediate Lien Master Indenture and the Third Supplemental Intermediate Lien Indenture; and (E) the statements in the Preliminary Official Statement and the Official Statement under the captions “DESCRIPTION OF THE 2017 INTERMEDIATE LIEN BONDS” and “SECURITY AND SOURCES OF PAYMENT FOR THE 2017 INTERMEDIATE LIEN BONDS” and in Appendix B, insofar as such statements purport to describe or summarize certain provisions of the 2017 Intermediate Lien Bonds or the Transaction Documents, present an accurate description or summary of such provisions, except that no opinion is expressed with respect to the information relating to DTC or its operations;

(vi) [Orrick to review] A letter or letters of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Port, dated the Closing Date and addressed to the Underwriters, to the effect that based upon the participation of such counsel as Bond Counsel involved in the preparation of the Preliminary Official Statement and the Official Statement and without having undertaken to determine or verify independently the accuracy, correctness, fairness or completeness of the statements contained in the Preliminary Official Statement and in Official Statement, (A) as of the date hereof, no facts have come to the attention of the attorneys in such counsel’s firm rendering legal services to the Port in connection with the preparation of the Preliminary Official Statement that caused such counsel to believe that the Preliminary Official Statement (except for (i) any difference in information contained therein compared to what is contained in the Official Statement, whether or not related to the pricing or sale of the 2017 Intermediate Lien Bonds, and whether any such difference is material and should have been included in the Preliminary Official Statement and (ii) financial, accounting, statistical, economic, engineering or demographic data or forecasts, CUSIP numbers, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about feasibility, valuation, real estate or environmental concerns, any information about litigation, any management discussion and analysis, Appendices A, B-3, C, and F thereof, information concerning [the Bond Insurer, the Insurance Policy,] DTC and the book-entry system, ratings or rating agencies) as of the date hereof, contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not

misleading, and (B) as of the date of the Official Statement and as of the date of Closing, no facts have come to the attention of the attorneys in such counsel's firm rendering legal services to the Port in connection with the preparation of the Official Statement that caused such counsel to believe that the Official Statement (except for financial, accounting, statistical, economic, engineering or demographic data or forecasts, CUSIP numbers, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about feasibility, valuation, real estate or environmental concerns, any information about litigation, any management discussion and analysis, Appendices A, B-3, C and F thereof, information concerning [the Bond Insurer, the Insurance Policy,] DTC and the book-entry system, ratings or rating agencies), as of its date and as of the Closing Date, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were or are made, not misleading; provided that such letter may state that such letter and the conclusions therein may not be used, circulated, quoted or otherwise referred to or relied upon by any party to whom it is not specifically addressed (including the owners of the 2017 Intermediate Lien Bonds) and may not be used, circulated, quoted or otherwise referred to or relied upon by its addressees for any purpose other than the offering of the 2017 Intermediate Lien Bonds;

(vii) An opinion of the Port Attorney (which opinion may rely upon certificates of officials of the Port and/or other public officials), dated the Closing Date and addressed to the Underwriters to the effect that:

(A) The Port Department is duly constituted as a department of the City, validly existing under Article VII of the Charter, and the Port has full power and authority (i) to issue the 2017 Intermediate Lien Bonds and to execute and deliver the 2017 Documents and (ii) to perform its obligations under the 2017 Intermediate Lien Bonds and the Transaction Documents;

(B) The Ordinance and the Authorizing Resolution have been duly adopted by the Board at meetings duly noticed, called and held, neither the Ordinance nor the Authorizing Resolution has been modified, amended, superseded, rescinded or revoked, and both the Ordinance and Authorizing Resolution are in full force and effect as of the date hereof;

(C) The 2017 Intermediate Lien Bonds have been validly authorized, executed, issued and delivered in accordance with the Charter, the Ordinance, the Authorizing Resolution, the Intermediate Lien Master Indenture and the Third Supplemental Intermediate Lien Indenture and, assuming due authentication by the Intermediate Lien Trustee, represent legally valid and binding limited obligations of the Port, enforceable against the Port, in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally (including, without limitation,

fraudulent conveyance laws), to general principles of equity (including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief) regardless of whether considered in a proceeding in equity or at law, and to limitations on the enforcement of legal remedies against public agencies;

(D) Other than as disclosed in the Preliminary Official Statement and in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, which has been formally served on the Port, and, to the knowledge of the Port Attorney, none is pending or threatened against the Port (i) affecting in any way the creation, organization or existence of the Port or challenging the titles of the officers of the Port to their respective offices or the powers of the Port relating to the 2017 Intermediate Lien Bonds or to the operation of Port Department facilities; (ii) seeking to prohibit, restrain or enjoin the issuance, sale, execution or delivery of the 2017 Intermediate Lien Bonds or the application of the proceeds received from the sale of the 2017 Intermediate Lien Bonds or in any way contesting or affecting the validity of the Charter, the Ordinance, the Authorizing Resolution or any proceedings of the Port taken concerning the issuance or sale of the 2017 Intermediate Lien Bonds, or that would materially adversely affect collection of revenues or assets of the Port available to pay the principal of and interest on the 2017 Intermediate Lien Bonds, (iii) contesting or affecting the validity or enforceability of the 2017 Intermediate Lien Bonds or any of the Transaction Documents; (iv) contesting the federal tax-exempt status of interest on any of the Tax-Exempt 2017 Intermediate Lien Bonds or the Refunded Bonds or the state tax-exempt status of interest on any of the 2017 Intermediate Lien Bonds or the Refunded Bonds; or (v) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement;

(E) The Transaction Documents have been duly authorized, executed and delivered by the Port, and assuming due authorization, execution and delivery by each of the parties thereto (other than the Port), the Transaction Documents constitute the valid and binding obligations of the Port, enforceable against the Port in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally (including, without limitation, fraudulent conveyance laws), to general principles of equity (including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief) regardless of whether considered in a proceeding in equity or at law, and to limitations on the enforcement of legal remedies against public agencies;

(F) Other than as disclosed in the Preliminary Official Statement and in the Official Statement and to the knowledge of the Port Attorney, no order, filing, consent, approval, exemption of or registration with any governmental authority, creditor or other third party (other than as have been completed or obtained or as may be required under any Blue Sky law) is required in connection with the execution and delivery by the Port of, or performance by the Port of their obligations under, the 2017 Intermediate Lien Bonds or the Transaction Documents;

(G) To knowledge of the Port Attorney, the Port is not in material breach or violation of or default under any applicable constitutional provision, law or administrative regulation of the State or the United States and the Port is not in material breach of or violation under or any applicable judgment, order or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Port is a party or to which the Port or any of the Port's property or assets are otherwise subject or bound, and no event has occurred and is continuing that with the passage of time or the giving of notice, or both, would constitute a material default or event of default under any such instrument, in each case that would materially adversely affect the validity or enforceability or ability of the Port to perform any of its obligations under the 2017 Intermediate Lien Bonds or the Transaction Documents; and

(H) To the knowledge of the Port Attorney after customary review of applicable laws in transactions of the nature of the issuance of the 2017 Intermediate Lien Bonds, the adoption of the Authorizing Resolution and the execution and delivery of the 2017 Intermediate Lien Bonds and the 2017 Documents and performance by the Port of its obligations contained in the Authorizing Resolution, the Ordinance and the other Transaction Documents will not materially adversely conflict with or constitute a material breach of or default under any constitutional provision, law, administrative regulation, judgment, order or decree or, to the knowledge of the Port Attorney a material breach of or default under any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Port is a party or to which the Port or any of its properties or assets is otherwise subject, nor will such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Port under the terms of any such law, regulation, resolution or instrument except as expressly provided in the Intermediate Lien Indenture;

(viii) an opinion of Kutak Rock LLP, counsel to the Underwriters ("*Underwriters' Counsel*"), dated the Closing Date, addressed to the Underwriters, to the effect: (A) the 2017 Intermediate Lien Bonds are not subject to the registration requirements of the Securities Act of 1933, and the Intermediate Lien Indenture is exempt from qualification under the Trust Indenture Act of 1939; (B)

the Continuing Disclosure Certificate meets the requirements of Section (b)(5)(i) of Rule 15c2-12 under the Exchange Act of 1934; and (C) based upon examinations which they have made, which may be specified, and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement or the Official Statement, nothing has come to their attention which would lead them to believe that the Preliminary Official Statement, as of the date of the Preliminary Official Statement and as of the date of this Purchase Contract, or the Official Statement, as of its date and as of the date of Closing, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. Underwriters' Counsel will express no belief or opinion as to Appendices A, B-3, C, D or F to the Preliminary Official Statement or the Official Statement or as to any CUSIP numbers, financial, technical, statistical, economic, engineering, demographic or tabular data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion included in the Official Statement or as to the information contained in the Preliminary Official Statement or the Official Statement under the caption "TAX MATTERS," any information in the Preliminary Official Statement or the Official Statement about the Debt Service Reserve Surety Policy, MBIA Insurance Company, National Public Finance Guidance Corporation, [the Bond Insurer, the Insurance Policy,] the book-entry system, Cede & Co., or DTC, or, with respect to the Preliminary Official Statement, any permitted omissions in accordance with Rule 15c2-12;

(ix) A certificate of the Port signed by an Authorized Board Representative (or other appropriate authorized official of the Port agreed to by the Representative) dated the Closing Date to the effect that (A) each of the representations of the Port set forth in Paragraph 7 hereof is true and correct in all respects as of the Closing Date and each of the agreements of the Port set forth in this Purchase Contract to be complied with on or prior to the Closing Date has been complied with, and (B)(1) the Preliminary Official Statement, as of its date and as of the date hereof, did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for information permitted by Rule 15c2-12 to be omitted and except information contained in the Preliminary Official Statement regarding DTC and its book-entry system, statements consisting of economic or employment data obtained from third-party sources and information about individual Underwriter's arrangements and other information under the heading "UNDERWRITING," as to all of which no representation need be made), and (2) the Official Statement as of its date did not and as of the Closing Date does not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except information contained in the Official Statement regarding DTC and its book-entry system, statements consisting of economic or employment data obtained from third-party sources and information about individual Underwriter's arrangements and other

information under the heading “UNDERWRITING,” as to all of which no representation need be made);

(x) A certified copy of the signing resolution of the Intermediate Lien Trustee, together with a certificate of the Intermediate Lien Trustee, satisfactory in form and substance to the Representative and the Port, signed by one or more duly authorized officers of the Intermediate Lien Trustee, dated the Closing Date, to the effect that: (A) the Intermediate Lien Trustee is a national banking association duly organized, validly existing and in good standing under the laws of the United States of America, authorized to exercise trust powers in the State; (B) the Intermediate Lien Trustee has duly accepted its appointment as (1) Intermediate Lien Trustee under the Intermediate Lien Indenture, and (2) as escrow agent under the Escrow Agreement; (C) the execution and delivery of the Third Supplemental Intermediate Lien Indenture and the Escrow Agreement were duly authorized by the Intermediate Lien Trustee, and the Intermediate Lien Master Indenture, the Third Supplemental Intermediate Lien Indenture and the Escrow Agreement have been duly executed and delivered by the Intermediate Lien Trustee; (D) the 2017 Intermediate Lien Bonds have been validly authenticated and delivered by the Intermediate Lien Trustee in its capacity as Intermediate Lien Trustee under the Intermediate Lien Indenture; (E) the execution and delivery by the Intermediate Lien Trustee of the Third Supplemental Intermediate Lien Indenture and the Escrow Agreement and compliance by the Intermediate Lien Trustee with the terms of the Intermediate Lien Master Indenture, the Third Supplemental Intermediate Lien Indenture and the Escrow Agreement will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution or any other agreement or instrument to which the Intermediate Lien Trustee is a party or by which it is bound, or, to its best knowledge, any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Intermediate Lien Trustee or any of its activities or properties (except that no representation or agreement is made by the Intermediate Lien Trustee with respect to any federal or state securities or blue sky laws or regulations); (F) there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending against the Intermediate Lien Trustee or, to the best of the knowledge of the Intermediate Lien Trustee, threatened against the Intermediate Lien Trustee affecting the existence of the Intermediate Lien Trustee or in any way contesting or affecting the validity or enforceability of the 2017 Intermediate Lien Bonds, the Intermediate Lien Indenture, the Escrow Agreement or contesting the powers of the Intermediate Lien Trustee or its authority to enter into and perform its obligations under any of the foregoing, or wherein an unfavorable decision, ruling or finding would adversely affect the Intermediate Lien Trustee or the transactions contemplated in connection with the issuance and sale of the 2017 Intermediate Lien Bonds, or which, in any way, would adversely affect the validity of the 2017 Intermediate Lien Bonds, the Intermediate Lien Indenture, the Escrow Agreement or any agreement or instrument to which the Intermediate Lien Trustee is a party and that is used or contemplated for use in the Intermediate Lien Indenture and the Escrow Agreement, or the consummation of the transactions contemplated

in connection with the issuance and sale of the 2017 Intermediate Lien Bonds; (G) to the best of its knowledge, no authorization, approval, consent or order of any court, regulatory authority or governmental agency that has not been obtained by the Intermediate Lien Trustee is required for the authorization, execution and delivery by the Intermediate Lien Trustee of the Third Supplemental Intermediate Lien Indenture and the Escrow Agreement or the performance by the Intermediate Lien Trustee of its duties and obligations as Intermediate Lien Trustee under the Intermediate Lien Indenture and the Escrow Agreement; and (H) subject to the provisions of the Intermediate Lien Indenture and the Escrow Agreement, the Intermediate Lien Trustee will apply the proceeds from the 2017 Intermediate Lien Bonds to the purposes specified in the Intermediate Lien Indenture and the Escrow Agreement;

(xi) An opinion, dated the Closing Date and addressed to the Port and the Underwriters, from counsel to the Intermediate Lien Trustee, in a form and substance reasonably satisfactory to the Representative and the Port;

(xii) Evidence satisfactory to the Underwriters that the 2017 Intermediate Lien Bonds have been awarded ratings of (A) “[____]” by S&P Global Ratings, a business unit Standard & Poor’s Financial Services LLC (“**S&P**”), (B) “[____]” by Moody’s Investors Service, Inc. (“**Moody’s**”), and (C) “[____]” by Fitch Ratings (“*Fitch*”), together with a confirmation from the Port that there has been no adverse change in any of such ratings as of the date of Closing [Insured Ratings];

(xiii) A copy of the DTC Issuer Letter of Representation;

(xiv) The Verification Report from the Verification Agent, with respect to the defeasance of the Refunded Bonds;

(xv) A defeasance opinion from Orrick, Herrington & Sutcliffe LLP, Bond Counsel with respect to the Refunded Bonds, addressed to the Port and the Underwriters;

(xvi) a certificate from Montague DeRose and Associates LLC, in form and substance acceptable to the Port and the Representative, regarding certain information on annual debt service presented in the additional bonds certificate of the Port and the Official Statement; [and]

(xvii) [the Insurance Policy;]

(xviii) [a certificate of the Bond Insurer in form and substance satisfactory to Bond Counsel and Underwriters’ Counsel;]

(xix) [an opinion of counsel to the Bond Insurer addressed to the City and the Underwriters in form and substance satisfactory to Bond Counsel and Underwriters’ Counsel;]

(xx) such additional legal opinions, certificates, instruments and other documents as Bond Counsel deem necessary or desirable to evidence the due authorization, execution and delivery of the 2017 Intermediate Lien Bonds or the accuracy, as of the date hereof and as of the date of Closing, of the Port's representations contained herein and in the Transaction Documents and of the statements and information contained in the Preliminary Official Statement and the Official Statement and the due performance and satisfaction by the Port at or prior to the date of Closing of all agreements then to be performed and all conditions then to be satisfied by the Port.

If the Port shall be unable to satisfy the conditions to the obligation of the Underwriters contained in this Purchase Contract, or if the obligation of the Underwriters shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriters nor the Port shall be under further obligation hereunder; except that the respective obligations of the Port and the Underwriters for payment of expenses, as provided in Paragraph 11 hereof, shall continue in full force and effect, excepting the obligation of the Port to pay fees and disbursements of Bond Counsel, which shall be dealt with in accordance with the separate agreement between the Port and Bond Counsel.

10. Right of Underwriters to Terminate Purchase Contract. The Underwriters may terminate this Purchase Contract by notification by the Representative in writing to the Port if at any time on or subsequent to the date hereof and prior to the Closing:

(a) Legislation shall have been enacted by the Congress of the United States, or introduced by amendment or otherwise passed by either House of the Congress, or recommended or endorsed to the Congress for passage by the President of the United States, or favorably reported for passage to either House of the Congress of the United States by any committee of such House to which such legislation has been referred for consideration, or recommended or endorsed for passage or presented for consideration by the Treasury Department of the United States, the Internal Revenue Service, or the Joint Committee on Taxation of the Congress, or a decision shall have been rendered by a court of the United States, or the United States Tax Court, or a final or temporary or proposed order, ruling, regulation or official statement shall have been made by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency of appropriate jurisdiction that would have the effect of changing, directly or indirectly, the federal tax consequences of receipt of interest on securities of the general character of the Tax-Exempt 2017 Intermediate Lien Bonds in the hands of the owners thereof, which in the reasonable opinion of the Representative after consultation with the Port would materially adversely affect the marketability or the market price of the 2017 Intermediate Lien Bonds or the ability of the Underwriters to enforce contracts for the sale of the 2017 Intermediate Lien Bonds; or

(b) Legislation shall be enacted by the State or a decision by a court of competent jurisdiction of the State or any administrative tribunal of the State shall be rendered with respect to taxation by the State or any political subdivision of the State of interest received on the 2017 Intermediate Lien Bonds, or which may have the effect of changing, directly or indirectly, the tax consequences under California law of interest on

the 2017 Intermediate Lien Bonds in the hands of the holders thereof and such action, in the reasonable opinion of the Representative after consultation with the Port, would materially adversely affect the marketability or the market price of the 2017 Intermediate Lien Bonds or the ability of the Underwriters to enforce contracts for the sale of the 2017 Intermediate Lien Bonds; or

(c) There shall have occurred (i) a declaration by the United States of a national emergency or war, (ii) any outbreak of hostilities or any escalation in existing hostilities or (iii) any other national or international calamity or crisis affecting the financial markets, including any actual or imminent default or moratorium in respect of payment of any United States Treasury bills, bonds or notes, in each case the effect of which, in the reasonable opinion of the Representative after consultation with the Port would materially adversely affect the marketability or the market price of the 2017 Intermediate Lien Bonds or the ability of the Underwriters to enforce contracts for the sale of the 2017 Intermediate Lien Bonds; or

(d) There shall occur any material adverse change in or affecting the business, properties or financial condition of the Board or the Port Department or any material loss or interference with its business from any fire, explosion, earthquake, flood or other adversity whether or not covered by insurance that in any case, in the reasonable opinion of the Representative after consultation with the Port, would materially adversely affect the marketability or the market price of the 2017 Intermediate Lien Bonds or the ability of the Underwriters to enforce contracts for the sale of the 2017 Intermediate Lien Bonds; or

(e) There shall be in force a general suspension of trading on the New York Stock Exchange or other national securities exchange, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction; or

(f) The New York Stock Exchange or other national securities exchange, the MSRB, the Financial Industry Regulatory Authority, or any other governmental authority or agency shall impose, as to the 2017 Intermediate Lien Bonds or obligations of the general character of the 2017 Intermediate Lien Bonds, any material restrictions not now in force or not now being enforced, or increase materially those now in force, with respect to the extension of credit by, or the charges to the net capital requirements of, the Underwriters; or

(g) The Official Statement differs from the Preliminary Official Statement other than the inclusion of the pricing information permitted by Rule 15c2-12 to be omitted from the Preliminary Official Statement, or an event, fact or condition described in Paragraph 7(k) hereof occurs or becomes known, whether or not the Official Statement is amended or supplemented; or

(h) There shall have occurred the declaration of a general banking moratorium by any authority of the United States or the State of New York or the State, or a material disruption in securities settlement, payment or clearance services shall have occurred; or

(i) Any underlying rating of the 2017 Intermediate Lien Bonds has been downgraded suspended or withdrawn, or the possibility of such a downgrading, suspension or withdrawal has been publicly announced by Moody's, Fitch or S&P; or

(j) Any underlying rating of any bonds, notes or other obligations of the Port (other than the 2017 Intermediate Lien Bonds) has been downgraded, suspended or withdrawn for credit-related reasons, or the possibility of such a downgrading, suspension or withdrawal for credit-related reasons shall have been publicly announced by Moody's, Fitch, or S&P and such action would adversely affect the ability of the Underwriters to enforce contracts for the sale of the 2017 Intermediate Lien Bonds or in the reasonable opinion of the Representative after consultation with the Port, would materially adversely affect the marketability or the market price of the 2017 Intermediate Lien Bonds; or

(k) Any legislation, ordinance, resolution, rule or regulation shall be introduced in or enacted by any governmental body, board, department or agency of the United States or the State, or a decision by any court of competent jurisdiction within the State or any court of the United States shall be rendered adversely affecting the Board or the Port Department that, in the reasonable opinion of the Representative after consultation with the Port would materially adversely affect the marketability or the market price of the 2017 Intermediate Lien Bonds or the ability of the Underwriters to enforce contracts for the sale of the 2017 Intermediate Lien Bonds; or

(l) Legislation shall be enacted, or a decision of a court of competent jurisdiction shall be rendered or any action (including a stop order, ruling, regulation, proposed regulation or statement) shall be taken by or on behalf of, the Securities and Exchange Commission, the California Department of Corporations or any other federal or state governmental agency having jurisdiction over the subject matter that, in the reasonable opinion of the Representative (after consultation with the Port) or the Port, has the effect of requiring the contemplated distribution of the 2017 Intermediate Lien Bonds to be registered under the Securities Act of 1933 or the Exchange Act of 1934, or the Intermediate Lien Indenture to be qualified under the Trust Indenture Act of 1939, or that would make the offering and sale of the 2017 Intermediate Lien Bonds illegal.

11. Expenses.

(a) The Underwriters shall be under no obligation to pay, and as between the Underwriters and the Port, the Port shall pay or cause to be paid, any expenses incident to the performance of the Port's obligations hereunder, including but not limited to (i) the reasonable cost of preparing, printing and preparation for printing or other reproduction of a reasonable number of copies of the Preliminary Official Statement and the Official Statement and any amendments and supplements thereto, as well as any postage or delivery costs incurred in connection with distribution of the Preliminary Official Statement and Official Statement in connection with the public offering of the 2017 Intermediate Lien

Bonds, which costs will be approved by the Port before such costs are incurred; (ii) the fees and disbursements of Bond Counsel, the Intermediate Lien Trustee, the Verification Agent, Montague DeRose and Associates LLC (municipal advisor to the Port), accountants and any other experts or consultants retained by the Port and the fees and expenses of any counsel retained by any such person or firm (to the extent such fees and expenses are to be paid by any party hereto); (iii) the fees of the rating agencies in connection with the 2017 Intermediate Lien Bonds; (iv) all costs and expenses incurred in connection with any information or investors meetings held in connection with the 2017 Intermediate Lien Bonds, which costs and expenses must be approved by the Port before such costs or expenses are incurred; (v) the cost of preparing and printing the Authorizing Resolution and the Transaction Documents (other than this Purchase Contract); (vi) the cost of preparation of the 2017 Intermediate Lien Bonds; (vii) Blue Sky registration fees, which fees must be approved by the Port before such fees are incurred; and (viii) all other out-of-pocket expenses and distributions incurred by the Port. The Port shall also pay all expenses (whether included in the expense component of the Underwriters' discount or not), or reimburse the Underwriters for the payment on behalf of the Port of such expenses, as incurred on behalf of the Port's officers and employees that are incidental to the implementation of this Purchase Contract, including, but not limited to, meals, transportation, travel, lodging and the usual and customary charges incident and ancillary to the carrying out of the act of the marketing and pricing of, and securing ratings for, the 2017 Intermediate Lien Bonds, which expenses must be approved by the Port before such expenses are incurred. Any of the preceding costs or expenses that are subject to Port approval will not be reimbursed by the Port absent the Port's prior approval.

(b) The Underwriters shall pay: (i) all advertising expenses incurred by them in connection with the public offering and distribution of the 2017 Intermediate Lien Bonds; (ii) the fees of DTC, CUSIP and [California Debt and Investment Advisory Commission] in connection with the 2017 Intermediate Lien Bonds; and (iii) the fees and out-of-pocket or other expenses of Underwriters' Counsel, including the cost, if any, of printing this Purchase Contract and the cost (other than Blue Sky registration fees) of preparing and printing the Blue Sky memorandum to be used by the Underwriters; and (iv) except as described in Paragraph 11(a) hereof, all other expenses or fees incurred by the Underwriters in connection with the public offering and distribution of the 2017 Intermediate Lien Bonds. For the avoidance of doubt, as between the Port and the Underwriters, under no circumstances shall the Underwriters be responsible for or be required to pay any of the expenses incurred by or for the account of the Port or by or for the account of parties retained by the Port (other than the Underwriters), including the expenses mentioned in Paragraph 11(a) hereof.

The provisions of this Paragraph 11 shall survive any termination of this Purchase Contract.

12. **Notices.** Any notice or other communication to be given to the Port under this Purchase Contract may be given by delivering the same in writing at the address of the Port set forth above, with a copy to the Port Attorney, and any notice or other communication to be given to the Underwriters under this Purchase Contract may be given by delivering the same in writing to [Merrill Lynch, Pierce, Fenner & Smith Incorporated, Fifth Avenue Plaza Building, 800 5th Avenue, 35th Floor, Seattle, Washington 98104, Attn: Eric Whaley, with a copy to Merrill Lynch,

Pierce, Fenner & Smith Incorporated, Municipal Markets Desk, 4 World Financial Center, 11th Floor, New York, New York 10080, Attn: [Brendan Troy, Managing Director].

13. **Governing Law.** This Purchase Contract shall be governed in all respects by the provisions of the laws of the State of California. Venue for any action under this Purchase Contract shall be in the State of California Superior Court, Alameda County or in the United States District Court for the Northern District of California.

14. **Parties in Interest.** This Purchase Contract shall constitute the entire agreement between the Port and the Underwriters and is made solely for the benefit of the Port and the Underwriters (including the successors of the Underwriters but not including any beneficial owners of the 2017 Intermediate Lien Bonds). This Purchase Contract shall only be amended, supplemented or modified in a writing signed by all parties hereto. No other person shall acquire or have any rights hereunder or by virtue hereof. All representations and agreements of the Port contained in this Purchase Contract shall remain operative and in full force and effect, regardless of (a) any investigation made by or on behalf of the Underwriters, (b) delivery of and payment for the 2017 Intermediate Lien Bonds hereunder and (c) in the case of Paragraph 11 hereof, any termination of this Purchase Contract.

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

16. **Effectiveness.** This Purchase Contract shall become effective upon receipt by the Representative of the verbal confirmation required by Paragraph 6(c) hereof to be delivered on or before the date of this Purchase Contract and upon the execution and delivery by the Port hereof and shall be valid and enforceable at the time of such acceptance and receipt.

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

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

[MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED]
SIEBERT CISNEROS SHANK & CO., LLC
BACKSTROM MCCARLEY BERRY & CO., LLC
BLAYLOCK ROBERT VAN, LLC
J.P. MORGAN SECURITIES LLC

By: MERRILL LYNCH, PIERCE, FENNER &
SMITH INCORPORATED, as Representative
(except as to Paragraph 1(b))

By: _____
Name: _____
Title: _____

And as to Paragraph 1(b):

MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED

By: _____
Name: _____
Title: _____

SIEBERT CISNEROS SHANK & CO., LLC

By: _____
Name: _____
Title: _____

BACKSTROM MCCARLEY BERRY & CO., LLC

By: _____
Name: _____
Title: _____

[Signature page to Bond Purchase Contract]

BLAYLOCK ROBERT VAN, LLC

By: _____
Name: _____
Title: _____

J.P. MORGAN SECURITIES LLC

By: _____
Name: _____
Title: _____

Accepted on or before 5:00 p.m., California Time
on [____], 2017.

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

By: _____
Sara Lee, Chief Financial Officer

The foregoing Purchase Contract is
approved as to form and legality this
_____ day of [____], 2017.

By: _____
Danny Wan, Port Attorney

Board Resolution No. 17-[____]
P.A. #: 2017-[_____]

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

[Signature page to Bond Purchase Contract]

SCHEDULE I

AGGREGATE PURCHASE PRICE

| Series | Principal Amount [a] | [Net] Original Premium [b] | Underwriters Discount [c] | Total [a] +[b] –[c] |
|---------------|----------------------------|----------------------------------|---------------------------------|------------------------|
| 2017 Series D | | | | |
| 2017 Series E | | | | |
| 2017 Series F | | | | |
| 2017 Series G | | | | |
| Total | | | | |

EXHIBIT A
UNDERWRITERS

[Merrill Lynch, Pierce, Fenner & Smith Incorporated]

Siebert Cisneros Shank & Co., LLC

Backstrom McCarley Berry & Co., LLC

Blaylock Robert Van, LLC

J.P. Morgan Securities LLC

EXHIBIT B

MATURITY SCHEDULES AND REDEMPTION PROVISIONS

\$(PAR)
Port of Oakland
Intermediate Lien Refunding Revenue Bonds
2017 Series D
(Private Activity/AMT)

Maturity Schedule

| <u>Maturity Date</u> <u>(November 1)</u> | <u>Principal</u> <u>Amount</u> | <u>Interest</u> <u>Rate</u> | <u>Yield</u> | <u>Price</u> |
|---|-----------------------------------|--------------------------------|--------------|--------------|
|---|-----------------------------------|--------------------------------|--------------|--------------|

^C Priced to the par call date of November 1, 20[___].

* Term Bonds subject to mandatory sinking fund redemption.

Redemption Provisions

Optional Redemption. The 2017 Series D Intermediate Lien Bonds due on or after November 1, 20[___] are subject to optional redemption prior to their respective maturities, in whole or in part, from any moneys that may be provided for such purpose, at any time on or after November 1, 20[___] at a redemption price of 100% of the principal amount of such 2017 Series D Intermediate Lien Bonds, plus accrued interest to the date fixed for redemption.

Mandatory Redemption. The 2017 Series D Intermediate Lien Bonds maturing on November 1, 20[___] are subject to mandatory sinking fund redemption at a 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 principal amounts::

| <u>Year</u> | <u>Principal Amount</u> |
|-------------|-------------------------|
|-------------|-------------------------|

* Maturity date.

**[\$PARE]
Port of Oakland
Intermediate Lien Refunding Revenue Bonds
2017 Series E
(Governmental/Non-AMT)**

Maturity Schedule

| <u>Maturity Date</u> <u>(November 1)</u> | <u>Principal</u> <u>Amount</u> | <u>Interest</u> <u>Rate</u> | <u>Yield</u> | <u>Price</u> |
|---|---|--|---------------------|---------------------|
|---|---|--|---------------------|---------------------|

^C Priced to the par call date of November 1, 20[___].

* Term Bonds subject to mandatory sinking fund redemption.

Redemption Provisions

Optional Redemption. The 2017 Series E Intermediate Lien Bonds due on or after November 1, 20[___] are subject to optional redemption prior to their respective maturities, in whole or in part, from any moneys that may be provided for such purpose, at any time on or after November 1, 20[___] at a redemption price of 100% of the principal amount of such 2017 Series E Intermediate Lien Bonds, plus accrued interest to the date fixed for redemption.

Mandatory Redemption. The 2017 Series E Intermediate Lien Bonds maturing on November 1, 20[___] are subject to mandatory sinking fund redemption at a 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 principal amounts::

| <u>Year</u> | <u>Principal Amount</u> |
|-------------|-------------------------|
|-------------|-------------------------|

* Maturity date.

[\$[PARF]
Port of Oakland
Intermediate Lien Refunding Revenue Bonds
2017 Series F
(Private Activity/Non-AMT)

Maturity Schedule

| <u>Maturity Date</u> <u>(November 1)</u> | <u>Principal</u> <u>Amount</u> | <u>Interest</u> <u>Rate</u> | <u>Yield</u> | <u>Price</u> |
|---|---|--|---------------------|---------------------|
|---|---|--|---------------------|---------------------|

Not Subject to Redemption. The 2017 Series F Intermediate Lien Bonds are not subject to redemption prior to their respective maturities.

**[\$PARG]
Port of Oakland
Intermediate Lien Refunding Revenue Bonds
2017 Series G
(Federally Taxable)**

Maturity Schedule

| <u>Maturity Date (November 1)</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>Price</u> |
|--|------------------------------------|---------------------------------|---------------------|---------------------|
|--|------------------------------------|---------------------------------|---------------------|---------------------|

* Term Bonds subject to mandatory sinking fund redemption.

Redemption Provisions

Optional Redemption. The 2017 Series G Intermediate Lien Bonds are subject to redemption prior to their respective maturities, as a whole or in part, on any Business Day, at the “Make-Whole Redemption Price,” plus accrued and unpaid interest on such 2017 Series G Intermediate Lien 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 2017 Series G Intermediate Lien Bonds to be redeemed and (ii) the sum of the present value of the remaining scheduled payments of principal and interest on such 2017 Series G Intermediate Lien Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such 2017 Series G Intermediate Lien Bonds are to be redeemed, discounted to the date on which such 2017 Series G Intermediate Lien 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 2017 Series G Intermediate Lien 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 2017 Series G Intermediate Lien 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 2017 Series G Intermediate Lien 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 2017 Series G Intermediate Lien Bond to be redeemed.

“Comparable Treasury Price” means, with respect to any redemption date for a particular 2017 Series G Intermediate Lien 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, the 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 2017 Series G Intermediate Lien Bonds prior to their respective 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.

Mandatory Redemption. The 2017 Series G Intermediate Lien Bonds maturing on November 1, 20[___] are subject to mandatory sinking fund redemption at a 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 principal amounts::

| <u>Year</u> | <u>Principal Amount</u> |
|-------------|-------------------------|
|-------------|-------------------------|

* Maturity date.

EXHIBIT C
FORM OF ISSUE PRICE CERTIFICATE