

SECOND AMENDMENT TO THE SUBLEASE AGREEMENT
DATED AS OF FEBRUARY 1, 1985, AMENDING
THE SUBLEASE AGREEMENT DATED
SEPTEMBER 14, 1984

This Second Amendment to the Sublease Agreement, dated as of February 1, 1985 (the "Second Sublease Amendment"), by and between the INTERMODAL CONTAINER TRANSFER FACILITY JOINT POWERS AUTHORITY, a joint powers authority created by The City of Los Angeles and The City of Long Beach in accordance with the laws of the State of California ("Authority") and SOUTHERN PACIFIC TRANSPORTATION COMPANY, a Delaware corporation ("Corporation"),

W I T N E S S E T H :

WHEREAS, Authority and Corporation have entered into a Sublease Agreement dated September 14, 1984 (the "Sublease"); and

WHEREAS, Authority and Corporation have entered into the First Amendment to the Sublease Agreement dated October 9, 1984 (the "First Sublease Amendment"); and

WHEREAS, Authority, Corporation and the City of Carson, a municipal corporation duly organized and existing under the Constitution and laws of the State of California, have entered into an Agreement dated as of December 3, 1984 (the "Carson Agreement"); and

WHEREAS, Authority and Corporation desire to further amend certain provisions of the Sublease on the terms and conditions hereinafter set forth in order to incorporate the rights and obligations of Authority and Corporation as set forth in the Carson Agreement and in a Letter Agreement dated December 10, 1984, by and between Authority and Corporation (the "Letter Agreement") (attached hereto as an appendix and made a part hereof); and

WHEREAS, the Deed of Trust executed by Corporation, in connection with the Sublease, requires that the Trustee, as beneficiary thereunder, must consent to all amendments to the Sublease; and

WHEREAS, the Trustee has consented to the terms of this Second Sublease Amendment, which consent is evidenced by the signature of an authorized officer of the Trustee affixed hereto:

NOW, THEREFORE, in consideration of the foregoing recitals which are incorporated herein by this reference, the mutual promises and agreements of the parties hereto as hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. The definitions set forth in Schedule A attached to the Sublease and Schedule A attached to the First Sublease Amendment are hereby amended in their entirety so that, except where the context clearly otherwise requires, all capitalized terms used in the Sublease, the First Sublease Amendment and this Second Sublease Amendment shall have the meanings specified in Schedule A attached to this Second Sublease Amendment.

Section 2. Section 2.02 of the Sublease is hereby amended to read in its entirety as follows: .

"2.02. Pursuant to the terms and conditions contained in the Agreement, Authority has agreed to acquire, construct and install the Facilities on the Premises and to convey the Facilities to Corporation on the Completion Date. To further facilitate the acquisition, construction and installation of the Facilities, Authority hereby agrees and pledges to make its Initial Authority Contribution of \$5,000,000 to be used for the acquisition, construction and installation of the Facilities and Corporation hereby agrees and pledges to make the Initial Corporation Contribution. The amount of the Initial Corporation Contribution shall be set forth in a letter delivered by Corporation to Authority. If Authority makes an Additional Authority Contribution or Corporation makes an Additional Corporation Contribution, the amount of and the basis for such additional contribution shall be set forth in a letter delivered by the contributing party to the other party. Such letter shall be accompanied by such evidence of payment and the costs which are the basis of the additional contribution as may be reasonably requested by the party to whom the letter is delivered. The amount of the Initial Corporation Contribution and any Additional Corporation Contribution shall be subject to the approval of the Governing Board. The amount of any Additional Authority Contribution shall be subject to the approval of Corporation."

Section 3. Section 5.01(a)(3) of the Sublease is hereby amended to read in its entirety as follows:

"(3) On each Payment Date, Corporation shall pay to Authority as Sublease Rent for the Payment Period immediately preceding such Payment Date the following portions of Net Revenues generated during that Payment Period:

(i) Until the Contribution Repayment Date, Corporation shall be obligated to pay to Authority a percentage of Net Revenues equal to the percentage the Authority Contribution is to the Total Contribution. Any Additional Authority Contribution or Additional Corporation Contribution shall be deemed to have been made as of the first day of the calendar month following the month in which any such contribution was actually made and the percentage of Net Revenues payable as Sublease Rent shall be recalculated as of such date.

(ii) Following the Contribution Repayment Date, Corporation shall be obligated to pay to Authority: (A) 25% of Net Revenues for twenty-four (24) Formula Months commencing on the Contribution Repayment Date and ending on the last day of the twenty-fourth Formula Month following the Contribution Repayment Date; (B) 30% of Net Revenues for twenty-four (24) Formula Months commencing upon the expiration of the period provided for in the preceding clause (A) and ending on the last day of the twenty-fourth Formula Month following such commencement date; (C) 35% of Net Revenues for twenty-four (24) Formula Months commencing upon the expiration of the period provided for in the preceding clause (B) and ending on the last day of the twenty-fourth Formula Month following such commencement date; (D) 45% of Net Revenues commencing upon the expiration of the period provided for in the preceding clause (C) and ending on the first day of the calendar month in which the aggregate amount of the portion of the Net Revenues (calculated from the Contribution Repayment Date) not paid to Authority exceeds by \$12,300,000 the aggregate amount of that portion of Net Revenues (calculated from the Contribution Repayment Date) paid to Authority as Sublease Rent; and (E)

commencing upon the expiration of the period provided for in the preceding clause (D), 50% of Net Revenues for the remainder of the Lease Term; provided that if on any date during the first seventy-two (72) Formula Months following the Contribution Repayment Date the aggregate amount of such portion of Net Revenues not paid to Authority exceeds by \$12,300,000 such portion of Net Revenues paid to Authority as Sublease Rent during such period, Corporation shall be obligated to pay to Authority, beginning on the first day of the month in which such date occurs and continuing until the expiration of the Lease Term, 50% of Net Revenues. For the purposes of this Section 5.01, the term "Formula Month" shall mean any calendar month during which the Sublease Rent formula set forth above is in operation and is not deemed to have been suspended in accordance with the terms of this Section 5.01.

If after the Contribution Repayment Date, Authority or Corporation makes any payments which are required by Section 13.14 hereof, one of the following sub-paragraphs shall apply:

(A) If any such Section 13.14 payment is made by either Authority or Corporation while Bonds are Outstanding, the Sublease Rent formula set forth above shall be suspended for the entire Payment Period in which such Section 13.14 payment was made. On the last day of the Payment Period, the total amount paid by Corporation and the total amount paid by Authority pursuant to Section 13.14 shall be ascertained for that Payment Period. The Net Revenues attributable to such Payment Period shall then be divided between the parties so that each is fully reimbursed for the total amount of Section 13.14 payments made by it in that Payment Period. If Net Revenues are insufficient to fully reimburse the parties, each shall receive reimbursement calculated at the percentage its total Section 13.14 payments is to the total amount of the payments made by both parties and the Sublease Rent formula shall remain suspended for the next Payment Period. When both Authority and Corporation have been fully reimbursed, the remaining amount of Net Revenues attributable to the Payment Period during which such reimbursement occurred

shall be divided between them in accordance with the Sublease Rent formula step then in effect. For purposes of determining the number of Formula Months elapsed during any Payment Period, the total amount of Net Revenues attributable to that Payment Period shall be divided by twelve (12) months to produce the "Average Monthly Net Revenues." The Average Monthly Net Revenues shall then be divided into the total amount of all Section 13.14 payments made by either party and the resulting number shall be subtracted from twelve (12) to provide the number of Formula Months deemed to have elapsed in that Payment Period. If the number derived from the calculation is not a whole number, it shall be rounded up to the next whole number.

(B) If any such Section 13.14 payments are made by Authority or Corporation after the last Bonds cease to be Outstanding, the operation of the Sublease Rent formula set forth in the preceding paragraph shall be suspended as of the first day of the calendar month following the calendar month in which the first of any such payments are made. Corporation then shall be obligated to pay to Authority a percentage of Net Revenues equal to the percentage any such payments made by Authority are to the total amount of such payments made by both Authority and Corporation. The obligation to make Sublease Rent payments calculated in accordance with this paragraph shall end on the first day of the calendar month following the month in which the amount of Net Revenues paid to Authority as Sublease Rent equals the amounts paid by it pursuant to Section 13.14 and the amounts of Net Revenues not paid to Authority equals the amounts paid by Corporation pursuant to Section 13.14, and on the first day of the calendar month following such date the Sublease Rent formula set forth above shall continue as if no time had passed. Any excess Net Revenues in the month in which Authority and Corporation are fully reimbursed for all Section 13.14 payments made to that date shall be divided between the parties in accordance with the Sublease Rent formula in effect for the last preceding Formula Month. Any Net Revenues not paid to Authority pursuant to this paragraph shall

be excluded from the calculation of Net Revenues not paid to Authority under the first paragraph of this Section 5.01(a)(3)(ii).

Notwithstanding any provision to the contrary contained in this Section, following the Contribution Repayment Date, if Facilities Revenues received in any Payment Period are less than the amount of any payments made in respect of principal of, premium, if any, and interest on the Bonds, payments of Rent required to be paid by Corporation under Section 5.01(a)(2) hereof, payments of any annual fees and expenses of the Trustee, Bond Registrar and any paying agents designated under the Indenture and any annual fees paid in connection with any credit facility obtained in respect of the Bonds which are due and payable during that Payment Period and if a Force Majeure Event lasting more than thirty (30) consecutive days shall occur in that Payment Period, then prior to the payment of any portion of Net Revenues to Authority in any succeeding Payment Periods, Corporation shall receive all Net Revenues until Corporation receives an amount equal to the difference between (i) the Facilities Revenues attributable to Movements occurring during the period beginning on the thirty-first day after the occurrence of a Force Majeure Event and ending on the day specified in the notice required by Section 13 of the Permit and (ii) the amount of any payments made in respect of the principal of, premium, if any, and interest on the Bonds, any payments of Rent under Section 5.01(a)(2) hereof, payments of any annual fees and expenses of the Trustee, Bond Registrar and any paying agents designated under the Indenture and any annual fees paid in connection with any credit facility due in the Payment Period during which the Force Majeure Event occurred or continued in effect multiplied by a fraction the numerator of which is equal to the number of days in that period specified in clause (i) above and the denominator of which is equal to the actual number of days in that Payment Period. Any amounts paid to Corporation under the above formula shall be excluded from the calculation of the amount of Net Revenues not paid to Authority under this Section 5.01(a)(3)(ii)."

Section 4. Section 5.01(a) of the Sublease is hereby amended by the addition of subparagraph (4) to read in its entirety as follows:

"(4) At the end of each Payment Period in which Authority makes any payment to the City of Carson as required by Section 4.B of the Carson Agreement, Authority shall be entitled to reimbursement of such payment; provided, however, that Authority shall be reimbursed for such payment only to the extent that Facilities Revenues are available therefor after deducting payments in respect of principal of, premium, if any, and interest on the Bonds, payments of Rent under Section 5.01(a)(2) hereof, payments of any annual fees and expenses of the Trustee, Bond Registrar and any paying agents designated under the Indenture, and payments of any annual fees in respect of any credit facility paid by Corporation in that Payment Period."

Section 5. Section 5.01(b) of the Sublease is hereby amended to read in its entirety as follows:

"(b) While Bonds are Outstanding, each Bond Year will constitute a Payment Period, and Sublease Rent for such Payment Period will be due and payable annually, in arrears, five (5) days after the last day of the Bond Year. In the event that the last Outstanding Bonds cease to be Outstanding on any date other than the last day of a Bond Year, the period beginning on the last day of the Bond Year next preceding the date the last Outstanding Bonds cease to be Outstanding and ending on the last day of the month in which Bonds are Outstanding will constitute a Payment Period, and Sublease Rent for such Payment Period shall be due and payable on the first day of the first month following such Payment Period. If the percentage of Net Revenues payable as Sublease Rent changes during a Payment Period pursuant to Section 5.01(a)(3) hereof, the percentage of Net Revenues payable as Sublease Rent during that Payment Period shall be the weighted average of such percentage payable during such Payment Period calculated on the basis of 30 day months. Fifteen days prior to the end of any Payment Period while Bonds are Outstanding, Authority shall deliver to the Trustee and Corporation a Sublease Rent Payment Request. The Sublease Rent Payment Request shall be executed by an Authorized Authority Representative and shall specify (i) the Payment Period for which payment

of Sublease Rent is requested, (ii) the percentage of Net Revenues payable as Sublease Rent, (iii) if the percentage of Net Revenues payable as Sublease Rent changed during the Payment Period, the number of months of the Payment Period as to which each such percentage applied, (iv) if the operation of the Sublease Rent formula was suspended for the Payment Period, the number of Formula Months deemed to have elapsed during that Payment Period, calculated in accordance with Section 5.01(a)(3)(ii) hereof, and (v) the amount paid by Authority to the City of Carson (as required by Section 4.B of the Carson Agreement) during such Payment Period. Upon receipt of the Sublease Rent Payment Request, Corporation shall instruct the Trustee to pay to Authority, on behalf of Corporation, that portion of Net Revenues which constitutes Sublease Rent and rent due under Section 5.01(a)(4) hereof, both as specified in the Sublease Rent Payment Request. Corporation shall promptly deliver to Authority a copy of any instruction it gives to the Trustee. In the event the Trustee does not pay amounts which are properly due and payable, Corporation shall remain liable to pay, and shall pay, them.

After all Bonds cease to be Outstanding, each month will constitute a Payment Period, and Sublease Rent shall be due and payable, in arrears, fifteen days after the end of each monthly Payment Period. The first such monthly payment of Sublease Rent shall be due and payable fifteen days following the month immediately succeeding the month in which the last Bonds cease to be Outstanding. A Statement of Operations shall accompany each monthly payment of Sublease Rent to Authority. The Statement of Operations shall be executed by an Authorized Corporation Representative and shall specify (i) the number of Movements at the Facilities and the number of empty Corporation controlled or furnished Containers handled at the Facilities during the applicable Payment Period, (ii) the total Gate Charges collected, (iii) the amount(s) and source(s) of any other Facilities Revenues received, (iv) the percentage of Net Revenues payable as Sublease Rent and (v) the amount of Sublease Rent due and payable and the amount of rent, if any, due and payable under Section 5.01(a)(4) hereof. If Authority makes any payment required by Section 4.B of the Carson Agreement during any Payment Period, it shall inform Corporation of the amount so paid within five (5) days after any such payment is made."

Section 6. The last paragraph of Section 13.10 is hereby amended to read in its entirety as follows:

"Any amounts contributed by Authority or Corporation to pay costs of removing Hazardous Waste shall constitute an Additional Authority Contribution and an Additional Corporation Contribution, respectively."

Section 7. There is hereby added to the Sublease the following Section 13.14:

"13.14. (a) To the extent that amounts on deposit in the Construction Fund are insufficient therefor and upon receipt of written notification from Corporation with such other documentation as may be reasonably requested by Authority, Authority agrees to pay to Corporation one-half of the following amounts (i) the cost of those portions of the 1984 Project described in Sections 3.A.1(e), 3.A.1(f), 3.E.1(a), 3.E.1(b), and 3.G of the Carson Agreement; and (ii) the cost of those portions of the 1984 Project described in Sections 3.A.1(c) and 3.A.1(d) of the Carson Agreement, to the extent that the cost thereof exceeds \$1,400,000. Any such amounts paid by Authority shall constitute an Additional Authority Contribution.

(b) Authority and Corporation each agree to pay one-half of the cost of the mitigation measures described in Sections 3.A.2, 3.C.2, 3.C.3 and 3.F of the Carson Agreement. All such amounts paid by Authority shall constitute an Additional Authority Contribution. All such amounts paid by Corporation shall constitute an Additional Corporation Contribution.

(c) Corporation agrees to pay the total cost of the mitigation measures described in Sections 3.B.1(a), 3.B.1(b), 3.D and 4.A of the Carson Agreement. Any amount paid by Corporation for such mitigation measures shall constitute an Additional Corporation Contribution.

(d) Authority agrees to pay the annual fee to the City of Carson required by Section 4.B of the Carson Agreement. To the extent that Authority is not reimbursed for any portion of such annual fee pursuant to Section 5.01(a)(4) hereof, the portion not

reimbursed shall constitute an Additional Authority Contribution.

Section 8. This Second Sublease Amendment shall be submitted to the FMC in accordance with the provisions of the Shipping Act of 1984. This Second Sublease Amendment shall not be effective until it either becomes effective under said Act or a finding of no jurisdiction by the FMC is received by Authority. Once effective, this Second Sublease Amendment shall continue in full force and effect until termination of the Sublease in accordance with the terms thereof.

Section 9. This Second Sublease Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

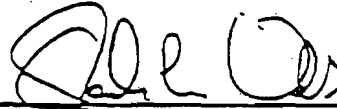
Section 10. It is expressly understood and agreed that this Second Sublease Amendment and all questions arising hereunder shall be construed in accordance with the laws of the State of California except to the extent such laws may be preempted by the laws of the United States.

Section 11. The Sublease, as previously amended, except as amended by this Second Sublease Amendment, is hereby ratified and confirmed in all respects and all terms, conditions and provisions of the Sublease, as previously amended, and as amended by this Second Sublease Amendment, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Second Sublease Amendment as of the date first hereinabove written.

INTERMODAL CONTAINER TRANSFER
FACILITY JOINT POWERS AUTHORITY

By



Executive Director

Attest


Secretary

SOUTHERN PACIFIC TRANSPORTATION
COMPANY, a Delaware corporation

By

President

Attest

Secretary

Consent is hereby given for this Second Sublease Amendment:

MORGAN GUARANTY TRUST
COMPANY OF NEW YORK,
as Beneficiary under the
Deed of Trust

By

Vice President

IN WITNESS WHEREOF, the parties hereto have executed this Second Sublease Amendment as of the date first hereinabove written.

INTERMODAL CONTAINER TRANSFER
FACILITY JOINT POWERS AUTHORITY

By _____
Executive Director

Attest _____
Secretary

SOUTHERN PACIFIC TRANSPORTATION
COMPANY, a Delaware corporation

By OK M. W.
President

Attest A. F. Adman
ASSISTANT Secretary

Consent is hereby given for this Second Sublease Amendment:

MORGAN GUARANTY TRUST
COMPANY OF NEW YORK,
as Beneficiary under the
Deed of Trust

By _____
Vice President

IN WITNESS WHEREOF, the parties hereto have executed this Second Sublease Amendment as of the date first hereinabove written.

INTERMODAL CONTAINER TRANSFER
FACILITY JOINT POWERS AUTHORITY

By _____
Executive Director

Attest _____
Secretary

SOUTHERN PACIFIC TRANSPORTATION
COMPANY, a Delaware corporation

By _____
President

Attest _____
Secretary

Consent is hereby given for this Second Sublease Amendment:

MORGAN GUARANTY TRUST
COMPANY OF NEW YORK,
as Beneficiary under the
Deed of Trust.

By *[Signature]*
Vice President

SCHEDULE A

Accountant's Certificate shall mean a certificate signed by an independent public accountant or a firm of independent public accountants selected by the Corporation and approved by the Trustee in the exercise of reasonable care, or if the Corporation fails to act, selected by the Trustee in the exercise of reasonable care. The acceptance by the Trustee of, and its action in reliance on, such a certificate shall be sufficient evidence that such accountant or firm of accountants has been approved by the Trustee.

Act shall mean the Joint Exercise of Powers Act of the State of California, being California Government Code Sections 6500-6579.5, inclusive, as amended and supplemented.

Additional Authority Contribution shall mean the amounts designated as such in Sections 13.10 and 13.14 of the Sublease.

Additional Bonds shall mean Bonds, whether issued in one or more Series, authenticated and delivered on original issuance pursuant to Sections 304 and 305 of the Indenture.

Additional Corporation Contribution shall mean (i) the amounts designated as such in Sections 13.10 and 13.14 of the Sublease, (ii) any amount contributed by the Corporation for the construction of the Facilities for which it is not reimbursed from amounts on deposit in the Construction Fund or from amounts paid by the Authority pursuant to Section 13.14 of the Sublease or otherwise, (iii) any amount deposited by the Corporation with the Trustee in respect of principal of, premium, if any, and interest on the Bonds and (iv) the amount by which (a) any amount paid by the Corporation during any Payment Period pursuant to Section 5.01(a)(2) of the Sublease plus the amount paid by the Corporation during that Payment Period as annual fees for any credit facility maintained in respect of the Bonds exceeds (b) the amount by which the Facilities Revenues received during that Payment Period exceeds the payments of principal of and interest on the Bonds during that Payment Period.

Additional Payments shall mean the payments referred to as Additional Payments in Section 4.03 of the Agreement.

Additional Project shall mean additions, extensions or improvements to, of or for the Facilities and any equipment, machinery or other facilities added to, of or for the Facilities as contemplated by the Plans and financed by Bonds.

Adjustment Date shall mean the first day of each Adjustment Period designated pursuant to the Permit.

Adjustment Period shall mean each period of five Permit Years beginning on the first day of the eleventh Permit Year and on the first day of every fifth year thereafter.

Agreement shall mean the Installment Sale and Security Agreement, dated as of November 1, 1984 by and between the Authority and the Corporation as from time to time amended or supplemented.

Alternate Letter of Credit shall mean one or more irrevocable letters of credit substituted for the Letter of Credit in accordance with the Indenture.

Annual Budget shall mean the annual budget, as amended or supplemented, adopted or in effect for a particular Fiscal Year as provided in Section 5.01(c) of the Sublease.

Appraisers' Certificate or the calling for a certificate or opinion made by an engineer, appraiser or other expert means a certificate or opinion signed by an engineer or engineers, appraiser or appraisers or other expert or experts, or firm or firms of the same, each having a favorable repute for skill and experience as an engineer or engineers, appraiser or appraisers or other expert or experts or firm or firms of the same, selected by the Governing Board and approved by the Trustee in the exercise of reasonable care, or if the Governing Board fails to act, selected by the Trustee in the exercise of reasonable care. The acceptance by the Trustee of, and its actions in reliance on, such a certificate shall be sufficient evidence that such engineer or engineers, appraiser or appraisers, or other expert or experts, or firm or firms of the same, has been approved by the Trustee.

Architects' Certificate shall mean a certificate signed by an architect or architects, or firm or firms of architects, each having a favorable reputation for skill and experience as consulting architects, or an engineer or engineers, or firm or firms of engineers, each having a favorable reputation for skill and experience as an engineer or engineers, selected by the Corporation and approved by the Trustee in the exercise of reasonable care, or if the Corporation fails to act, selected by the Trustee in the exercise of reasonable care. Such architect or architects, engineer or engineers or firm or firms of the same may be employees of the Corporation. The acceptance by the Trustee of, and its action in reliance on, such a certificate shall be sufficient evidence that such architect or architects, engineer or engineers, or firm or firms of the same, has been approved by the Trustee.

Assuming Subtenant shall mean any person subletting the Premises from the Authority who, pursuant to Section 15 of the Permit, expressly assumes the rights, privileges and obligations addressed to "Tenant" in the Permit.

Authority shall mean the Intermodal Container Transfer Facility Joint Powers Authority, a joint powers authority created by Los Angeles and The City of Long Beach in accordance with the Joint Powers Agreement and the Act.

Authority Contribution shall mean the sum of the Initial Authority Contribution plus any Additional Authority Contribution.

Authority Expenses shall mean the costs, expenses and fees incurred by the Authority in carrying out its duties, responsibilities and obligations, and exercising its rights, under the Act and the Sublease. These costs, expenses and fees shall include, but shall not be limited to, fees and expenses of the Authority's legal counsel and accountants and the annual fee paid by the Authority to the City of Carson, as required by Section 4.B of the Carson Agreement.

Authorized Authority Representative shall mean the Chairman of the Authority or any officer or employee of the Authority authorized to perform specific acts or duties by resolution duly adopted by the Authority.

Authorized Corporation Representative shall mean the person or persons at the time designated to act on behalf of the Corporation by written certificate furnished to the Authority and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Corporation by the President, any Vice President or Treasurer of the Corporation.

Authorized Denominations shall mean \$5,000 and integral multiples thereof; provided, however, that during a Bond Adjustment Period in which Rate Determination Dates occur more often than semi-annually, "Authorized Denominations" shall mean \$100,000 principal amount and any integral multiple thereof.

Available Moneys shall mean (a) with respect to any payment date occurring during the term of the Letter of Credit (i) moneys which have been paid to the Trustee by the Corporation and the proceeds from the investment of all moneys held by the Trustee, which in each case have been on deposit with the Trustee for at least 123 days during which no Event of Bankruptcy shall have occurred, and (ii) moneys on deposit with the Trustee representing proceeds (other than proceeds deposited in the Construction Fund) from the issuance and sale of the 1984 Bonds or representing proceeds from

the remarketing by the Remarketing Agent of 1984 Bonds purchased as described in Section 1016 of the Indenture which in each case were at all times since their receipt by the Trustee held in a separate and segregated account or accounts or sub-account or sub-accounts in which no moneys which were not Available Moneys were at any time held, and (iii) moneys transferred from the Construction Fund which were either (1) transferred to the 1984 Bond Fund and held in a separate and segregated account or accounts or sub-account or sub-accounts (in which no other moneys were at any time held) in the 1984 Bond Fund until at least 123 days (during which no Event of Bankruptcy shall have occurred) after (x) the completion of the Facilities and payment of all costs and expenses incident thereto and to the issuance of the 1984 Bonds and (y) the Corporation shall have ceased to have any right to use or to direct the use or application of such moneys, or (2) held in a separate and segregated account or accounts or sub-account or sub-accounts in which no other moneys were at any time held for at least 123 days during which no Event of Bankruptcy shall have occurred, and (iv) moneys drawn under the Letter of Credit which in each case were at all times since their receipt by the Trustee held in a separate and segregated account or accounts or sub-account or sub-accounts in which no moneys (other than those drawn under the Letter of Credit) were at any time held and (b) with respect to any payment date not occurring during the term of the Letter of Credit, any moneys furnished to the Trustee and the proceeds from the investment thereof.

Bank shall mean The Industrial Bank of Japan, Limited, Los Angeles Agency, in its capacity as issuer of the Letter of Credit, its successors in such capacity, and its assigns. If any Alternate Letter of Credit is issued and delivered in accordance with the Agreement, "Bank" shall mean the issuer of such Alternate Letter of Credit, in its capacity as issuer of such Alternate Letter of Credit, its successors in such capacity and its assigns. If other credit facilities are provided in accordance with the Agreement, "Bank" shall mean the provider thereof, in its capacity as provider of such credit facilities, its successors in such capacity and its assigns.

Board shall mean the Board of Harbor Commissioners of Los Angeles.

Bond or Bonds shall mean the 1984 Bonds and any Additional Bonds.

Bond Adjustment Date shall mean November 1, 1991, and any Interest Payment Date thereafter so designated by the Corporation in the manner set forth in Section 203(d) of the Indenture.

Bond Adjustment Period shall mean the period beginning on a Bond Adjustment Date and ending on the day before the next Bond Adjustment Date.

Bond Counsel shall mean any attorney or a firm of attorneys of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on bonds or bonds issued by states and their political subdivisions.

Bond Registrar shall mean the Trustee or other Bond Registrar appointed in accordance with Section 205 of the Indenture.

Bond Service shall mean, with respect to any Series of Bonds for any period of time, the aggregate of the payments to be made in respect to principal and interest on that Series of Bonds; provided that if interest on such Series of Bonds is payable at a variable rate, the interest rate in such Series of Bonds for period when the actual interest rate cannot be determined shall be assumed to be the maximum interest rate permitted by the indenture under which such Series of Bonds is issued; provided further that any calculation of Bond Service shall exclude any requirement to pay principal and interest to the extent that an irrevocable deposit in trust of cash in an amount (or such securities as may be permitted by the indenture authorizing such Series of Bonds, the principal and interest on which will be in amount) and under term sufficient to pay such principal and interest, as the same shall become due.

Bond Year shall mean the twelve-month period commencing on November 2 of each year and ending on November 1 of each year.

Bondholder or Holder or Owner or Registered Owner shall mean the Person or Persons in whose name or names any 1984 Bond shall be registered upon the books of the Authority kept for that purpose by the Bond Registrar in accordance with the terms of the Indenture.

Break Even Points shall be the amounts designated as such in Section 5(d) of the Permit.

Business Day shall mean a day on which banks located in the city in which the principal office of the Trustee is located and the city in which is located the principal office of the Bank at which Letter of Credit drawings shall be made are not required or authorized to remain closed by law or regulation and on which The New York Stock Exchange is not closed.

Carson Agreement shall mean the Agreement, dated as of December 3, 1984, by and among the Authority, the

Corporation and the City of Carson, a municipal corporation duly organized and existing under the Constitution and laws of the State of California.

Certificate of Completion shall mean a certificate executed by an Authorized Authority Representative, stating that the 1984 Project or any Additional Project has been completed pursuant to the Plans.

Certified Resolution shall mean a copy of a resolution of the Governing Board certified by the Secretary or an Assistant Secretary of the Authority to have been duly adopted by the Governing Board and to be in full force and effect on the date of such certification.

Cities shall mean Los Angeles and The City of Long Beach, a municipal corporation duly organized and existing under its charter and the Constitution and laws of the State of California.

Closing Date shall mean the date on which the 1984 Bonds are first authenticated and delivered pursuant to the Indenture.

Code shall mean the United States Internal Revenue Code of 1954, as amended.

Completion Date shall mean, with respect to the 1984 Project, the date on which the Authority files with the Trustee a Certificate of Completion, together with an Architect's Certificate, regarding the 1984 Project pursuant to Section 303 of the Indenture.

Construction Fund shall mean the fund created by Section 302 of the Indenture.

Container shall mean an intermodal container or highway trailer of any dimension.

Container Charge shall mean the amount per Movement that the Tenant shall pay to the City as rent for the use of the Premises under the Permit.

Contractor shall mean the person or persons with whom the Authority has contracted for the construction and installation of the 1984 Project or any Additional Project.

Contribution Repayment Date shall mean the first day of the month following the date on which the aggregate amount of Net Revenues made available to the Corporation pursuant to the Indenture first equals the Corporation Contribution, unless such date is the first day of the month

in which case the Contribution Repayment Date shall be such date.

Conversion shall mean the conversion of the interest rate on the 1984 Bonds to the Fixed Rate in accordance with Section 209 of the Indenture.

Conversion Date shall mean the Interest Payment Date upon which the 1984 Bonds begin to bear interest at the Fixed Rate as provided in Section 209 of the Indenture.

Corporation shall mean the Southern Pacific Transportation Company, a Delaware corporation, and its successors or assignees in accordance with the Sublease and the Agreement.

Corporation Contribution shall mean the Initial Corporation Contribution plus any Additional Corporation Contribution.

Cost of Construction shall mean the cost to the Authority and the Corporation of the construction and development of the Facilities and the financing thereof, and shall include, without limitation, the cost of engineering, architectural services, plans, specifications and surveys and estimates of costs; the cost of preparation of the Premises for the Facilities; all costs of removing any Hazardous Waste discovered on the Premises; the cost of any indemnity and surety bonds or other insurance coverage with respect to the Facilities during construction; interest on the Bonds during construction; any reimbursements and payments to the Corporation required or permitted by the Agreement; the initial acceptance fee of the Trustee and the fees and expenses of the Trustee in connection with the preparation, issuance and delivery of the Bonds; the fees and charges of the Remarketing Agent and the Bank incurred in connection with the preparation, issuance and delivery of the Bonds or which can be capitalized as part of the cost of the construction or installation of the Facilities; the administrative expenses of the Authority attributable to the Facilities and the issuance of the Bonds, including, without limitation, compensation of employees, agents, attorneys, accountants and consultants of the Authority and any fees and expenses (including Counsel fees) of the Trustee during construction; the cost of issuance of the Bonds, including, without limitation, discounts, commissions, financing charges and fees and expenses of underwriters, attorneys, accountants, advisers and consultants, the cost of audits, the costs of any registration of the Bonds or of the obligation of the Corporation to pay Installment Payments under the Agreement under federal and state securities laws and any qualification of the Indenture under the Trust Indenture Act of 1939; and shall also include, without limitation, such other costs and expenses to

and including the date of completion of the 1984 Project or any Additional Project, whether or not specified herein, as may be necessary or incidental to the construction and development of the Facilities, the financing of the Facilities and the placing of the same in operation so that the Facilities are completed.

Counsel shall mean an attorney-at-law or a firm of attorneys (who may be an employee of or counsel for the Authority, the Corporation or the Trustee) duly admitted to practice law before the highest court of any state of the United States of America.

Deed of Trust shall mean that certain Leasehold Deed of Trust, Security Agreement, Assignment of Rents and Fixture Filing, executed by the Corporation, as Trustor, in favor of the Trustee, as Beneficiary.

Demand Date shall mean a date upon which any Bondholder may demand to have his 1984 Bonds redeemed in accordance with Section 701(c) of the Indenture. Each Rate Determination Date shall be a Demand Date.

Department shall mean the Harbor Department of Los Angeles.

Depository shall mean any bank or trust company organized under the laws of any state of the United States or any national banking association having capital stock and surplus aggregating at least \$50,000,000 and selected by the Authority and approved in writing by the Trustee as a depository of moneys and securities held under the provisions of the Indenture, and may include the Trustee; provided that, if the Trustee shall fail to approve of any Depository selected by the Authority, it shall deliver to the Authority a statement of its reasons for such failure.

Event of Bankruptcy shall mean the commencement of a case by or against the Corporation under any domestic bankruptcy act or under any similar act which may be hereafter enacted which shall have been filed (other than bankruptcy proceedings initiated by the Corporation against third parties) unless such petition shall have been dismissed and such dismissal shall be final and not subject to appeal.

Excess Proceeds Sub-Account shall mean the sub-account established in the Principal Account of the 1984 Bond Fund as set forth in Section 403 of the Indenture.

Executive Director shall mean the Executive Director of the Department or his designee.

Facilities shall mean, collectively, the 1984 Project and any Additional Project and all other facilities, whether now existing or to be acquired, constructed or installed, which shall comprise all or part of or shall be for use in connection with the intermodal container transfer facility located on the Premises and consist of a railroad yard, storage and marshalling areas for the transfer of Containers between land, water or rail modes of transportation, including but not limited to, all works, buildings, structures, foundations, footings, pavement, rails, ties, pipes, switches, equipment, machinery, fences, walls, tanks and any additions or modifications thereto.

Facilities Revenues shall mean all receipts, revenues, income and other moneys received by the Corporation from Gate Charges including any business interruption insurance awards and all rights to receive the same, whether in the form of accounts, accounts receivable, contract rights or other rights and the proceeds of such rights, whether now owned or held or hereafter coming into being, and all moneys derived by the Corporation from the sale, lease, sublease or other disposition of the Facilities.

Fiscal Year shall mean the twelve-month period commencing at 12:01 a.m. Los Angeles time on July 1 of each year and ending at 12:01 a.m. on the following July 1.

Fixed Rate shall mean the fixed annual interest rate borne by the 1984 Bonds established in accordance with Section 209 of the Indenture.

Fixed Rate Index shall mean the interest index computed by the Remarketing Agent pursuant to Section 209 of the Indenture.

EMC shall mean the Federal Maritime Commission.

Force Majeure Event shall mean any Force Majeure occurrence listed in Section 13 of the Permit.

Gate Charge shall mean the charge established for each Movement by the Authority, as agent for the Corporation under the Sublease, paid by Persons other than the Corporation using the Facilities and collected by the Corporation.

Governing Board shall mean the Governing Board of the Authority established pursuant to the Joint Powers Agreement, as constituted from time to time, or if said Governing Board shall be abolished, such other entity or entities succeeding to the principal functions thereof or to whom the power and duties granted or imposed by the Indenture shall be given by law.

Grading Contract shall mean a construction contract awarded by the Authority that includes the grading and recompactation of the soil within the Premises for the Facilities and the construction of acoustical masonry walls, perimeter fencing, temporary storm water draining facilities and other features that may be required.

Graduated Guaranteed Annual Rent shall mean the amount of rent which the Tenant may elect to pay pursuant to Section 5(g) of the Permit which will be calculated in accordance with the formula provided in Exhibit B to the Permit.

Guaranteed Annual Rent shall mean the minimum amount of rent to be paid pursuant to the Permit by Tenant to City for the use of the Premises in any Permit Year.

Harbor Engineer shall mean the Chief Harbor Engineer of the Department, or his designee.

Hazardous Waste shall mean any substance defined as Hazardous Waste in Article 2 of Chapter 6.5 of Division 20 of the California Health and Safety Code, as amended.

Holding Account shall mean the account of that name established in the Revenue Fund as described in Section 401(a) of the Indenture.

ICC shall mean the Interstate Commerce Commission.

Indenture shall mean the Indenture of Trust, dated as of November 1, 1984 by and between the Authority and the Trustee, including any amendments and supplements thereto.

Independent Certified Public Accountant shall mean any accountant or firm of accountants duly licensed or registered or entitled to practice and practicing as such under the laws of the State of California, appointed and paid by the Corporation or the Authority and satisfactory to and approved by the Trustee, and who, or each of whom:

(a) is in fact independent and not under the domination of the Corporation or the Authority;

(b) does not have any substantial interest, direct or indirect, in the Corporation or the Authority;

(c) is not connected with the Corporation or the Authority as a member of the board of directors of the Corporation or the Authority, or as an officer or employee of the Corporation or the Authority, but who may be regularly retained to make annual or other similar audits of the books of the Corporation, and to certify

the income, expenses and balance sheet, as well as related financial information, in accordance with generally accepted accounting principles; and

(d) satisfies Rule 101 of the Code of Professional Ethics of the American Institute of Certified Public Accountants.

Initial Authority Contribution shall mean the sum of \$5,000,000 contributed by the Authority to be used for the acquisition, construction and installation of the Facilities.

Initial Corporation Contribution shall mean the sum contributed by the Corporation for the construction of the Facilities or for the acquisition, improvement and construction of certain other rights or properties related to the Facilities, including improvements at the Dolores Yard, container/trailer handling equipment for the Facilities and the grade separation over Alameda Street as set forth in the letter required by Section 2.02 of the Sublease.

Installment Payments shall mean the payments referred to as such and required to be paid by the Corporation pursuant to Section 4.02 of the Agreement.

Interest Account shall mean the account of that name established in the 1984 Bond Fund as described in Section 402 of the Indenture.

Interest Eligible Moneys Sub-Account shall mean the sub-account of that name established in the Interest Account as described in Section 403 of the Indenture.

Interest Ineligible Moneys Sub-Account shall mean the sub-account of that name established in the Interest Account as described in Section 403 of the Indenture.

Interest Payment Dates shall mean either November 1 or May 1, in any year that Bonds are Outstanding.

Interim Rent shall mean an amount which is equal to one twelfth (1/12) of the amount set forth in Section 5(c) of the Permit as the Guaranteed Annual Rent for the first Permit Year.

Investment Securities shall mean and include any of the following securities, if and to the extent the same are at the time legal for investment of the Authority's funds:

(i) any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of any of the Federal

agencies set forth in clause (ii) below to the extent they are unconditionally guaranteed by the United States of America;

(ii) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Banks, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Corporation, or any successor to any thereof;

(iii) New Housing Authority Bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an Annual Contributions Contract or Contracts with the United States of America; or project notes issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

(iv) direct and general obligations of any state of the United States of America, to the payment of the principal of and interest on which the full faith and credit of such state is pledged, provided that at the time of their purchase under the Indenture such obligations are rated in either of the two highest rating categories by Moody's or S&P.

(v) certificates of deposit, whether negotiable or non-negotiable, issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association (including the Trustee), provided that such certificates of deposit shall be purchased directly from such a bank, trust company or national banking association and shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by such securities as are described above in clauses (i) through (iv) above, inclusive, which shall have a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such certificates of deposit and shall be lodged with the Trustee, as custodian, by the bank, trust company or national banking association issuing such certificates of deposit, and the bank, trust company or national banking association issuing each such certificate of deposit required to be so secured shall furnish the Trustee with an undertaking satisfactory to it that the aggregate market value of all such obligations securing each such certificate of deposit will at all times be an amount equal to the

principal amount of each such certificate of deposit and the Trustee shall be entitled to rely on each such undertaking; and

(vi) any repurchase agreement with any Depository or government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York, which agreement is secured by any one or more of the securities described in clauses (i), (ii) or (iii) above.

Joint Powers Agreement shall mean the Joint Exercise of Powers Agreement dated October 5, 1983 by and between the Cities as originally executed and as supplemented and amended.

Lease Term shall mean the term of the Sublease as set forth in Section 3.01 of the Sublease.

Letter of Credit shall mean the irrevocable Letter of Credit issued by the Bank to the Trustee contemporaneously with the issuance of the Bonds; provided that upon the issuance and delivery of an Alternate Letter of Credit in accordance with Section 4.05 of the Agreement, "Letter of Credit" shall mean such Alternate Letter of Credit.

Letter of Credit Interest Sub-Account shall mean the sub-account of that name established in the Interest Account as described in Section 403 of the Indenture.

Letter of Credit Principal Sub-Account shall mean the sub-account of that name established in the Principal Account as described in Section 403 of the Indenture.

Los Angeles shall mean The City of Los Angeles, a charter city and municipal corporation duly organized and existing under its charter and the Constitution and laws of the State of California.

Managerial Consultant shall mean any firm of national reputation qualified to report on questions relating to the financial condition of facilities such as the Facilities, selected by the Corporation and acceptable to the Trustee.

Maximum Annual Bond Service shall mean Maximum Annual Bond Service as defined in the Indenture.

Minimum Fixed Rate shall mean the interest rate established in accordance with Section 209 of the Indenture.

Minimum Rate shall mean the interest rate designated as such in Section 203(b) of the Indenture.

Moody's shall mean Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Corporation, approved by the Remarketing Agent and acceptable to the Trustee.

Movement shall mean the passing of a Container, whether empty, partially loaded or fully loaded, other than an empty Tenant controlled or furnished Container, either into or out of the Facilities by rail or truck; provided that such passing shall be counted only once for each Container entering or leaving the Facilities.

Net Revenues for any Payment Period shall mean the excess of Facilities Revenues received in that Payment Period over payments in respect of principal of, premium, if any, and interest on the Bonds, payments of that portion of Rent required by Sections 5.01(a)(2) and 5.01(a)(4) of the Sublease, payments of any annual fees and expenses of the Trustee, Bond Registrar and any paying agents for the Bonds designated under the Indenture and payments of any annual fees in respect of any credit facility obtained in connection with the Bonds paid by the Corporation for that Payment Period; provided that after Bonds cease to be Outstanding, Net Revenues for any Payment Period shall be equal to Facilities Revenues received in that Payment Period minus said portion of Rent paid by the Corporation pursuant to Sections 5.01(a)(2) and 5.01(a)(4) of the Sublease in that Payment Period.

1984 Bond Fund shall mean the fund created by Section 402 of the Indenture.

1984 Bond Purchase Fund shall mean the fund created by Section 405 of the Indenture.

1984 Bond Revenues shall mean (i) that portion of Revenues required by the Indenture to be deposited in the 1984 Revenue Account, (ii) all Installment Payments payable by the Corporation pursuant to the Agreement and required to be deposited in the 1984 Bond Fund, (iii) moneys drawn by the Trustee under the Letter of Credit to pay principal and interest on the 1984 Bonds, and (iv) all other revenues, proceeds, charges, income, receipts and benefits derived by the Authority from the ownership or use of the Trust Estate, including any interest or other income derived from the investment or reinvestment of any of the funds provided for in the Indenture which are part of that Trust Estate.

1984 Bonds shall mean the Intermodal Container Transfer Facility Revenue Bonds, 1984 Series A, authorized and issued pursuant to the Indenture.

1984 Project shall mean that portion of the Facilities described in Exhibit A of the Agreement to be constructed with the proceeds of the 1984 Bonds.

1984 Revenue Account shall mean the account of that name established in the Revenue Fund as described in Section 401(b) of the Indenture.

Officer's Certificate or Certificate of the Authority, when used with respect to the Authority shall mean a certificate signed by the Chairman of the Governing Board or the President or any Vice-President or the Treasurer or the Secretary or any Assistant Treasurer or any Assistant Secretary of the Authority.

Opinion of Counsel shall mean an opinion in writing, signed by legal counsel, who may be Bond Counsel or any employee of, or of counsel to, the Authority or the Corporation, or other counsel satisfactory to the Trustee.

Outstanding, when used with respect to 1984 Bonds, shall mean, subject to the provisions of Section 1102 of the Indenture and as of the date of determination, all 1984 Bonds theretofore authenticated and delivered under the Indenture, except: (a) 1984 Bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation; (b) 1984 Bonds deemed not to be outstanding by reason of Section 407 or Article XIII of the Indenture; (c) 1984 Bonds which have been paid or in exchange for or in lieu of which other 1984 Bonds shall have been authenticated and delivered pursuant to the terms of Section 207 of the Indenture, unless proof satisfactory to the Trustee is presented that any such 1984 Bonds are held by bona fide holders in due course; and (d) Undelivered 1984 Bonds.

Payment Date shall mean any date on which any payment of Sublease Rent is due pursuant to Section 5.01(b) of the Sublease.

Payment Period shall mean the periods designated as such in Section 5.01(b) of the Sublease.

Permit shall mean that certain Permit for Use of Land, Los Angeles Harbor Department Permit Number 529, dated September 14, 1984 by and between the Authority and Los Angeles as from time to time amended and supplemented.

Permit Rents shall mean all sums accruing pursuant to Section 5 of the Permit including, without limitation, the

Container Charges, the Guaranteed Annual Rent, and sums, if any, due under Section 5(a) of the Permit.

Permit Year shall mean the twelve month periods beginning on the first day of the month following the Completion Date and each anniversary thereof during the term of the Permit.

Permitted Encumbrances shall mean and include:

(i) Undetermined liens and charges incident to construction or maintenance and liens and charges incident to construction or maintenance now or hereafter filed of record which are being contested in good faith and have not proceeded to judgment, provided that the Corporation shall have filed the lien release bond contemplated by California Civil Code Section 3143;

(ii) The lien of taxes and assessments which are not delinquent;

(iii) Purchase money financings entered into by the Corporation in connection with the construction and installation of the 1984 Project or any Additional Project;

(iv) Minor defects and irregularities in the title to the Facilities which in the aggregate do not materially impair the use of the Facilities for the purposes for which they are or may reasonably be expected to be held;

(v) Easements, exceptions or reservations for the purpose of pipelines, telephone lines, telegraph lines, power lines and substations, roads, streets, alleys, highways, drainage and sewerage purposes, dikes, canals, laterals, ditches, the removal of oil, gas, coal or other minerals, and other like purposes, or for the joint or common use of real property, facilities and equipment, which in the aggregate do not materially impair the use of such property for the purposes for which it is or may reasonably be expected to be held;

(vi) Rights reserved to or vested in any municipality or governmental or other public authority to control or regulate or use in any manner any portion of the Facilities which do not materially impair the use of the Facilities for the purposes for which they are or may reasonably be expected to be held;

(vii) Any obligations or duties affecting any portion of the Facilities to any municipality or governmental or other public authority with respect to any right, power, franchise, grant, license, or permit;

(viii) Present or future valid zoning laws and ordinances;

(ix) The rights of the Trustee under the Deed of Trust;

(x) Liens securing indebtedness for the payment, redemption or satisfaction of which money (or evidences of such indebtedness) in the necessary amount shall have been deposited in trust with a trustee or other holder of such indebtedness;

(xi) The lien and charge of the Indenture;

(xii) Statutory liens arising in the ordinary course of business with respect to obligations which are not delinquent or are being contested in good faith; and

(xiii) The Southern Pacific Railroad Company First Mortgage, dated as of July 1, 1945, by and between Southern Pacific Railroad Company and The Chase National Bank of the City of New York, as trustee, as supplemented and amended to date, including by the Tenth Supplemental Indenture, dated November 26, 1969, by which the Corporation assumed all obligations thereunder.

Person shall mean natural persons, firms, partnerships, associations, corporations, trusts and public bodies.

Plans shall mean the plans and specifications for the Facilities prepared by the Design and Construction Group of the Corporation and on file with the Corporation, the Trustee and the Authority, as the same may be revised from time to time prior to the Completion Date in accordance with the terms of the Agreement.

Ports shall mean the Port of Los Angeles, The City of Los Angeles and the Port of Long Beach, The City of Long Beach.

Premises shall mean certain parcels of real property as more fully described in Exhibit A to the Permit.

Premium Account shall mean the account of that name established in the 1984 Bond Fund as described in Section 402 of the Indenture.

Premium Eligible Moneys Sub-Account shall mean the sub-account of that name established in the Premium Account as described in Section 403 of the Indenture.

Premium Ineligible Moneys Sub-Account shall mean the sub-account of that name established in the Premium Account as described in Section 403 of the Indenture.

Prime Rate shall mean that rate of interest announced by the Trustee from time to time at its Principal Office as its prime lending rate for domestic commercial loans.

Principal Account shall mean the account of that name established in the 1984 Bond Fund as described in Section 402 of the Indenture.

Principal Eligible Moneys Sub-Account shall mean the sub-account of that name established in the Principal Account as described in Section 403 of the Indenture.

Principal Ineligible Moneys Sub-Account shall mean the sub-account of that name established in the Principal Account as described in Section 403 of the Indenture.

Principal Office shall mean, with respect to the Trustee, 30 West Broadway, New York, New York, 10015, Attention: Corporate Trust Department or such other office designated by the Trustee in writing to the Corporation, the Authority, the Bank and the Remarketing Agent, and with respect to the Remarketing Agent, 1251 Avenue of the Americas, New York, New York, Attention: Tax Exempt Securities Department, or such other office designated by the Remarketing Agent in writing to the Authority, the Corporation, the Bank and the Trustee, and with respect to the Bank, such office designated by the Bank in writing to the Authority, the Corporation, the Trustee and the Remarketing Agent.

Purchase Date shall mean the date on which 1984 Bonds are to be purchased in lieu of redemption thereof pursuant to Section 701(d) of the Indenture.

Rate Determination Date shall mean the first day of each Rate Determination Period, which day is November 1, 1991 and each day specified by the Corporation as a Rate Determination Date in the manner provided in Section 203(d) of the Indenture; provided that if November 1, 1991 or any other day specified by the Corporation is not a Business Day, the Rate Determination Date shall be the next Business Day.

Rate Determination Period shall mean each period specified by the Corporation as set forth in Section 203(d)

of the Indenture commencing on a Rate Determination Date to and including the day before the next Rate Determination Date.

Record Date shall mean, with respect to any Interest Payment Date, the close of business on the fifteenth (15th) day immediately preceding such Interest Payment Date, or, if such day shall not be a Business Day, the immediately preceding Business Day.

Reimbursement Agreement shall mean the reimbursement agreement between the Corporation and the Bank pursuant to which the Letter of Credit is issued by the Bank and delivered to the Trustee, and any and all modifications, alterations, amendments and supplements thereto.

Remarketing Agreement shall mean the remarketing agreement between the Corporation and the Remarketing Agent pursuant to which the 1984 Bonds are to be remarketed as contemplated in the Indenture and any and all modifications, alterations, amendments and supplements thereto.

Remarketing Agent shall mean Morgan Stanley & Co. Incorporated or any successor Remarketing Agent appointed as set forth in the Indenture.

Rent or Rents shall mean all sums accruing pursuant to Section 501 of the Sublease.

Required Reserve shall mean, for so long as Industrial Bank of Japan, Limited, Los Angeles Agency is the Bank, \$5,523,075 and thereafter the amount specified in writing in a certificate delivered to the Trustee by the Bank and/or the Remarketing Agent as provided in Section 503(d) of the Indenture; provided that following an event of purchase pursuant to Section 913 of the Indenture and the transfer of all amounts held in the Reserved Account to the Principal account and the Interest Account pursuant to Section 404(d)(3) of the Indenture, the Required Reserve shall be zero.

Reserve Account shall mean the account of that name established in the 1984 Bond Fund as described in Section 402 of the Indenture.

Revenues shall mean (i) Facilities Revenues, (ii) all insurance or condemnation awards deposited in the Revenue Fund, (iii) all moneys received by the Trustee in respect of the Deed of Trust and (iv) all rights to receive the amounts specified in clauses (i), (ii) and (iii).

S&P shall mean Standard & Poor's Corporation, a corporation organized and existing under the laws of the State of New York, its successors and their assigns, and, if

such corporation shall be dissolved or liquidated or no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Corporation, approved by the Remarketing Agent and acceptable to the Trustee.

Scheduled Redemption Date shall mean the Bond Adjustment Date designated by the Corporation or the Remarketing Agent to occur not less than fourteen (14) days prior to the expiration or termination of the Letter of Credit.

Section 406 Fund shall mean the fund of that name established pursuant to Section 406 of the Indenture.

Section 701(d)(3) Fund shall mean the fund of that name established pursuant to Section 701(d)(3) of the Indenture.

Series shall mean all Bonds authenticated and delivered on original issuance in a simultaneous transaction and identified pursuant to the Indenture or any indenture authorizing Bonds pursuant to Sections 304 and 305 of the Indenture, as a separate Series of Bonds.

Statement of Operations shall mean a document submitted by the Corporation to the Authority pursuant to Section 5.01(a)(3) of the Sublease stating the results of operations at the Facilities during each monthly Payment Period.

Storage Charge shall mean the charge established by the Authority as agent for the Corporation under the Sublease, for the storage of Containers at the Facilities.

Sublease shall mean that certain Sublease Agreement, dated September 14, 1984 by and between the Authority and the Corporation as from time to time amended and supplemented.

Sublease Rent shall mean the amounts referred to as such in Section 5.01(a)(3) of the Sublease.

Sublease Rent Payment Request shall mean a document submitted by the Authority to the Corporation and the Trustee pursuant to Section 5.01(b) of the Sublease which directs the Trustee to make payment of Sublease Rent on behalf of the Corporation.

Subleasehold Estate shall mean the interest in the Premises held by the Corporation or any successor thereto as created by the Sublease.

Subleasehold Mortgage shall mean any leasehold mortgage encumbering the Subleasehold Estate and granted by any Assuming Subtenant pursuant to Section 11 of the Sublease.

Subleasehold Mortgagee shall mean any person or entity to whom a Subleasehold Mortgage is granted pursuant to Section 11 of the Sublease.

Substitution Date shall mean any Interest Payment Date on which the Corporation substitutes the Letter of Credit with an Alternate Letter of Credit or other credit facilities or fails to substitute an Alternate Letter of Credit or other credit facilities upon the expiration or termination of the Letter of Credit, which event results in a reduction or withdrawal of the then prevailing rating of such Bonds by Moody's or S&P.

Tenant shall mean the Authority or any Assuming Subtenant.

Total Bond Service shall mean, for any period of time, the aggregate of all Bond Service on each Service of Bonds.

Total Contribution shall mean the sum of the Authority Contribution plus the Corporation Contribution.

Trust Estate shall mean the property conveyed to the Trustee pursuant to the Granting Clauses of the Indenture.

Trustee shall mean Morgan Guaranty Trust Company of New York, a New York banking corporation, and any successor trustee appointed as provided in the Indenture.

Undelivered Bonds shall mean the 1984 Bonds which have not been surrendered to the Trustee on a Purchase Date for such 1984 Bonds.

Variable Rate shall mean the interest rate borne by the 1984 Bonds during a Bond Adjustment Period determined as set forth under Section 203(b) of the Indenture.

Written Requisition, Written Consent, Written Order and Written Request shall mean, respectively, a written requisition, consent, order or request signed on behalf of the Authority by its Chairman or by the Executive Director or the Secretary or an Assistant Secretary or by any person (whether or not an officer of the Authority) who is specifically authorized by resolution of the Governing Board to sign or execute such a document on its behalf.