

TAX ADMINISTRATION AGREEMENT

City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco); Sub-Project Area G-1 (Pier 70 - Historic Core)

City and County of San Francisco Community Facilities District No. ____ (Pier 70 - Historic Core Facilities)

City and County of San Francisco Community Facilities District No. ____ (Pier 70 - Operation and Maintenance Costs)

This Tax Administration Agreement, dated as of _____, 20__ (the "**Agreement**"), is by and between the City and County of San Francisco acting by and through the San Francisco Port Commission (the "**Port**"), as agent of the IFD, Facilities CFD and Services CFD referenced below, and [Trustee Bank], a national banking association organized and existing under the laws of the United States of America (the "**Trustee**").

RECITALS

This Agreement is made with reference to the following facts and circumstances:

A. Under California Government Code Section 53395 et seq. (the "**IFD Law**") and Ordinance No. _____, adopted by the Board on _____, 20__ (the "**IFD Ordinance**"), the City and County of San Francisco (the "City"), acting through its Board of Supervisors (the "Board"), established City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco) (the "**IFD**") and approved an Infrastructure Financing Plan for the IFD (the "**IFP**").

B. Also under the IFD Law and the IFD Ordinance, the Board established Project Area G (Pier 70) ("**Project Area G**") and Sub-Project Area G-1 (Pier 70 - Historic Core) ("**Sub-Project Area G-1**") in the IFD, and approved Appendix G-1 to the IFP as a Pier 70 enhanced financing plan for Sub-Project Area G-1.

C. Under the IFD Law, the IFD is a legally constituted governmental entity established for the sole purpose of financing public facilities and a "district" within the meaning of Section 1 of Article XIII A of the California Constitution.

D. Sub-Project Area G-1 consists of approximately __ acres in Pier 70 covering seven significant historic buildings commonly referred to as Buildings 101, 102, 104, 113, 114, 115, 116, and 14 located on 20th Street within Pier 70 commonly known as "**Historic Core**." Historic Pier 70, LLC, a California limited liability company ("**Developer**"), has obtained certain project approvals for the rehabilitation and reuse of the historic buildings within the Historic Core (the "**Project**").

E. Among other Project approvals, the Port approved a Lease Development and Disposition Agreement, dated as of September 16, 2014 (the "**LDDA**"), by and between Developer and the City, acting by and through the Port, and the Port and the Board approved Lease No. L-

15814 dated as July 29, 2015, between the City, operating by and through the Port, and Developer (the “**Lease**”).

F. Appendix G-1 authorizes the IFD to use Allocated Tax Increment (as defined in Appendix G-1) and to issue debt secured by Allocated Tax Increment for the purposes and subject to the limitations described in Appendix G-1. Appendix G-1 also specifies the permitted uses of Allocated Tax Increment and any such debt.

G. Under the terms of the LDDA, Developer is required to advance funds for the costs of certain Required Port Benefit Tasks and certain other Port Benefit Tasks, which, at the request of the Port, Developer elects to perform on behalf of the Port. Port Benefit Tasks consist of certain capital improvements including improvements to certain streets and sidewalks and relocation of electrical systems as more fully described in the LDDA, on behalf of the Port, to satisfy the Port’s obligations to construct or acquire such capital improvements under the LDDA.

H. Under the Mello-Roos Community Facilities Act of 1982 (California Government Code §§ 53311 - 53368) (the “**Mello-Roos Act**”), the Board established two community facilities districts:

(i) City and County of San Francisco Community Facilities District No. ____ (Pier 70 - Public Facilities) (the “**Facilities CFD**”), which is authorized to levy special taxes (“**Facilities Special Taxes**”) and issue bonds (the “**CFD Bonds**”) to provide financing for the acquisition and construction of Pier 70 wide Infrastructure, Public Facilities and Shoreline Protection Facilities; and

(ii) City and County of San Francisco Community Facilities District No. ____ (Pier 70 - Operation and Maintenance Costs) (the “**Services CFD**”) that would levy special taxes (“**Services Special Taxes**”; together with Facilities Special Taxes, “**Special Taxes**”) to finance ongoing operation and maintenance costs for Pier 70 wide Infrastructure, Public Facilities, and Shoreline Protection Facilities financed by the Facilities CFD (the “**Services**”).

I. In the IFD Ordinance, the Board appointed the Port to act as the agent of the IFD with respect to the administration of Allocated Tax Increment after it has been allocated in accordance with the City’s budget procedures and a Memorandum of Understanding, dated as of ____, 20__ (the “**Memorandum of Understanding**”), by and among the City acting by and through the San Francisco Controller (the “**Controller**”), the City acting by and through the San Francisco Treasurer and Tax Collector (the “**Treasurer-Tax Collector**”), and the Port. In this role, the Port will be responsible for directing the disbursement of Allocated Tax Increment and any proceeds of debt secured by any such funds to implement the IFP, the LDDA, the Lease, Appendix G-1 and the MOU.

J. In its Resolution No. ____, effective ____, 20__ (the “**MOU Resolution**”), the Board approved the designation of the Port as the agent of the City with respect to the Facilities CFD and the Services CFD and the administration of the Facilities Special Taxes and the Services Special Taxes and any proceeds of debt secured by any the Facilities Special Taxes. In this role, the Port will be responsible for directing the disbursement of the Facilities Special Taxes and the Services Special Taxes and any proceeds of debt secured by the Facilities Special Taxes to implement the LDDA, the Lease and the MOU.

K. In the MOU Resolution, the Board authorized the Port to enter into this Agreement to govern the receipt, deposit and expenditure of Allocated Tax Increment, Facilities Special Taxes and, if determined to be necessary by the Port, Services Special Taxes.

L. The Port expects to receive Allocated Tax Increment attributable to Sub-Project Area G-1 primarily in [December, April and June] of each Fiscal Year during the term of this Agreement commencing _____, 20__.

M. Under the IFP, the Board of Supervisors, as legislative body of the IFD, may issue Tax Allocation Debt (as defined below) and, as legislative body of the Facilities CFD, it may issue CFD Bonds (as defined below), each payable from Allocated Tax Increment. A pledge of Allocated Tax Increment to the CFD Bonds would be accomplished pursuant to a pledge agreement between the Port, as agent of the IFD, and the Facilities CFD, and a trustee for the CFD Bonds may also be an authorized party (a "**Pledge Agreement**").

N. Allocated Tax Increment will also constitute a source of funds to acquire, construct, finance or refinance facilities authorized under Appendix G-1 and the Resolution of Formation for the Facilities CFD, to the extent that Tax Increment is not otherwise needed to pay debt service on any Tax Allocation Debt or CFD Bonds.

O. The Port, on its own behalf and as agent of the IFD with respect to Sub-Project Area G-1, the Facilities CFD and the Services CFD, now desires to enter into this Agreement with the Trustee in order to provide for the administration and disposition of Allocated Tax Increment, Facilities Special Taxes and Services Special Taxes consistent with the terms of the LDDA, IFP, Appendix G-1 and MOU.

AGREEMENT

Accordingly, in consideration of the matters described in the foregoing recitals, the covenants contained in this Agreement, and for other consideration the receipt and sufficiency of which is hereby acknowledged, the Port and the Trustee agree as follows:

1. Definitions. Unless the context otherwise clearly requires, or unless defined in the Recitals above or elsewhere in this Agreement, the capitalized terms used in this Agreement shall have the following meanings:

Annual Allocated Tax Increment Revenues means the Allocated Tax Increment received by the Port, as agent of the IFD, in a Fiscal Year.

CFD Bond Debt Service Requirement means the portion of the Annual Allocated Tax Increment Revenues received in any Fiscal Year necessary to pay debt service on any outstanding CFD Bonds that are (i) coming due prior to the next expected Receipt Date, or (ii) otherwise not expected to be paid from future Annual Allocated Tax Increment Revenues to be received in such Fiscal Year. The CFD Bond Debt Service Requirement includes Annual Allocated Tax Increment Revenues received in one Fiscal Year necessary to pay debt service on any outstanding CFD Bonds in the next Fiscal Year coming due before the first expected Receipt Date of Annual Allocated Tax Increment Revenues for such next Fiscal Year.

CFD Bonds means a debt obligation of the Facilities CFD that is secured by a pledge (or otherwise payable from a contribution) of Allocated Tax Increment and/or Facilities Special Taxes (as defined in the Financing Plan), the net proceeds of which are used to finance or refinance Facilities.

CFD Fiscal Agent Agreement means an indenture of trust, fiscal agent agreement, paying agent agreement, loan agreement or other instrument governing the repayment of CFD Bonds.

Facilities has the meaning given that term in Appendix G-1. Facilities include Pier 70 wide Infrastructure, Public Facilities and Shoreline Protection Facilities.

Facilities CFD Administrative Costs has the meaning given the term “Administrative Expenses” in the rate and method of apportionment of special taxes for the Facilities CFD.

Facilities CFD Resolution of Formation means, with respect to the Facilities CFD, Resolution No. ____, effective ____, 20__, pursuant to which the Board of Supervisors established the Facilities CFD.

Facilities Costs mean all costs related to the construction of Facilities (or reimbursement for costs of Facilities), such as costs of design, engineering, construction monitoring, subdivision improvement bonds, demolition, environmental remediation, reasonable developer overhead and profit and construction financing costs, consistent with applicable law.

Fiscal Year means the fiscal year of the Port.

IFD Administrative Costs means the reasonable costs and expenses actually incurred and paid by the Port, as agent of the IFD, not inconsistent with the purposes of the IFP, including costs and fees of the City pursuant to Section 53369.5, reasonable costs and fees of third-party professionals necessary for the Port to perform its duties under the LDDA, MOU, Tax Administration Agreement and Appendix G-1, costs incurred and paid by the Port to the City, excluding therefrom general and administrative costs or overhead of the Port except for costs directly attributable to performing its duties under the LDDA, MOU, Tax Administration Agreement and Appendix G-1.

Receipt Date means each date that the Port, as agent of the IFD, the Facilities CFD or the Services CFD, receives Allocated Tax Increment, Facilities Special Taxes or Services Special Taxes from the City.

Services CFD Administrative Costs has the meaning given the term “Administrative Expenses” in the rate and method of apportionment of special taxes for the Services CFD.

Services CFD Resolution of Formation means, with respect to the Services CFD, Resolution No. ____, effective ____, 20__, pursuant to which the Board of Supervisors established the Facilities CFD.

Tax Allocation Debt Service Requirement means the portion of the Annual Allocated Tax Increment Revenues received in any Fiscal Year and necessary to pay debt service on Tax Allocation Debt: (i) coming due prior to the next expected Receipt Date, (ii) otherwise not expected to be paid from Annual Allocated Tax Increment Revenues expected to be received in such Fiscal Year due to the priorities in this Agreement, or (iii) otherwise required under the documents for the Tax Allocation Debt to be set aside for the payment of such Tax Allocation Debt. The Tax Allocation Debt Service Requirement includes Annual Allocated Tax Increment Revenues received in one Fiscal Year necessary to pay debt service on any outstanding Tax Allocation Debt in the next Fiscal Year coming due before

the first expected Receipt Date of Annual Allocated Tax Increment Revenues for such next Fiscal Year.

Tax Allocation Debt means a debt obligation of the IFD with respect to Sub-Project Area G-1, not including CFD Bonds, that is secured by a pledge (or otherwise payable from a contribution) of Allocated Tax Increment, the net proceeds of which are used to finance or refinance Facilities. A Pledge Agreement will constitute Tax Allocation Debt.

2. Effective Date; Termination of Agreement.

(a) This Agreement shall become effective on the date first written above and shall terminate on the date determined in accordance with Section 2(b).

(b) This Agreement shall terminate on the date of the latest of the following to occur:

(i) When all of the Allocated Tax Increment and Special Taxes have been disbursed in accordance with the Mello-Roos Act, IFD Law and Appendix G-1.

(ii) The date specified in the Facilities CFD Resolution of Formation and the Services CFD Resolution of Formation as the last date on which Facilities Special Taxes and Services Special Taxes may be levied within the Facilities CFD and the Services CFD, respectively.

(iii) When all Tax Allocation Debt and CFD Bonds and other debt of the IFD with respect to Sub-Project Area G-1 has been defeased and the proceeds thereof have been expended.

The parties may agree to terminate this Agreement on any date that they determine by agreement pursuant to Section 18 below.

3. Allocation and Disposition of Allocated Tax Increment.

(a) The Port shall direct the Trustee in writing to allocate the amount of any payment of Annual Allocated Tax Increment Revenues in the following order of priority, each item to be fully satisfied before the item next in priority:

(i) First, on a pro rata basis, to the Tax Allocation Debt Service Requirement for deposit in the Tax Allocation Debt Account and to the CFD Bond Debt Service Requirement for deposit in the CFD Bond Account. The Port shall calculate the CFD Bond Debt Service Requirement and the Tax Allocation Debt Service Requirement without taking into account any capitalized interest available to pay such debt service; *provided, however*, that the Port shall take into account any such capitalized interest to the extent necessary to ensure the exclusion from gross income for federal tax purposes of the owners of the CFD Bonds and the Tax Allocation Debt of interest on the CFD Bonds and the Tax Allocation Debt, as applicable, and to comply with the federal tax law-related covenants set forth in legal documents for the CFD Bonds and the Tax Allocation Debt, as applicable.

(ii) Second, on a pro rata basis, to replenish a debt service reserve fund for any outstanding CFD Bonds and any outstanding Tax Allocation Debt to the

applicable funding requirement. Amounts required for this purpose shall be deposited in the Tax Allocation Debt Account and the CFD Bond Account, as applicable.

(iii) Third, to pay for Facilities Costs, upon receipt from the Port of a written requisition therefor in substantially the form of Exhibit A. Amounts required for this purpose shall be deposited in the G-1 Facilities Costs Account.

(iv) [discuss priority of payment of IFD Administrative Costs]

(b) All Annual Allocated Tax Increment Revenues remaining after the allocations prescribed by Section 3(a) shall be allocated to the Contingency Account.

(c) The Port shall transfer or cause to be transferred all Allocated Tax Increment to the Trustee no later than fifteen (15) calendar days after its Receipt Date, accompanied by a written order of the Port specifying the amounts, if any, to be deposited in the Tax Allocation Debt Account, the CFD Bond Account, the G-1 Facilities Costs Account and the Contingency Account.

4. Allocation and Disposition of Facilities Special Taxes.

(a) After depositing in a special fund held by the Port the amount required to pay Facilities CFD Administrative Costs in that Fiscal Year, the Port shall transfer or cause to be transferred all Facilities Special Taxes to the Trustee no later than fifteen (15) calendar days after their Receipt Date, accompanied by a written order of the Port specifying the deposit of such amount in the CFD Facilities Costs Fund.

(b) The Port shall direct the Trustee in a written requisition therefor in substantially the form of Exhibit B to allocate the amount of any Facilities Special Taxes to pay for Facilities Costs.

(c) Upon the issuance of any CFD Bonds, the Port may (i) may transfer all Facilities Special Tax to the trustee or fiscal agent for the CFD Bonds, and direct such trustee or fiscal agent to transfer any Facilities Special Taxes not required in connection with the CFD Bonds to be transferred to the Trustee for deposit in the CFD Facilities Costs Fund or (ii) direct the Trustee that the provisions of this Section 4 shall be of no further force or effect.

5. Allocation and Disposition of Services Special Taxes.

(a) After depositing in a special fund held by the Port the amount required to pay Services CFD Administrative Costs in that Fiscal Year, the Port shall transfer or cause to be transferred all Services Special Taxes to the Trustee no later than fifteen (15) calendar days after their Receipt Date, accompanied by a written order of the Port specifying the deposit of such amount in the CFD Services Fund.

(b) The Port shall direct the Trustee in a written requisition therefor in substantially the form of Exhibit C to allocate the amount of any Services Special Taxes to pay for authorized Services.

(c) The Port may direct the Trustee that the provisions of this Section 5 shall be of no further force or effect in its sole discretion.

6. Establishment of Special Funds and Accounts.

(a) Funds and Accounts Related to Allocated Tax Increment. The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Sub-Project Area G-1 Special Fund" (the "G-1 Special Fund"), which shall constitute the special fund required by Section 53396(b) of the IFD Law.

Within the G-1 Special Fund, the Trustee shall establish, maintain and hold the following accounts: the "Tax Allocation Debt Account," the "CFD Bond Account," the "G-1 Facilities Costs Account" and the "Contingency Account."

The G-1 Special Fund and the accounts therein shall be held by the Trustee for the benefit of the IFD and shall be applied by the Trustee in accordance with this Agreement.

(b) Funds and Accounts Related to Facilities Special Taxes. So long as Section 4 of this Agreement is in effect (i) the Trustee shall establish, maintain and hold in trust a separate fund designated as the "CFD Facilities Costs Fund," which shall constitute the special fund for the Facilities CFD required by Government Code Section 50075.1 and (ii) the CFD Facilities Costs Fund shall be held by the Trustee for the benefit of the Facilities CFD and shall be applied by the Trustee in accordance with this Agreement.

(c) Funds and Accounts Related to Services Special Taxes. So long as Section 5 of this Agreement is in effect (i) the Trustee shall establish, maintain and hold in trust a separate fund designated as the "CFD Services Fund," which shall constitute the special fund for the Services CFD required by Government Code Section 50075.1 and (ii) the CFD Services Costs Fund shall be held by the Trustee for the benefit of the Services CFD and shall be applied by the Trustee in accordance with this Agreement.

7. Tax Allocation Debt Account.

(a) At the written direction of the Port, amounts deposited in the Tax Allocation Debt Account shall be transferred by the Trustee from time to time, to pay debt service on Tax Allocation Debt under and pursuant to the terms of the documents pursuant to which the Tax Allocation Debt was issued, as in effect from time to time. In the event amounts in the Tax Allocation Debt Account are insufficient to pay amounts due under the documents evidencing Tax Allocation Debt, the Trustee shall withdraw the amount of the deficiency from the following accounts in the following order to the extent of the available moneys in each said account: (i) the Contingency Account and (ii) the G-1 Facilities Costs Account.

(b) Prior to June 30, of each year, the Port shall calculate the Tax Allocation Debt Service Requirement as of June 30, and shall provide the Trustee with a certificate of the Port (the "Year-End Tax Allocation Debt Certificate") directing the Trustee to transfer to the appropriate debt service accounts established by the documents evidencing the Tax Allocation Debt the amounts set forth in the Year-End Tax Allocation Debt Certificate. The Year-End Tax Allocation Debt Certificate shall state the sum of the amounts to be transferred to debt service accounts pursuant to the Year-End Tax Allocation Debt Certificate, which shall equal the Tax Allocation Debt Service Requirement as of said June 30. The Year-End Tax Allocation Debt Certificate shall also state that, providing the Trustee has made all the transfers required to be made in accordance with the Year-End Tax Allocation Debt Certificate, on the first Business Day following said June 30, the Trustee shall make the transfers described in Section 7(c).

(c) Upon compliance with the conditions stated in Section 7(b), the Trustee shall transfer all amounts remaining in the Tax Allocation Debt Account to the CFD Bond Account, as necessary to make up any deficiencies in such account for the then immediately preceding Fiscal Year, and (ii) any remaining amount to the G-1 Facilities Costs Account.

8. CFD Bond Account.

(a) At the written direction of the Port, amounts in the CFD Bond Account shall be transferred by the Trustee from time to time, to pay debt service on CFD Bonds or as otherwise required under the documents pursuant to which any such CFD Bonds have been issued. In the event amounts in the CFD Bond Account are insufficient to pay amounts due under the documents evidencing CFD Bonds, the Trustee shall withdraw the amount of the deficiency from the following accounts in the following order to the extent of the available moneys in each said account: (i) the Contingency Account, (ii) the G-1 Facilities Costs Account and (iii) the CFD Facilities Costs Fund.

(b) Prior to June 30, of each year, the Port shall calculate the CFD Bond Debt Service Requirement as of June 30, and shall provide the Trustee with a certificate of the Port (the "Year-End CFD Bond Debt Certificate") directing the Trustee to transfer to the appropriate debt service accounts established by the documents evidencing the CFD Bonds the amounts set forth in the Year-End CFD Bond Debt Certificate. The Year-End Bond Debt Certificate shall state the sum of the amounts to be transferred to debt service accounts pursuant to the Year-End CFD Bond Debt Certificate, which shall equal the CFD Bond Debt Service Requirement as of said June 30. The Year-End CFD Bond Debt Certificate shall also state that, if the Trustee has made all the transfers required to be made in accordance with the Year-End CFD Bond Debt Certificate, on the first Business Day following said June 30, the Trustee shall make the transfers described in Section 8(c).

(c) Upon compliance with the conditions stated in Section 8(b), the Trustee shall transfer all remaining amounts in the CFD Bond Account to the CFD Facilities Costs Fund.

9. G-1 Facilities Costs Account.

(a) The Trustee shall withdraw and apply moneys in the G-1 Facilities Costs Account in accordance with a written requisition of the Port in substantially the form of Exhibit A.

(b) The Trustee shall maintain records as to the date of each deposit to the G-1 Special Fund, and shall use a first-in, first-out method of accounting in respect of the use of amounts so deposited for purposes of Section 8(a).

(c) The Trustee shall transfer any amounts in the G-1 Facilities Costs Account to the Tax Allocation Debt Account or the CFD Bond Account to the extent and at the times required to comply with the provisions of Section 7(a) and Section 8(a).

9. Contingency Account.

(a) Amounts in the Contingency Account shall be used to satisfy deficiencies in any Fiscal Year in amounts needed (i) to pay IFD Administrative Costs, (ii) to meet the requirements of the Tax Allocation Debt Account, (iii) to meet the requirements of the CFD Bond Account, and (iv) the to pay Facilities Costs to the extent that moneys in the G-1

Facilities Costs Account and the CFD Facilities Costs Fund are insufficient for that purpose. Amounts in the Contingency Account shall be disbursed as provided in Section 7(a) or Section 8(a) or upon the written request of the Port.

(b) On the last day of each Fiscal Year, any amounts remaining on deposit in the Contingency Account shall be transferred by the Trustee to the G-1 Facilities Costs Account.

(c) Amounts in the Contingency Account are not pledged to the payment of debt service on Tax Allocation Debt or CFD Bonds and are available for the purposes described in Section 9.

11. Investment of Funds; Reporting of Earnings and Balances.

(a) Investment of Funds. The Trustee shall invest amounts on deposit in the funds and accounts established under this Agreement at the written direction of the Port in any lawful investment for Port funds. The Trustee may rely on the written direction of the Port as to the legality of any such investment. In the absence of any such written direction, the Trustee shall hold such moneys uninvested. The Trustee shall not be responsible for any loss on any investment made at the written direction of the Port or otherwise made in accordance with this Section 11(a).

(b) Reporting of Earnings and Balances. The Trustee shall provide monthly reports to the Port with a copy to Owner setting forth a list of all assets in each of the accounts and funds established under this Agreement, all deposit and withdrawal activity for the funds and accounts, any investment gain or loss on amounts in such funds and accounts, and the ending balance, as of the end of the preceding month, of each such account.

12. General Provisions Regarding the Trustee.

The following provisions shall pertain to the performance by the Trustee of its duties under this Agreement:

(a) Duties, Immunities and Liabilities of Trustee. The Trustee shall perform such duties and only such duties as are specifically set forth in this Agreement. The Trustee shall exercise the rights and powers vested in it by this Agreement, and use the some degree of care and skill in their exercise, as a reasonable person would exercise or use under the circumstances in the conduct of his or her own affairs.

(b) Merger or Consolidation of Trustee. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding. The Trustee shall give written notice to the Port of any such merger or consolidation and of any name change.

(c) Liability of Trustee. The recitals of facts herein shall be taken as statements of the Port and the Trustee assumes no responsibility for the correctness of the some, or shall incur any responsibility with respect to this Agreement, other than in connection with the duties or obligations herein or imposed upon it. The Trustee shall not be liable (i) in connection with the performance of its respective duties hereunder, except for its own

negligence or willful misconduct; (ii) for any error of judgment made in good faith, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; (iii) with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Port the relating to the time, method and place of exercising any trust or power conferred upon the Trustee under this Agreement; or (iv) for any action taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Agreement.

(d) Payment, Reimbursement, Indemnification. The Port agrees:

(i) to pay the Trustee, from time to time reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(ii) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Agreement (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to the Trustee's negligence or willful misconduct; and

(iii) to indemnify the Trustee for, and to hold it harmless against, any loss, liability, cost, claim or expense of any kind whatsoever, including those of its attorneys, incurred without negligence or willful misconduct on the Trustee's part, arising out of or in connection with the acceptance or administration of this trust or the performance of its duties hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder. The provisions of this Section 12(d)(iii) shall survive the termination of this Agreement.

(e) Expenditure of Trustee's Funds. No provision of this Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(f) Agents, Co-Trustees. The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, co-trustees or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent, co-trustee or attorney appointed with due care by it hereunder.

(g) No Personal Liability. In acting as Trustee hereunder, the Trustee acts solely in its capacity as Trustee, and not in its individual, personal or corporate capacity.

(h) Right of Trustee to Rely on Documents. The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, requisition, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, debenture, coupon or other paper or document, but the Trustee, in its discretion, may make such further investigation or inquiry into such facts of matters as it may deem fit.

The Trustee shall be protected in acting upon any notice, resolution, request, direction, requisition, consent, order, certificate, report, opinion, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith. The Trustee may conclusively rely upon any direction or instruction received by it from the Port as to the deposit and withdrawal of moneys in the funds and accounts established under this Agreement and shall not be responsible as to the correctness of the amounts received, or the use or allocation thereof, but its responsibility shall be limited to the accounting for such funds as it shall actually receive.

Whenever in the administration of the trusts imposed upon it by this Agreement the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a statement of the Port and such statement shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Agreement in reliance upon such statement, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable.

(i) Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Agreement shall be retained in its possession and shall be subject at all reasonable times upon reasonable prior notice to the inspection of the Port and its respective agents and representatives duly authorized in writing, at reasonable hours and under reasonable conditions.

Section 13. Resignation or Removal of Trustee.

(a) The Trustee may resign at any time by giving written notice to the Port, and the Port shall promptly appoint a successor trustee.

(b) The Port may remove the Trustee at any time without cause by giving written notice to the Trustee and appointing a successor trustee.

(c) Notwithstanding any other provision of this Agreement, no resignation or removal of the Trustee shall take effect until the acceptance of appointment and assumption of duties by the successor trustee.

Section 14. Section Headings and References. The headings or titles of the several Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Agreement.

All references herein to "Sections" and other subsections are to the corresponding Sections or subsections of this Agreement; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section or subsection hereof; and words of any gender shall mean and include words of the other genders.

Section 15. Execution in Several Counterparts. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Port and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 16. Governing Law. This Agreement shall be construed in accordance with and governed by the Constitution and laws of the State of California, applicable to the contracts made and performed in such State.

Section 17. Notices. Unless otherwise expressly stated herein, any notice or demand which by any provision of this Agreement is required or permitted to be given or served by any party may be given or served by being sent by any generally recognized express service, hand delivery, or deposited postage prepaid in a post office letter box addressed (until another address is specified by a party, and then, that address) as follows:

The Port:	Pier 1 San Francisco Port Commission San Francisco, CA 94111 Attention: Executive Director
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The Trustee:	[Trustee Bank] [address to come]
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Section 18. Amendments. This Agreement may not be effectively amended, changed, modified, altered or terminated except in writing, executed by the Port and the Trustee. The Trustee shall execute any amendment to this Agreement as requested by the Port except that the Trustee shall have the right to refuse to execute any amendment to this Agreement to the extent it materially and adversely affects the rights of the Trustee hereunder.

IN WITNESS WHEREOF, Port, as agent of the IFD, Facilities CFD and Services CFD, has caused this Agreement to be signed in its name by its duly authorized officer, and the Trustee has caused this Agreement to be signed in its name by its duly authorized officer, all as of the day and year first above written.

CITY AND COUNTY OF SAN FRANCISCO ACTING
BY AND THROUGH THE SAN FRANCISCO PORT
COMMISSION, AS AGENT OF THE IFD, THE
FACILITIES CFD AND THE SERVICES CFD

By: _____

Its: _____

[TRUSTEE BANK], as Trustee

By: _____

Its: _____

EXHIBIT A
FORM OF REQUISITION
G-1 FACILITIES COSTS ACCOUNT

EXHIBIT B
FORM OF REQUISITION
CFD FACILITIES COSTS FUND

EXHIBIT C
FORM OF REQUISITION
SERVICES CFD FUND