

COMMERCIAL PAPER OFFERING MEMORANDUM

BOOK-ENTRY-ONLY

Rating: See “Rating” herein

In the opinion of Orrick, Herrington & Sutcliffe LLP, as Bond Counsel to The Port of Portland, Oregon (the “Port”), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series A Notes and the Series B Notes (together, the “Tax-Exempt Notes”), when issued in accordance with the Tax Certificate and the Revenue Bond Ordinances, will be excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), except that no opinion is expressed as to the status of interest on any Series B Note for any period that such Series B Note is held by a “substantial user” of the facilities financed or refinanced by the Series B Notes, or by a “related person” to such a substantial user within the meaning of Section 147(a) of the Code. In the further opinion of Bond Counsel, interest on the Series A Notes is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel observes that interest on the Series B Notes is a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is of the further opinion that the amount treated as interest on the Tax-Exempt Notes and excluded from gross income will depend upon the taxpayer’s election under Internal Revenue Notice 94-84. Bond Counsel is also of the opinion that interest on the Series A Notes, Series B Notes, and Series C Notes is exempt from State of Oregon personal income taxation. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes. See “TAX MATTERS.”

THE PORT OF PORTLAND, OREGON Portland International Airport Third Lien Commercial Paper Notes Series A (Non-AMT) Series B (AMT) Series C (Taxable)

This Commercial Paper Offering Memorandum (“Offering Memorandum”) is being furnished in connection with the issuance, from time to time, of The Port of Portland, Oregon Portland International Airport Third Lien Commercial Paper Notes, Series A (Non-AMT), Series B (AMT) and Series C (Taxable) (collectively, the “Notes”). This Offering Memorandum, dated November 26, 2019, replaces in its entirety the Offering Memorandum dated January 17, 2018.

The Port of Portland (the “Port”) was established by an act of the Oregon Legislative Assembly in 1891 and is charged with operating aviation, maritime, commercial and industrial facilities within Multnomah County, Washington County and Clackamas County. The Port has the power to issue revenue obligations for airport facilities pursuant to the provisions of Ordinance No. 155 and Ordinance No. 323, each as defined and described further herein. The Notes are authorized to be issued to, among other things, finance and refinance certain capital projects at Portland International Airport (the “Airport”).

IN MAKING AN INVESTMENT DECISION REGARDING A POSSIBLE PURCHASE OF THE NOTES, PROSPECTIVE PURCHASERS OF THE NOTES SHOULD RELY SOLELY ON THE CREDIT OF THE BANK (AS DEFINED BELOW) AND NOT ON THE CREDIT OF THE PORT.

The Notes will be issued pursuant to an Issuing Agent, Paying Agent and Trustee Agreement, dated as of December 1, 2017 (the “Issuing Agreement”), by and between the Port and U.S. Bank National Association, as issuing agent, paying agent and trustee (the “Issuing Agent, Paying Agent and Trustee”). Credit support for the timely payment of the principal of and interest on the Notes will be provided by **BANK OF AMERICA, N.A.** (the “Bank”) pursuant to an irrevocable direct-pay letter of credit (the “Letter of Credit”). Pursuant to the terms of the Letter of Credit, the Issuing Agent, Paying Agent and Trustee will make draws under the Letter of Credit to pay the principal of and interest on the Notes at maturity. The initial stated amount of the Letter of Credit is \$315,000,000, and it expires on December 2, 2022 unless extended or terminated sooner in accordance with its terms. See “The Letter of Credit and the Reimbursement Agreement” and “APPENDIX B—CERTAIN INFORMATION REGARDING THE BANK,” herein.

The Notes will be issued only as fully registered notes in denominations of \$100,000 and integral multiples of \$1,000 in excess thereof. When issued, the Notes will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). Purchases of beneficial interests in the Notes will be made in book-entry-only form. Purchasers of beneficial interests in the Notes (the “Beneficial Owners”) will not receive physical delivery of certificates representing their interests in the Notes. Interest on the Notes, together with the principal of the Notes, will be paid directly to DTC, so long as the Notes are held in book-entry-only form. See “APPENDIX C—BOOK-ENTRY-ONLY SYSTEM.”

THE PRINCIPAL OF AND INTEREST (IF ANY) ON THE NOTES WILL BE PAYABLE SOLELY FROM DRAWINGS ON THE LETTER OF CREDIT, PROCEEDS OF THE NOTES, AND, TO THE EXTENT ANY DRAWINGS UNDER THE LETTER OF CREDIT ARE NOT HONORED, FROM THIRD LIEN REVENUES (AS DEFINED HEREIN) OF THE PORT. THE PORT IS NOT OBLIGATED TO PAY THE PRINCIPAL OF AND INTEREST ON THE NOTES EXCEPT FROM FUNDS ADVANCED UNDER THE LETTER OF CREDIT, PROCEEDS OF THE NOTES AND THE THIRD LIEN REVENUES. THE NOTES SHALL NOT, IN ANY MANNER, OR TO ANY EXTENT, BE A GENERAL OBLIGATION OF THE PORT, NOR A CHARGE UPON ANY REVENUES OR PROPERTY OF THE PORT NOT SPECIFICALLY PLEDGED THERETO BY THE REVENUE BOND ORDINANCES. THE NOTES ARE NOT SECURED BY ANY TAX REVENUES OR TAXING POWER OF THE PORT OR THE STATE OF OREGON OR ITS AGENCIES, INSTRUMENTALITIES OR POLITICAL SUBDIVISIONS. The pledge of Third Lien Revenues for the payment of the principal of and interest on the Notes is subordinate to the pledge of Net Revenues (as defined herein) securing the payment of the Port’s currently outstanding Subordinate Lien Bonds and Junior Lien Obligations (each as defined herein) and any additional Subordinate Lien Bonds or Junior Lien Obligations that may be issued by the Port pursuant to Ordinance No. 155, enacted November 10, 1971, as amended and restated thereafter, and Ordinance No. 323, enacted October 9, 1985, as amended and restated thereafter. See “Security and Source of Payment for the Notes.”

This cover page is not intended to be a summary of the terms of, or the security for, the Notes. Investors are advised to read this Offering Memorandum in its entirety to obtain information essential to the making of an informed investment decision.

Citigroup

Date of Commercial Paper Offering Memorandum: November 26, 2019.

The information in this Offering Memorandum has been obtained from the Port, the Issuing Agent, Paying Agent and Trustee, the Bank, DTC and other sources believed to be reliable. The references herein to the Revenue Bond Ordinances (as defined herein), the Issuing Agreement, the Notes, the Letter of Credit and the Reimbursement Agreement do not purport to be complete or definitive, do not constitute summaries thereof and are qualified in their entirety by reference to the provisions thereof.

No dealer, salesperson or other person has been authorized to give any information or to make any representation other than those contained herein and, if given or made, such other information or representation should not be relied upon as having been authorized by the Port or any other person.

The information and expressions of opinion in this Offering Memorandum are subject to change without notice and neither the delivery of this Offering Memorandum nor any sale hereunder shall under any circumstances create the implication that there has been no change in the matters referred to in this Offering Memorandum since the date hereof.

This Offering Memorandum is not to be construed as a contract between the Port and the purchasers of the Notes. This Offering Memorandum does not constitute an offer to sell securities in any jurisdiction to any person to whom it is unlawful to make such offers. Prospective purchasers of the Notes are expected to conduct their own review and analysis before making an investment decision.

The Notes are exempted from the requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended. The Notes have not been registered under the Securities Act of 1933, as amended, in reliance upon an exemption contained therein, and have not been registered or qualified under the securities laws of any state. Neither the Revenue Bond Ordinances nor the Issuing Agreement have been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon an exemption contained therein. The Notes have not been recommended by any federal or state securities commission or regulatory commission. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Offering Memorandum.

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COMMERCIAL PAPER OFFERING MEMORANDUM

THE PORT OF PORTLAND, OREGON Portland International Airport Third Lien Commercial Paper Notes Series A (Non-AMT) Series B (AMT) Series C (Taxable)

This Commercial Paper Offering Memorandum (“Offering Memorandum”) has been prepared in connection with the issuance, from time to time, by The Port of Portland (the “Port”) of its Portland International Airport Third Lien Commercial Paper Notes, Series A (Non-AMT), Series B (AMT), and Series C (Taxable). All references to documents and other materials herein are qualified in their entirety by reference to the complete provisions of those documents and other materials.

This Offering Memorandum, dated November 26, 2019, replaces in its entirety the prior Offering Memorandum dated January 17, 2018. The information and expressions of opinion in this Offering Memorandum are subject to change without notice after November 26, 2019, and future use of this Offering Memorandum will not otherwise create any implication that there has been no change in the matters referred to in this Offering Memorandum since November 26, 2019.

IN MAKING AN INVESTMENT DECISION REGARDING A POSSIBLE PURCHASE OF THE NOTES, PROSPECTIVE PURCHASERS OF THE NOTES SHOULD RELY SOLELY ON THE CREDIT OF THE BANK (AS DEFINED HEREIN) AND NOT ON THE CREDIT OF THE PORT OR THE AIRPORT (AS DEFINED HEREIN).

THE COMMERCIAL PAPER NOTES

The Port will issue, from time to time, its (a) Portland International Airport Third Lien Commercial Paper Notes, Series A (Non-AMT) (the “*Series A Notes*”); (b) Portland International Airport Third Lien Commercial Paper Notes, Series B (AMT) (the “*Series B Notes*” and together with the Series A Notes, the “*Tax-Exempt Notes*”); and (c) Portland International Airport Third Lien Commercial Paper Notes, Series C (Taxable) (the “*Series C Notes*” or the “*Taxable Notes*”). The Series A Notes, the Series B Notes and the Series C Notes are collectively referred to herein as the “*Notes*.”

The Notes will be issued, from time to time, pursuant to Ordinance No. 155, enacted by the Board of Commissioners of the Port (the “*Board*”) on November 10, 1971, as amended and restated thereafter (“*Ordinance No. 155*”), and pursuant to Ordinance No. 323, enacted by the Board on October 9, 1985, as amended and restated thereafter, including as amended by Ordinance 422-B, on November 8, 2006, and as hereafter amended, restated and supplemented (collectively, “*Ordinance No. 323*,” and together with Ordinance No. 155, the “*Revenue Bond Ordinances*”), and the Issuing Agreement (as defined herein). The Port is authorized to issue the Notes pursuant to Ordinance No. 463-CP, enacted by the Board on November 8, 2017 (the “*Ordinance No. 463-CP*”). Ordinance No. 463-CP authorizes the continued issuance of the Notes in a combined principal amount not to exceed \$300 million outstanding at any one time.

The Notes may be issued, from time to time, to finance and refinance capital projects at the Portland International Airport (the “*Airport*”), to repay the principal of and interest on outstanding Notes when due (including to reimburse the Bank for unreimbursed drawings on the Letter of Credit), to refund and pay debt service on other obligations of the Port with respect to the Airport, to pay the issuance expenses of the Notes and for any other lawful purposes. The Notes are not subject to redemption prior to maturity.

The Series A Notes and the Series B Notes will be issued in denominations of \$100,000 or integral multiples of \$1,000 in excess thereof, and will be payable on such dates as the Port may establish. The Series A Notes and the Series B Notes will mature not more than 270 days after their respective dates of issuance, but, except as provided in the Issuing Agreement, in no event later than one Business Day prior to the expiration date of the Letter of Credit. The Series A Notes and the Series B Notes may bear interest at rates not in excess of 12% per annum, payable at maturity, calculated on the basis of a 365/366-day year and actual days elapsed.

The Series C Notes will be issued in denominations of \$100,000 or integral multiples of \$1,000 in excess thereof. The Series C Notes may be issued and sold either as interest bearing notes or at a discount, as determined by an authorized representative of the Port at the time such Series C Notes are issued. Interest, if any, payable on Series C Notes will accrue from their respective dates, payable upon maturity, at a rate to be determined upon the issuance thereof calculated on the basis of a 360-day year and actual number of days elapsed. The Series C Notes will mature not more than 270 days after their dates of issuance, but, except as provided in the Issuing Agreement, in no event later than one Business Day prior to the expiration date of the Letter of Credit.

The Notes will be issued as fully registered notes and registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company (“*DTC*”), New York, New York. Beneficial ownership interests in the Notes will be available in book-entry form only, and purchasers of the Notes will not receive certificates representing their interests in the Notes purchased. While held in book-entry-only form, all payments of principal of and interest on the Notes will be made by wire transfer to DTC or its nominee as the sole registered owner of the Notes. Payments to purchasers of beneficial interests in the Notes (each a “*Beneficial Owner*”) are the responsibility of DTC and its participants. See “APPENDIX C—BOOK-ENTRY-ONLY SYSTEM.”

SECURITY AND SOURCE OF PAYMENT FOR THE NOTES

General. Pursuant to the terms of the Issuing Agent, Paying Agent and Trustee Agreement, dated as of December 1, 2017 (the “*Issuing Agreement*”), by and between the Port and U.S. Bank National Association, as issuing agent, paying agent and trustee (the “*Issuing Agent, Paying Agent and Trustee*”), the Notes are payable from and secured by a lien on and pledge of (a) draws pursuant to the Letter of Credit, (b) the proceeds from the sale of the Notes, and (c) Third Lien Revenues (as defined herein) and amounts in certain funds established pursuant to the Issuing Agreement and Ordinance No. 323.

THE PRINCIPAL OF AND INTEREST (IF ANY) ON THE NOTES WILL BE PAYABLE SOLELY FROM DRAWINGS ON THE LETTER OF CREDIT, PROCEEDS OF THE NOTES, AND, TO THE EXTENT ANY DRAWINGS UNDER THE LETTER OF CREDIT ARE NOT HONORED, FROM THIRD LIEN REVENUES. THE PORT IS NOT OBLIGATED TO PAY THE PRINCIPAL OF AND INTEREST ON THE NOTES EXCEPT FROM FUNDS ADVANCED UNDER THE LETTER OF CREDIT, PROCEEDS OF THE NOTES AND THE THIRD LIEN REVENUES. THE NOTES SHALL NOT, IN ANY MANNER, OR TO ANY EXTENT, BE A GENERAL OBLIGATION OF THE PORT, NOR A CHARGE UPON ANY REVENUES OR PROPERTY OF THE PORT NOT SPECIFICALLY PLEDGED THERETO BY THE REVENUE BOND ORDINANCES. THE NOTES ARE NOT SECURED BY ANY TAX REVENUES OR TAXING POWER OF THE PORT OR THE STATE OF OREGON OR ITS AGENCIES, INSTRUMENTALITIES OR POLITICAL SUBDIVISIONS.

IN MAKING AN INVESTMENT DECISION REGARDING A POSSIBLE PURCHASE OF THE NOTES, PROSPECTIVE PURCHASERS OF THE NOTES SHOULD RELY SOLELY ON THE CREDIT OF THE BANK AND NOT ON THE CREDIT OF THE PORT OR THE AIRPORT.

Letter of Credit. On December 4, 2019, Bank of America, N.A. (the “**Bank**”) will issue an irrevocable direct-pay letter of credit (the “**Letter of Credit**”) to provide credit support for the timely payment of the principal of and interest on the Notes. The initial stated amount of the Letter of Credit is \$315,000,000 (to cover principal of \$300,000,000 and interest on the Notes accruing at a rate of 10% for 180 days based on a 360-day year), and it expires on December 2, 2022 unless extended or terminated sooner in accordance with its terms. See “The Letter of Credit and the Reimbursement Agreement” and “APPENDIX B—CERTAIN INFORMATION REGARDING THE BANK.”

In order to ensure timely payment of the principal of and interest on the Notes, at the Port’s request, the Bank issued the Letter of Credit to the Issuing Agent, Paying Agent and Trustee as beneficiary pursuant to, and upon the terms and conditions stated in, the Reimbursement Agreement. On or before the date of maturity of any Note, the Issuing Agent, Paying Agent and Trustee will draw on the Letter of Credit an amount equal to the principal and interest due on the Notes maturing on such date. Pursuant to the Issuing Agreement, all amounts received from any drawing on the Letter of Credit are required to be deposited in the Letter of Credit Fund established thereunder and held in trust and set aside exclusively for the payment of the principal of and interest on the Notes for which such drawing was made, and the Issuing Agent, Paying Agent and Trustee is required to apply such amounts to the payment of the principal of and interest on such Notes on the applicable maturity date.

The Port will at all times maintain in effect a letter or letters of credit or one or more other credit facilities (each an “**Alternate Facility**”) in an aggregate amount equal to the sum of the principal amount of the Notes outstanding plus interest due at maturity thereof. The Port may obtain an Alternate Facility to replace one or more of the letters of credit then in effect (each an “**Existing Letter of Credit**”), provided, among other things, (a) the Issuing Agent, Paying Agent and Trustee gives or causes to be given prior written notice of the proposed substitution to the Owners of the Outstanding Notes payable from such Existing Letter of Credit, (b) the Alternate Facility is delivered to the Issuing Agent, Paying Agent and Trustee, and (c) the Alternate Facility becomes effective pursuant to its terms on the maturity date of all outstanding Notes payable from such Existing Letter of Credit.

Pledge of Third Lien Revenues. The pledge of Third Lien Revenues granted to the Notes is in all respects junior and subordinate to the payment of Costs of Operation and Maintenance (as defined below) and the payment of debt service on any Subordinate Lien Bonds and Junior Lien Obligations (each as defined herein) issued by the Port pursuant to the Revenue Bond Ordinances, and is on a parity with the pledge of Third Lien Revenues granted to the Bank pursuant to the Reimbursement Agreement (as defined herein) and to any other outstanding subordinated debt which may be issued by the Port and secured with a pledge of and lien on Third Lien Revenues. The Port may at any time incur indebtedness secured by a pledge of and lien on Net Revenues of the Airport which is senior in priority to the pledge and lien securing the payment of the Notes pursuant to and subject to the requirements of the Revenue Bond Ordinances and the Reimbursement Agreement. See “Portland International Airport—Indebtedness” for a description of the current outstanding indebtedness of the Port with respect to the Airport.

In February 2007, the Port entered into interest rate swaps with Merrill Lynch Capital Services, Inc. and JPMorgan Chase Bank, N.A., an affiliate of J.P. Morgan Securities LLC, as the successor in interest to Bear Stearns Capital Markets (together, the “**PFC Bond Swaps**”). Regularly scheduled payments under the PFC Bond Swaps are payable only from revenue derived from the imposition of passenger facility charges at the Airport and not from Net Revenues; however, termination payments under the PFC Bond Swaps are Third Lien Obligations payable from the TLO Fund established under the Revenue Bond

Ordinances, subject to the future ability and election of the Port to make such termination payments from the Subordinate Lien Obligations Account established for the payment of passenger facility charge obligations under Ordinance No. 395-B enacted by the Board, as amended and supplemented from time to time, in connection with the Port's passenger facility charge revenue bonds. See "RELATED PARTIES."

"*Costs of Operation and Maintenance*" are defined in the Revenue Bond Ordinances to mean, the reasonable and necessary current expenses of the Port included as a Cost of Operation and Maintenance in the annual Airport budget required by the Revenue Bond Ordinances for operating, maintaining and repairing the Airport. Without limiting the generality of the foregoing, the term "Costs of Operation and Maintenance" shall include the following items: (a) costs and expenses of general administration of the Port which are reasonably and properly allocable to the Airport; (b) costs of collecting the Revenues and from making any refunds therefrom lawfully due others; (c) engineering, audit reports, legal and other overhead expenses directly related to the administration, operation, maintenance, and repair of the Airport; (d) costs of salaries, wages and other compensation of officers and employees and payments to pension, retirement, health and hospitalization funds and other insurance, including self-insurance for the foregoing; (e) costs of routine repairs, replacements, renewals and alterations occurring in the usual course of business; (f) taxes, assessments and other governmental charges, or payments in lieu thereof, imposed on the Airport or any part thereof or on the operation thereof or on the income therefrom or on any privilege in connection with the ownership or operation of the Airport or otherwise imposed on the Airport or the operation thereof or income therefrom; (g) costs of utility services; (h) costs of material and supplies used in the ordinary course of business, including ordinary and current rentals of equipment or other property; (i) contractual services and professional services, including but not limited to, legal, engineering, architectural, planning, financial and airport consultants; (j) costs of fidelity bonds, or a properly allocable share of the premium of any blanket bond, pertaining to the Airport or the Revenues or any other moneys held hereunder or required hereby to be held or deposited hereunder; (k) costs of carrying out the provisions of the Revenue Bond Ordinances, including Trustee's and Paying Agents' (each as defined in the Revenue Bond Ordinances) fees and expenses; costs of insurance required hereby, or such other insurance as may be deemed necessary by the Port for the proper protection of the Airport or the Revenues, or a properly allocable share of any premium of any blanket policy pertaining to the Airport or the Revenues; fees and expenses of the Accountant and the Airport Consultant (each as defined in the Revenue Bond Ordinances); legal fees and expenses; and costs of recording, mailing and publication; (l) costs of lease payments due under capital leases for items customarily used in the operation or maintenance of airport facilities or equipment; and (m) all other costs and expenses of operating, maintaining and repairing the Airport arising in the routine and normal course of business; *provided, however*, that the term "Costs of Operation and Maintenance" shall not include: (1) any allowance for depreciation or any amounts for capital replacements, renewals, repairs and maintenance not recurring annually (or at shorter intervals) or reserves therefor; (2) costs of extensions, enlargements, betterments and improvements or reserves therefor, other than cost of preliminary planning; (3) reserves for operation, maintenance and repairs occurring in the normal course of business; (4) payment (including redemption) of bonds or other evidences of indebtedness or interest and premium thereof or reserves therefor; and (5) any operation and maintenance expenses pertaining to Special Facilities (as defined in Ordinance No. 155) or expenses incurred by any lessee under a Net Rent Lease (as defined in Ordinance No. 155).

"*Junior Lien Obligations*" or "*JLO*" is defined in Ordinance No. 323 to mean, bonds or other obligations that have a lien on the Net Revenues that is subordinate to the lien of the Subordinate Lien Bonds.

"*Net Revenues*" are defined in the Revenue Bond Ordinances to mean, for any past period the aggregate of the Revenues actually paid into the Airport Fund during such past period, and for any future period the aggregate of the Revenues estimated to be paid into the Airport Fund (as defined in the Revenue Bond Ordinances) during such future period, minus for any such past period the aggregate of the Costs of

Operation and Maintenance of the Airport actually paid or accrued during such past period, or minus for any such future period the aggregate of the Costs of Operation and Maintenance of the Airport estimated to be paid or accrued during such future period, as the case may be.

“*Revenues*” are defined in the Revenue Bond Ordinances to mean and include, all income, receipts and moneys derived by the Port from its ownership or operation and management of the Airport or the furnishing and supplying of the services, facilities and commodities thereof, and without limiting the generality of the foregoing, shall include (i) all income, receipts and moneys derived from the rates, rentals, fees and charges fixed, imposed and collected by the Port for the use and services of the Airport, or otherwise derived from or arising through the ownership, operation and management of the Airport by the Port, or derived from the rental by the Port of all or part of the Airport or from the sale or rental by the Port of any commodities or goods in connection with the Airport; (ii) earnings on and the income from the investment of moneys held under the Revenue Bond Ordinances, to the extent such earnings or income are deposited in the Airport Fund or the Bond Fund (as defined in the Revenue Bond Ordinances), but not including any such earnings or income credited to the Airport Construction Fund (as defined in the Revenue Bond Ordinances); and (iii) to the extent provided in the Revenue Bond Ordinances, income derived by the Port from a Net Rent Lease; *provided* that (1) the term “Revenues” shall not include (a) moneys received as proceeds from the sale of Bonds or as grants or gifts, the use of which is limited by the grantor or donor to the construction of capital improvements, except to the extent that any such moneys shall be received as payments for the use of the Airport, (b) passenger facility charges or similar charges that are imposed under authority of federal law and are limited by federal law to expenditure on specific projects or activities and/or on debt service and financing costs related to specific projects or activities or (c) customer facility charges (or any portion thereof) that may be levied by the Port and collected by rental car companies from their customers; and (2) in no event shall the term “Revenues” include tax revenues or tax-derived revenues.

“*Subordinate Lien Bonds*” or “*SLB*” is defined in Ordinance No. 323 to mean, any bonds or obligations issued pursuant to Ordinance No. 323.

“*Third Lien Obligations*” or “*TLO*” is defined in Ordinance No. 323 to mean, bonds or other obligations that have a lien on Net Revenues that is subordinate to the lien of the Subordinate Lien Bonds and Junior Lien Obligations and are payable from amounts deposited in the TLO Fund.

“*Third Lien Revenues*” are defined in the Issuing Agent, Paying Agent and Trustee Agreement to mean, the amount of moneys required to be deposited in the TLO Fund under Ordinance No. 323.

“*TLO Fund*” is defined in Ordinance No. 323 to mean, the Third Lien Obligation Fund created by Ordinance No. 323.

THE LETTER OF CREDIT AND THE REIMBURSEMENT AGREEMENT

The following is a summary of certain provisions of the Letter of Credit and the Reimbursement Agreement (as hereinafter defined) and is subject to the actual terms of the Reimbursement Agreement and the Letter of Credit, respectively. Investors are urged to obtain and review a copy of the Letter of Credit and the Reimbursement Agreement in order to understand all of their terms. The Port and the Bank entered into a Reimbursement Agreement dated as of December 1, 2019 (the “*Reimbursement Agreement*”), pursuant to which the Bank issued its Letter of Credit. Any capitalized terms used herein and not defined herein shall have their respective meanings set forth in the Letter of Credit or defined in the Reimbursement Agreement, as the case may be.

The Irrevocable Transferable Direct-Pay Letter of Credit

The Letter of Credit is an irrevocable obligation of the Bank to pay U.S. Bank National Association (together with its successors and assigns, the “Issuing Agent, Paying Agent and Trustee”) upon a demand of payment made with respect to the Portland International Airport Third Lien Commercial Paper Notes Series A (Non-AMT), Series B (AMT) and Series C (Taxable) (collectively, the “Notes”) in accordance with the terms of the Letter of Credit, (i) an amount not exceeding \$300,000,000 with respect to the payment of the principal amount of the Notes, plus (ii) an amount not exceeding \$15,000,000, representing 180 days interest on such amount at an assumed rate of ten percent (10%) per annum on the basis of a 360 day year.

The Issuing Agent, Paying Agent and Trustee, upon compliance with the terms of the Letter of Credit, will be authorized to draw the principal amount of the Notes on their respective stated maturity dates, together with accrued interest thereon.

The Letter of Credit will expire at 5:00 p.m. New York City time on December 2, 2022 (the “*Stated Expiration Date*”). Notwithstanding the foregoing, the Letter of Credit will expire earlier than the Stated Expiration Date upon the first to occur of (i) the date of payment of a Drawing, not subject to reinstatement therein, which when added to all other Drawings honored under the Letter of Credit which were not subject to reinstatement, in the aggregate equals the principal component of the Available Amount (as hereinafter defined) on the date of issuance of the Letter of Credit as adjusted pursuant to the terms and conditions of the Letter of Credit; (ii) the date on which the Bank receives a certificate signed by a duly authorized officer of the Port to the effect that the Letter of Credit is being terminated because the Issuing Agent, Paying Agent and Trustee has accepted a substitute letter of credit; (iii) the date on which the Bank receives a certificate signed by a duly authorized officer of the Port to the effect that (x) the Letter of Credit is being terminated because all the Notes are wholly defeased or (y) no Notes remain outstanding under the Issuing Agent, Paying Agent and Trustee Agreement and the Port has notified the Bank that they do not intend to issue any additional Notes; and (iv) the earlier of (x) the 10th calendar day (or if such date is not a Business Day, the immediately succeeding Business Day) after the date on which the Bank delivers the Final Drawing Notice, and (y) the date on which the Drawing resulting from the delivery of the Final Drawing Notice is honored hereunder. The Stated Expiration Date may be extended by a Notice of Extension delivered by the Bank.

The amount available for drawings (the “Available Amount”) under the Letter of Credit will be reduced to the extent of any Drawing, and shall be increased only when and to the extent amounts are received by the Bank for reimbursement of the amount of such Drawing, subject to any permanent reduction in the Available Amount pursuant to a certificate delivered by the Issuing Agent, Paying Agent and Trustee at the direction of the Port. While Notes are outstanding, upon the occurrence of an Event of Default under the Reimbursement Agreement, the Bank may, by the delivery of a certificate to the Issuing Agent, Paying Agent and Trustee, direct the Issuing Agent, Paying Agent and Trustee to cease issuing Notes, and permanently reduce the Available Amount to an amount equal to the principal amount of Notes then outstanding plus interest thereon. The Available Amount will then be further reduced upon the maturity of such outstanding Notes. Alternatively, the Bank may issue the Final Drawing Notice, directing the Issuing Agent, Paying Agent and Trustee to cease issuing Notes and to make the final Drawing, and notifying the Issuing Agent, Paying Agent and Trustee that the Available Amount will not be reinstated.

The Reimbursement Agreement

Interest Rate on Drawings and Advances. Following a Drawing under the Letter of Credit, the Port shall repay such Drawing immediately. Any such Drawing that is not reimbursed by 4:00 pm on the date of such Drawing will accrue interest at the Default Rate. If, however, the conditions precedent in Section 3.02 of the Reimbursement Agreement are met, then the Drawing shall constitute an Advance. The

Port's obligation to repay such Advance shall be evidenced and secured by the Bank Note. The interest rate on the Bank Note shall be equal to the Bank Rate. Bank Rate means, for any day, the rate of interest per annum with respect to an Advance (i) for any day commencing on the date such Advance is made up to and including the ninetieth (90th) day next succeeding the date such Advance is made, equal to the Base Rate from time to time in effect; (ii) for any day commencing on the ninety-first (91st) day next succeeding the date such Advance is made to and including the one hundred eightieth (180th) day next succeeding the date such Advance is made, equal to the sum of the Base Rate from time to time in effect plus 1.00% (provided that component (iii) of the Base Rate shall not be subject to the 1.00% increase), and (iii) for any day commencing on or after the one hundred eighty first (181st) day next succeeding the date such Advance is made, equal to the sum of the Base Rate from time to time in effect plus 2.00% (provided that component (iii) of the Base Rate shall not be subject to the 2.00% increase); provided, that immediately and automatically upon the occurrence of an Event of Default (and without any notice given with respect thereto) and during the continuance of such Event of Default, "Bank Rate" shall mean the Default Rate; provided, however, that in no event shall the Bank Rate be less than the highest per annum interest rate applicable to any Notes that are outstanding. "Base Rate" means, for any day, a fluctuating rate of interest per annum equal to the greatest of (i) the Prime Rate in effect at such time plus one percent (1.00%), (ii) the Federal Funds Rate in effect at such time plus two percent (2.00%), and (iii) seven percent (7.00%). "Default Rate" means a fluctuating interest rate per annum equal to the sum of the Base Rate from time to time in effect plus four percent (4.00%); provided that in no event shall the Default Rate be less than the highest per annum interest rate applicable to Notes that are outstanding.

Events of Default. Under the Reimbursement Agreement, the following constitute "Events of Default":

(a) the Port shall fail to pay (i) any principal of or interest on any Drawing, Advance or the Bank Note when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), or (ii) any Facility Fee or other amount payable under the Reimbursement Agreement and, with respect to clause (ii) only, such failure shall continue for a period of ten (10) Business Days from the date such obligation was due;

(b) any representation, warranty, certification, or statement made by the Port in the Reimbursement Agreement, any other Related Document or in any certificate, financial statement, or other document delivered pursuant to the Reimbursement Agreement or any Related Documents shall have been incorrect or untrue in any material respect when made or deemed to have been made;

(c) the Port shall fail to perform or observe certain covenants in the Reimbursement Agreement;

(d) the Port shall fail to perform or observe any other covenant, agreement, or condition (other than those referred to or contained in any other Event of Default hereunder) contained in the Reimbursement Agreement, the Bank Note or any other Related Document and such default shall remain unremedied for a period of thirty (30) days after the occurrence thereof; *provided*, that if such default is of such a nature that it can be corrected but not within such 30-day cure period, then that default shall not constitute an Event of Default so long as the Port institutes corrective action within such 30-day cure period and diligently pursues that action to completion, but in no event shall such cure period be extended beyond 60 days after the occurrence of such default;

(e) one or more final unappealable judgments, writs, warrants of attachment or orders, issued or rendered by a Governmental Authority of competent jurisdiction, for the payment of money in excess of \$15,000,000 payable from Revenues, individually or in the aggregate, shall be issued or rendered against the Port, and such judgment or order shall continue unsatisfied, unbonded, undismissed and unstayed for a

period of sixty (60) days, or any action shall be taken by a judgment creditor to attach or levy upon any revenues or assets of the Port to enforce any such judgment;

(f) the Port shall (i) fail to make any payment of any Relevant Debt (other than the Notes, the Drawings or the Advances) as and when due, including, without limitation, any regularly scheduled payments on Swap Contracts which constitute Relevant Debt, beyond the period of grace, if any, provided in the instrument or agreement under which such Relevant Debt was created or incurred; or (ii) fail to observe or perform any agreement, covenant or condition relating to any Relevant Debt or contained in any instrument or agreement evidencing, securing or relating thereto (including, without limitation, any Bank Agreement), the effect of which failure is to permit the holder or holders of such Relevant Debt (or a trustee or agent on behalf of such holder or holders) to take remedial action with respect thereto (subject to any grace periods permitted therein), including causing such Relevant Debt to become due prior to its stated maturity;

(g) (i) the Port shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or the Port shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Port any case, proceeding or other action of a nature referred to in clause (i) above which (x) results in an order for such relief or in the appointment of a receiver or similar official or (y) remains undismissed, undischarged or unbonded for a period of thirty (30) days; or (iii) there shall be commenced against the Port any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets, which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within thirty (30) days from the entry thereof; or (iv) the Port shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) the Port shall admit in writing its inability to pay its debts generally as they become due, or shall become insolvent within the meaning of the United States Bankruptcy Code;

(h) (i) the Port shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any Relevant Debt of the Port or (ii) any Governmental Authority having appropriate jurisdiction over the Port shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the Notes and Bank Note or on any Relevant Debt of the Port;

(i) any material provision of any Related Document shall cease to be valid and binding, or the Port or any Governmental Authority shall contest any such provision or the Port or any agent or trustee on behalf of the Port, shall deny that it has any or further liability under any of the Related Documents;

(j) the long-term unenhanced rating by any of Moody's, Fitch or S&P on any long-term, unenhanced Subordinate Lien Bonds, or, if rated, any Junior Lien Obligations or Third Lien Obligations, shall be withdrawn or suspended or reduced below "Baa1" (or its equivalent), "BBB+" (or its equivalent)

or “BBB+” (or its equivalent), respectively, or the long-term unenhanced rating by any of Moody’s, Fitch or S&P on any long-term, unenhanced Subordinate Lien Bonds of the Port shall be reduced below “A3” (or its equivalent), “A-” (or its equivalent) or “A-” (or its equivalent), respectively, for a period of one hundred twenty (120) days;

- (k) an “*Event of Default*” as defined in any Related Document shall occur and be continuing;
- (l) the Port shall cease to exist, dissolve or terminate;
- (m) an Event of Taxability shall occur with respect to the Series A Notes or the Series B Notes;
- (n) any pledge or security interest created by the Ordinances or the Reimbursement Agreement to secure any amount due hereunder or under the Fee Agreement or under any other Related Document to which the Port is a party shall fail to be fully enforceable with the priority required under the Reimbursement Agreement or the Ordinances, as the case may be, by reason of a final, non-appealable judgment of a court of competent jurisdiction.

Remedies upon Event of Default. Upon the occurrence of any Event of Default, the Bank may exercise any one or more of the following rights and remedies in addition to any other remedies in the Reimbursement Agreement or provided by law:

- (a) declare all Obligations to be, and such amounts shall thereupon become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Port; *provided* that upon the occurrence of an Event of Default under section (g) above such acceleration shall automatically occur without notice;
- (b) may (i) deliver a Stop-Issuance Instruction which shall prohibit, until such time, if any, as the Bank shall withdraw (in writing) such notice, the issuance of additional Notes and (ii) reduce the Available Amount of the Letter of Credit to the amount of the then outstanding Notes supported by the Letter of Credit and interest payable thereon at maturity of such Notes and/or terminate and/or permanently reduce such Available Amount as the then outstanding Notes are paid;
- (c) issue the Final Drawing Notice (the effect of which shall be to cause the Termination Date of the Letter of Credit to occur on the tenth 10th day after the date of receipt thereof by the Issuing Agent, Paying Agent and Trustee);
- (d) pursue any rights and remedies it may have under the Related Documents; or
- (e) pursue any other action available at law or in equity.

All remedies contained in the Reimbursement Agreement and any Related Document or by law afforded, including any remedies as subrogee, shall be cumulative and all shall be available to the Bank until the Obligations have been paid in full.

If any Event of Default shall occur, then in every such case the Bank shall be entitled to proceed to protect and enforce its rights by such appropriate judicial proceeding as it may deem most effectual to protect and enforce any such right, either by suit, in equity, or by action at law, whether for the specific performance of any covenant or agreement contained in the Reimbursement Agreement, in aid of the exercise of any power granted in the Reimbursement Agreement, or to enforce any other legal or equitable right vested in the Bank by the Reimbursement Agreement, the Bank Note or by law. The provisions of the Reimbursement Agreement shall be a contract with each and every Holder and the duties of the Port

shall be enforceable by any holder by mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction.

No remedy herein conferred or reserved to the Holders is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and in addition to every other remedy given above or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised at any time or from time to time, and as often may be necessary, by any Holder.

No waiver of any breach of or default under any provision of any of the Related Documents shall constitute or be construed as a waiver by the Bank of any subsequent breach of or default under that or any other provision of the Related Documents.

THE PORT OF PORTLAND

The Port was established by an act of the Oregon Legislative Assembly in 1891 and is located in the northwest region of the State. The Port is charged with operating aviation, maritime, commercial and industrial facilities within Multnomah County (including the City of Portland), Washington County and Clackamas County. Pursuant to this authority, the Port owns and operates three airports: the Airport (PDX),

which provides the region's scheduled passenger, cargo and charter air services and is also a general aviation facility; and the Troutdale (TTD) and Hillsboro (HIO) general aviation airports (collectively, the "General Aviation Airports"), which provide facilities for other air services, including recreational and private business uses. In addition to its aviation operations, the Port owns marine terminals, business and industrial parks and other properties. The Port leases portions of its marine and industrial properties. The Port also owns and operates the dredge *Oregon* to help maintain the navigation channel on the lower Columbia and Willamette Rivers. The Port's headquarters are located at the Airport, and the Port has representation in Seoul, Korea; Tokyo, Japan; Taipei, Taiwan; and Hong Kong, Shanghai, and Tianjin, China.

The Airport is operated by the Port as an independent enterprise, separate from the General Aviation Airports and from the Port's other enterprises. The portion of the Port's general administrative expense that is attributable to the Airport is charged to the Airport as a Cost of Operation and Maintenance. The Airport Revenue Fund, into which all of the Port's operating revenues from the Airport are deposited, is held by the Port as a separate enterprise fund. Revenues from the Airport are accounted for separately from revenues from the Port's other activities, including the Port's General Aviation Airports, although after all required deposits are made in connection with the SLBs and any Junior Lien Obligations and Third Lien Obligations, remaining Net Revenues may be applied to pay certain costs of the Port's other aviation interests, including costs at the General Aviation Airports. The Port has reserved the right (to the extent permitted by law) to amend the Revenue Bond Ordinances to add to the definition of "Airport" any facilities operated by the Port, whether or not such facilities are related to aviation, and thus to consolidate the revenues and expenses of the Airport with those of the Port's other operations. Federal law prohibits the Port from using aviation-related revenues for non-aviation purposes.

INVESTMENT CONSIDERATION

IN MAKING AN INVESTMENT DECISION REGARDING A POSSIBLE PURCHASE OF THE NOTES, PROSPECTIVE PURCHASERS OF THE NOTES SHOULD RELY SOLELY ON THE CREDIT OF THE BANK AND NOT ON THE CREDIT OF THE PORT. The purchase and ownership of the Notes involve investment risk. Prospective purchasers of the Notes are urged to read this Offering Memorandum in its entirety.

TAX MATTERS

Tax-Exempt Notes. In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Tax-Exempt Notes, when issued in accordance with the Revenue Bond Ordinances, the Issuing Agreement, the Dealer Agreement and the Tax Certificate will be excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “*Code*”), except that no opinion is expressed as to the status of interest on any Series B Notes for any period that such Series B Notes are held by a “substantial user” of the facilities financed or refinanced by the Series B Notes or by a “related person” to such substantial user within the meaning of Section 147(a) of the Code. In the further opinion of Bond Counsel, interest on the Series A Notes is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel observes that interest on the Series B Notes is a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is of the further opinion that the amount treated as interest on the Tax-Exempt Notes and excluded from gross income will depend upon the taxpayer’s election under Internal Revenue Notice 94-84. Bond Counsel is further of the opinion that interest on the Tax-Exempt Notes is exempt from State of Oregon personal income taxation. A complete copy of the proposed forms of such opinions are set forth at “Forms of Opinions of Bond Counsel Relating to the Notes,” attached hereto as Appendix A.

Notice 94-84, 1994-2 C.B. 559, states that the Internal Revenue Service (the “*IRS*”) is studying whether the amount of the stated interest payable at maturity on short-term debt obligations (i.e., debt obligations with a stated fixed rate of interest which mature not more than one year from the date of issue) that is excluded from gross income for federal income tax purposes should be treated (i) as qualified stated interest or (ii) as part of the stated redemption price at maturity of the short-term debt obligation, resulting in treatment as accrued original issue discount (the “*original issue discount*”). The Tax-Exempt Notes will be issued as short-term debt obligations. Until the IRS provides further guidance with respect to tax-exempt short-term debt obligations, taxpayers may treat the stated interest payable at maturity either as qualified stated interest or as includable in the stated redemption price at maturity, resulting in original issue discount as interest that is excluded from gross income for federal income tax purposes. However, taxpayers must treat the amount to be paid at maturity on all tax-exempt short-term debt obligations in a consistent manner. Taxpayers should consult their own tax advisors with respect to the tax consequences of ownership of Tax-Exempt Notes if the taxpayer elects original issue discount treatment.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Tax-Exempt Notes. The Port has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Tax-Exempt Notes will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Tax-Exempt Notes being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Tax-Exempt Notes. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel’s attention after the date of issuance of the Tax-Exempt Notes may adversely affect the value of, or the tax status of interest on, the Tax-Exempt Notes. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Tax-Exempt Notes is excluded from gross income for federal income tax purposes and is exempt from State of Oregon personal income taxation, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Tax-Exempt

Notes may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Tax-Exempt Notes to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Tax-Exempt Notes. Prospective purchasers of the Tax-Exempt Notes should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Tax-Exempt Notes for federal income tax purposes. It is not binding on the IRS or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Port, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Port has covenanted, however, to comply with the requirements of the Code.

Unless separately engaged, Bond Counsel is not obligated to defend the Port or the Beneficial Owners regarding the tax-exempt status of the Tax-Exempt Notes in the event of an audit examination by the IRS. Under current procedures, parties other than the Port and its appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt notes is difficult, obtaining an independent review of IRS positions with which the Port legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Tax-Exempt Notes for audit, or the course or result of such audit, or an audit of Tax-Exempt Notes presenting similar tax issues may affect the market price for, or the marketability of, the Tax-Exempt Notes, and may cause the Port or the Beneficial Owners to incur significant expense.

Taxable Notes. Bond Counsel is of the opinion that interest on the Taxable Notes is exempt from State of Oregon personal income taxation. Bond Counsel observes that interest on the Taxable Notes is not excluded from gross income for federal income tax purposes under Section 103(a) of the Code. See APPENDIX A—"Forms of Opinions of Bond Counsel Relating to the Notes."

Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the Taxable Notes. Purchasers of the Taxable Notes should consult their own tax advisers with respect to U.S. federal, state, local or non-U.S. tax consequences of the purchase, ownership, receipt of interest on, or disposition of the Taxable Notes.

RATING

S&P Global Ratings ("***S&P***"), is expected to assign a short-term rating of "A-1" to the Notes based on the credit support provided by the Bank pursuant to the Letter of Credit. The rating will be released upon delivery of the Letter of Credit. Such rating will expire upon the expiration of the Letter of Credit.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. Such rating reflects only the views of the rating agency, and an explanation of the significance of such rating may be obtained from the rating agency furnishing the same. There is no assurance that a rating will continue for any given period of time or that a rating will not be revised or withdrawn entirely by the rating agency which issued that rating, if, in its judgment, circumstances so warrant. Any downward revision or withdrawal of a rating could have an adverse effect on the market prices of the Notes. Additional information can be obtained directly from the rating agency at:

S&P Global Ratings
55 Water Street
New York, NY 10041
Telephone: (212) 438-2124

THE DEALER

The Port has appointed Citigroup Global Markets Inc. as dealer with respect to the offering and sale of the Notes (the “*Dealer*”). Under the dealer agreement between the Port and the Dealer, the Dealer has no commitment to purchase any of the Notes, but is obligated only to use its best efforts as agent of the Port to solicit and arrange sales of the Notes on behalf of the Port.

RELATED PARTIES

Banc of America Leasing & Capital, LLC (Banc of America Public Capital Corporation) is a party to a loan to the Port related to certain financed assets. Merrill Lynch Capital Services, Inc. is a counterparty to an interest rate swap agreement with the Port. Bank of America, N.A. is providing the Letter of Credit. Banc of America Leasing & Capital, LLC (Banc of America Public Capital Corporation) is a subsidiary of Bank of America, N.A. Bank of America, N.A. and Merrill Lynch Capital Services, Inc. are affiliated and are subsidiaries of Bank of America Corporation.

NO CONTINUING DISCLOSURE OBLIGATION

The Notes are exempt from the continuing disclosure requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended.

LEGAL MATTERS

The validity of the Notes and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Port. Upon the initial issuance of each series of Notes, Bond Counsel is expected to deliver an opinion with respect to such series. A complete copy of the proposed forms of such opinions are set forth in Appendix A hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Offering Memorandum.

ADDITIONAL INFORMATION

The purpose of this Offering Memorandum is to provide information to purchasers of the Notes. The information contained herein has been obtained from the Port, the Bank, DTC and other sources believed to be reliable. No warranty or representation is made by the Dealer as to the accuracy or completeness thereof. No attempt is made herein to summarize the Revenue Bond Ordinances, Ordinance No. 463-CP, the Issuing Agreement, the Letter of Credit or the Reimbursement Agreement, the financial

condition or operations of the Port or the Airport, the terms and provisions of the Notes or other matters which may be material to a decision to purchase the Notes. Purchasers of the Notes are expected to conduct their own due diligence and analysis prior to making an investment decision.

All references to the Revenue Bond Ordinances, Ordinance No. 463-CP, the Issuing Agreement, the Notes, the Letter of Credit and the Reimbursement Agreement do not purport to be complete or definitive, do not constitute summaries thereof and are qualified in their entirety by reference to the provisions thereof. Copies of the Revenue Bond Ordinances, Ordinance No. 463-CP, the Issuing Agreement, the Letter of Credit and the Reimbursement Agreement are on file with the Issuing Agent, Paying Agent and Trustee.

Requests for any of the foregoing should be directed to:

Citigroup Global Markets Inc.
388 Greenwich Street, 8th Floor
New York, NY 10013
Attention: Short-Term Tax-Exempt Trading
Phone: 212-723-7082

This Offering Memorandum is submitted in connection with the issuance and sale of the Notes and may not be reproduced or used, in whole or in part, for any other purpose. The information contained herein and in the Appendices hereto is subject to change without notice and neither the delivery hereof nor any sale made hereunder will create any implication that there has been no change in the affairs of the Port, the Airport or the Bank since the date hereof.

Any statements in this Offering Memorandum involving matters of opinion, projections or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized. Neither any advertisement of the Notes nor this Offering Memorandum is to be construed as constituting a contract or agreement between the Port and the purchasers or owners of the Notes.

APPENDIX A

FORMS OF OPINIONS OF BOND COUNSEL RELATING TO THE NOTES

December 4, 2019

The Port of Portland
Portland, Oregon

The Port of Portland, Oregon
Third Lien Commercial Paper Notes,
Series A (Non-AMT)
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to The Port of Portland, Oregon (the “Issuer”) in connection with the authorization of issuance of up to \$300,000,000 aggregate principal amount at any time Outstanding of commercial paper notes by the Issuer pursuant to and by authority of Ordinance No. 463-CP of the Board of Commissioners of the Issuer enacted on November 8, 2017 (the “Ordinance”), and designated The Port of Portland, Oregon Third Lien Commercial Paper Notes, Series A (Non-AMT) (the “Series A Notes”), The Port of Portland, Oregon Third Lien Commercial Paper Notes, Series B (AMT) (the “Series B Notes”) and The Port of Portland, Oregon Third Lien Commercial Paper Notes, Series C (Taxable) (the “Series C Notes). This letter applies to the Series A Notes and not to the Series B Notes or the Series C Notes. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Ordinance.

In such connection, we have reviewed the Ordinance, the Tax Certificate of the Issuer, dated the date hereof (the “Tax Certificate”), an opinion of counsel to the Issuer, certificates of the Issuer, the Paying Agent and others and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions, and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof and before or after Series A Notes are issued. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other

matters come to our attention after the date hereof. Accordingly, this letter speaks only as of its date and is not intended to and may not, be relied upon or otherwise used in connection with any such actions, events or matters. We disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies and the due and legal execution and delivery thereof by, and validity against, any parties other than the Issuer). We have assumed, without undertaking to verify, the accuracy (as of the date hereof and as of each date of issuance from time to time of the Series A Notes) of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinion, referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Ordinance and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Series A Notes to be included in gross income for federal income tax purposes, possibly retroactive to the date on which the first Series A Notes were issued. We call attention to the fact that the rights and obligations under the Series A Notes, the Ordinance and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against port districts and political subdivisions in the State of Oregon. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the real or personal property described in or as subject to the lien of the Ordinance or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such property. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Commercial Paper Offering Memorandum or other offering material relating to the Series A Notes and express no opinion with respect thereto.

Based on and subject to the foregoing and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Ordinance has been duly enacted by the Issuer and constitutes a valid and binding obligation of the Issuer.

2. The Series A Notes, when duly issued from time to time in the form authorized by and otherwise in compliance with the Ordinance, executed by a duly authorized official of the Issuer and authenticated by the Paying Agent against payment therefor, will constitute the valid and binding obligations of the Issuer.

3. Interest on the Series A Notes, when issued in accordance with the Issuing Agent, Paying Agent and Trustee Agreement dated as of December 1, 2017 between the Issuer and U.S. Bank National Association (the “IPA”), and the Tax Certificate, will be excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”). Interest on the Series A Notes is not a specific preference item for purposes of the federal alternative minimum tax. Interest on the Series A Notes, when issued in accordance with the IPA, will be exempt from State of Oregon personal income taxes. The amount treated as interest on the Series A Notes and excluded from gross income will depend upon the taxpayer’s election under Internal Revenue Service Notice 94-84. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series A Notes.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

per

December 4, 2019

The Port of Portland
Portland, Oregon

The Port of Portland, Oregon
Third Lien Commercial Paper Notes
Series B (AMT)
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to The Port of Portland, Oregon (the “Issuer”) in connection with authorization of issuance of up to \$300,000,000 aggregate principal amount at any time Outstanding of commercial paper notes by the Issuer pursuant to and by authority of Ordinance No. 463-CP of the Board of Commissioners of the Issuer enacted on November 8, 2017 (the “Ordinance”), and designated The Port of Portland, Oregon Third Lien Commercial Paper Notes, Series A (Non-AMT) (the “Series A Notes”), The Port of Portland, Oregon Third Lien Commercial Paper Notes, Series B (AMT) (the “Series B Notes”) and The Port of Portland, Oregon Third Lien Commercial Paper Notes, Series C (Taxable) (the “Series C Notes”). This letter applies to the Series B Notes and not to the Series A Notes or the Series C Notes. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Ordinance.

In such connection, we have reviewed the Ordinance, the Tax Certificate of the Issuer, dated the date hereof (the “Tax Certificate”), an opinion of counsel to the Issuer, certificates of the Issuer, the Paying Agent and others and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions, and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof and before or after Series B Notes are issued. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Accordingly, this letter speaks only as of its date and is not intended to and may not, be relied upon or otherwise used in connection with any

such actions, events or matters. We disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies and the due and legal execution and delivery thereof by, and validity against, any parties other than the Issuer). We have assumed, without undertaking to verify, the accuracy (as of the date hereof and as of each date of issuance from time to time of the Series B Notes) of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinion, referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Ordinance and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Series B Notes to be included in gross income for federal income tax purposes, possibly retroactive to the date on which the first Series B Notes were issued. We call attention to the fact that the rights and obligations under the Series B Notes, the Ordinance and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against port districts and political subdivisions in the State of Oregon. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the real or personal property described in or as subject to the lien of the Ordinance or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such property. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Commercial Paper Offering Memorandum or other offering material relating to the Series B Notes and express no opinion with respect thereto.

Based on and subject to the foregoing and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Ordinance has been duly enacted by the Issuer and constitutes a valid and binding obligation of the Issuer.
2. The Series B Notes, when duly issued from time to time in the form authorized by and otherwise in compliance with the Ordinance, executed by a duly authorized official of the Issuer and authenticated by the Paying Agent against payment therefor, will constitute the valid and binding obligations of the Issuer.

3. Interest on the Series B Notes, when issued in accordance with the Issuing Agent, Paying Agent and Trustee Agreement dated as of December 1, 2017 between the Issuer and U.S. Bank National Association (the “IPA”), and the Tax Certificate, will be excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”), except that no opinion is expressed as to the federal tax status of interest on any Series B Note during any period that such Series B Note is held by a person who, within the meaning of Section 147(a) of the Code, is a “substantial user” of any facilities financed with proceeds of the Series B Notes or by a “related person” within the meaning of Section 147(a) of the Code. Bond Counsel observes that interest on the Series B Notes is a specific preference item for purposes of the federal alternative minimum tax. Interest on the Series B Notes, when issued in accordance with the IPA, will be exempt from State of Oregon personal income taxes. The amount treated as interest on the Series B Notes and excluded from gross income will depend upon the taxpayer’s election under Internal Revenue Service Notice 94-84. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series B Notes.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

per

December 4, 2019

The Port of Portland
Portland, Oregon

The Port of Portland, Oregon
Third Lien Commercial Paper Notes
Series C (Taxable)
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to The Port of Portland, Oregon (the "Issuer") in connection with authorization of issuance of up to \$300,000,000 aggregate principal amount at any time Outstanding of commercial paper notes by the Issuer pursuant to and by authority of Ordinance No. 463-CP of the Board of Commissioners of the Issuer enacted on November 8, 2017 (the "Ordinance"), and designated The Port of Portland, Oregon Third Lien Commercial Paper Notes, Series A (Non-AMT) (the "Series A Notes"), The Port of Portland, Oregon Third Lien Commercial Paper Notes, Series B (AMT) (the "Series B Notes") and The Port of Portland, Oregon Third Lien Commercial Paper Notes, Series C (Taxable) (the "Series C Notes"). This letter applies to the Series C Notes and not to the Series A Notes or the Series B Notes. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Ordinance.

In such connection, we have reviewed the Ordinance, an opinion of counsel to the Issuer, certificates of the Issuer, the Paying Agent and others and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions, and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof and before or after Series C Notes are issued. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Accordingly, this letter speaks only as of its date and is not intended to and may not, be relied upon or otherwise used in connection with any such actions, events or matters. We disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies and the due and legal execution and delivery thereof by, and validity against, any parties other than the Issuer). We have assumed, without undertaking to verify, the accuracy (as

of the date hereof and as of each date of issuance from time to time of the Series C Notes) of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinion, referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Ordinance. We call attention to the fact that the rights and obligations under the Series C Notes and the Ordinance and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against port districts and political subdivisions in the State of Oregon. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the real or personal property described in or as subject to the lien of the Ordinance or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such property. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Commercial Paper Offering Memorandum or other offering material relating to the Series C Notes and express no opinion with respect thereto.

Based on and subject to the foregoing and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Ordinance has been duly enacted by the Issuer and constitutes a valid and binding obligation of the Issuer.

2. The Series C Notes, when duly issued from time to time in the form authorized by and otherwise in compliance with the Ordinance, executed by a duly authorized official of the Issuer and authenticated by the Paying Agent against payment therefor, will constitute the valid and binding obligations of the Issuer.

3. Interest on the Series C Notes is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. Interest on the Series C Notes, when issued in accordance with the Issuing and Paying Agent Agreement dated as of December 1, 2017 by and between the Port and U.S. Bank National Association, is exempt from State of Oregon personal income taxes. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series C Notes.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

per

APPENDIX B

CERTAIN INFORMATION REGARDING THE BANK

Bank of America, N.A. (the "Bank") is a national banking association organized under the laws of the United States, with its principal executive offices located in Charlotte, North Carolina. The Bank is a wholly-owned indirect subsidiary of Bank of America Corporation (the "Corporation") and is engaged in a general consumer banking, commercial banking and trust business, offering a wide range of commercial, corporate, international, financial market, retail and fiduciary banking services. As of June 30, 2019, the Bank had consolidated assets of \$1.793 trillion, consolidated deposits of \$1.441 trillion and stockholder's equity of \$212.60 billion based on regulatory accounting principles.

The Corporation is a bank holding company and a financial holding company, with its principal executive offices located in Charlotte, North Carolina. Additional information regarding the Corporation is set forth in its Annual Report on Form 10-K for the fiscal year ended December 31, 2018, together with its subsequent periodic and current reports filed with the Securities and Exchange Commission (the "SEC").

The SEC maintains a website at www.sec.gov which contains the filings that the Corporation files with the SEC such as reports, proxy statements and other documentation. The reports, proxy statements and other information the Corporation files with the SEC are also available at its website, www.bankofamerica.com.

The information concerning the Corporation and the Bank is furnished solely to provide limited introductory information and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the referenced documents and financial statements referenced therein.

The Bank will provide copies of the most recent Bank of America Corporation Annual Report on Form 10-K, any subsequent reports on Form 10-Q, and any required reports on Form 8-K (in each case, as filed with the SEC pursuant to the Securities Exchange Act of 1934, as amended), and the publicly available portions of the most recent quarterly Call Report of the Bank delivered to the Comptroller of the Currency, without charge, to each person to whom this document is delivered, on the written request of such person. Written requests should be directed to:

Bank of America Corporation
Office of the Corporate Secretary/Shareholder Relations
Hearst Tower, 214 North Tryon Street
NC1-027-18-05
Charlotte, NC 28255

PAYMENTS OF PRINCIPAL AND INTEREST ON THE NOTES WILL BE MADE FROM DRAWINGS UNDER THE LETTER OF CREDIT. ALTHOUGH THE LETTER OF CREDIT IS A BINDING OBLIGATION OF THE BANK, THE NOTES ARE NOT DEPOSITS OR OBLIGATIONS OF THE CORPORATION OR ANY OF ITS AFFILIATED BANKS AND ARE NOT GUARANTEED BY ANY OF THESE ENTITIES. THE NOTES ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY AND ARE SUBJECT TO CERTAIN INVESTMENT RISKS, INCLUDING POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED.

The delivery of this information shall not create any implication that there has been no change in the affairs of the Corporation or the Bank since the date of the most recent filings referenced herein, or that the information contained or referred to under this heading the "APPENDIX B" is correct as of any time subsequent to the referenced date.

APPENDIX C

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Notes. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Note certificate will be issued for each maturity of the Notes, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a S&P rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of each Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial

Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Issuing Agent, Paying Agent and Trustee and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Notes within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Port as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Port or the Issuing Agent, Paying Agent and Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Issuing Agent, Paying Agent and Trustee, or the Port, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Port or the Issuing Agent, Paying Agent and Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the Port or the Issuing Agent, Paying Agent and Trustee. Under such circumstances, in the event that a successor depository is not obtained, Note certificates are required to be printed and delivered.

The Port may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Note certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Port believes to be reliable, but the Port takes no responsibility for the accuracy thereof.