FIRST SUPPLEMENTAL TRUST INDENTURE

by and between the

ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

and

U.S. BANK TRUST NATIONAL ASSOCIATION
as Trustee

Dated as of January 1, 1999

Relating to

$494,893,616.80

Alameda Corridor Transportation Authority
Tax-Exempt Senior Lien Revenue Bonds
Series 1999A

FIRST SUPPLEMENTAL TRUST INDENTURE

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(This table of contents is not part of the First Supplemental Trust Indenture and is only for convenience of reference. The captions herein are of no legal effect and do not vary the meaning or legal effect of any part of the First Supplemental Trust Indenture.)

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FIRST SUPPLEMENTAL TRUST INDENTURE

This FIRST SUPPLEMENTAL TRUST INDENTURE (this "First Supplemental Indenture") dated as of January 1, 1999 is by and between the ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY, a joint powers authority established under Article I, Chapter 5, Division 7, of Title 1 of the California Government Code and pursuant to an Amended and Restated Joint Exercise of Powers Agreement dated as of December 18, 1996, by and between the City of Long Beach and the City of Los Angeles (the "Authority"), and U.S. BANK TRUST NATIONAL ASSOCIATION, as trustee (the "Trustee"), and supplements and amends the Master Trust Indenture dated as of January 1, 1999, as amended, by and between the Authority and the Trustee (the "Master Indenture").

WHEREAS, Section 2.08 of the Master Indenture provides for the issuance of Bonds and Section 8.02 thereof provides for the execution and delivery of Supplemental Indentures setting forth the terms of such Bonds; and

WHEREAS, the Authority now, by execution and delivery of this First Supplemental Indenture and in compliance with the provisions of the Master Indenture, sets forth the terms of its Alameda Corridor Transportation Authority Tax-Exempt Senior Lien Revenue Bonds, Series 1999A (the "Series 1999A Bonds"), provides for the deposit and use of the proceeds of the Series 1999A Bonds and makes other provisions relating to the Series 1999A Bonds.

ARTICLE I
DEFINITIONS; INTERPRETATIONS

Section 1.01. ***Definitions***. The following definitions shall apply to terms used in this First Supplemental Indenture unless the context clearly requires otherwise:

"*Authorized Denominations*" shall mean, with respect to Current Interest Bonds, $5,000 or integral multiples thereof and with respect to Capital Appreciation Bonds, such amount so that the Accreted Value of such Capital Appreciation Bonds on their maturity date shall be $5,000 or any integral multiple thereof.

"*Bond Insurance Policy*" shall mean the financial guaranty insurance policy issued by the Bond Insurer for the Series 1999A Bonds to the Trustee to secure payment of the Series 1999A Bonds.

"*Bonds*" shall mean Bonds issued under the Master Indenture, including the Series 1999A Bonds.

"*Book-Entry Series 1999A Bonds*" shall mean the Series 1999A Bonds held by DTC (or its nominee) as the registered owner thereof pursuant to the terms and provisions of Section 2.05 hereof.

"*Cede & Co.*" shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 1999A Bonds.

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

"*First Supplemental Indenture*" shall mean this First Supplemental Trust Indenture dated as of January 1, 1999, between the Authority and the Trustee, as amended and supplemented from time to time in accordance with the Master Indenture.

"*Holder*" or "*Bondholder*" or"*Owner*" shall mean the registered owner of any Series 1999A Bond, as shown on the registration books kept by the Registrar.

"*Indenture*" shall mean the Master Indenture, as amended and supplemented from time to time (including by this First Supplemental Indenture, the Second Supplemental Trust Indenture, the Third Supplemental Trust Indenture and the Fourth Supplemental Trust Indenture, each dated as of January 1, 1999, between the Authority and the Trustee) in accordance therewith.

"*Master Indenture*" shall mean the Master Trust Indenture dated as of January 1, 1999 between the Authority and the Trustee, as amended from time to time.

"*Participants*" shall mean the participants of DTC which include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations.

"*Principal Payment Date*" shall mean (a) for Series 1999A Bonds that are Current Interest Bonds, October 1, 2006 and each October 1 thereafter, so long as any Series 1999A Bonds that are Current Interest Bonds are Outstanding, and (b) for Series 1999A Bonds that are Capital Appreciation Bonds, October 1 of any year in which the Final Compounded Amount of any Series 1999A Bond that is a Capital Appreciation Bond is due and payable.

"*Project*" shall mean the consolidated transportation corridor project commonly known as the "Alameda Corridor Project" as more particularly defined in the Master Indenture.

"*Record Date*" shall mean March 15 for any April 1 Interest Payment Date and September 15 for any October 1 Interest Payment Date.

"*Registrar*" for purposes of this First Supplemental Indenture, shall mean the Trustee.

"*Representation Letter*" shall mean the Blanket Letter of Representations dated December 18, 1998 from the Authority and the Trustee to DTC with respect to the Bonds, or such similar letter or agreement filed with DTC from time to time.

"*Series 1999A Bonds*" shall mean the $494,893,616.80 original aggregate principal amount and Initial Amount of Bonds issued under the Master Indenture and this First Supplemental Indenture and designated as the "Alameda Corridor Transportation Authority Tax-Exempt Senior Lien Revenue Bonds, Series 1999A".

"*Series 1999A Capitalized Interest Fund*" shall mean the fund by that name created in Section 4.01 of this First Supplemental Indenture.

"*Series 1999A Construction Fund*" shall mean the fund by that name created in Section 4.01 of this First Supplemental Indenture and into which money shall be deposited to pay Costs of the Project.

"*Series 1999A Costs of Issuance Fund*" shall mean the fund by that name created in Section 4.01 of this First Supplemental Indenture and into which money shall be deposited to pay Costs of Issuance with respect to the Series 1999A Bonds.

"*Series 1999A Debt Service Fund*" shall mean the fund by that name created in Section 4.01 of this First Supplemental Indenture and into which money shall be deposited to pay debt service on the Series 1999A Bonds.

"*Series 1999A Debt Service Reserve Account*" shall mean the account by that name created in the Debt Service Reserve Fund pursuant to Section 4.01 of this First Supplemental Indenture.

"*Series 1999A Rebate Fund*" shall mean the fund by that name created and maintained pursuant to Article V of this First Supplemental Indenture.

"*Tax Certificate*" shall mean that Tax and Nonarbitrage Certificate dated the date of issuance of the Series 1999A Bonds, as amended from time to time, executed by the Authority.

Section 1.02. ***Incorporation of Definitions Contained in the Indenture***. Except as otherwise provided in Section 1.01 of this First Supplemental Indenture, all words, terms and phrases used in this First Supplemental Indenture shall have the same meanings herein as in the Master Indenture.

Section 1.03. ***Article and Section References***. Except as otherwise indicated, references to Articles and Sections are to Articles and Sections of this First Supplemental Indenture.

Section 1.04. ***Interpretation of Indenture With Respect to Interests of Holders***. The Trustee, (i) in determining whether any amendments or supplements to the Master Indenture or this First Supplemental Indenture may be made under Article VIII of the Master Indenture without the consent of Bondholders, and (ii) in determining whether any action should be taken under Article VI of the Master Indenture, shall consider the effect of such amendment, supplement or action on the rights of the Bondholders as if the Bond Insurance Policy were not in effect. The Trustee shall not be in breach of any provision or term of any related document or instrument entered into in connection with the transactions contemplated hereby and shall under no circumstances be deemed to have breached any fiduciary or other duty or obligation hereunder or thereunder as a result of any such action.

ARTICLE II
THE SERIES 1999A BONDS

Section 2.01. ***Designation of the Series 1999A Bonds; Principal Amount***. There is hereby created a Series of Bonds, designated as the "Alameda Corridor Transportation Authority Tax-Exempt Senior Lien Revenue Bonds, Series 1999A" to be issued in the original aggregate principal amount and Initial Amount of $494,893,616.80 (the "Series 1999A Bonds"). The Series 1999A Bonds shall consist of Current Interest Bonds and Capital Appreciation Bonds.

Section 2.02. ***Bonds Under The Indenture; Security; Parity***. The Series 1999A Bonds are issued under and subject to the terms of the Master Indenture, shall be Senior Lien Bonds pursuant to the Master Indenture and are secured by and payable from the Revenues pledged pursuant to the Master Indenture and the other security provided in the Granting Clause of the Master Indenture (collectively, the "Trust Estate") in accordance with the terms of the Master Indenture. The Series 1999A Bonds shall be on a parity with the "Alameda Corridor Transportation Authority Taxable Senior Lien Revenue Bonds, Series 1999C" issued by the Authority concurrently with the issuance of the Series 1999A Bonds and any other Senior Lien Bonds issued under the Master Indenture, as and to the extent provided in the Master Indenture.

Section 2.03. ***General Terms of the Series 1999A Bonds***. The Series 1999A Bonds that are Current Interest Bonds shall, upon initial issuance, be dated January 1, 1999. The Series 1999A Bonds that are Capital Appreciation Bonds shall, upon initial issuance, be dated their date of delivery. Each Series 1999A Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless such date of authentication is an Interest Payment Date, in which event such Series 1999A Bond shall bear interest from such date of authentication, or unless such date of authentication is after a Record Date and before the next succeeding Interest Payment Date, in which event such Series 1999A Bond shall bear interest from such succeeding Interest Payment Date, or unless such date of authentication is prior to the first Record Date, in which event such Series 1999A Bond that is a Current Interest Bond shall bear interest from January 1, 1999 and such Series 1999A Bond that is a Capital Appreciation Bond shall bear interest from the date of delivery. If interest on the Series 1999A Bonds shall be in default, Series 1999A Bonds issued in exchange for Series 1999A Bonds surrendered for transfer or exchange pursuant to the Master Indenture shall bear interest from the Interest Payment Date to which interest has been paid in full on the Series 1999A Bonds surrendered. The Series 1999A Bonds shall be issued only in Authorized Denominations.

Interest on the Series 1999A Bonds that are Current Interest Bonds shall be paid on each Interest Payment Date. Principal on the Series 1999A Bonds shall be paid on each Principal Payment Date. The Final Compounded Amounts of any Series 1999A Bonds shall be paid on the applicable maturity date.

Interest on the Series 1999A Bonds shall be calculated on the basis of a year of 360 days and twelve 30-day months.

The Series 1999A Bonds that are Current Interest Bonds shall mature in the years and in the amounts and shall bear interest at the rates set forth in the following schedule:

October 1 Of The Year	Principal Amount	Interest Rate
2006	$735,000	4.00%
2007	4,170,000	4.00

2007	3,780,000	5.00
2008	3,290,000	4.125
2008	5,315,000	5.00
2009	4,480,000	4.20
2009	4,830,000	5.00
2010	590,000	4.25
2010	9,455,000	5.00
2011	9,850,000	5.00
2011	1,000,000	4.40
2012	350,000	4.50
2012	11,350,000	5.00
2013	11,485,000	5.125
2013	1,110,000	4.60
2014	360,000	4.70
2014	13,195,000	5.125
2015	150,000	4.75
2015	14,420,000	5.125
2016	575,000	4.80
2016	15,065,000	5.125
2017	16,565,000	5.125
2017	200,000	4.90
2018	17,575,000	5.125
2018	380,000	4.90
2019	3,125,000	5.00
2019	16,085,000	4.75
2021	42,345,000	5.25
2025	102,535,000	4.75
2029	130,075,000	5.00

The Series 1999A Bonds that are Capital Appreciation Bonds shall be in the Initial Amounts and shall mature in the years and in the Final Compounded Amounts and shall yield to maturity the rates set forth in the following schedule:

October 1 Of The Year	Initial Amount	Yield to Maturity	Final Compounded Amount
2030	$7,298,873.75	5.25%	37,625,000
2031	6,999,600.00	5.25	38,000,000
2032	6,690,401.60	5.26	38,380,000
2033	6,415,607.50	5.26	38,765,000
2034	6,130,889.90	5.27	39,155,000
2035	5,878,364.25	5.27	39,545,000
2036	5,635,933.40	5.27	39,940,000
2037	5,403,946.40	5.27	40,340,000

Payment of principal or the Final Compounded Amount of the Series 1999A Bonds shall be made upon surrender of the Series 1999A Bonds to the Trustee. Payment of interest on Series 1999A Bonds that are Current Interest Bonds which are not Book-Entry Series 1999A Bonds shall be paid by check or draft of the Trustee mailed by first-class mail to the person who is the registered Owner thereof on the Record Date, and such payment shall be mailed to such Owner at his address as it appears on the registration books of the Registrar. All payments in respect of the Series 1999A Bonds shall be made by the Authority in lawful money of the United States of America. The payment of interest on Book-Entry Series 1999A Bonds that are Current Interest Bonds shall be made as provided in Section 2.05 hereof. The Series 1999A Bonds that are Current Interest Bonds shall be substantially in the form of Exhibit A, which is part of this First Supplemental Indenture. The Series 1999A Bonds that are Capital Appreciation Bonds shall be substantially in the form of Exhibit B, which is a part of this First Supplemental Indenture.

If the principal of or interest on (or the Accreted Value of) a Series 1999A Bond becomes due and payable, but shall not have been paid when due, and no provision is made for its payment, then interest on overdue principal and, to the extent lawful, on overdue interest will accrue at the rate applicable to such Series 1999A Bond until all overdue amounts (including interest thereon) are paid in full (or payment of such amounts is provided for as set forth in the Master Indenture and in this First Supplemental Indenture).

Section 2.04. ***Exchange of Series 1999A Bonds***. Series 1999A Bonds which are delivered to the Registrar for exchange pursuant to the Master Indenture may be exchanged for an equal total principal amount of Series 1999A Bonds of the same interest rate and maturity date.

Section 2.05. ***Book-Entry Series 1999A Bonds***.

(i) The registered owner of all of the Series 1999A Bonds shall be DTC. Payment of principal or interest for any Series 1999A Bond registered in the name of Cede & Co. shall be made by wire transfer of New York clearing house or equivalent next day funds or by wire transfer of same day funds to the account of Cede & Co. at the address indicated on the Record Date or special record date for Cede & Co. in the registration books of the Registrar.

(ii) The Series 1999A Bonds shall be initially issued in the form of a separate single authenticated fully registered Series 1999A Bond for each separate stated maturity. Upon initial issuance, the ownership of such Series 1999A Bonds shall be registered in the registration books of the Registrar in the name of Cede & Co., as nominee of DTC. The Trustee, the Registrar, the Bond Insurer for the Series 1999A Bonds and the Authority may treat DTC (or its nominee) as the sole and exclusive owner of the Series 1999A Bonds registered in its name for the purposes of payment of the principal or Final Compounded Amount or redemption price of, premium (if any) on or interest on the Series 1999A Bonds, selecting the Series 1999A Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under the Master Indenture or this First Supplemental Indenture, registering the transfer of Series 1999A Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever, and neither the Trustee, the Registrar, the Bond Insurer for the Series 1999A Bonds nor the Authority shall be affected by any notice to the contrary. Neither the Trustee, the Registrar, the Bond Insurer for the Series 1999A Bonds nor the Authority shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Series 1999A Bonds under or through DTC or any Participant, or any other person which is not shown on the registration books as being a Bondholder, with respect to the accuracy of any records maintained by DTC or any Participant; the payment by DTC or any Participant of any amount in respect of the principal or Final Compounded Amount of, redemption price of, premium (if any) on or interest on the Series 1999A Bonds; any notice which is permitted or required to be given to Bondholders under the Indenture; the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Series 1999A Bonds; any consent given or other action taken by DTC as Bondholder; or any other purpose. The Trustee shall pay all principal or Final Compounded Amount of, premium (if any) on and interest on the Series 1999A Bonds only to or "upon the order of" DTC (as that term is used in the Uniform Commercial Code as adopted in the State), and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to the principal or Final Compounded Amount of and premium, if any, and interest on the Series 1999A Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Series 1999A Bond evidencing the obligation of the Authority to make payments of principal or Final Compounded Amount of and premium, if any, and interest pursuant to the Indenture. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the word "Cede & Co." in this First Supplemental Indenture shall refer to such new nominee of DTC.

(iii) Notwithstanding any other provision of the Master Indenture and this First Supplemental Indenture to the contrary, so long as any Series 1999A Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal or Final Compounded Amount of and premium, if any, and interest on such Series 1999A Bond and all notices with respect to such Series 1999A Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(iv) In connection with any notice or other communication to be provided to Bondholders pursuant to the Master Indenture and this First Supplemental Indenture by the Authority or the Trustee with respect to any consent or other action to be taken by Bondholders, the Authority or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

(v) NEITHER THE AUTHORITY, THE CITY OF LOS ANGELES, THE CITY OF LONG BEACH, THE REGISTRAR, THE BOND INSURER NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO: THE PAYMENT BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 1999A BONDS; THE PROVIDING OF NOTICE TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS; THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT; OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS OWNER OF THE SERIES 1999A BONDS.

ARTICLE III
REDEMPTION

Section 3.01. ***Notices to Bondholders.*** The Trustee shall give notice of redemption (which may be conditional), in the name of the Authority, to Bondholders affected by any redemption pursuant to this Article III at least thirty (30) days but not more than sixty (60) days before each redemption. The Trustee shall send such notices of redemption by first-class mail (or with respect to Series 1999A Bonds held by DTC by an express delivery service for delivery on the next following Business Day) to each Owner of a Series 1999A Bond to be redeemed; each such notice shall be sent to the Owner's registered address.

Each notice of redemption shall specify the Series 1999A Bonds to be redeemed, the date of issue, the maturity date thereof, if less than all Series 1999A Bonds of a maturity are called for redemption, the numbers of the Series 1999A Bonds and the CUSIP numbers assigned to the Series 1999A Bonds to be redeemed, the principal amount to be redeemed and the interest rate applicable to the Series 1999A Bonds to be redeemed, the date fixed for redemption, the redemption price, the place or places of payment, the Trustee's or Paying Agent's name, that payment will be made upon presentation and surrender of the Series 1999A Bonds to be redeemed, that interest, if any, accrued to the date fixed for redemption and not paid will be paid as specified in said notice, and that on and after said date interest thereon will cease to accrue.

Failure to give any required notice of redemption as to any particular Series 1999A Bonds will not affect the validity of the call for redemption of any Series 1999A Bonds in respect of which such failure occurs. Any notice sent as provided herein will be conclusively presumed to have been given whether or not actually received by the addressee. When notice of redemption is given, Series 1999A Bonds called for redemption become due and payable on the redemption date at the applicable redemption price. In the event that funds are deposited by the Authority with the Paying Agent sufficient for redemption, interest on the Series 1999A Bonds to be redeemed will cease to accrue as of the redemption date. In addition, the following requirements shall apply to any notice of redemption:

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

(1) The Depository Trust Company
711 Stewart Avenue
Garden City, NY 11530
Facsimile transmission: (516) 227-4039
(516) 227-4190

(2) Midwest Securities Trust Company
Capital Structured-Call Notification
440 South LaSalle Street
Chicago, IL 60605
Facsimile transmission: (312) 663-2343

(3) Philadelphia Depository Trust Company
Reorganization Division
1900 Market Street
Philadelphia, PA 19103
Facsimile transmission: (215) 496-5058

(b) such redemption notice shall be given by (i) registered or certified mail, postage prepaid, or (ii) overnight delivery service, to one of the following services selected by the Authority and designated in writing to the Trustee:

(1) Financial Information, Inc.'s
Financial Daily Called Bond Service;

(2) Interactive Data Corporation's
Bond Service;

(3) Kenny Information Service's Called Bond Service;

(4) Moody's Municipal and Government Called Bond Record; or

(5) Standard & Poor's Called Bond Record.

Failure to give the notice described in the immediately preceding paragraph or any defect therein shall not in any manner affect the redemption of any Series 1999A Bond.

Section 3.02. ***Mandatory Redemption of Series 1999A Bonds.*** The Series 1999A Bonds that are Current Interest Bonds maturing on October 1, 2021 shall be subject to mandatory sinking fund redemption prior to maturity on each October 1 in the years and in the respective principal amounts set forth below, in each case at a redemption price equal to the principal amount thereof, plus accrued interest to the date fixed for such mandatory redemption:

Year	Principal Amount
2020	$20,465,000
2021*	21,880,000

*__________
Final maturity

The Series 1999A Bonds that are Current Interest Bonds maturing on October 1, 2025 shall be subject to mandatory sinking fund redemption prior to maturity on each October 1 in the years and in the respective principal amounts set forth below, in each case at a redemption price equal to the principal amount thereof, plus accrued interest to the date fixed for such mandatory redemption:

Year	Principal Amount
2022	$23,375,000
2023	24,830,000
2024	26,360,000
2025*	27,970,000

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*Final maturity

The Series 1999A Bonds that are Current Interest Bonds maturing on October 1, 2029 shall be subject to mandatory sinking fund redemption prior to maturity on each October 1 in the years and in the respective principal amounts set forth below, in each case at a redemption price equal to the principal amount thereof, plus accrued interest to the date fixed for such mandatory redemption:

Year	Principal Amount
2026	$29,655,000
2027	31,500,000
2028	33,440,000
2029*	35,480,000

*Final maturity

On or before the 60th day before any mandatory sinking fund payment date for the Series 1999A Bonds, the Authority may deliver to the Trustee for cancellation Series 1999A Bonds of such maturity in any aggregate principal amount desired by the Authority. Each Series 1999A Bond so delivered shall be credited by the Trustee at the principal amount thereof against the obligation of the Authority with respect to such maturity on such mandatory sinking fund payment date, and any excess shall be credited against future sinking fund payment obligations of the Authority with respect to Series 1999A Bonds in such order as the Authority may direct, and the principal amount of Series 1999A Bonds to be so redeemed on future mandatory sinking fund payment dates shall be accordingly reduced. The Authority may also credit against future sinking fund payment obligations for the Series 1999A Bonds the principal amount of any Series 1999A Bonds redeemed pursuant to Section 3.03 below which have not been previously so applied.

Section 3.03. ***Optional Redemption of the Series 1999A Bonds.***

(a) The Series 1999A Bonds that are Capital Appreciation Bonds are not subject to optional redemption. The Series 1999A Bonds that are Current Interest Bonds maturing on or after October 1, 2010 are redeemable at the option of the Authority on or after October 1, 2009 in whole or in part at any time, from any moneys that may be provided for such purpose and at the redemption prices set forth in the table below expressed as a percentage of the principal amount of such Series 1999A Bonds so redeemed plus accrued interest to the date fixed for redemption:

Redemption Period (Both Dates Inclusive)	Redemption Price (Expressed as a Percentage of principal amount)
October 1, 2009 through September 30, 2010	101.0%
October 1, 2010 through September 30, 2011	100.5%
October 1, 2011 and thereafter	100.0%

When the Authority exercises its option to redeem any or all of the Series 1999A Bonds, the Authority shall give notice to the Trustee to such effect (which notice may be conditional) not less than forty-five (45) days before the proposed redemption date and shall state the principal amount and the maturity date or dates to be redeemed.

Section 3.04. ***Payment of Series 1999A Bonds Called for Redemption.*** Upon surrender to the Trustee, Series 1999A Bonds called for redemption shall be paid at the redemption price stated in the notice, plus, when applicable, interest accrued to the redemption date.

Section 3.05. ***Selection of Series 1999A Bonds for Redemption; Series 1999A Bonds Redeemed in Part.*** Series 1999A Bonds may be selected for redemption by the Authority pursuant to Section 3.03 hereof and in such order of maturity as the Authority may direct and by lot, selected in such manner as the Trustee shall deem appropriate, within a maturity, provided that Series 1999A Bonds may be redeemed only in Authorized Denominations. Upon surrender of a Series 1999A Bond to be redeemed in part only, the Trustee will authenticate for the Holder a new Series 1999A Bond or Series 1999A Bonds of the same maturity equal in principal amount to the unredeemed portion of the Series 1999A Bond surrendered.

Section 3.06. ***Effect of Call for Redemption.*** On the date so designated for redemption, notice having been given in the manner and under the conditions provided herein and moneys for payment of the redemption price being held in trust to pay the redemption price, (a) the Series 1999A Bonds so called for redemption shall become and be due and payable on the redemption date, (b) interest on such Series 1999A Bonds shall cease to accrue from and after such redemption date, (c) such Series 1999A Bonds shall cease to be entitled to any lien, benefit or security under the Master Indenture and this First Supplemental Indenture and (d) the Owners of such Series 1999A Bonds shall have no rights in respect thereof except to receive payment of the redemption price. Series 1999A Bonds which have been duly called for redemption under the provisions of this Article III and for the payment of the redemption price of which moneys shall be held in trust for the holders of the Series 1999A Bonds to be redeemed, all as provided in this First Supplemental Indenture, shall not be deemed to be Outstanding under the provisions of the Master Indenture and this First Supplemental Indenture.

ARTICLE IV
ESTABLISHMENT OF FUNDS
AND ADMINISTRATION THEREOF

Section 4.01. ***Establishment of Funds and Accounts.*** There is hereby established within the Debt Service Reserve Fund established pursuant to Section 3.02(c) of the Master Indenture the Series 1999A Debt Service Reserve Account, to be held and administered by the Trustee in accordance with the Master Indenture and Section 4.04 of this First Supplemental Indenture. In addition, the following funds are hereby established pursuant to Section 3.02 of the Master Indenture, each of which shall be held and administered by the Trustee as set forth herein:

(1) The Alameda Corridor Transportation Authority Tax-Exempt Senior Lien Revenue Bonds Costs of Issuance Fund, Series 1999A (the "Series 1999A Costs of Issuance Fund");

(2) The Alameda Corridor Transportation Authority Tax-Exempt Senior Lien Revenue Bonds Capitalized Interest Fund, Series 1999A (the "Series 1999A Capitalized Interest Fund");

(3) The Alameda Corridor Transportation Authority Tax-Exempt Senior Lien Revenue Bonds Construction Fund, Series 1999A (the "Series 1999A Construction Fund"); and

(4) The Alameda Corridor Transportation Authority Tax-Exempt Senior Lien Revenue Bonds Debt Service Fund, Series 1999A (the "Series 1999A Debt Service Fund"), which shall contain an Interest Account, a Principal Account and a Redemption Account for purposes of the Master Indenture.

Section 4.02. ***Application of Proceeds and Other Funds and Securities.*** The net proceeds of the sale of the Series 1999A Bonds, being the amount of $488,328,475.06 (of which $10,203,000 shall be paid directly by the initial purchasers to the Bond Insurer for the Series 1999A Bonds as provided in clause (d) below), shall be received by the Trustee and shall be deposited by the Trustee as follows:

(a) the sum of $2,323,089.49, representing accrued interest, shall be transferred into the Interest Account of the Series 1999A Debt Service Fund to be used to pay the interest due and payable on the Series 1999A Bonds that are Current Interest Bonds on April 1, 1999;

(b) the sum of $1,268,979.19 shall be deposited into the Series 1999A Costs of Issuance Fund;

(c) the sum of $77,658,371.92 shall be deposited into the Series 1999A Capitalized Interest Fund;

(d) the sum of $10,203,000 shall be paid by the initial purchasers to the Bond Insurer for the Series 1999A Bonds for the purchase of the Bond Insurance Policy and Debt Service Reserve Surety Policy, each relating to the Series 1999A Bonds; and

(e) the remainder shall be transferred by the Trustee into the Series 1999A Construction Fund.

Section 4.03. ***Series 1999A Debt Service Fund.*** The Trustee shall withdraw funds and make payments from the Revenue Fund for deposit in the Series 1999A Debt Service Fund at the times and in the amounts required by Section 3.03 - FIRST of the Master Indenture in respect of the Series 1999A Bonds. With the funds made available to it pursuant to Section 3.03 of the Master Indenture for such purpose, the Trustee shall make deposits or transfers into the Series 1999A Debt Service Fund as follows:

(i) *Interest Account.* The Trustee shall deposit into the Interest Account of the Series 1999A Debt Service Fund the amount received from the sale of the Series 1999A Bonds as provided in Section 4.02(a). Thereafter, the Trustee shall deposit or transfer into the Interest Account amounts, as provided in the Master Indenture and this First Supplemental Indenture, to be used to pay interest due on the Series 1999A Bonds. The Trustee shall also deposit into the Interest Account any other amounts deposited with it for deposit in such Interest Account or transferred from other funds and accounts for deposit therein (including the Series 1999A Capitalized Interest Fund). Earnings on amounts in the Interest Account shall be credited to such account.

(ii) *Principal Account.* The Trustee shall deposit or transfer into the Principal Account of the Series 1999A Debt Service Fund amounts, as provided in the Master Indenture and this First Supplemental Indenture, to be used to pay principal or Final Compounded Amount of the Series 1999A Bonds at maturity. The Trustee shall also deposit into the Principal Account any other amounts deposited with it for deposit into such Principal Account or transferred from other funds and accounts for deposit therein. Earnings on amounts in the Principal Account shall be credited to such account.

(iii) *Redemption Account.* The Trustee shall deposit or transfer into the Redemption Account of the Series 1999A Debt Service Fund amounts as instructed by or as received from the Authority, as provided in the Master Indenture and this First Supplemental Indenture, to be used to pay the redemption price of Series 1999A Bonds being redeemed as provided in Section 2.12 of the Master Indenture and Section 3.02 and Section 3.03 of this First Supplemental Indenture. The Trustee shall also deposit into the Redemption Account any other amounts deposited with it for deposit into the Redemption Account or transferred from other funds and accounts for deposit therein. Earnings on amounts in the Redemption Account shall be credited to such account, and any remaining earnings or other amounts therein following the applicable redemption date shall be withdrawn by the Trustee on the Business Day following such redemption date and deposited into the Revenue Fund, unless an Event of Default exists under the Master Indenture, in which event the earnings shall be retained in such Redemption Account.

Pursuant to Section 3.11 of the Master Indenture, amounts on deposit in the Series 1999A Debt Service Fund and the accounts therein may be invested and reinvested as directed by an Authorized Authority Representative in Permitted Investments.

Section 4.04. ***Series 1999A Debt Service Reserve Account.*** As a condition of issuance of the Series 1999A Bonds, the Authority shall deposit with the Trustee a Debt Service Reserve Surety Policy in an amount equal to the Debt Service Reserve Requirement for the Series 1999A Bonds.

Section 4.05. ***Series 1999A Costs of Issuance Fund.*** There shall be deposited into the Series 1999A Costs of Issuance Fund the amount provided in Section 4.02(b) above. The Trustee shall make payments or disbursements from the Series 1999A Costs of Issuance Fund to pay Costs of Issuance relating to the Series 1999A Bonds upon receipt from the Authority of a Requisition meeting the requirements of Section 3.13 of the Master Indenture. Pursuant to Section 3.11 of the Master Indenture, amounts on deposit in the Series 1999A Costs of Issuance Fund may be invested and reinvested by an Authorized Authority Representative in Permitted Investments. Subject to Section 3.11 of the Master Indenture, earnings on amounts in the Series 1999A Cost of Issuance Fund shall be retained therein. Upon the Trustee's receipt of written instructions from an Authorized Authority Representative, all amounts remaining on deposit in the Series 1999A Costs of Issuance Fund shall be transferred to the Series 1999A Construction Fund.

Section 4.06. ***Series 1999A Construction Fund***. There shall be deposited in the Series 1999A Construction Fund the amounts provided in Section 4.02(e) above. The Trustee shall make payments or disbursements from the Series 1999A Construction Fund (i) to pay Costs of the Project upon receipt from the Authority of a Requisition meeting the requirements of Section 3.07 of the Master Indenture; or (ii) to the Debt Service Fund for any one or more Series of Bonds, subject to satisfaction of the conditions set forth in Section 3.07 of the Master Indenture and written instructions from an Authorized Authority Representative.

Upon completion of acquisition, construction and/or equipping of the Project, the Authority shall deliver to the Trustee a signed certificate of an Authorized Authority Representative stating the fact and date of such completion and stating that all of the Costs of the Project and incidental expenses have been determined and paid. Upon the receipt of such certificate, the Trustee shall transfer the remaining balances in the Series 1999A Construction Fund to the Series 1999A Debt Service Fund.

Pursuant to Section 3.11 of the Master Indenture, amounts on deposit in the Series 1999A Construction Fund may be invested and reinvested by an Authorized Authority Representative in Permitted Investments. Subject to Section 3.11 of the Master Indenture, earnings on amounts in the Series 1999A Construction Fund shall be retained therein.

Section 4.07. ***Series 1999A Capitalized Interest Fund***. There shall be deposited into the Series 1999A Capitalized Interest Fund the amounts provided in Section 4.02(c) above. Amounts on deposit in the Series 1999A Capitalized Interest Fund shall be transferred by the Trustee to the Interest Account in the Series 1999A Debt Service Fund on the Interest Payment Dates to pay capitalized interest on the Series 1999A Bonds through January 1, 2003.

Any amounts remaining on deposit in the Series 1999A Capitalized Interest Fund after January 1, 2003 shall be transferred to the Interest Account and applied as are other amounts therein. As provided under Section 3.04 of the Master Indenture, the Authority shall not be required to make any deposits into the Interest Account from the Revenue Fund, so long as and to the extent that sufficient moneys are on deposit in the Series 1999A Capitalized Interest Fund to pay the interest coming due on such Series 1999A Bonds on the next Interest Payment Date.

Pursuant to Section 3.11 of the Master Indenture, amounts on deposit in the Series 1999A Capitalized Interest Fund may be invested and reinvested by an Authorized Authority Representative in Permitted Investments stated to mature or to be called or purchased at the option of the holder on the respective Interest Payment Dates. Subject to Section 3.11 of the Master Indenture, earnings on amounts in the the Series 1999A Capitalized Interest Fund shall be retained therein.

ARTICLE V
TAX COVENANTS

The Authority hereby agrees that it will execute the Tax Certificate with respect to the Series 1999A Bonds. There is hereby created and established by the Authority the "The Alameda Corridor Transportation Authority Tax-Exempt Senior Lien Revenue Bonds Rebate Fund, Series 1999A" (the "Series 1999A Rebate Fund") to be held and administered by the Authority. Notwithstanding any other provision contained herein relating to the deposit of investment earnings on amounts on deposit in any fund or account hereunder, at the written direction of the Authority, any earnings which are subject to a federal tax or rebate requirement, as provided in the Tax Certificate, shall be deposited in the Series 1999A Rebate Fund for that purpose.

ARTICLE VI
BOND INSURER PROVISIONS

Section 6.01. ***Rights of Bond Insurer Controlling***. Anything herein to the contrary notwithstanding, if a Bond Insurance Policy is in effect with respect to the Series 1999A Bonds and the Bond Insurer for the Series 1999A Bonds is not in default of its obligation to make payments thereunder, such Bond Insurer shall be deemed to be the owner of all Series 1999A Bonds then Outstanding for all purposes (including, without limitation, all approvals, consents, waivers, authorizations, directions, inspections and the institution of any action), and shall have the exclusive right to exercise or direct the exercise of remedies on behalf of the owners of the Series 1999A Bonds in accordance with the terms of the Indenture following an Event of Default, and the principal or Accreted Value of all such Bonds Outstanding may not be declared to be due and payable immediately without the prior written consent of the Bond Insurer for the Series 1999A Bonds.

Section 6.02. ***Payments Under the Bond Insurance Policy***. (a) If, as of the second day next preceding any date on which payment of principal of or interest on or the Final Compounded Amount of the Series 1999A Bonds is due, there are insufficient moneys available under the Indenture to pay all principal and interest or Final Compounded Amount coming due on the Series 1999A Bonds on the next succeeding payment date, the Trustee shall immediately notify the Bond Insurer for the Series 1999A Bonds or its designee by telephone or telegraph, confirmed in writing by registered or certified mail, of the amount of the deficiency.

(b) If the deficiency is made up in whole or in part prior to or on the Interest Payment Date or Principal Payment Date, the Trustee shall so notify the Bond Insurer for the Series 1999A Bonds or its designee.

(c) In addition, if the Trustee has notice that any of the Bondholders have been required to disgorge payments of principal or interest on or Accreted Value of Series 1999A Bonds to the Authority or to the trustee in bankruptcy for creditors or others pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes a voidable preference to such Bondholders within the meaning of any applicable bankruptcy laws, then the Trustee shall notify the Bond Insurer for the Series 1999A Bonds or its designee of such fact by telephone or telegraphic notice, confirmed in writing by registered or certified mail.

(d) The Trustee is hereby irrevocably designated, appointed, directed and authorized to act as attorney-in-fact for Bondholders of the Series 1999A Bonds as follows:

(i) if and to the extent there is a deficiency in amounts required to pay interest on the Series 1999A Bonds, the Trustee shall (A) execute and deliver to State Street Bank and Trust Company, N.A., or its successors under the Bond Insurance Policy (the "Insurance

Paying Agent"), in form satisfactory to the Insurance Paying Agent, an instrument appointing the Bond Insurer for the Series 1999A Bonds as agent for such Bondholders in any legal proceeding related to the payment of such interest and an assignment to the Bond Insurer for the Series 1999A Bonds of the claims for interest to which such deficiency relates and which are paid by such Bond Insurer, (B) receive as designee of the respective Bondholders (and not as Trustee) in accordance with the tenor of the Bond Insurance Policy payment from the Insurance Paying Agent with respect to the claims for interest so assigned and (C) disburse the same to such Bondholders; and

(ii) if and to the extent of a deficiency in amounts required to pay principal or Final Compounded Amount of the Series 1999A Bonds, the Trustee shall (A) execute and deliver to the Insurance Paying Agent an instrument appointing the Bond Insurer for the Series 1999A Bonds as agent for such Bondholders in any legal proceeding relating to the payment of such principal or Final Compounded Amount and an assignment to the Bond Insurer for the Series 1999A Bonds of any of the Series 1999A Bonds surrendered to the Insurance Paying Agent of so much of the principal amount or Final Compounded Amount thereof as has not previously been paid or for which moneys are not held by the Trustee and available for such payment (but such assignment shall be delivered only if payment from the Insurance Paying Agent is received), (B) receive as designee of the respective Bondholders (and not as Trustee) in accordance with the tenor of the Bond Insurance Policy payment therefor from the Insurance Paying Agent and (C) disburse the same to such Bondholders.

(e) Payments with respect to claims for interest on and principal or Accreted Value of Series 1999A Bonds disbursed by the Trustee from proceeds of the Bond Insurance Policy shall not be considered to discharge the obligation of the Authority with respect to such Series 1999A Bonds as set forth in Article II hereof, and the Bond Insurer for the Series 1999A Bonds shall become the owner of such unpaid Series 1999A Bonds and claims for interest in accordance with the tenor of the assignment made to it under the provisions of this subsection or otherwise.

(f) Irrespective of whether any such assignment is executed and delivered, the Authority and the Trustee hereby agree for the benefit of the Bond Insurer for the Series 1999A Bonds that:

(i) they recognize that to the extent the Bond Insurer for the Series 1999A Bonds makes payments, directly or indirectly (as by paying through the Trustee), on account of principal of or interest on or Accreted Value of the Series 1999A Bonds, such Bond Insurer will be subrogated to the rights of such Bondholders to receive the amount of such principal and interest or Accreted Value from the Authority, with interest thereon as provided and solely from the sources stated in the Indenture and the Series 1999A Bonds; and

(ii) they will accordingly pay to the Bond Insurer for the Series 1999A Bonds the amount of such principal and interest or Accreted Value (including principal and interest or Accreted Value recovered under subparagraph (ii) of the first paragraph of the Bond Insurance Policy, which principal and interest or Accreted Value shall be deemed past due and not to have been paid), with interest thereon as provided in the Indenture and the Series 1999A Bonds, but only from the sources and in the manner provided herein for the payment of principal or Accreted Value of and interest on the Series 1999A Bonds to the Bondholders and will otherwise treat the Bond Insurer for the Series 1999A Bonds as the owner of such rights to the amount of such principal and interest or Accreted Value.

Section 6.03. ***Notices, Consents, Miscellaneous***. (a) In connection with the issuance of additional Bonds, if any, under the Indenture, the Authority shall deliver to the Bond Insurer for the Series 1999A Bonds a copy of the disclosure document, if any, circulated with respect to such additional Bonds.

(b) The Bond Insurer for the Series 1999A Bonds shall receive notice of the resignation or removal of the Trustee and any successor Trustee must be approved by such Bond Insurer. The Bond Insurer for the Series 1999A Bonds shall receive notice of the resignation or removal of any Paying Agent and any successor Paying Agent must be approved by such Bond Insurer.

(c) The Bond Insurer for the Series 1999A Bonds shall receive copies of all notices required to be delivered to Bondholders and, on an annual basis, copies of the Authority's audited financial statements and annual budget.

(d) While the Bond Insurance Policy is in effect, the Trustee will furnish the Bond Insurer for the Series 1999A Bonds with such information as it may reasonably request regarding the Series 1999A Bonds, as appears from the books and records under the Trustee's custody and control, or as otherwise known to the Trustee. The Trustee will permit the Bond Insurer for the Series 1999A Bonds to have access to and make copies of all such books and records at any reasonable time.

(e) While the Bond Insurance Policy is in effect, the Authority agrees to permit the Bond Insurer for the Series 1999A Bonds to examine, visit and inspect, at any reasonable time, upon reasonable notice, the property constituting the projects financed or refinanced with the net proceeds of the Bonds, and its facilities, and any accounts, books and records, including their receipts, disbursements, contracts, investments and any other matters relating thereto and to their financial standing, and to supply such reports and information as the Bond Insurer for the Series 1999A Bonds may reasonably require. The Authority's chief financial officer shall, at the reasonable request of the Bond Insurer for the Series 1999A Bonds, discuss the Authority's financial matters with such Bond Insurer or a designee and provide such Bond Insurer with copies of any documents that are reasonably requested by such Bond Insurer or a designee and have a material financial affect on the Authority. The Authority further agrees to promptly notify the Bond Insurer for the Series 1999A Bonds in writing of the happening of any event resulting in the loss of its tax-exempt status or placing the same in jeopardy.

(f) The Trustee shall notify the Bond Insurer for the Series 1999A Bonds (i) immediately upon the occurrence of an Event of Default or of any event that with notice and/or with the lapse of time could become an Event of Default, and (ii) of any redemption of Series 1999A Bonds at the same time that the Bondholders of the Series 1999A Bonds to be redeemed are notified. All notices, reports, statements, schedules and certificates (including, without limitation, notices of estimates of Shortfall Advances under Section 7.3(h)(ii) of the Use and Operating Agreement and schedules of insurance policies) to be delivered to or by the Trustee, or to a Holder of a Bond or available at the request of the Bondholders shall also be provided to the Bond Insurer for the Series 1999A

Bonds. In addition, all opinions to be delivered to or by the Trustee, or to a Holder of a Bond shall also be addressed to the Bond Insurer for the Series 1999A Bonds. All notices required to be given to the Bond Insurer for the Series 1999A Bonds under the Indenture shall be in writing and shall be sent by registered or certified mail addressed to MBIA Insurance Corporation, 113 King Street, Armonk, New York 10504, Attention: Insured Portfolio Management -- PCF.

(g) Notwithstanding any other provision to the contrary in the Indenture, the Bond Insurer for the Series 1999A Bonds is an express third-party beneficiary and may enforce the Indenture as if a party thereto.

ARTICLE VII
MISCELLANEOUS

Section 7.01. ***Notices.***

(a) Any notice, request, direction, designation, consent, acknowledgment, certification, appointment, waiver or other communication required or permitted by this First Supplemental Indenture or the Series 1999A Bonds must be in writing except as expressly provided otherwise in this First Supplemental Indenture.

(b) Any notice or other communication, unless otherwise specified, shall be sufficiently given and deemed given when (i) mailed by first-class mail, postage prepaid, addressed to the Authority or the Trustee at the addresses provided in the Master Indenture, (ii) delivered by hand and received by the Authority or the Trustee at the addresses provided in the Master Indenture or (iii) sent by facsimile to the Authority or the Trustee at the number provided in the Master Indenture, provided the machine receiving such facsimile is equipped with automatic answer-back capacity. Any addressee may designate additional or different addresses for purposes of this Section.

Section 7.02. ***Modification of this First Supplemental Indenture.*** The Authority may, from time to time and at any time, execute and deliver Supplemental Indentures supplementing and/or amending this First Supplemental Indenture in the manner set forth in Article VIII of the Master Indenture.

Section 7.03. ***Severability.*** If any provision of this First Supplemental Indenture shall be determined to be unenforceable, that shall not affect any other provision of this First Supplemental Indenture.

Section 7.04. ***Payments or Actions Occurring on Non-Business Days.*** If a payment date is not a Business Day at the place of payment or if any action required hereunder is required on a date that is not a Business Day, then payment may be made at that place on the next Business Day or such action may be taken on the next Business Day with the same effect as if payment were made or the action taken on the stated date, and no interest shall accrue for the intervening period.

Section 7.05. ***Governing Law.*** This First Supplemental Indenture shall be governed by and construed in accordance with the laws of the State.

Section 7.06. ***Captions.*** The captions in this First Supplemental Indenture are for convenience only and do not define or limit the scope or intent of any provisions or Sections of this First Supplemental Indenture.

Section 7.07. ***Counterparts.*** This First Supplemental Indenture may be signed in several counterparts. Each will be an original, but all of them together constitute the same instrument.

[Remainder of this page intentionally left blank.]

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

ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

Attest:

By ______________________
Chief Executive Officer

By ______________________
Secretary of the
Authority Governing Board

U.S. BANK TRUST NATIONAL ASSOCIATION
as Trustee

By ______________________
Vice President

EXHIBIT A

[FORM OF CURRENT INTEREST BOND]

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

TAX- EXEMPT SENIOR LIEN REVENUE BOND,
SERIES 1999A
(Current Interest Bond)

No. ________________ Principal Amount: $________________

Interest Rate	Maturity Date	Original Dated Date	CUSIP
		January 1, 1999	

Neither the faith and the credit nor the taxing power of the City of Los Angeles, the City of Long Beach, the State of California or any public agency is pledged to or secures the payment of the principal of, premium, if any, or interest on this bond. Payment of the principal of, premium, if any, on or interest on this bond is a special limited obligation of the Authority and is secured only by the Trust Estate and a pledge of Revenues under the Master Indenture. The Authority has no power of taxation.

The Alameda Corridor Transportation Authority (the "Authority") promises to pay, from the Revenues, to Cede & Co., as nominee for The Depository Trust Company, or registered assigns, the principal sum of ____________________ Dollars on the maturity date set forth above and to pay interest as provided in this bond.

Additional provisions of this bond are set forth on the following pages of this bond.

All acts, conditions and other matters required to exist, to happen and to be performed, precedent to and in the issuance of this bond, do exist, have happened and have been performed in due time, form and manner as required by law.

Date of Authentication: February 9, 1999

U.S. Bank Trust National Association, as Trustee, certifies that this is one of the Series 1999A Bonds referred to in the Master Indenture and the First Supplemental Indenture.

By: ____________________________
Authorized Signatory

ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

By: ____________________________
Chief Executive Officer

Countersigned:

By: ____________________________
Treasurer

1. ***Master Indenture; First Supplemental Indenture***. The Authority has entered into a Master Trust Indenture, dated as of January 1, 1999 (the "Master Indenture"), with U.S. Bank Trust National Association, as trustee (the "Trustee"). The Master Indenture provides that the Authority may issue bonds and incur other indebtedness under the terms and conditions set forth in the Master Indenture and any Supplemental Indenture. All bonds and other indebtedness issued thereunder and secured thereby are collectively referred to herein as "Bonds."

This bond is part of a series of Bonds of the Authority designated as Alameda Corridor Transportation Authority Tax-Exempt Senior Lien Revenue Bonds, Series 1999A (the "Series 1999A Bonds"). The Series 1999A Bonds are issued under the Master Indenture and a First Supplemental Trust Indenture, dated as of January 1, 1999 (the "First Supplemental Indenture"), between the Authority and the Trustee and authorized by Resolution No. JPA-30-98 adopted by the Authority on December 17, 1998. The Series 1999A Bonds, which consist of Current Interest Bonds (including this bond) and Capital Appreciation Bonds, are being issued in the original principal amount of $494,893,616.80. The Series 1999A Bonds are equally and ratably secured under the Master Indenture and the First Supplemental Indenture. This bond shall be deemed a "Senior Lien Bond" as defined in the Master Indenture. The Series 1999A Bonds shall be on a parity with the Alameda Corridor Transportation Authority Taxable Senior Lien Revenue Bonds, Series 1999C issued by the Authority concurrently with the issuance of the Series 1999A Bonds, and with any other Senior Lien Bonds issued from time to time under the Master Indenture, as and to the extent provided in the Master Indenture. The Series 1999A Bonds are being issued to pay a portion of the Costs of the Project as defined in the Master Indenture.

The terms of the Series 1999A Bonds include the terms set forth in the Master Indenture and the First Supplemental Indenture. Bondholders are referred to the Master Indenture and the First Supplemental Indenture, each as may be amended and supplemented from time to time (collectively, the "Indenture"), for a statement of those terms. Capitalized terms used but not otherwise defined in this bond shall have the meanings given to them in the Indenture.

2. ***Source of Payments***. The Series 1999A Bonds, together with all other Bonds, are secured by the Trust Estate and payable from the Revenues, as described in the Master Indenture. Pursuant to the Master Indenture, the Authority has pledged the Revenues, subject to application and priorities as described therein, to secure payment of all Bonds issued under the Master Indenture. The Senior Lien Bonds authorized and issued under the provisions of the Master Indenture shall be secured by a pledge of Revenues and a first lien on the Trust Estate. The Authority hereby represents and states that it has not previously created any pledge, charge or lien on or any security interest in the Trust Estate prior to or on a parity with the lien on the Senior Lien Bonds, and the Authority covenants that, until all the Senior Lien Bonds authorized and issued under the provisions of the Master Indenture and the interest thereon shall have been paid or deemed to have been paid, the Authority will not, except as specifically provided in the Master Indenture, grant any prior or parity pledge of or any lien on or security interest in the Trust Estate, or create or permit to be created any charge or lien thereon or any security interest therein ranking prior to or on a parity with the charge or lien of the Senior Lien Bonds from time to time Outstanding under the Master Indenture.

3. ***Interest Rate***. This bond shall bear interest until its maturity or prior redemption at the rate shown on the face of this bond. Interest on overdue principal and, to the extent lawful, on overdue interest will accrue at the rate shown on the face of this bond until all overdue amounts (including interest thereon) are paid in full (or payment of such amounts is provided for as set forth in the Indenture). Interest on this bond shall be calculated on the basis of a year of 360 days and twelve 30-day months.

4. ***Interest Payment and Record Dates***. Interest hereon will be due and payable on April 1, 1999 and on each October 1 and April 1 thereafter until maturity or prior redemption, and will be paid by the Paying Agent to the party who is the owner hereof on the Record Date for such payment. The Record Date for an April 1 payment is the preceding March 15, and the Record Date for an October 1 payment is the preceding September 15. If this bond is not a Book-Entry Series 1999A Bond, as defined in the First Supplemental Indenture, interest hereon will be paid by check mailed to the holder's registered address, and if this bond is a Book-Entry Series 1999A Bond, as defined in the First Supplemental Indenture, interest will be paid as provided in the First Supplemental Indenture.

5. ***Payment of Principal***. Payment of principal on this bond will be paid at maturity or prior redemption upon surrender of this bond to the Paying Agent, except that with respect to Book-Entry Series 1999A Bonds, the Paying Agent may make arrangements for payment of principal as provided in the First Supplemental Indenture. Principal and interest will be paid in lawful money of the United States. If any payment on this bond is due on a non-Business Day, it will be made on the next Business Day, and no interest will accrue as a result.

6. ***Redemption***. All redemptions of Series 1999A Bonds that are Current Interest Bonds will be made at a redemption price of 100% of the principal amount of the Series 1999A Bonds being redeemed (unless a premium is required as provided below under "Optional Redemption"), plus interest accrued since the most recent interest payment date.

(a) *Optional Redemption*. The Series 1999A Bonds that are Current Interest Bonds due on or after October 1, 2010 are redeemable at the option of the Authority on or after October 1, 2009, in whole or in part at any time, from any moneys that may be provided for such purpose and at the redemption prices set forth in the table below expressed as a percentage of the principal amount of such Series 1999A Bonds so redeemed plus accrued interest to the date fixed for redemption:

Redemption Period (both dates inclusive)	Redemption Price (expressed as a percentage of principal amount)
October 1, 2009 through September 30, 2010	101.0%
October 1, 2010 through September 30, 2011	100.5%
October 1, 2011 and thereafter	100.0%

(b) *Mandatory Redemption.* The Series 1999A Bonds maturing on October 1, 2021 shall be subject to mandatory sinking fund redemption prior to maturity on each October 1 in the years and in the respective principal amounts set forth below, in each case at a redemption price equal to the principal amount thereof, plus accrued interest to the date fixed for such mandatory redemption:

Year	Principal Amount
2020	$20,465,000
2021*	$21,880,000

*Final maturity

The Series 1999A Bonds maturing on October 1, 2025 shall be subject to mandatory sinking fund redemption prior to maturity on each October 1 in the years and in the respective principal amounts set forth below, in each case at a redemption price equal to the principal amount thereof, plus accrued interest to the date fixed for such mandatory redemption:

Year	Principal Amount
2022	$23,375,000
2023	$24,830,000
2024	$26,360,000
2025*	$27,970,000

*Final maturity

The Series 1999A Bonds maturing on October 1, 2029 shall be subject to mandatory sinking fund redemption prior to maturity on each October 1 in the years and in the respective principal amounts set forth below, in each case at a redemption price equal to the principal amount thereof, plus accrued interest to the date fixed for such mandatory redemption:

Year	Principal Amount
2026	$29,655,000
2027	$31,500,000
2028	$33,440,000
2029*	$35,480,000

*Final maturity

(c) *Extraordinary Redemption.* The Series 1999A Bonds are subject to extraordinary redemption as provided in the Master Indenture.

(d) *Notice of Redemption.* At least thirty (30) days but not more than sixty (60) days before each redemption, the Trustee will give notice as provided in the First Supplemental Indenture to each owner of a Series 1999A Bond to be redeemed. Failure to give any required notice of redemption will not affect the validity of the call for redemption of any Series 1999A Bond in respect of which such failure occurs. Any notice sent as provided in the First Supplemental Indenture will be conclusively presumed to have been given whether or not actually received by the addressee.

(e) *Effect of Redemption.* When notice of redemption is given, Series 1999A Bonds called for redemption become due and payable on the redemption date at the applicable redemption price; in such case when funds sufficient for redemption are deposited with the Paying Agent, interest on the Series 1999A Bonds to be redeemed ceases to accrue as of the redemption date.

7. ***Denominations; Transfer; Exchange.*** The Series 1999A Bonds that are Current Interest Bonds are available in denominations of $5,000 of the original principal amount and integral multiples thereof. A holder may transfer or exchange Series 1999A Bonds in accordance with the Master Indenture and the First Supplemental Indenture. The Trustee and the Registrar may require a holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Master Indenture.

8. ***Persons Deemed Owners.*** The registered owner of this bond shall be treated as its owner for all purposes.

9. ***Unclaimed Money.*** If moneys for the payment of principal, premium or interest remain unclaimed for one year, such moneys will be paid to or for the account of the Authority. After that, holders entitled to such moneys must look only to the Authority and not to the Paying Agent or the Trustee for payment.

10. ***Discharge Before Maturity.*** If the Authority at any time deposits with the Trustee money or Government Obligations as described in the Master Indenture sufficient to pay in full the Accreted Value or principal of, interest on and premium, if any, on all Outstanding Bonds (including this bond), and if the Authority also pays all other sums then payable by the Authority under the Master Indenture, then the Master Indenture and all Supplemental Indentures thereto will be discharged. After discharge, Bondholders must look only to the deposited money and securities for payment. If the Authority at any time deposits with the Trustee money or Government Obligations as described in the Master Indenture sufficient to pay in full the Accreted Value or principal of, interest on and premium, if any, on any portion of the Outstanding Bonds, then such Bonds with respect to which the deposit was made shall no longer be deemed to be Outstanding and shall no longer be secured by the Master Indenture except to the extent of the funds set aside therefor.

11. ***Amendment, Supplement, Waiver***. The Master Indenture, the First Supplemental Indenture and the Series 1999A Bonds may be amended or supplemented, and any past default or compliance with any provision may be waived, as provided in the Master Indenture. Any consent given by the owner of this bond shall bind any subsequent owner of this bond or any Series 1999A Bond delivered in substitution for this bond.

12. ***Defaults and Remedies***. The Master Indenture provides that the occurrences of certain events constitute Events of Default. Bondholders may not enforce the Indenture or the Series 1999A Bonds except as provided in the Master Indenture. The Trustee may refuse to enforce the Indenture or the Series 1999A Bonds unless it receives indemnity satisfactory to it. Subject to certain limitations, holders of 25% or more of the Bond Obligation amount of the Bonds (including this bond), determined in accordance with the terms of the Master Indenture and the First Supplemental Indenture, may direct the Trustee in its exercise of certain of such trusts or powers.

13. ***No Recourse Against Others***. No member, director, officer, official or employee of the Authority shall have any personal liability for any obligations of the Authority under the Series 1999A Bonds, the Master Indenture or the First Supplemental Indenture or for any claim based on such obligations or their creation or be subject to any personal liability or accountability by reason of the issuance thereof. Each Bondholder, by accepting a Series 1999A Bond, waives and releases all such liability. The waiver and release are part of the consideration for the issuance of this bond.

14. ***Authentication***. This bond shall not be valid until the Trustee or an authenticating agent signs the certificate of authentication on the second page of this bond.

15. ***Abbreviations***. Customary abbreviations may be used in the name of a Bondholder or an assignee, such as TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= custodian) and U/G/M/A (= Uniform Gifts to Minors Act).

[FORM OF ASSIGNMENT]

I or we assign and transfer this bond to ______________________________

____

____

[insert social security number or other identifying number of assignee]

____

____

____

[print or type assignee's name, address and zip code]

and irrevocably appoint ______________________________________

agent to transfer this bond on the books of the Authority. The agent may substitute another to act for him.

Date: ____________________ Signature: ____________________

(Sign exactly as name appears on the face of this bond)

Signature guarantee: ____________________________

(NOTE: Signature must be guaranteed by an eligible guarantor institution.)

STATEMENT OF INSURANCE

MBIA Insurance Corporation (the "**Insurer**") has issued a policy containing the following provisions, such policy being on file at the corporate trust office of U.S. Bank Trust National Association, in Los Angeles, California.

The Insurer, in consideration of the payment of the premium and subject to the terms of this policy, hereby unconditionally and irrevocably guarantees to any owner, as hereinafter defined, of the following described obligations, the full and complete payment required to be made by or on behalf of the Alameda Corridor Transportation Authority (the "**Issuer**") to U.S. Bank Trust National Association, as trustee, or its successor (the "**Paying Agent**") of an amount equal to (i) the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment), and interest on, the Obligations (as that term is defined below) as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed hereby shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any owner pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law. The amounts referred to in clauses (i) and (ii) of the preceding sentence shall be referred to herein collectively as the "**Insured Amounts**." The term "**Obligations**" shall mean:

$494,893,616.80
Alameda Corridor Transportation Authority (California)
Tax-Exempt Senior Lien Revenue Bonds, Series 1999A

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by the Insurer from the Paying Agent or any owner of an Obligation the payment of an Insured Amount for which is then due, that such required payment has not been made, the Insurer on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with State Street Bank and Trust Company, N.A., in New York, New York, or its successor, sufficient for the payment of any such Insured Amounts which are then due. Upon presentment and surrender of such Obligations or presentment of such other proof of ownership of the Obligations, together with any appropriate instruments of assignment to evidence the assignment of the Insured Amounts due on the Obligations as are paid by the Insurer, and appropriate instruments to effect the appointment of the Insurer as agent for such owners of the Obligations in any legal proceeding related to payment of Insured Amounts on the Obligations, such instruments being in a form satisfactory to State Street Bank and Trust Company, N.A., State Street Bank and Trust Company, N.A. shall disburse to such owners or the Paying Agent payment of the Insured Amounts due on such Obligations, less any amount held by the Paying Agent for the payment of such Insured Amounts and legally available therefor. This policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

As used herein, the term "**owner**" shall mean the registered owner of any Obligation as indicated in the books maintained by the Paying Agent, the Issuer, or any designee of the Issuer for such purpose. The term "**owner**" shall not include the Issuer or any party whose agreement with the Issuer constitutes the underlying security for the Obligations.

Any service of process on the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.

This policy is non-cancelable for any reason. The premium on this policy is not refundable for any reason including the payment prior to maturity of the Obligations.

In the event the Insurer were to become insolvent, any claims arising under a policy of financial guaranty insurance are excluded from coverage by the California Insurance Guaranty Association, established pursuant to Article 14.2 (commencing with Section 1063) of Chapter 1 of Part 2 of Division 1 of the California Insurance Code.

MBIA Insurance Corporation

EXHIBIT B

[FORM OF CAPITAL APPRECIATION BOND]

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

TAX- EXEMPT SENIOR LIEN REVENUE BOND, SERIES 1999A (Capital Appreciation Bond)

No. ______________ Final Compounded Amount: $______________

Initial Amount: $______________

Yield to Maturity	Maturity Date	Original Dated Date	CUSIP

Neither the faith and the credit nor the taxing power of the City of Los Angeles, the City of Long Beach, the State of California or any public agency is pledged to or secures the payment of the Accreted Value or Final Compounded Amount of or premium, if any, on this bond. Payment of the Accreted Value or Final Compounded Amount of or premium, if any, on this bond is a special limited obligation of the Authority and is secured only by the Trust Estate and a pledge of Revenues under the Master Indenture. The Authority has no power of taxation.

The Alameda Corridor Transportation Authority (the "Authority") promises to pay, from the Revenues, to Cede & Co., as nominee for The Depository Trust Company, or registered assigns, the Final Compounded Amount of __________________ Dollars on the maturity date set forth above (which amount represents the Initial Amount hereof, together with accreted interest on such Initial Amount as shown on the Accreted Value Table attached hereto, from the date hereof until the maturity date hereof, at the yield to maturity specified above, compounded on April 1, 1999 and semiannually thereafter on October 1 and April 1 of each year (each a "Compounding Date")) as provided in this bond.

Additional provisions of this bond are set forth on the following pages of this bond.

All acts, conditions and other matters required to exist, to happen and to be performed, precedent to and in the issuance of this bond, do exist, have happened and have been performed in due time, form and manner as required by law.

Date of Authentication: February 9, 1999

U.S. Bank Trust National Association, as Trustee, certifies that this is one of the Series 1999A Bonds referred to in the Master Indenture and the First Supplemental Indenture.

By: ____________________________

Authorized Signatory

ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

By: ____________________________

Chief Executive Officer

Countersigned:

By: ____________________________

Treasurer

1. ***Master Indenture; First Supplemental Indenture***. The Authority has entered into a Master Trust Indenture, dated as of January 1, 1999 (the "Master Indenture"), with U.S. Bank Trust National Association, as trustee (the "Trustee"). The Master Indenture provides that the Authority may issue bonds and incur other indebtedness under the terms and conditions set forth in the Master Indenture and any Supplemental Indenture. All bonds and other indebtedness issued thereunder and secured thereby are collectively referred to herein as "Bonds."

This bond is part of a series of Bonds of the Authority designated as Alameda Corridor Transportation Authority Tax-Exempt Senior Lien Revenue Bonds, Series 1999A (the "Series 1999A Bonds"). The Series 1999A Bonds are issued under the Master Indenture and a First Supplemental Trust Indenture, dated as of January 1, 1999 (the "First Supplemental Indenture"), between the Authority and the Trustee and authorized by Resolution No. JPA-30-98 adopted by the Authority on December 17, 1998. The Series 1999A Bonds, which consist of Capital Appreciation Bonds (including this bond) and Current Interest Bonds, are being issued in the original principal amount of $494,893,616.80. The Series 1999A Bonds are equally and ratably secured under the Master Indenture and the First Supplemental Indenture. This bond shall be deemed a "Senior Lien Bond" as defined in the Master Indenture. The Series 1999A Bonds shall be on a parity with the Alameda Corridor Transportation Authority Taxable Senior Lien Revenue Bonds, Series 1999C issued by the Authority concurrently with the issuance of the Series 1999A Bonds, and with any other Senior Lien Bonds issued from time to time under the Master Indenture, as and to the extent provided in the Master Indenture. The Series 1999A Bonds are being issued to pay a portion of the Costs of the Project as defined in the Master Indenture.

The terms of the Series 1999A Bonds include the terms set forth in the Master Indenture and the First Supplemental Indenture. Bondholders are referred to the Master Indenture and the First Supplemental Indenture, each as may be amended and supplemented from time to time (collectively, the "Indenture"), for a statement of those terms. Capitalized terms used but not otherwise defined in this bond shall have the meanings given to them in the Indenture.

2. ***Source of Payments***. The Series 1999A Bonds, together with all other Bonds, are secured by the Trust Estate and payable from the Revenues, as described in the Master Indenture. Pursuant to the Master Indenture, the Authority has pledged the Revenues, subject to application and priorities as described therein, to secure payment of all Bonds issued under the Master Indenture. The Senior Lien Bonds authorized and issued under the provisions of the Master Indenture shall be secured by a pledge of Revenues and a first lien on the Trust Estate. The Authority hereby represents and states that it has not previously created any pledge, charge or lien on or any security interest in the Trust Estate prior to or on a parity with the lien on the Senior Lien Bonds, and the Authority covenants that, until all the Senior Lien Bonds authorized and issued under the provisions of the Master Indenture and the interest thereon shall have been paid or deemed to have been paid, the Authority will not, except as specifically provided in the Master Indenture, grant any prior or parity pledge of or any lien on or security interest in the Trust Estate, or create or permit to be created any charge or lien thereon or any security interest therein ranking prior to or on a parity with the charge or lien of the Senior Lien Bonds from time to time Outstanding under the Master Indenture.

3. ***Yield to Maturity***. This bond shall accrete interest until its maturity or prior redemption at the yield to maturity shown on the face of this bond. Interest on overdue Accreted Value or Final Compounded Amount will accrue at the yield to maturity shown on the face of this bond until all overdue amounts (including interest thereon) are paid in full (or payment of such amounts is provided for as set forth in the Indenture).

4. ***Compounding Dates***. Interest hereon will accrete on April 1, 1999 and on each October 1 and April 1 thereafter until maturity or prior redemption.

5. ***Payment of Accreted Value or Final Compounded Amount***. Payment of the Accreted Value or Final Compounded Amount of this bond will be paid at maturity or prior redemption upon surrender of this bond to the Paying Agent, except that with respect to Book-Entry Series 1999A Bonds, the Paying Agent may make arrangements for payment of the Accreted Value or Final Compounded Amount as provided in the First Supplemental Indenture. The Accreted Value or Final Compounded Amount will be paid in lawful money of the United States. If any payment on this bond is due on a non-Business Day, it will be made on the next Business Day, and no interest will accrue as a result.

6. ***Redemption***.

(a) *Optional or Mandatory Redemption*. The Series 1999A Bonds that are Capital Appreciation Bonds are not subject to optional or mandatory redemption prior to maturity.

(b) *Extraordinary Redemption*. The Series 1999A Bonds are subject to extraordinary redemption as provided in the Master Indenture.

(c) *Notice of Redemption*. At least thirty (30) days but not more than sixty (60) days before each redemption, the Trustee will give notice as provided in the First Supplemental Indenture to each owner of a Series 1999A Bond to be redeemed. Failure to give any required notice of redemption will not affect the validity of the call for redemption of any Series 1999A Bond in respect of which such failure occurs. Any notice sent as provided in the First Supplemental Indenture will be conclusively presumed to have been given whether or not actually received by the addressee.

(d) *Effect of Redemption*. When notice of redemption is given, Series 1999A Bonds called for redemption become due and payable on the redemption date at the applicable redemption price; in such case when funds sufficient for redemption are deposited with the Paying Agent, interest on the Series 1999A Bonds to be redeemed ceases to accrue as of the redemption date.

7. ***Denominations; Transfer; Exchange.*** The Series 1999A Bonds that are Capital Appreciation Bonds are available in denominations such that the Final Compounded Amount of such Capital Appreciation Bonds at their maturity shall be $5,000 or an integral multiple thereof. A holder may transfer or exchange Series 1999A Bonds in accordance with the Master Indenture and the First Supplemental Indenture. The Trustee and the Registrar may require a holder, among other

things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Master Indenture.

8. ***Persons Deemed Owners***. The registered owner of this bond shall be treated as its owner for all purposes.

9. ***Unclaimed Money***. If moneys for the payment of the Accreted Value or Final Compounded Amount remain unclaimed for one year, such moneys will be paid to or for the account of the Authority. After that, holders entitled to such moneys must look only to the Authority and not to the Paying Agent or the Trustee for payment.

10. ***Discharge Before Maturity***. If the Authority at any time deposits with the Trustee money or Government Obligations as described in the Master Indenture sufficient to pay in full the Accreted Value or principal of, interest on and premium, if any, on all Outstanding Bonds (including this bond), and if the Authority also pays all other sums then payable by the Authority under the Master Indenture, then the Master Indenture and all Supplemental Indentures thereto will be discharged. After discharge, Bondholders must look only to the deposited money and securities for payment. If the Authority at any time deposits with the Trustee money or Government Obligations as described in the Master Indenture sufficient to pay in full the Accreted Value or principal of, interest on and premium, if any, on any portion of the Outstanding Bonds, then such Bonds with respect to which the deposit was made shall no longer be deemed to be Outstanding and shall no longer be secured by the Master Indenture except to the extent of the funds set aside therefor.

11. ***Amendment, Supplement, Waiver***. The Master Indenture, the First Supplemental Indenture and the Series 1999A Bonds may be amended or supplemented, and any past default or compliance with any provision may be waived, as provided in the Master Indenture. Any consent given by the owner of this bond shall bind any subsequent owner of this bond or any Series 1999A Bond delivered in substitution for this bond.

12. ***Defaults and Remedies***. The Master Indenture provides that the occurrences of certain events constitute Events of Default. Bondholders may not enforce the Indenture or the Series 1999A Bonds except as provided in the Master Indenture. The Trustee may refuse to enforce the Indenture or the Series 1999A Bonds unless it receives indemnity satisfactory to it. Subject to certain limitations, holders of 25% or more of the Bond Obligation amount of the Bonds (including this bond), determined in accordance with the terms of the Master Indenture and the First Supplemental Indenture, may direct the Trustee in its exercise of certain of such trusts or powers.

13. ***No Recourse Against Others***. No member, director, officer, official or employee of the Authority shall have any personal liability for any obligations of the Authority under the Series 1999A Bonds, the Master Indenture or the First Supplemental Indenture or for any claim based on such obligations or their creation or be subject to any personal liability or accountability by reason of the issuance thereof. Each Bondholder, by accepting a Series 1999A Bond, waives and releases all such liability. The waiver and release are part of the consideration for the issuance of this bond.

14. ***Authentication***. This bond shall not be valid until the Trustee or an authenticating agent signs the certificate of authentication on the second page of this bond.

15. ***Abbreviations***. Customary abbreviations may be used in the name of a Bondholder or an assignee, such as TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= custodian) and U/G/M/A (= Uniform Gifts to Minors Act).

[FORM OF ASSIGNMENT]

I or we assign and transfer this bond to ____

____

____

[insert social security number or other identifying number of assignee]

____

____

____

[print or type assignee's name, address and zip code]

and irrevocably appoint ____ agent to transfer this bond on the books of the Authority. The agent may substitute another to act for him.

Date: _____________________ Signature: ______________________________

(Sign exactly as name appears on the face of this bond)

Signature guarantee: ____________________________

(NOTE: Signature must be guaranteed by an eligible guarantor institution.)

STATEMENT OF INSURANCE

MBIA Insurance Corporation (the "**Insurer**") has issued a policy containing the following provisions, such policy being on file at the corporate trust office of U.S. Bank Trust National Association, in Los Angeles, California.

The Insurer, in consideration of the payment of the premium and subject to the terms of this policy, hereby unconditionally and irrevocably guarantees to any owner, as hereinafter defined, of the following described obligations, the full and complete payment required to be made by or on behalf of the Alameda Corridor Transportation Authority (the "**Issuer**") to U.S. Bank Trust National Association, as trustee, or its successor (the "**Paying Agent**") of an amount equal to (i) the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment), and interest on, the Obligations (as that term is defined below) as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed hereby shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any owner pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law. The amounts referred to in clauses (i) and (ii) of the preceding sentence shall be referred to herein collectively as the "**Insured Amounts.**" The term "**Obligations**" shall mean:

$494,893,616.80 (Original Principal Value)
$756,190,000 (Maturity Value)
Alameda Corridor Transportation Authority (California)
Tax-Exempt Senior Lien Revenue Bonds, Series 1999A

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by the Insurer from the Paying Agent or any owner of an Obligation the payment of an Insured Amount for which is then due, that such required payment has not been made, the Insurer on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with State Street Bank and Trust Company, N.A., in New York, New York, or its successor, sufficient for the payment of any such Insured Amounts which are then due. Upon presentment and surrender of such Obligations or presentment of such other proof of ownership of the Obligations, together with any appropriate instruments of assignment to evidence the assignment of the Insured Amounts due on the Obligations as are paid by the Insurer, and appropriate instruments to effect the appointment of the Insurer as agent for such owners of the Obligations in any legal proceeding related to payment of Insured Amounts on the Obligations, such instruments being in a form satisfactory to State Street Bank and Trust Company, N.A., State Street Bank and Trust Company, N.A. shall disburse to such owners or the Paying Agent payment of the Insured Amounts due on such Obligations, less any amount held by the Paying Agent for the payment of such Insured Amounts and legally available therefor. This policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

As used herein, the term "**owner**" shall mean the registered owner of any Obligation as indicated in the books maintained by the Paying Agent, the Issuer, or any designee of the Issuer for such purpose. The term "**owner**" shall not include the Issuer or any party whose agreement with the Issuer constitutes the underlying security for the Obligations.

Any service of process on the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.

This policy is non-cancelable for any reason. The premium on this policy is not refundable for any reason including the payment prior to maturity of the Obligations.

In the event the Insurer were to become insolvent, any claims arising under a policy of financial guaranty insurance are excluded from coverage by the California Insurance Guaranty Association, established pursuant to Article 14.2 (commencing with Section 1063) of Chapter 1 of Part 2 of Division 1 of the California Insurance Code.

MBIA Insurance Corporation