



August 6, 2013

Ms. Molly Campbell
Deputy Executive Director - Finance
& Administration
Port of Los Angeles
425 S. Palos Verdes Street
San Pedro, CA 90732

Mr. Steven Rubin
Managing Director, Finance & Support
Services
Port of Long Beach
925 Harbor Plaza
Long Beach, CA 90802

Dear Ms. Campbell and Mr. Rubin:

Shortfall Advances

Pursuant to Section 7.3 (h) (iii) of the Use and Operating Agreement, ACTA is hereby providing notice of the estimated Shortfall Advance amount for the October 1, 2013 debt service payment. **No Shortfall Advance is required for ACTA debt service payments which are due on October 1, 2013.**

ACTA estimates that revenue for the fiscal year ending June 30, 2013 will be \$99,046,711:

| | |
|------------------------------|----------------------|
| Use Fees & Container Charges | \$ 99,046,711 |
| Maintenance-of-Way Charges | <u>4,660,217</u> |
| Total Operating Revenue | <u>\$103,706,928</u> |

On March 5, 2013, pursuant to Section 7.3 (h) (ii) of the Use and Operating Agreement, ACTA provided notice of the estimated Shortfall Advance amount for FY 2013/2014. The total amount of the Shortfall Advance for the next fiscal year (i.e., July 1, 2013 to June 30, 2014) was estimated to be zero. As you know, each Port is responsible for one-half of the Shortfall Advance and is ordinarily required to include its share of the estimated amount in its annual budget and provide certification to ACTA indicating compliance. At this time, no cash payment is anticipated for FY 2013/2014.

If there are any questions please contact me at 310-847-4314.

Sincerely,

James P. Preusch
Chief Financial Officer