

VIRGINIA PORT AUTHORITY

\$ _____
Port Facilities Revenue Refunding Bonds, Series 2016A (Taxable)

\$ _____
Port Facilities Revenue Refunding Bonds, Series 2016B (AMT)

BOND PURCHASE AGREEMENT

_____, 2016

Virginia Port Authority
600 World Trade Center
Norfolk, Virginia 23510

This is to confirm the agreement among (i) the Virginia Port Authority (the “Authority”), (ii) Morgan Stanley & Co. LLC (the “2016A Representative”), acting on behalf of itself and Merrill Lynch, Pierce, Fenner & Smith Incorporated, Raymond James & Associates, Inc. and Siebert Brandford Shank & Co., L.L.C. as the underwriters (the “2016A Underwriters”) of the 2016A Bonds described below, and (iii) Merrill Lynch, Pierce, Fenner & Smith Incorporated (the “2016B Representative” and collectively with the 2016A Representative, the “Representatives”), acting on behalf of itself and Morgan Stanley & Co. LLC, Raymond James & Associates, Inc. and Siebert Brandford Shank & Co., L.L.C., as the underwriters (the “2016B Underwriters” and collectively with the 2016A Underwriters, the “Underwriters”), of the 2016B Bonds described below, concerning the sale by the Authority and the purchase by the 2016A Underwriters of the Authority’s \$ _____ Port Facilities Revenue Refunding Bonds, Series 2016A (Taxable) (the “2016A Bonds”) and the purchase by the 2016B Underwriters of the Authority’s \$ _____ Port Facilities Revenue Refunding Bonds, Series 2016B (AMT) (the “2016B Bonds,” and together with the 2016A Bonds, the “2016 Bonds”), which are dated the date of delivery, bearing interest at such rates, maturing in such amounts and in such years and subject to such redemption provisions as shown in Exhibit A attached hereto and made a part hereof. This offer is made subject to acceptance by the Authority before 9:00 a.m., Eastern Time, on the date hereof. If this offer is not so accepted, it is subject to withdrawal by each of the Representatives upon notice to the Authority at any time before acceptance.

[The respective Underwriters herewith deliver to Wells Fargo Bank, National Association, as trustee (the “Trustee”), at the direction of the Authority by wire transfer of immediately available funds, payable to the order of the Authority, the amount of \$ _____ with respect to the 2016A Bonds and the amount of \$ _____ with respect to the 2016B Bonds (together, the “Good Faith Deposit”), which shall be held until the Closing (as hereinafter defined) as security for the performance by the Underwriters of their obligation to accept delivery

of and pay for the 2016 Bonds, and the Good Faith Deposit shall be applied in the case of a termination of this Agreement as provided in the two next succeeding paragraphs or in the last paragraph of Section 5, as applicable. The Authority may invest, or cause to be invested, such Good Faith Deposit in Investment Obligations, as defined in the Bond Resolution (as defined below), and earnings will be retained by the Authority. At closing, each portion of the Good Faith Deposit shall be credited towards the respective purchase price of each series of the 2016 Bonds set forth in Section 2.

If the Authority fails to deliver either series of the 2016 Bonds at Closing, or if the Authority is unable on or before Closing to satisfy the conditions to the obligations for either series of the 2016 Bonds of the Underwriters contained in Section 5, or if the obligations of the Underwriters are terminated for any reason permitted by this Agreement, the respective Good Faith Deposit (with actual interest earned thereon) will be returned to the appropriate Representative for the account of the applicable Underwriters by the Authority.

If the Underwriters fail (other than for a reason permitted in this Agreement) to accept and pay for either series of the 2016 Bonds at Closing upon their tender by the Authority as provided in this Agreement, the respective Good Faith Deposit (with actual interest earned thereon) will be retained by the Authority as and for full liquidated damages for such failure and for any and all defaults on the part of the Underwriters under this Agreement, and the delivery of the respective Good Faith Deposit will constitute satisfaction, and will result in a full release and discharge, of all claims and damages of the Authority against the Underwriters arising from such failure and for any and all such defaults.]

1. Purpose of Financing, Security, Authorization and Related Actions. The purpose of the issuance of the 2016 Bonds is to provide funds which will be deposited with the escrow agent for the “Refunded Obligations” (defined below), pursuant to an Escrow Agreement between the Authority and the U.S. Bank, National Association (the “Escrow Agent”) dated _____, 2016 (the “Escrow Agreement”) and used together with other available funds to (a) refund and defease all of the outstanding principal amount of the Authority’s \$_____ Port Facilities Revenue Refunding Bonds, Series 2010 (the “2010 Bonds”), [\$_____ Port Facilities Revenue Refunding Bonds, Series 2013 (the “2013 Bonds”),] \$_____ Port Facilities Revenue Refunding Bonds, Series 2015 (the “2015 Bonds”) and \$_____ principal amount of Master Equipment Lease Obligations (“MELPs” and, collectively with the 2010 Bonds, the 2013 Bonds, and the 2015 Bonds, the “Refunded Obligations”), (b) fund a debt service for the 2016 Bonds, and (c) pay all or a portion of the expenses incurred in connection with the issuance of the 2016 Bonds and the refunding of the Refunded Obligations. *[Place saver for 2016C Bonds, as to an Authority obligation issued to refinance/amend/modify the 2013 Bonds to place the lien of same under the Bond Resolution.]* The Authority issued the Refunded Obligations to finance various improvements and upgrades to the Port Facilities (as defined in the Official Statement), fund the applicable deposit to the Authority’s debt service reserve account and pay the expenses incurred in connection with the issuance of the Refunded Obligations.

The 2016 Bonds are being issued pursuant to Resolution No. 16-09 of the Authority, adopted on September __, 2016 by the Authority’s Board of Commissioners (the “Master Bond Resolution”), and as further supplemented by Series Resolution No. 16-10 (the “Series Resolution”), adopted by the Authority’s Board of Commissioners on September __, 2016 and a series certificate to be delivered by the Executive Director (the “Delegate”) at closing on the 2016 Bonds (the “Series Certificate” and, collectively with the Master Bond Resolution, the Series Resolution and the Series Certificate, the “Resolution”).

As security for the Series 2016 Bonds, the Authority has pledged to their payment pursuant to the Resolution the Net Revenue (defined below) deposited to the Debt Service Account (the “Debt Service Account”) in the Debt Service Fund (the “Debt Service Fund”) established under the Resolution and held by the Trustee. The Series 2016 Bonds are payable from the Net Revenue of the Authority derived from its Port Facilities, after reservation by the Authority of sufficient funds therefrom for payment by the Authority of the “Senior VIG Obligations” (as defined below). Payment of the Senior VIG Obligations are senior and prior to payments of debt service on the Series 2016 Bonds. The Series 2016 Bonds are payable on a parity with any additional bonds issued under the Master Bond Resolution (the 2016 Bonds and such additional bonds hereafter issued under the Master Bond Resolution are collectively referred to as the “Bonds”). In addition to the Authority’s pledge of the Net Revenue, the Authority has pledged to the Trustee under the Resolution certain funds and deposits as described in the Master Bond Resolution including specified amounts in the Debt Service Reserve Account, the Revenue Stabilization Fund and the Residual Fund, and any investment income thereon.

Virginia International Terminals, LLC (“VIT”), a Virginia limited liability company the sole member of which is the Authority, operates the Authority’s three marine terminals located on the harbor of Hampton Roads, Virginia and one intermodal facility located in Front Royal, Virginia known as the Virginia Inland Port. VIT also operates the Virginia International Gateway terminal, which the Authority leases pursuant to the terms of the VIG Lease (defined below). The terms and conditions of payments from VIT and its subsidiaries to the Authority are governed by a Payment Agreement dated as of _____, 2016 (the “Payment Agreement”), between the Authority and VIT, as required by the Bond Resolution. HRCP II, a Virginia limited liability company (“HRCP II”), has also executed the Payment Agreement as of _____, 2016.

[REDACTED]

[REDACTED]

2. Issuance, Sale and Purchase of the 2016 Bonds. Subject to the terms and conditions and upon the basis of the representations and warranties set forth herein, the Authority agrees to issue and sell to the Underwriters and the Underwriters agree, jointly and severally, to purchase from the Authority, the 2016A Bonds at a price of \$_____, which represents the par amount of the 2016A Bonds, less an underwriters' discount of \$_____, [plus][minus] [net] original issue [premium][discount] of \$_____, and the 2016B Bonds at a price of \$_____, which represents the par amount of the 2016B Bonds, plus original issue premium of \$_____, less an underwriters' discount of \$_____. The delivery of the 2016 Bonds (the "Closing") will be at the offices of Williams Mullen, P.C. in Norfolk, Virginia or Virginia Beach, Virginia, or at such other place as the Representatives and the Authority may agree upon, upon payment therefor in immediately available funds payable to the order of the Trustee, for the account of the Authority, by 11:00 a.m., Eastern Time, on _____, 2016, or at such other time or on such other date as the Authority and the Representatives may agree upon in writing (the "Closing Date"). The 2016 Bonds initially will be issued only as fully registered bonds without coupons for each maturity of each series and will be delivered in definitive form, duly executed and authenticated, with CUSIP identification numbers printed thereon. The 2016 Bonds initially will be registered only in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the 2016 Bonds. The 2016 Bonds initially will be available to purchasers in denominations of \$5,000 and any integral multiple thereof only under the book-entry system described in the Official Statement (hereinafter defined). The Authority and the Trustee have previously entered into a "Blanket Letter of Representation" with DTC in connection with the book-entry system (the "DTC Agreement"). Unless the Authority, the Underwriters, and the Trustee agree otherwise, the 2016 Bonds shall be prepared and delivered on the Closing Date to the Trustee, which shall maintain physical custody of the 2016 Bonds pursuant to arrangements between the Trustee and DTC.

Neither the 2016 Bonds nor any underlying security will be registered by the Authority under the Securities Act of 1933, as amended (the "Securities Act"). The 2016 Bonds will be offered and sold pursuant to an exemption from the registration requirements of the Securities Act granted by Section 3(a)(2) thereof.

On _____, 2016, the Authority delivered to the Underwriters the Preliminary Official Statement (the "Preliminary Official Statement"), which, by the accompanying series certificate #1 of the Delegate, the Authority deemed a final official statement as of its date, except for certain omissions in connection with the pricing of the 2016 Bonds.

Within the earlier of seven (7) business days after the date of this Agreement or two (2) business days prior to the Closing, and in any event in sufficient time to accompany customer confirms requesting payment, the Authority shall deliver or cause to be delivered to the Representatives, at the Authority's expense, sufficient quantities of the final Official Statement (in substantially the same form as the Preliminary Official Statement, with only such changes from such Preliminary Official Statement as shall have been approved by the Authority and the Representatives and in the form approved by the Delegate (the "Official Statement")) for the Underwriters to comply with Paragraph (b)(3) of Securities and Exchange Commission ("SEC") Rule 15c2-12, as amended (the "Rule"), and the rules of the Municipal Securities Rulemaking Board (the "MSRB"). The Authority shall prepare the Official Statement, including any amendments thereto, in word-searchable PDF format as described in the MSRB's Rule G-32 and shall provide the electronic copy of the word-searchable PDF format of the Official Statement to the Underwriters no later than one business day prior to the Closing Date to enable the Underwriters to comply with MSRB Rule G-32.

The Authority hereby authorizes, approves and consents to the use in connection with the public offering and sale of the 2016 Bonds of the Preliminary Official Statement and the Official Statement.

In order to assist the Underwriters in complying with the Rule, the Authority will undertake pursuant to the Continuing Disclosure Agreement (as hereinafter defined) to provide annual financial information and notices of the occurrence of specified events. A description of the Continuing Disclosure Agreement is set forth in the Preliminary Official Statement and the Official Statement.

3. Representations, Warranties and Covenants of the Authority. The Authority makes the following representations, warranties and covenants, all of which shall survive the delivery of the 2016 Bonds:

(a) (1) The Authority is a duly constituted body corporate and political subdivision of the Commonwealth with the powers and authority set forth in the provisions of Chapter 10, Title 62.1 of the Virginia Code of 1950, as amended, Va. Code §§ 62.1-128 to 147.2, inclusive (the "Act");

(2) VIT is a Virginia limited liability company, the sole member of which is the Authority, duly organized and validly existing under the laws of the Commonwealth of Virginia and has all material licenses and permits necessary to operate all of its or the Authority's existing property and facilities and to conduct its business as presently being conducted.

(b) The Authority has complied with all provisions of the Constitution and laws of the Commonwealth and has full power and authority to consummate all transactions contemplated by this Agreement and the VIG Transaction Documents, undertake the VIG Terminal Expansion Project as contemplated by the VIG Transaction Documents, and to adopt the Resolution; enter into this Agreement, the Payment Agreement, the VIG Transaction

Documents and a Continuing Disclosure Agreement of the Authority (the “Continuing Disclosure Agreement”) for the benefit of the Underwriters and the holders of the 2016 Bonds; issue and secure the 2016 Bonds; carry out and consummate all transactions contemplated by the Resolution, the Payment Agreement, the DTC Agreement, the Continuing Disclosure Agreement and this Agreement (collectively, the “Documents”) and the Official Statement; and carry out its obligations under the Documents and the VIG Transaction Documents. The Authority has duly adopted the Resolution and duly authorized the execution and delivery of the Documents, the VIG Transaction Documents and the Official Statement and the execution, issuance and delivery of the 2016 Bonds. The Authority is not in default under any of the provisions of the laws of the Commonwealth which would affect its existence or its powers referred to in this Section 3(b).

(c) Under the Act, the Authority has full power and authority to finance the costs of refunding the Refunded Obligations and the costs of issuing and selling the 2016 Bonds as provided in the Resolution, and has taken or will take all action required by the Act in connection therewith.

(d) The Authority has taken or will take all lawful and proper action necessary or appropriate to carry out the issuance, sale and delivery of the 2016 Bonds to the Underwriters.

(e) (1) The adoption of the Resolution, the execution and delivery of the Documents other than the Resolution and the VIG Transaction Documents and the execution and delivery of the Official Statement, the issuance and sale of the 2016 Bonds, and the performance by the Authority of its obligations under the Documents will not conflict with, or constitute a breach or result in a violation of, (i) the Act, (ii) any federal or Virginia constitutional or statutory provision, (iii) any agreement or other instrument to which the Authority is a party or by which it is bound or (iv) any order, rule, regulation, decree or ordinance of any court, government, or governmental authority having jurisdiction over the Authority or its property which would cause the validity of or the security for the 2016 Bonds to be materially adversely affected.

(2) The Payment Agreement is in full force and effect as of the date hereof, and the performance by VIT and HRCF II of their respective obligations under the Payment Agreement are within the corporate powers of VIT HRCF II and will not conflict with, or constitute a breach or result in a violation of, (A) any federal or Virginia constitutional or statutory provision, (B) any agreement or other instrument to which VIT is a party or by which it is bound, or (C) any order, rule, regulation, decree or ordinance of any court, government, or governmental authority having jurisdiction over VIT HRCF II or the property of either which would cause the validity of such instruments to be materially adversely affected.

(f) No consent, approval, authorization or order of any governmental or regulatory authority that will not have been received on or prior to the Closing Date is required to be obtained by the Authority as a condition precedent to the issuance and sale of the 2016 Bonds, the adoption of the Resolution, the execution and delivery of the Documents other than the Resolution, the execution and delivery of the VIG Transaction Documents, or the execution and delivery of the Official Statement, or the performance by the Authority of its obligations under the Documents or the VIG Transaction Documents (provided no representation or warranty is

expressed as to any action required under federal or state securities or Blue Sky laws in connection with the purchase, offering or distribution of the 2016 Bonds by the Underwriters).

(g) The information contained in the Official Statement is true and accurate as of the date hereof.

(h) Except as described in the Official Statement, the Authority has complied with its prior continuing disclosure undertakings entered into pursuant to Rule 15c2-12 for the five years prior to the date hereof.

(i) Except as disclosed in the Official Statement, no litigation or other judicial proceedings are pending or, to the best of the Authority's knowledge, threatened (i) restraining or enjoining or seeking to restrain or enjoin the issuance, sale, execution or delivery of the 2016 Bonds, (ii) in any way questioning or affecting the validity of any provisions of the Resolution, the 2016 Bonds, the Series Resolution, the Continuing Disclosure Agreement or this Agreement, (iii) in any way questioning or affecting the validity of any of the proceedings or authority for the authorization, sale, execution or delivery of the 2016 Bonds, or the pledge or application of any money or security provided for the payment of the 2016 Bonds, (iv) questioning or affecting the organization or existence of the Authority or the title of any member of the Board of Commissioners of the Authority to his or her office, (v) with respect to the completeness or accuracy of the Official Statement or (vi) with respect to the exclusion of interest on the 2016 Bonds from Virginia income taxation and with respect to the exclusion of interest on the 2016B Bonds from federal income taxation.

(j) (1) The Authority is not in default in the payment of the principal of or interest on any indebtedness for borrowed money or under any instrument subject to which any indebtedness has been incurred and no event has occurred or is continuing that, with the lapse of time or the giving of notice or both, (i) would constitute an event of default under any such agreement in respect of the Authority's obligation to repay borrowed money, or (ii) would permit the obligee to accelerate the maturity of such indebtedness. No event has occurred or is continuing under the provisions of any such document or instrument that, with the lapse of time or the giving of notice, or both, would constitute an event of default thereunder, which event of default would affect materially and adversely the transactions contemplated by this Agreement. Except as disclosed in the Official Statement, the Authority has not entered into any contract or arrangement that might give rise to any lien or encumbrance superior to the lien on the Net Revenue (as defined in the Resolution) or other funds or interests granted to the Trustee under the Resolution.

(2) VIT is not in default in the payment of principal of or interest on any indebtedness for borrowed money or under any instrument subject to which any indebtedness has been incurred and no event has occurred or is continuing that, with the lapse of time or the giving of notice or both, (A) would constitute an event of default under any such agreement in respect of VIT's obligation to repay borrowed money, or (B) would permit the obligee to accelerate the maturity of such indebtedness. No event has occurred or is continuing under the provisions of any such document or instrument that, with the lapse of time or the giving of notice, or both, would constitute an event of default thereunder, which event of default would affect

materially and adversely the transactions contemplated by this Agreement. VIT has not entered into any contract or arrangement that might give rise to any lien or encumbrance superior to the lien on the Net Revenue or other funds or interests granted to the Trustee under the Resolution.

(k) When delivered to and paid for by the Underwriters in accordance with the terms of this Agreement, the 2016 Bonds will have been duly authorized, executed, issued and delivered and will constitute legal, valid and binding obligations of the Authority.

(l) The Authority will take all actions and provide all information reasonably requested by the Underwriters which is necessary or desirable to comply with any state Blue Sky laws; provided, however, that the Authority shall not be required to take any action which would subject it to service of process in any jurisdiction where it is not now so subject or to qualify to do business in any jurisdiction in which it is not now so qualified.

(m) The Financial Statements of the Authority and VIT, audited by PB Mares, LLP for the fiscal year ended June 30, 2015, accurately present the financial condition of the Authority and VIT at such time as presented on the basis therein described, and, except as disclosed in the Official Statement, there has been no material adverse change in the financial condition of the Authority since that time.

(n) If between the date of this Agreement and the Closing Date any event shall occur of which the Authority has actual knowledge that might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Authority shall notify the Underwriters thereof, and, if in the reasonable opinion of the Underwriters such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority will at its expense supplement or amend the Official Statement in a form and in a manner approved by the Underwriters.

(o) From the time of Closing until twenty-five (25) days after the end of the underwriting period (as defined below), the Authority agrees to notify the Underwriters of any material event of which it has actual knowledge which affects the Authority and which, in the judgment of the Authority after reasonable inquiry, might affect the correctness or completeness of any statement of a material fact contained in the Official Statement. If, as a result of such event or any other event, it is necessary, in the reasonable opinion of the Underwriters, to amend or supplement the Official Statement to make the statements in it, in light of the circumstances under which they were made, not misleading and the Underwriters have so advised the Authority, the Authority agrees that it will promptly prepare and furnish to the Underwriters (at the expense of the Authority) a reasonable number of copies of an amendment of or a supplement to the Official Statement that will amend or supplement the Official Statement in a form and manner as is reasonably acceptable to the Underwriters. The Underwriters agree that the underwriting period will be deemed to end on the Closing Date, unless the Underwriters otherwise notify the Authority in writing before such date of the approximate unsold balance of the 2016 Bonds, in which case the underwriting period will be extended for the lesser of thirty (30) days or the

number of days until the Underwriters no longer have an unsold balance of the 2016 Bonds (with the Underwriters to give notice to the Authority of such date if less than thirty (30) days after Closing); provided that all obligations of the Authority under this paragraph shall end on such date to which the underwriting period is extended. The Underwriters will use their best efforts to end the underwriting period by Closing.

(p) The Authority (1) shall not use the proceeds of the 2016B Bonds in any manner which would cause the interest on the 2016B Bonds to be included in the gross income of the owners thereof for purposes of federal income taxation, (2) shall not, nor shall it permit any person under its control or direction to, make any use of the proceeds of the 2016B Bonds (or amounts deemed to be proceeds under the Internal Revenue Code of 1986, as amended, and applicable regulations thereunder (the “Code”)) in any manner that would cause the 2016B Bonds to be considered “arbitrage bonds” within the meaning of Section 148 of the Code, (3) shall not, nor shall it permit any person under its control or direction to, do any act or fail to do any act that would cause the interest on the 2016B Bonds to be included in the gross income of the owners thereof for purposes of federal income taxation, and (4) will comply with all provisions of the Code necessary to maintain the exclusion of interest on the 2016B Bonds from gross income of the owners thereof for purposes of federal income taxation, including, in particular, the payment of any amount required to be rebated to the United States Treasury pursuant to the Code.

(q) As of the date of the Preliminary Official Statement, at the time of the Authority’s acceptance hereof and (unless the Official Statement is supplemented or amended pursuant to Section 3(m) above) at all times subsequent thereto up to and including the date of the Closing, the Preliminary Official Statement was and is true and correct and the Official Statement is and will be true and correct and the Preliminary Official Statement did not and does not and the Official Statement does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(r) If the Official Statement is supplemented or amended pursuant to Section 3(m) above, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the Closing Date, the Official Statement as so supplemented or amended will be true and correct and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(s) The Authority acknowledges and agrees that (i) the purchase and sale of the 2016 Bonds pursuant to this Agreement is an arm’s-length commercial transaction between the Authority and the Underwriters, (ii) in connection with such transaction, and the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and not as agents, financial advisors, municipal advisors or fiduciaries of the Authority, (iii) the Underwriters have neither assumed any advisory or fiduciary responsibility in favor of the Authority with respect to the offering of

the 2016 Bonds or the discussions, undertakings and procedures leading thereto (whether or not the Underwriters, or any of their affiliates, have advised or is/are currently advising or providing other services to the Authority on other matters), nor has any of the Underwriters assumed any other obligation to the Authority except the obligations expressly set forth in this Agreement, (iv) the Underwriters have financial and other interests that differ from those of the Authority, and (v) the Authority has consulted with its own legal, municipal, financial, accounting, tax and other advisors to the extent it has deemed appropriate in connection with the offering of the 2016 Bonds.

(t) All permits, licenses, registrations, certificates, authorizations and approvals required to have been obtained as of the date of the delivery of this Agreement have been obtained for the acquisition, construction, equipping, occupation, operation and use of the VIG Terminal Expansion Project, and the Authority knows of no reason why any such required permits or approvals not obtained as of the date hereof cannot be obtained as and when needed.

[REDACTED]

4. Official Statement; Auditor’s Letter; Offering by Underwriters.

(a) Concurrently with the acceptance hereof, the Authority shall deliver to the Representatives a marked copy of the Preliminary Official Statement, to include (and with respect to the marked copy, to indicate) such changes as have been accepted by the Underwriters and are necessary or desirable to reflect the terms of the Resolution and this Agreement.

(b) Concurrently with the acceptance hereof, the Authority shall cause to be delivered to the Authority and the Representatives (i) a “consent and procedures” letter from PB Mares, LLP dated the date hereof in form and substance reasonably satisfactory to the Representatives, and (ii) a procedures letter from Cavanaugh Nelson & Co., PLC dated the date hereof in form and substance reasonably satisfactory to the Representatives.

(c) Each Representative represents and warrants on behalf of the applicable Underwriters that such Underwriters will offer the 2016 Bonds only pursuant to the Official Statement and only in states where the offer and sale of the 2016 Bonds is legal, either as exempt securities, or in an exempt transaction, or as a result of the payment of such state’s registration

fee or compliance with other state securities law requirements. The Underwriters agree to make a good faith public offering of the 2016 Bonds at a price not in excess of the initial offering prices set forth, or derived from the yields set forth, in the Official Statement; provided however, that subsequent to making such good faith public offering, the Underwriters may change such prices or yields as they may deem necessary or desirable in connection with the offering and sale of the 2016 Bonds and to sell the 2016 Bonds to dealers (including dealer banks and dealers depositing bonds into investment trusts) and others at prices lower than the public offering prices. Each Representative represents and warrants that it has been duly authorized by the Underwriters to execute and deliver this Agreement on their behalf.

5. Conditions. As to each series of the 2016 Bonds, the Underwriters' obligations hereunder are subject to the full execution and delivery of the VIG Transaction Documents contemplated under the VIG Lease [and to the closing on or before the date hereof of the refinancing or modification of the 2013 Bonds with or through the issuance of the 2016C Bond], as well as the following:

(a) The accuracy and completeness on the Closing Date, as if made as of such date, of all representations and warranties of the Authority contained in the 2016 Bond Resolution, the Continuing Disclosure Agreement, this Agreement or any other documents executed and delivered in connection therewith, and the VIG Transaction Documents.

(b) Performance by the Authority of its obligations under the 2016 Bond Resolution and this Agreement, and performance by each of the Authority and VIG of such of their respective obligations under the VIG Transaction Documents as are required to be performed as of the date hereof.

(c) Receipt by the Representatives of a certificate dated the Closing Date, executed by the Executive Director of the Authority to the effect that (1) the representations and warranties of the Authority herein contained are true and accurate as of the Closing Date; (2) the Authority has complied with all agreements and satisfied all conditions on its part to be observed or satisfied hereunder at or prior to the Closing Date; (3) since the respective dates as to which information is given in the Official Statement and except as set forth therein, there has not been any material adverse change in the condition, financial or otherwise, of the Authority; (4) on the Closing Date there have been no material transactions or obligations (not in the ordinary course of business) payable from the Net Revenue entered into by the Authority subsequent to the date of the Official Statement, except as reflected or contemplated therein; and (5) such person has no knowledge or reason to believe that the information contained in the Official Statement is not true and accurate as of the Closing Date.

(d) Receipt by the Representatives of the executed Escrow Agreement and Payment Agreement, a certified copy of the Master Bond Resolution and the Series Resolution, and an executed copy of the Series Certificate.

(e) Receipt by the Representatives of an opinion of Williams Mullen, P.C., Bond Counsel to the Authority (“Bond Counsel”), dated the Closing Date, in substantially the form attached to the Official Statement as Appendix G.

(f) Receipt by the Representatives of a supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Underwriters, substantially in the form set forth in Exhibit B hereto.

(g) Receipt by the Representatives of a defeasance opinion from Bond Counsel with respect to the Refunded Obligations and the bond resolution under which such obligations were issued.

(h) Receipt by the Representatives of an opinion of the Attorney General of the Commonwealth or of Williams Mullen, P.C., special counsel to the Authority, reasonably satisfactory in form and substance to the Underwriters and Bond Counsel and dated the Closing Date, substantially to the effect that (1) after due investigation, the descriptions of and information about the Authority, and its history and operations, contained in the Official Statement in the sections thereof entitled [*list of sections/appendices subject to revision based on final POS/OS*] “Introductory Statement,” “Virginia Port Authority,” “Port Facilities and Operations,” “Litigation” and “Continuing Disclosure,”] excluding financial and statistical information as to which no opinion need be expressed, are true and accurate and contain no untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, (2) the Resolution has been duly adopted and the Documents and the VIG Transaction Documents have been duly authorized, executed and delivered by the Authority, (3) the Official Statement has been duly authorized, executed and delivered by the Authority; and (4) confirming the matters warranted by the Authority in paragraphs (a) through (f) of Section 3 hereof; (5) the Authority has duly performed its obligations under the Documents and the VIG Transaction Documents as required by Section 5(b) of this Agreement; and (6) based solely upon its inquiry and review, the information contained in the remaining sections of the Official Statement is true and accurate and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(i) Receipt by the Representatives of an opinion, dated the Closing Date and addressed to the Underwriters, of Christian & Barton, L.L.P., counsel for the Underwriters, in form and substance satisfactory to the Representatives.

(j) Receipt by the Representatives of the Continuing Disclosure Agreement executed by the Authority, in substantially the form attached to the Official Statement as Appendix E, dated the Closing Date.

(k) Receipt by the Representatives of evidence from each of Moody’s Investors Service, Inc. (“Moody’s”), and Standard & Poor’s, a division of The McGraw-Hill Companies, Inc. (“S&P”) that: (i) Moody’s has assigned to the 2016 Bonds its long-term rating

of “____” or better, and (ii) S&P has assigned to the 2016 Bonds its long-term rating of “____” or better.

(l) Receipt by the Representatives of a copy of the Verification Report of The Arbitrage Group, Tuscaloosa, Alabama, as contemplated by the Official Statement.

(m) Receipt by the Representatives of a certificate dated the Closing Date, executed by a duly authorized officer of VIT, to the effect that the Financial Statements of VIT, audited by PB Mares, LLP, for the fiscal year ended June 30, 2015, present accurately the financial condition of VIT at such time as presented on the basis therein described and, except as disclosed in the Official Statement, there has been no material adverse change in the financial condition of VIT since that time, and otherwise in form and substance satisfactory to the Representatives.

(n) Receipt by the Representatives of a copy of the Articles of Organization and Operating Agreement of VIT, such Articles of Organization being certified by the Clerk of the Virginia State Corporation Commission as of a recent date, together with a certificate of recent date issued by the Clerk of the Virginia State Corporation Commission certifying that VIT is a limited liability company duly formed and existing under and by virtue of the laws of Virginia.

(o) Receipt by the Representatives of a letter of PB Mares, LLP, dated the date of the Closing, confirming as of the date of the Closing the statements made in the letter furnished pursuant to Section 4(b) hereof, except that the matters referred to in such letter shall be confirmed as of a specified date not more than five (5) days prior to the date of the Closing and shall refer to any available unaudited financial statements for periods subsequent to those covered by the unaudited financial statements referred to in his letter furnished pursuant to Section 4(b) hereof and to any additional unaudited financial statements of the Authority included in the Official Statement.

(p) Receipt by the Representatives of a signed copy of the report dated _____, 2016 (the “Consulting Engineer’s Report”) of Moffatt & Nichol, Norfolk, Virginia, the consulting engineer to the Authority (the “Consulting Engineer”), which shall be included in the Official Statement as Appendix B.

(q) Receipt by the Representatives of a certificate, satisfactory in form and substance to the Representatives, signed by the Consulting Engineer, dated the Closing Date, and in substantially the form attached as Exhibit C. [*If CH2M Hill Report is included, add similar conditions to closing as (p) and (q)*].

(r) Receipt by the Representatives of an opinion of _____, counsel to VIT, in form and substance reasonably satisfactory to the Representatives.

■ [REDACTED]

[REDACTED]

(t) A copy of the Blue Sky Survey with respect to the 2016 Bonds.

(u) Such additional legal opinions, certificates, instruments and other documents as the Underwriters may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the Authority's representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Authority on or prior to the Closing Date of all the agreements then to be performed and conditions then to be satisfied by it.

If the Authority shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for either series of the 2016 Bonds contained in this Agreement, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for either series of the 2016 Bonds shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Underwriters nor the Authority shall be under any further obligation hereunder, except that: (i) the respective Good Faith Deposit (with no credit for interest thereon) shall immediately be returned to the Representatives for the account of the Underwriters by the Authority; and (ii) the respective obligations of the Authority and the Underwriters set forth in Section 7 hereof shall continue in full force and effect. [[The issuance of the 2016A Bonds shall not be contingent upon the issuance of the 2016B Bonds and vice versa pursuant to this Agreement.]]

6. Termination. In addition to the termination rights in favor of the Underwriters set forth in Section 5 of this Agreement, the Underwriters have the right as to either or both series of the 2016 Bonds to terminate their obligations under this Agreement, without liability by notifying the Authority at any time after the date of this Agreement and before the Closing if:

(a) (1) Legislation (including any amendment) has been introduced in or adopted by either House of the Congress of the United States, or recommended to the Congress for passage by the President of the United States or favorably reported for passage to either House of the Congress by any Committee of such House, or (2) a decision has been rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court, or (3) an order, ruling or regulation has been issued or proposed by or on behalf of the Treasury Department of the United States or the Internal Revenue Service or any other agency of the United States, or (4) a release or official statement has been issued by the President of the United States or by the Treasury Department of the United States or by the Internal Revenue Service, the effect of which, in any such case described in clause (1), (2), (3), or (4), would be to impose, directly or indirectly, federal income taxation upon interest received on obligations of the general character of the 2016B Bonds or upon income of the general character to be derived by the Authority, other than as imposed on the 2016B Bonds and income from them under the

federal tax laws in effect on this date, in such a manner as in the reasonable judgment of either Representative would materially and adversely affect the marketability or the market price of obligations of the general character of the 2016B Bonds or the Underwriters' ability to enforce contracts for the sale of the 2016B Bonds;

(b) (1) The Constitution of the Commonwealth of Virginia is amended or an amendment is proposed, or (2) legislation is enacted, or (3) a judicial decision has been rendered as to matters of Virginia law, or (4) any order, ruling or regulation has been issued or proposed by or on behalf of the Commonwealth of Virginia by any of its officials, agencies or departments, affecting the tax status of the Authority, its property or income, its notes, bonds or other obligations (including the 2016 Bonds), or the interest on them, which in the reasonable judgment of either Representative would materially and adversely affect the marketability or the market price of the 2016 Bonds;

(c) Any material fact or event exists or has existed that, in either Representative's reasonable judgment, requires or has required an amendment of or supplement to the Official Statement under the terms of this Agreement which has not been completed to the Representatives' reasonable satisfaction in accordance with Section 3(n) of this Agreement;

(d) There shall have occurred (whether or not foreseeable) any (1) new material outbreak of hostilities (including, without limitation, an act of terrorism), or other new material national or international calamity or crisis, or (2) material adverse change in the financial or economic conditions affecting the United States that in the reasonable judgment of either Representative would materially and adversely affect the marketability or the market price of the 2016 Bonds or the ability of the Underwriters to enforce contracts for their sale;

(e) (1) A general suspension of trading on the New York Stock Exchange has occurred and is in force or minimum or maximum prices for trading have been fixed and are in force or maximum ranges for prices for securities have been required and are in force on the New York Stock Exchange, whether by virtue of a determination by such Exchange or by order of the Securities and Exchange Commission or any other governmental authority of any of the Authority's obligations (including the 2016 Bonds), or (2) a suspension of trading has occurred and is in force by order of the Securities and Exchange Commission, which in the reasonable judgment of either Representative would materially and adversely affect the marketability or market price of the 2016 Bonds;

(f) A general banking moratorium has been declared by either federal, State of New York or Commonwealth of Virginia authorities and is in force;

(g) Legislation has been enacted by the federal government or the Commonwealth of Virginia, a decision of any federal or Commonwealth of Virginia court has been made, or a ruling or regulation (proposed, temporary or final) of the Securities and Exchange Commission or other governmental agency has been made or issued that, in the opinion of counsel for the Underwriters, (1) has the effect of requiring the contemplated distribution of the 2016 Bonds or any agreement offered in connection with them to be registered under the Securities Act of 1933, as amended, or the Authority Authorization or any agreement

authorized under it to be qualified as an indenture under the Trust Indenture Act of 1939, as amended, or (2) that the issuance and sale of the 2016 Bonds will result in a violation of such provisions;

(h) The purchase of and payment for the 2016 Bonds by the Underwriters, or the sale of the 2016 Bonds to the Underwriters or their resale or reoffering by the Underwriters, on the terms and conditions provided in this Agreement is prohibited by any applicable law, governmental authority, board, agency or commission;

(i) The “blue sky” or securities commission of any state in the United States has withheld registration, exemption, or clearance of the offering of the 2016 Bonds because of a material change in or interpretation of law after the date of this Agreement, and, in the reasonable judgment of either Representative, the effect of which will materially and adversely affect the market price or marketability of the 2016 Bonds, or the ability of the Underwriters to enforce contracts for their sale;

(j) Additional material restrictions not in force on the date of this Agreement have been imposed on trading in securities generally or by a governmental authority or the national association of securities dealers that, in the reasonable judgment of either Representative, will materially and adversely affect the market price or marketability of the 2016 Bonds, or the ability of the Underwriters to enforce contracts for their sale;

(k) Any amendment of or supplement to the Official Statement is distributed (whether or not such amendment or supplement was approved by the Representatives prior to its distribution) that, in the reasonable opinion of either Representative, has a material and adverse effect upon the ability of the Underwriters to sell the 2016 Bonds at the contemplated offering prices;

(l) The Authority has, without the prior written consent of either Representative, offered or issued any bonds, notes or other obligations for borrowed money, or incurred any material liabilities, direct or contingent, in either case payable directly or indirectly from Net Revenue (as defined in the Official Statement and other than the VIG Lease or the 2016C Bond) or there has been an adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the Authority, VIT or the Port Facilities (as defined in the Official Statement) the effect of which, in the reasonable judgment of either Representative, is so material and adverse as to make it impracticable or inadvisable to proceed with the offering and delivery of the 2016 Bonds on the terms and in the manner contemplated by the Official Statement, or there shall have occurred or there shall exist any event that, in the reasonable opinion of either Representative, (1) makes untrue or incorrect as of the Closing Date any material statement or information contained in the Official Statement, or (2) is not reflected in the Official Statement but should be reflected therein in order to make the statements made therein, in light of the circumstances under which they were made, not misleading as of the Closing Date;

(m) Either of Moody’s Investors Service or Standard & Poor’s Ratings Services shall have taken any action to lower (including a change to negative watch or negative

10. Successors and Assigns. This Agreement is made solely for the benefit of the Authority and the Underwriters (including any successors of the Underwriters by operation of law), and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations, warranties and agreements of the Authority contained in this Agreement shall remain operative and in full force and effect, and shall survive the delivery of the 2016 Bonds, regardless of any investigations made by or on behalf of the Underwriters.

11. Miscellaneous.

(a) This Agreement is made solely for the benefit of the Authority and the Underwriters (including the permitted successors or assigns of any Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof.

(b) All representations, warranties and agreements of the Authority and the Underwriters contained in this Agreement shall survive the Closing and shall remain operative and in full force and effect, regardless of (a) any investigation made by or on behalf of the parties, (b) delivery of, and purchase of the 2016 Bonds hereunder and (c) any termination of this Agreement occurring after the issuance date of the 2016 Bonds.

(c) This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(d) This Agreement is the entire agreement of the parties, superseding all prior agreements, may not be modified except in writing signed by all of the parties hereto, and shall be construed in accordance with and governed by the laws of the Commonwealth.

[Remainder of Page Intentionally Left Blank;

Signature Page Follows]

Very truly yours,

Morgan Stanley & Co. LLC, acting on behalf of itself,
Merrill Lynch, Pierce, Fenner & Smith Incorporated,
Raymond James & Associates, Inc. and Siebert
Brandford Shank & Co., L.L.C.

BY: Morgan Stanley & Co. LLC, as 2016A
Representative

By: _____
Ira Smelkinson, Executive Director

Very truly yours,

Merrill Lynch, Pierce, Fenner & Smith Incorporated,
acting on behalf of itself, Morgan Stanley & Co. LLC,
Raymond James & Associates, Inc. and Siebert
Brandford Shank & Co., L.L.C.

BY: Merrill Lynch, Pierce, Fenner & Smith
Incorporated, as 2016B Representative

By: _____
James P. Calpin, Managing Director

Accepted:

VIRGINIA PORT AUTHORITY

By: _____
Executive Director

Date: _____, 2016

Time: _____

EXHIBIT A TO PURCHASE AGREEMENT

VIRGINIA PORT AUTHORITY

\$ _____
Port Facilities
Revenue Refunding Bonds
Series 2016A (Taxable)

Maturity		Interest		
<u>(July 1)</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>

VIRGINIA PORT AUTHORITY

\$ _____
Port Facilities
Revenue Refunding Bonds
Series 2016B (AMT)

Maturity		Interest	<u>Yield</u>	
<u>(July 1)</u>	<u>Amount</u>	<u>Rate</u>		<u>Price</u>

Redemption Provisions

Optional Redemption of 2016 Bonds. The 2016A Bonds may be redeemed, at the option of the Authority, from any moneys that may be made available for such purpose, other than moneys set aside in respect of an Amortization Requirement, either in whole or in part, as determined by the Authority, on any date, not earlier than July 1, _____, at a redemption price of 100% of the principal amount of the 2016A Bonds to be redeemed, together with the interest accrued thereon to the date fixed for redemption.

[Series 2016B Bonds optional redemption provisions to come.]

EXHIBIT B TO PURCHASE AGREEMENT

_____, 2016

Morgan Stanley & Co. LLC, acting on
behalf of itself and Merrill Lynch, Pierce,
Fenner & Smith Incorporated, Raymond
James & Associates, Inc. and Siebert
Brandford Shank & Co., L.L.C. with respect
to the Series 2016A Bonds
New York, New York

Merrill Lynch, Pierce, Fenner & Smith Incorporated,
acting on behalf of itself, Morgan Stanley & Co. LLC,
Raymond James & Associates, Inc. and Siebert
Brandford Shank & Co., L.L.C. with respect to
the Series 2016B Bonds
New York, New York

Virginia Port Authority

\$ _____
Port Facilities Revenue Refunding Bonds, Series 2016A (Taxable)

\$ _____
Port Facilities Revenue Refunding Bonds, Series 2016B (AMT)

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance and sale by Virginia Port Authority (the "Authority") of its \$ _____ Port Facilities Revenue Refunding Bonds, Series 2016A (Taxable) and \$ _____ Port Facilities Revenue Refunding Bonds, Series 2016B (AMT) (together, the "2016 Bonds"). We have examined Chapter 10, Title 62.1, Code of Virginia, 1950, as amended, creating the Authority as a body corporate of the Commonwealth of Virginia, the Bond Purchase Agreement dated _____, 2016 (the "Purchase Agreement"), between the Authority and the Representative named therein, on behalf of yourselves as underwriters named therein, the Official Statement of the Authority dated _____, 2016, relating to the 2016 Bonds, and such other proofs as we have deemed necessary to enable us to render the following opinions.

From such examinations, we are of the opinion that:

(i) the legal characteristics of the 2016 Bonds contained in the sections of such Official Statement entitled [*list of sections/appendices subject to revision based on final POS/OS*] “Introductory Statement,” “Description of the Series 2016 Bonds,” (excluding information relating to DTC), “Security for the 2016 Bonds,” “Continuing Disclosure,” “Tax Matters” and the information contained in Appendices C, D and E of the Official Statement] are fairly and accurately described;

(ii) each of the Purchase Agreement, the Continuing Disclosure Agreement (as defined in the Purchase Agreement) and the Escrow Agreement (as defined in the Purchase Agreement) has been duly authorized, executed and delivered by the Authority and constitutes the legal, valid and binding obligation of the Authority enforceable against it in accordance with its terms; and

(iii) the offering, sale and delivery of the 2016 Bonds do not require registration of such Bonds under the Securities Act of 1933, as amended.

You may rely on our approving opinion as Bond Counsel of even date herewith, addressed to the Authority, to the same extent as if such approving opinion were addressed to you.

Respectfully submitted,

EXHIBIT C TO PURCHASE AGREEMENT

CERTIFICATE OF CONSULTING ENGINEER

Moffatt & Nichol (the "Firm") hereby certifies that:

1. The Firm has been retained by the Authority to prepare a Consulting Engineer's Report for the Virginia Port Authority (the "Feasibility Study") dated _____, 2016. The Feasibility Study is included as Appendix B to the Official Statement. We hereby consent to the references to the Firm and the inclusion of the Feasibility Study in the Official Statement.

2. The Feasibility Study was prepared in accordance with generally accepted engineering practices.

3. In connection with the preparation of the Feasibility Study, personnel of the Firm have participated in meetings with representatives of the Authority and its counsel and the underwriters and their counsel in regard to the Authority and its operations as described in the Official Statement. Nothing has come to the attention of the Firm in relation to the preparation of the Feasibility Study which would cause it to believe that either the Feasibility Study is, as of its date, or any of the statements in the Official Statement specifically attributed to the Firm were, as of the date of the Official Statement, inaccurate in any material respect, and is subject to all limitations and exclusions contained therein.

4. The Firm is not a Registered Municipal Advisor and makes no recommendation relative to municipal financial products or the issuance of municipal securities. This Certificate is solely for the information of, and assistance to, the Underwriters in conducting and documenting their investigation of the matters covered by the Feasibility Study in connection with the offering pursuant to the Official Statement of the above-mentioned Series 2016 Bonds, and is not to be used, circulated, quoted, or otherwise referred to within or without the underwriting group for any other purpose, including but not limited to the purchase or sale of securities, not is it to be referred to in whole or in part in any document, except that reference may be made to it in the Official Statement and in the above-mentioned Purchase Agreement or in any list of closing documents pertaining to such offering.

Dated: _____, 2016

MOFFATT & NICHOL

By: _____

Its: _____