

RCTC Agreement No. 12-31-039-01
OCTA Agreement No. C-1-3190

AMENDED AND RESTATED
COOPERATIVE AGREEMENT
EXPRESS LANES OPERATIONS
BETWEEN RIVERSIDE COUNTY TRANSPORTATION COMMISSION AND
ORANGE COUNTY TRANSPORTATION AUTHORITY

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This Amended and Restated Cooperative Agreement for State Route 91 Express Lanes Operations (“Cooperative Agreement”) is made and entered into this ____ day of _____, 2026 (“Entered Into Date”) by and between the Riverside County Transportation Commission (“RCTC”) and the Orange County Transportation Authority (“OCTA”). RCTC and OCTA are sometimes referred to herein individually as “Party”, and collectively as the “Parties”.

Recitals

WHEREAS, OCTA operates and maintains the existing SR-91 Express Lanes in Orange County under a franchise agreement with the State of California.

WHEREAS, RCTC extended the RCTC 91 Express Lanes on the State Route 91 between the Riverside/Orange County line and the Interstate 15 interchange, including transition areas anticipated to commence as far north as Hidden Valley Parkway on Interstate 15, as far south as Cajalco Road on Interstate 15, as far east as Pierce Street on State Route 91, and as far west as Gypsum Canyon on State Route 91.

WHEREAS, prior to RCTC’s construction of the RCTC 91 Express Lanes the Parties entered into Cooperative Agreement for State Route 91 Express Lanes and Corridor Improvements, dated December 16, 2011 (“Original Agreement”), in order to achieve economies of scale and cost benefits for both Parties through joint contracting and joint provision of certain services related to maintenance and operation of the 91 Express Lanes.

WHEREAS, continued coordination between the Parties during operation of the RCTC 91 Express Lanes is crucial to provide for seamless operation of the 91 Express Lanes in both Riverside and Orange Counties.

WHEREAS, it is the intent of the Parties in entering into this Cooperative Agreement to continue opportunities for cooperation and coordination and to set forth various responsibilities of the Parties, all as further set forth herein. It is the further intent of the Parties that all provisions contained in this Cooperative Agreement and all actions taken hereunder shall be consistent with Sections 130240, 130244, and 130245 of the California Public Utilities Code and all other applicable laws.

WHEREAS, RCTC commenced operation of the 91 Express Lanes in Riverside County in March of 2017, and the Parties have been successfully operating the 91 Express Lanes through joint contracts for operations and other services, or for individually held contracts subject to cost sharing.

WHEREAS, RCTC constructed the 15 Express Lanes in Riverside County, and opened the lanes for public use in April, 2021. The 15 Express Lanes are operated by RCTC’s toll services provided, Kapsch TrafficCom Transportation NA, Inc. (“Kapsch”).

WHEREAS, the Parties now desire to consolidate the 91 Express Lanes with the RCTC 15 Express Lanes back office and customer service operation in order to achieve additional economies of scale;

WHEREAS, it is the intent of the Parties that, as of the Effective Date, this Cooperative Agreement supersede and replace, in its entirety, the Original Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, it is mutually understood and agreed by RCTC and OCTA as follows.

ARTICLE 1

DEFINITIONS

For the purposes of this Cooperative Agreement, the following terms shall have the meanings hereinafter provided:

1.1 **Anaheim Facility.** The term “Anaheim Facility” shall mean and refer to the toll operations center in Anaheim.

1.2 **CEO.** The term “CEO” shall mean and refer to the Chief Executive Officer of OCTA, or his or her designee.

1.3 **Consolidated Back Office.** The term “Consolidated Back Office” shall mean and refer to the consolidation of the 91 Express Lanes with the RCTC 15 Express Lanes back office and customer service operation under RCTC’s existing contract with Kapsch.

1.4 **Corona Regional Operations Center.** The term “Corona ROC” shall mean and refer to the customer service center in Corona located at 291 and 301 Corporate Terrace Circle.

1.5 **Cost and Revenue and Allocation.** The term “Cost and Revenue Allocation” shall mean the cost and revenue sharing between OCTA and RCTC related to the Express Lanes, as further detailed in Exhibit “A”.

1.6 **Customer.** The term “Customer” shall mean and refer to paying, or otherwise authorized, users of any portion of the 91 Express Lanes, which user has both a Transponder and an account with OCTA, RCTC or with any Other Toll Entities.

1.7 **Customer Accounts.** The term “Customer Accounts” shall mean and refer to accounts of Customers held by OCTA.

1.8 **Customer Account Business Rules/Operating Rules.** The term “Customer Account Business Rules/Operating Rules” shall mean and refer to the following: charges and/or deposits for initial issuance and replacement of Transponders; enrollment and/or membership fees; minimum monthly Customer Account maintenance fees; other administrative fees related to Customer Accounts; toll violation policies; collection policies; other similar rules related to Customer Accounts and use and issuance of Transponders; rules related to use of the Express Lanes

by Customers, including rules requiring all Customers to have Transponders or Customer Accounts; and other similar rules related to use of the Express Lanes by Customers.

1.9 **Designated Executive Representative.** The term “Designated Executive Representative” shall mean and refer to the OCTA employee designated by the CEO and to the RCTC employee designated by the Executive Director to make decisions on behalf of the Parties pursuant to this Cooperative Agreement.

1.10 **Effective Date.** The term “Effective Date” shall mean and refer to the “go-live” date of the Consolidated Back Office. .

1.11 **Emergency.** The term “Emergency” shall mean and refer to an unforeseen circumstance that poses an imminent risk or danger of serious injury, damage or harm to persons or property.

1.12 **Executive Director.** The term “Executive Director” shall mean and refer to the Executive Director of RCTC, or his or her designee.

1.13 **Existing 91 Operator Agreement.** The term “Existing 91 Operator Agreement” shall mean and refer to that certain OCTA Agreement No. C-9-117; RCTC Agreement No. 19-31-059-00, as subsequently amended, amongst Cofiroute, OCTA and RCTC for the 91 Express Lanes operations.

1.14 **Express Lanes.** The term “Express Lanes” shall mean and refer, jointly, to the OCTA 91 Express Lanes, RCTC 91 Express Lanes, and RCTC 15 Express Lanes, and any other express lanes of either Party that is included as part of the Consolidated Back Office under the Operations Agreement.

1.15 **91 Express Lanes.** The term “91 Express Lanes” shall mean and refer, jointly, to the OCTA 91 Express Lanes and the RCTC 91 Express Lanes.

1.16 **OCTA 91 Express Lanes.** The term “OCTA 91 Express Lanes” shall mean and refer to the existing four-lane, 10-mile high occupancy toll facility constructed in the median of the State Route 91 freeway, between the Orange/Riverside County line and the State Route 55 freeway.

1.17 **Operator.** The term “Operator” shall mean the company under contract for customer service and back office system operation of the Express Lanes and the Express Lanes traffic operations center.

1.18 **Operations Agreement.** The term “Operations Agreement” shall mean and refer to a three-party agreement that the Parties, concurrently with entering this Cooperative Agreement, will enter into with the Operator to jointly provide customer service operations for the Express Lanes and traffic operations services for the Express Lanes.

1.19 **Other Toll Entities.** The term “Other Toll Entities” shall mean and refer to any other public agency or private entity operating a toll facility in California and with whom OCTA has entered into a cooperative user fee processing (CTOC) agreement.

1.20 **RCTC Express Lanes.** The Term “RCTC Express Lanes” shall mean and refer to the RCTC 15 Express Lanes and RCTC 91 Express Lanes.

1.21 **RCTC 15 Express Lanes.** The term “15 Express Lanes” shall mean and refer to the Interstate 15 Express Lanes constructed by RCTC in Riverside County, between Route 60 in Jurupa Valley/Eastvale and Cajalco Road in Corona, and shall include the Interstate 15 Express Lanes southern extension, between El Cerrito Road in Corona and State Route 74 (Central Avenue) in Lake Elsinore, once constructed and open for public use.

1.22 **RCTC 91 Express Lanes.** The term “RCTC 91 Express Lanes” shall mean and refer to the high occupancy toll facility that RCTC constructed by RCTC on the existing State Route 91 between the Orange/Riverside County line and as far east as the Interstate 15 interchange, including transition areas anticipated to commence as far north as Hidden Valley Parkway on the Interstate 15, as far south as Cajalco Road on Interstate 15 and as far east as Pierce Street on State Route 91.

1.23 **ROFA.** The term “ROFA” shall mean and refer to RCTC-OCTA Facility Agreement or similar separate agreement between the Parties that establishes cost sharing for the Toll Facilities, Additional Vendor Contracts and other services to be shared between the Parties.

1.24 **Revenue or Revenues.** The term “Revenue” or “Revenues” shall mean and refer to gross revenues.

1.25 **SR-91.** The term “SR-91” shall mean and refer to the State Route 91.

1.26 **SR-91 Advisory Committee.** The term “SR-91 Advisory Committee” shall mean and refer to the joint RCTC and OCTA committee, comprised of elected officials, established by Section 130245 of the California Public Utilities Code.

1.27 **Switchable Transponder.** The term “Switchable Transponder” shall mean and refer to a Transponder that allows Customers to declare when they are using the RCTC Express Lanes other than as a full toll paying vehicle, such as a reduced toll paying vehicle or as an exempt vehicle.

1.28 **Toll Pricing Policies.** The term “Toll Pricing Policies” shall mean and refer to policies adopted by each Party for setting toll prices and rates for Customers.

1.29 **Toll Related Facilities.** The term “Toll Related Facilities” shall mean and refer to the Anaheim Facility and the Corona ROC.

1.30 **Transponder.** The term “Transponder” shall mean the in-vehicle electronic toll paying device issued for use or usable for the Express Lanes, which allows for automatic transaction identification at electronic toll collection facilities.

ARTICLE 2

RELATIONSHIP BETWEEN THE PARTIES.

2.1 Joint Operator. The Parties acknowledge and agree that various terms of this Cooperative Agreement are based on the assumption of a joint Operator. If, at any time during the term of this Cooperative Agreement, the Parties cease jointly contracting with a joint Operator, the Parties agree and acknowledge that the terms of this Cooperative Agreement shall be modified as necessary to reflect multiple operators of the Express Lanes.

2.2 Procurement of New Operator. In the event of a termination of the Operations Agreement for default or for any reason during the term of this Cooperative Agreement, the Parties agree to cooperate as equal parties in the procurement of a new operator and such new procurement shall take into account a scope of work that applies to both the OCTA 91 Express Lanes and the RCTC 91 Express Lanes, and if agreed upon by the Parties, the RCTC 15 Express Lanes. OCTA and RCTC staff shall each have the joint right to participate in the development of, review and approve the new operator procurement documents, scope of work, technical provisions and form of operator contract, participate in and approve the recommendation for selection of the new operator to the governing boards and negotiate the terms and conditions of such new operations contract. Each Party shall bear its own costs in connection with such new procurement.

2.3 Approval or Agreement of the Parties. Except as otherwise expressly provided, or where the context indicates otherwise, where the approval or agreement of one or both of the Parties is required by a provision of this Cooperative Agreement, such approval or agreement may be given or made by each Party's Designated Executive Representative. Notwithstanding the foregoing, this Section is not intended to authorize the Parties' Designated Executive Representatives to make decisions or to enter into agreements for which approval of a Party's governing board or other person or body is otherwise required by law or pursuant to an adopted policy of a Party.

2.4 Reevaluation of Cost and Revenue and Allocation. The Parties agree to re-evaluate, in good faith, the Cost and Revenue and Allocation annually or as otherwise required. As of said reevaluation date(s), the Cost and Revenue and Allocation may be subject to change upon mutual agreement, with each Party acting in good faith. Any change to the Cost and Revenue and Allocation shall be made pursuant to a mutually agreed written amendment to Exhibit "A" of this Cooperative Agreement.

2.5 Communication and Cooperation.

2.5.1 The Parties agree that communication and cooperation between OCTA and RCTC is critical to the successful and seamless operation of the Express Lanes in both Riverside and Orange Counties.

2.5.2 Communication and cooperation is necessary during operation of the Express Lanes.

2.5.3 It is the intent of the Parties that communication and cooperation be accomplished through various forums, including as follows:

(a) For the 91 Express Lanes, meetings of the SR-91 Advisory Committee.

(b) Meetings of or communications between the Designated Executive Representatives.

(c) Individual or small group meetings, which shall be called as necessary to address specific issues related to the Express Lanes. Other affected public agencies or parties shall be invited to attend such meetings as the Parties determined necessary or beneficial.

(d) Communications between operational staff of RCTC and OCTA on an ongoing and as-needed basis.

2.6 Toll Related Facilities.

2.6.1 General Provisions Regarding Toll Related Facilities

(a) The Parties acknowledge that OCTA is the lease holder for the Anaheim Facility and that OCTA shall use reasonable efforts to reduce the square footage with the lessor or relocate the operation to a new location upon the termination of the 2031 lease. The Parties agree that they will share the cost of the facility and agree to any improvements or betterments as shall be further set forth in the ROFA.

(b) The Parties acknowledge that RCTC is the owner of the Corona ROC. RCTC will amend its existing facility license agreement with the Operator to establish the Operator's rights and responsibilities related to use of the Corona ROC. The Parties agree that they will share the cost of the facility and agree to any improvements or betterments as shall be further set forth in the ROFA.

(c) It is the intent of the Parties that both Parties will jointly utilize and operate the Toll Related Facilities, and that the Parties will share in the operating and maintenance costs for the Toll Related Facilities as shall more particularly be set forth in the ROFA.

2.6.2 Anaheim Facility.

(a) It is intent of the Parties that OCTA shall remain the sole lease holder of the Anaheim Facility, and that RCTC shall have an irrevocable license and right to use thereof through the term of this Cooperative Agreement, and for any additional period as further set forth herein. It is not intended that RCTC become a lessee, co-lessee or sublessee of the Anaheim Facilities. Notwithstanding the foregoing, however, it is the intent of the Parties that RCTC shall have equal rights of access and use of the Anaheim Facility as does OCTA.

(b) OCTA shall not terminate its lease for the Anaheim Facility nor change any material provisions thereof, without RCTC's prior written approval, in its reasonable discretion.

(c) If the lease expires or is terminated or the location of the Anaheim Facility is changed as a result of the expiration or termination of OCTA's lease therefor or

otherwise, the Parties shall mutually agree on the terms of any new lease and shall modify the provisions of this Cooperative Agreement to address, as applicable, the new or extended lease, the new location and relevant circumstances of the Toll Related Facilities.

(d) OCTA shall confer with RCTC no less than twelve (12) months prior to expiration of OCTA's lease for the Anaheim Facility regarding the terms and conditions for renegotiation of said lease and/or regarding any potential change in the ownership or location of the Anaheim Facility. Notwithstanding the foregoing sentence, if the Anaheim Facility will require relocation at the expiration of OCTA's lease for the Anaheim Facility, OCTA shall confer with RCTC as soon as OCTA determines the same, but in no event less than twelve (12) months prior to the expiration of said lease.

(e) Cost sharing for operating and maintenance costs for the existing Anaheim Facility, including building lease costs; utility expenses; property insurance costs; office equipment costs; back office system maintenance costs; telephone maintenance costs; and computer hardware, equipment repairs, equipment/servers maintenance and software licenses for equipment and programs utilized at the Anaheim Facility, shall be as further set forth in the ROFA.

2.6.3 Corona Regional Operations Center

(a) It is intent of the Parties that RCTC shall remain the sole owner of the Corona ROC, and that OCTA shall enter into a lease agreement with RCTC providing OCTA the right to use thereof through the term of this Cooperative Agreement, and for any additional period as further set forth herein. It is the intent of the Parties that OCTA shall have equal rights of access and use of the ROC as does RCTC, with OCTA's rights to be further detailed in the lease agreement.

(b) RCTC shall not sell or lease for the Corona ROC nor materially change any use of the Corona ROC without OCTA's prior written approval, in its reasonable discretion.

(c) The Parties shall share in RCTC's operating and maintenance costs for the Corona ROC as shall be further detailed in the lease and ROFA.

2.7 Objectives Regarding Operation of 91 Express Lanes and Consolidated Back Office.

2.7.1 RCTC is and shall continue to be responsible for operating and maintaining the RCTC 91 Express Lanes in Riverside County and the RCTC 15 Express Lanes. RCTC shall also continue to be solely responsible for its debt service obligations, ongoing routine and capital maintenance and for future capital improvement projects related to the RCTC 91 and RCTC 15 Express Lanes.

2.7.2 OCTA is and shall continue to be responsible for operating and maintaining the OCTA 91 Express Lanes in Orange County. OCTA shall also continue to be solely responsible for its debt service obligations, ongoing routine and capital maintenance and for future capital improvement projects related to the OCTA 91 Express Lanes.

2.7.3 It is the intent and objective of the Parties to operate the 91 Express Lanes in both Orange County and Riverside County so that Customers will experience a seamless transition between the two facilities, and will view the 91 Express Lanes as a single facility. The Parties agree to cooperate in order to facilitate this goal.

2.7.4 It is the intent and objective of the Parties to achieve cost savings and other benefits by consolidating the 91 Express Lanes with the RCTC 15 Express Lanes under the Consolidated Back Office.

2.7.5 The Parties intend that each Party will pay its own share of the cost to operate the Express Lanes and the Toll Related Facilities, as more particularly described in this Cooperative Agreement.

2.7.6 Joint and Non-Joint Expenditures.

(a) In order to achieve economies of scale, the Parties agree to jointly share certain costs related to operation of the Express Lanes based on the Cost and Revenue and Allocation.

(b) Each Party shall be solely responsible for Non-Joint Expenditures related solely to operation or maintenance of its respective portion of the Express Lanes (e.g., where the other Party's portion of the Express Lanes are not benefited by such operations or maintenance). "Non-Joint Expenditures" may include, but are not limited to: auditing services, general counsel services, bond counsel services, trustee services, rating fees, financial advisory services, management consultant services, traffic and revenue consultant services, Caltrans maintenance expenses, California Highway Patrol enforcement contracts, engineering paving analysis services, 91 or 15 implementation plan costs, electronic traffic and toll management maintenance agreement costs, camera maintenance agreement costs, collection services, court costs, variable message sign maintenance, lane closures, service vehicle costs and tow trucks.

2.7.7 Mutual Aid in Case of 91 Express Lanes Related Emergency.

(a) The Parties agree to share resources in case of emergencies, and to provide mutual aid as needed. In the case of an emergency, the Operator, if the Parties have selected a joint operator, will utilize the resources of both Parties that are under its control to respond to a 91 Express Lanes related emergency.

(b) Except as may be otherwise set forth in the Operations Agreement, the Operator, if the Parties have selected a joint Operator, shall have the power and authority to utilize the tow trucks and other resources of both Parties to respond to an emergency on any portion of the 91 Express Lanes, however, if a second emergency or multiple emergencies occur, the Operator shall remove trucks as needed from the site of the first emergency to address the needs related to the subsequent emergencies.

2.7.8 Maintenance of 91 Express Lanes. The Parties agree that maintenance of the 91 Express Lanes in good condition and repair is of primary importance to both Parties, and to the successful and seamless operation of the 91 Express Lanes. Each Party shall take reasonable

steps to ensure that its respective segment of the 91 Express Lanes will be in good condition and repair in accordance with its obligations under its respective separate agreement with Caltrans.

2.8 Customer Accounts.

2.8.1 The Parties agree that, as of the Effective Date, it is in the best interest of both Parties and of Customers to create and maintain Customer Accounts through a single entity.

2.8.2 Except as otherwise mutually agreed by the Parties, in their reasonable discretion, or as otherwise provided herein, OCTA shall be considered the “account holding agency” for purposes of creating and maintaining Customer Accounts. In connection with the opening of the RCTC 15 Express Lanes, RCTC elected to also become an “account holding agency” for purposes of creating and maintaining Customer Accounts.

2.8.3 The RCTC 15 Express Lanes customer accounts will be combined with the 91 Express Lanes accounts, and OCTA will be permanently considered the account holding agency.

2.8.4 The Parties shall cooperate on the transfer of Customers and Customer Accounts from RCTC to OCTA in order to provide a smooth transition for Customers.

2.8.5 The Operator shall manage transactions for new and existing Customer Accounts and Customers for the Express Lanes, including transactions with Other Toll Entities for toll charges incurred by Customers on any portion of the Express Lanes and for toll charges incurred by Customers on toll facilities of Other Toll Entities.

2.8.6 RCTC shall be solely responsible for handling any claims or lawsuits regarding toll violations and/or collection prosecutions arising from the RCTC 15 Express Lanes which are not part of the 91 Express Lanes, and nothing contained in this Cooperative Agreement shall create any liability on the part of OCTA for any such claims or lawsuits. RCTC shall solely bear all costs in connection with its efforts to handle such claims or lawsuits.

2.8.7 Subject to RCTC’s compliance with OCTA’s existing agreements with Customers and applicable laws related to Customer privacy and recordkeeping, OCTA agrees to provide RCTC equal and timely access through the Operator to the full database and all other information regarding existing and new Customer Accounts. OCTA shall continue to utilize a Customer Agreement that (a) to advises Customers that RCTC owns and operates a portion of the 91 Express Lanes and is an express third party beneficiary of, and may enforce, Customer obligations under the Customer Agreement directly related to Customers’ use of the RCTC 91 Express Lanes; (b) reflects that RCTC will have access to California Highway Patrol reports of incidents on the 91 Express Lanes; (c) reflects that RCTC will have access to Customer Account information for purposes related to RCTC’s ownership and operation of the RCTC 91 Express Lanes, including, but not limited to, collecting and enforcing tolls, fines and/or other charges; and (d) to add RCTC as an express beneficiary to the release, indemnification, and disclaimer of representations/warranties provisions of the Customer Agreement. Any changes to the Customer Account agreement shall be agreed upon by the Parties prior to use with Customer.

2.9 Customer Account Business Rules

2.9.1 The Parties agree that, where practicable, it is in the best interest of Customers to maintain and implement consistent Customer Account Business Rules

2.9.2 RCTC utilizes and adopted Customer Account Business Rules consistent with OCTA's Customer Account Business Rules. Any changes to the Customer Account Business Rules must be reviewed and approved by the Parties' Designated Executive Representatives.

2.9.3 If the Parties' Designated Executive Representatives are unable to reach consensus on proposed changes to the Customer Account Business Rules, the matter shall be referred to the CEO and the Executive Director, respectively.

2.9.4 If the CEO and Executive Director are unable to reach consensus on changes to the Customer Account Business Rules, the matter may be referred to additional dispute resolution procedures as may be agreed upon by the Parties.

2.9.5 The Parties shall each be responsible for adopting and implementing their own Toll Pricing Policies, including pricing for reduced toll paying vehicles. Notwithstanding the foregoing, the Parties intend to maintain reasonably consistent Toll Pricing Policies.

2.10 Express Lanes Marketing.

2.10.1 General Principles.

(a) The Parties agree that it is in the best interest of each Party to create and implement consistent branding and marketing for the Express Lanes.

(b) The Parties agree that the OCTA 91 Express Lanes and the RCTC 91 Express Lanes shall be referred to jointly, for branding and marketing purposes, as the "91 Express Lanes" unless the Parties agree otherwise in writing, in their reasonable discretion.

(c) The Parties agree that the RCTC 15 Express Lanes joint branding will be mutually agreed upon, and will sufficiently represent the RCTC 15 Express Lanes while retaining the 91 Express Lanes trademark.

(d) The "branding" and marketing for the entirety of the 91 Express Lanes shall recognize the ownership of both OCTA and RCTC. Each Party shall cooperate on marketing and outreach efforts for the 91 Express Lanes.

(e) The Parties agree to cooperate in developing marketing and branding materials and plans. If the Parties are unable to agree on a joint marketing plan, each Party shall be entitled to undertake its own marketing, subject to the provisions of this Section.

2.10.2 Marketing Materials and Website.

(a) The Parties agree that all advertisements, regardless of format, web-based and printed materials and joint facilities and equipment utilizing the 91 Express Lanes logo shall also include the logos for both OCTA and RCTC.

(b) The Parties shall share the cost of marketing materials or programs for the Express Lanes that are of mutual benefit to both Parties, including Express Lanes surveys, welcome postcards and brochures, based on the Cost and Revenue and Allocation.

(c) The website for the 91 Express Lanes shall include the OCTA 91 Express Lanes, the RCTC 91 Express Lanes and the RCTC 15 Express Lanes, and each Party shall have joint access, and ability to post materials, to the website.

(d) OCTA and RCTC shall continue to jointly produce the Express Lanes quarterly newsletter, with cost sharing for such production to be based on the Cost and Revenue and Allocation.

2.10.3 Review of Marketing Materials.

(a) The Parties intend that neither Party will market the Express Lanes, or any portion thereof, in a manner that will negatively impact the other Party or the portion of the Express Lanes operated by the other Party.

(b) Each Party shall submit all marketing materials and programs for the Express Lanes for review and concurrence of the other Party, in its reasonable discretion, prior to publicly disseminating such materials.

(c) Should a dispute arise regarding marketing materials for the Express Lanes, such dispute shall be submitted to the dispute resolution process set forth in this Cooperative Agreement.

2.10.4 In furtherance of the provisions of this Section, for so long as this Cooperative Agreement is in effect, each Party hereby authorizes and grants the other Party the right to use, free of charge, all registered trademarks and/or service marks held by either Party related to the Express Lanes to the extent necessary for joint Express Lanes branding and marketing purposes. Following termination of this Cooperative Agreement for any reason, each Party shall have the right to continue to use any registered trademarks and/or service marks held by the other Party, which are being utilized for joint branding and marketing purposes at the time of such termination, for Express Lane branding and marketing, provided that such Party pays the Party holding the trademarks and/or service marks reasonable compensation in an amount mutually agreed upon by the Parties in their reasonable discretion.

2.10.5 Each Party has and shall maintain its own licensing agreement with Fastrak for use of the Fastrak logo or other Fastrak materials.

2.11 Changes in Technology; Interoperability.

2.11.1 The Parties acknowledge that either Party may require changes in tolling technology and that cooperation between the Parties will be required to ensure continued interoperability of tolling technology and Transponders used on the Express Lanes.

2.11.2 The Party implementing technology changes shall be responsible for covering reasonable costs associated with such changes, and shall ensure interoperability of the new technology with existing tolling technology and Toll Related Facilities. Notwithstanding the foregoing, if both Parties will benefit from adoption of a new technology, the Parties shall consider, in good faith, an equitable manner of sharing the costs for implementation of the new technology. Determinations regarding equitable cost sharing shall be part of the procedure for requests for technology changes set forth below.

2.11.3 Switchable Transponders.

(a) Any Customer Accounts or Customers

(b) that desire to have an option to use the Express Lanes other than as a full toll paying vehicle, such as a reduced toll paying vehicle or an exempt vehicle, shall be entitled to request a Switchable Transponder. The Parties shall equally share in the cost of purchasing Transponders based on the Cost and Revenue and Allocation.

2.11.4 Procedure for Technology Changes.

(a) In order to ensure that any changes in tolling technology desired by either Party are fully interoperable with the then-existing tolling and operational systems and/or will not cause the other Party to incur unapproved additional costs that will not be reimbursed by the requesting Party, prior to making any changes in Transponders, tolling hardware, tolling software or other tolling technology, the Party desiring the changes shall obtain a determination by the other Party's Designated Executive Representative that the proposed change(s) are both interoperable and will not cause any additional costs to the other Party. Any changes that are not fully interoperable with then-currently implemented and existing tolling and operational systems used for operation of the Express Lanes and/or any changes that may cause the other Party to incur unapproved additional costs that will not be reimbursed by the requesting Party shall require approval of the other Party's Designated Executive Representative. Requests to the appropriate Designated Executive Representative for a determination regarding proposed changes in tolling technology or for approval of proposed changes in tolling technology shall include the following, as applicable (i) information detailing interoperability of the changed elements; (ii) information detailing any changes to the existing Toll Related Facilities, tolling systems and operational systems that may be required to incorporate the proposed changes with then-currently implemented and existing tolling systems and operational systems used for operation of the 91 Express Lanes; and (iii) information detailing compliance of the changes to 6C tolling (or any subsequent equivalent standard).

(b) If the Parties' Designated Executive Representatives are unable to reach consensus on adoption of any changes in Transponders, tolling hardware, tolling software or other tolling technology, on whether the proposed changes will cause additional costs to the other

Party or on the interoperability of proposed changes, the matter shall be referred to the CEO and the Executive Director, respectively.

(c) If the CEO and the Executive Director are unable to reach consensus on changes in Transponders, tolling hardware, tolling software or other tolling technology, on whether the proposed changes will cause additional costs to the other Party or on the interoperability of proposed changes, the matter may be referred to additional dispute resolution procedures as may be agreed upon by the Parties.

(d) The Parties agree that any approval of technology changes as set forth herein may require further action by the governing bodies of both or either Party, and no action hereunder shall bind the governing bodies of either Party as to such action, nor shall any action be considered final until all required approvals have been obtained.

2.12 Agreements with Other Toll Entities.

2.12.1 Unless otherwise agreed upon by the Parties, OCTA, as the “account holding agency” shall represent the interests of both Parties under OCTA’s existing cooperative user fee processing agreements with Other Toll Entities as relates to the Express Lanes.

2.12.2 RCTC was previously included under OCTA’s cooperative user fee processing agreements with Other Toll Entities for the 91 Express Lanes. OCTA will amend these agreements, as may be necessary, to include the RCTC 15 Express Lanes. The Parties established a mutually acceptable process to allocate payments and/or credits from Other Toll Entities between the Parties. Any changes to that process shall be agreed upon in advance by the Parties.

2.12.3 OCTA shall be the signatory for charges to and from the Other Toll Entities incurred pursuant to the cooperative user fee processing agreements.

ARTICLE 3

USE OF OPERATOR

3.1 Objectives Related to Use of Operator.

3.1.1 It is the intent of the Parties that the Existing Operator Agreement will be terminated, and the Parties will enter into an Amended and Restated Operations Agreement with Kapsch, as the Operator, for the Consolidated Back Office. The Operator shall operate the 91 Express Lanes and RCTC 15 Express Lanes as a single toll facility in order to create a seamless experience for Customers. The Parties may add other toll facilities they operate to the operation.

3.1.2 By jointly contracting with the Operator, the Parties desire to minimize extra work and personnel and duplication of services by the Operator, and to minimize the increase in operating costs of the Express Lanes, in order to lower operating costs for both OCTA and RCTC.

3.1.3 By jointly contracting with the Operator, the Parties further desire to minimize conflicting directions that may be provided to the Operator by the Parties, and to maximize the opportunity for sharing of resources and costs, as may be beneficial to both Parties.

3.2 Operator Services.

3.2.1 The Parties intend that the Operations Agreement shall provide that:

(a) In operating the Express Lanes customer service center, the Operator shall not differentiate between RCTC and OCTA in providing services to Customers.

(b) In responding to Emergencies, the Operator shall utilize all of its resources under the Operations Agreement in the most efficient manner to protect the public and the 91 Express Lanes and to reduce any liability that either Party may incur.

(c) In complying with reporting requirements under the Operations Agreement, it is the intent of the Parties that the Operator shall use the same performance measures and reporting format for both Parties, as the same may be modified for compliance with each Party's financing requirements. Special reporting needs shall be accommodated by the Operator upon request of either Party.

3.2.2 At least five (5) years prior to expiration of the term of the Operations Agreement, as extended, the Parties shall meet and confer to determine whether or not to negotiate an amendment to the Operations Agreement extending the term thereof, to negotiate a new Operations Agreement with the Operator, or to procure a new operator jointly or individually for the 91 Express Lanes and RCTC 15 Express Lanes and/or other Express Lanes facilities.

3.2.3 Termination.

(a) If one Party believes that the Operator is in default under the Operations Agreement, the Designated Executive Representatives shall meet and confer regarding the alleged Operator default. Following such meeting, and in addition to any other procedures required pursuant to the Operations Agreement, the Parties shall jointly meet with the Operator regarding the default to determine if cure is possible and to facilitate, as the Parties deem desirable, such cure.

3.2.4 Procedures and Party's Rights in Event of Disagreement Regarding Continued Use of the Operator.

(a) If the Operations Agreement Representatives are in disagreement regarding an alleged uncured or incurable default of the Operator per the terms of the Operations Agreement and whether to terminate all or a portion of the Operations Agreement pursuant to the Parties' termination rights thereunder, or if the Operations Agreement Representatives are unable to reach consensus regarding the continued use of the same Operator prior to termination of the Operations Agreement, prior to a recommendation being made to either Party's full governing board:

(i) The matter shall be referred for further discussion and negotiation to the Designated Executive Representatives; and

(ii) The matter shall be submitted to the dispute resolution process of this Cooperative Agreement.

(b) If, following completion of the dispute resolution process contained in this Cooperative Agreement, the Parties are unable to reach agreement regarding continued joint use of the Operator's services then:

3.3 In the case of the Operator's alleged uncured or incurable default and provided that the Parties are able to negotiate such right under the Operations Agreement, either Party shall have the right to unilaterally terminate the Operations Agreement as per said Party's rights and obligations, as the Parties intend shall be further set forth in the Operations Agreement.

3.4 Joint Procurement of New Operator. If the Operations Agreement is mutually terminated by the Parties or expires without extension thereof, the Parties shall jointly solicit a new operator for the Express Lanes. OCTA and RCTC agree to cooperate as equal parties in the procurement of such new operator. OCTA and RCTC shall each have the joint right to participate in the development of, review and approve the new operator procurement documents, scope of work, technical provisions and form of operator contract, participate in and approve the selection of the new operator and negotiate the terms and conditions of such new operations contract. Each Party shall bear its own costs in connection with such new procurement. RCTC and OCTA shall each be parties to any new operator contract as described in this Section.

ARTICLE 4

COST SHARING FOR OPERATOR COSTS

4.1 Operator Costs As of Notice to Proceed with Consolidated Back Office Transition. Commencing with the issuance of notice to proceed under the Operations Agreement for the work to transition to the Consolidated Back Office, RCTC and OCTA intend to jointly and equitably share the cost of the Operator's services, as detailed in the Operations Agreement.

ARTICLE 5

COST SHARING FOR ADDITIONAL SERVICES RELATED TO OPERATION OF THE 91 EXPRESS LANES

5.1 Additional Vendor Contracts. OCTA and RCTC intend and anticipate that, by either jointly contracting with consultants/vendors under certain additional vendor contracts required for the Express Lanes ("Additional Vendor Contracts"), or by sharing in the cost for such contracts that may be held by only one Party, the Parties will minimize extra work and duplication of services by the identified consultants/vendors, and will thereby reduce the operating costs of the Express Lanes. Notwithstanding the foregoing, the Parties understand and agree that it may be necessary or desirable for the Parties to separately contract for some of the services with no cost sharing.

(a) For any Additional Vendor Contracts that are held by only one Party the Additional Vendor Contract, when the Parties deem necessary, shall include indemnification and additional insured requirements to benefit of both Parties, and the non-contracting Party shall be a designated third party beneficiary, and, as applicable, a designated representative shall be included under the contract.

(b) A Party shall not terminate its rights under the relevant Additional Vendor Contract, exercise any extension option or change any material provisions thereof, without the other Party's prior written approval, in its reasonable discretion.

(c) The contracting Party shall confer with the other Party no less than six (6) months prior to expiration of the term of the relevant Additional Vendor Contract regarding the terms and conditions for extension or renegotiation of said contract.

(d) The non-contracting Party's designated representative under the relevant Additional Vendor Contract shall have the same rights as the contracting Party's designated representative thereunder to direct the services of the relevant consultant/vendor.

(e) Neither Party shall unilaterally provide any direction to the consultant/vendor under the relevant Additional Vendor Contract that would materially impact the other Party's portion of the 91 Express Lanes, or that would result in harm, increased costs or loss of Revenue to the other Party.

(f) Following the expiration or termination of any Additional Vendor Contract, the Parties shall confer on how to contract for such services from and after such expiration or termination, it being the intent of the Parties that such future contracting shall be on a joint basis.

5.1.2 Cost sharing under the Additional Vendor Contracts shall be in accordance with the Cost and Revenue and Allocation, or as set forth in the ROFA.

5.2 Reimbursement for Staff Time. If either Party requests the use of the other Party's staff for the benefit of the requesting Party's operation of its segment of the 91 Express Lanes, the requesting Party shall compensate the other Party for the actual cost of such staff time.

ARTICLE 6

CUSTOMER ACCOUNTS AND TOLLS

6.1 Establishment of Accounts; Handling and Allocation of Deposits.

6.1.1 OCTA, RCTC and a custodial financial institution acceptable to both Parties ("Custodian") entered into an agreement to govern the custody and processing of all toll and Transponder Revenues generated on the Express Lanes (the "Custodial Account Agreement").

6.1.2 The Parties agree to keep in place the Custodial Account Agreement or a replacement custodial agreement in full force and effect throughout the term of this Cooperative Agreement, except as to any rights of RCTC to enter into its own separate agreement with a financial institution for maintenance of RCTC toll Revenues in relation to RCTC 15 Express Lanes Customer Accounts.

6.1.3 The Custodial Account Agreement shall provide for:

(a) The establishment of a Customer Account, and Other Toll Entities Account, as defined in Exhibit “B”, under the Custodial Agreement (the “Master Custodial Accounts”),

(b) Handling and allocation of deposits to and from the Master Custodial Accounts shall be as further set forth in Exhibit “B”.

6.2 Customer Accounts.

6.2.1 OCTA shall maintain Customer Accounts for the benefit of both Parties, and RCTC’s existing Riverside Express Customer Accounts will be transferred to OCTA. OCTA shall hold funds for such accounts in the Express Lanes Customer Account and the Express Lanes Customer Funds Account, as those terms are defined in Exhibit “B”, as applicable, in accordance with the Custodial Account Agreement and, to the extent not inconsistent with such Custodial Account Agreement, OCTA policies and practices.

6.2.2 Debits and credits to the Express Lanes Customer Account and the Express Lanes Customer Funds Account shall be managed in accordance with the Custodial Account Agreement and, to the extent not inconsistent with such Custodial Account Agreement, OCTA policies and practices.

6.2.3 Any changes to OCTA policies and practices related to Customer Accounts, including changes in the processing and payment of tolls and other charges, and/or handling of funds and deposits thereunder, must be reviewed and approved by the Parties’ Designated Executive Representatives,

6.2.4 The Parties agree that any cash, credit card or other deposits maintained by Customers to fund their Customer Accounts shall not constitute Revenues generated from tolls or Transponders and earned by either of the Parties or be due to either Party until debited from the respective Customer Account and allocated to one of the Parties as provided herein for the Customer’s use of the 91 Express Lanes in accordance with the Custodial Account Agreement

6.2.5 The Parties agree that all interest earned on Customer deposits from Customer Accounts shall be split between the Parties based on the Cost and Revenue and Allocation on Customer deposits to which RCTC is entitled shall be transferred to an RCTC account, as directed by RCTC, on a monthly basis. Interest on Customer deposits to which OCTA is entitled shall be transferred to an OCTA account, as directed by OCTA, on a monthly basis,

6.3 Toll Revenues and Other Funds.

6.3.1 The Parties agree, and any agreement with the Custodian shall expressly state, that RCTC toll, account and other Revenues allocated to RCTC as provided herein shall at no time be pledged or transferred to any OCTA account and shall only be pledged or transferred to an account designated by RCTC pursuant to the terms of the Custodial Account Agreement. OCTA shall have no interest in such Revenues; and shall not be entitled to access such funds for its own use and OCTA bondholders and lenders shall have no claim, right or interest in and to such funds. To the extent that OCTA receives or otherwise obtains such Revenues, OCTA shall hold

such Revenues as an agent and bailee and shall promptly remit such Revenues to the Custodian for deposit into the appropriate Custodial Account Agreement.

6.3.2 The Parties agree, and any agreement with the Custodian shall expressly state, that OCTA toll, account and other Revenues allocated to OCTA as provided herein shall at no time be pledged or transferred to RCTC or to any RCTC account and shall only be pledged or transferred to an account designated by OCTA pursuant to the terms of the Custodial Account Agreement. RCTC shall have no interest in such Revenues; and shall not be entitled to access such funds and RCTC bondholders and lenders shall have no claim, right or interest in and to such funds. To the extent that RCTC receives or otherwise obtains such Revenues, RCTC shall hold such Revenues as an agent and bailee and shall promptly remit such Revenues to the Custodian for deposit into the appropriate Custodial Account under the Custodial Account Agreement.

6.3.3 The Parties agree, and any agreement with the Custodian shall expressly state, that should either Party default on any of its debts, bondholders or other secured interests of the defaulting Party shall have no right to access any funds allocated to the other Party or to which the other Party is entitled.

6.3.4 RCTC shall direct that any and all Revenues transferred or allocated to RCTC from the Custodian shall be deposited with the trustee for the bonds or other depository that shall be directed to use such Revenues first to pay OCTA for any outstanding operating expenses, the Operator or any other vendor providing joint services, as applicable, for any amounts owed by RCTC to OCTA hereunder for operating expenses or to the Operator or such vendor, as applicable, prior to the use of such Revenues for payment of debt service, funding reserves or any other purpose.

6.3.5 OCTA's existing agreements and financing documents provide that the Custodian must deposit with the trustee for the bonds or other depository: such Revenues and the trustee or other depository: is required first to pay RCTC for any outstanding operating expenses, the Operator or any other vendor providing joint services, as applicable, for any amounts owed by OCTA to RCTC hereunder for operating expenses or to the Operator or such vendor, as applicable, prior to the use of such Revenues for payment of debt service, funding reserves or any other purpose. OCTA shall, in no event, modify or alter the foregoing obligations and flow of funds without the prior written approval of RCTC, in its sole discretion.

6.3.6 The Parties agree that neither Party shall have ownership of any Revenues while Revenues are held by the Custodian but shall have the rights granted under the Custodial Account Agreement to have Revenues allocated to either Party as provided in the Custodial Account Agreement.

6.4 Administrative Fees.

6.4.1 The Parties acknowledge that certain administrative fees are currently imposed on Customer Accounts including minimum monthly Customer Account maintenance fees, "Express Club" fees, convenience account fees, account deactivation fees, lost/stolen Transponder fees, standard account fees and other miscellaneous fees ("Administrative Fees"). After the effective date of the Custodial Account Agreement, all of such fees shall be deposited

and paid to a Custodial Account pursuant to the terms of the Custodial Account Agreement. As used herein, the term “Administrative Fees” shall not include any administrative fees imposed for toll violations or in connection with toll enforcement or collections of unpaid tolls.

6.4.2 The Parties agree that any changes to the schedule of Administrative Fees, including changes in the amounts or nature of Administrative Fees, the elimination or suspension of such Administrative Fees or the addition of new administrative fees must be reviewed and approved by the Parties’ Designated Executive Representatives.

6.4.3 All Revenues generated from Administrative Fees and any other miscellaneous income generated from Customer Accounts, except as otherwise expressly provided herein, shall be equitably split by the Parties based on the Cost and Revenue Allocation. .

6.5 Transponder Issuance Deposit. The Parties agree that all Revenues generated from interest on Transponder deposits shall be split between the Parties based on the Percentage Revenue Split. After the effective date of the Custodial Account Agreement, all of such Transponder issuance deposits shall be deposited and paid to a Master Account pursuant to the terms of the Custodial Account Agreement.

6.6 Handling of Toll Violations.

6.6.1 The Parties agree that Customers and other users of the Express Lanes shall incur separate fines and administrative fees for toll violations on the OCTA 91 Express Lanes RCTC 91 Express Lanes, or RCTC 15 Express Lanes, respectively, and shall be separately notified and billed for such violations.

6.6.2 Each Party shall be solely responsible for handling toll violations, consistent with the Customer Account Business Rules, occurring on that Party’s Express Lanes including enforcement and collection of outstanding tolls, and imposition of penalties and fines. Each Party shall solely bear its own costs in connection with such efforts to handle such toll violations. Such discretion includes the right to outsource toll violation collections to a collections agency.

6.6.3 Each Party shall have the sole right to reduce fines/penalties, settle toll violations and/or to prosecute toll violators for violations occurring on that Party’s portion of the 91 Express Lanes.

6.6.4 Each Party shall have the sole right to any Revenues generated from toll violations, fines and penalties; collection of disputed tolls; plate read fee income; and violation processing fees related to toll violations occurring on that Party’s Express Lanes.

6.7 Insufficient Funds in Customer Account.

6.7.1 If a Customer has insufficient funds in his/her Customer Account, and the Customer incurs a toll charge on both RCTC and OCTA Express Lanes, the Parties agree that funds shall be allocated based on the timing of the toll transaction, with the first transaction to be paid first and the second transaction to be paid with remaining funds, if any.

6.7.2 Monies recovered from Customers for penalties and toll violations shall be allocated on a pro-rata basis based on the amounts owed to each Party at the time of receipt of payment.

6.8 Reporting Requirements/Audit Rights. The Parties shall have the right to require the Operator and/or the Custodian, as applicable, to provide quarterly reporting relating to the number of new Transponders issued, the number of new Customer Accounts, the number of cancelled or suspended Customer Accounts, the total number of Transponders in service, the total number of Customer Accounts, the total Customer deposits and interest earned on such deposits, the toll, account and other Revenue generated on the Express Lanes, and each portion thereof, administrative fees charged, and other fees charged and/or costs incurred related to the operation of the Express Lanes. Either Party may request more frequent reporting, provided that the costs thereof shall be paid by the requesting Party.

6.9 Recourse for Lost Funds. As between the Parties, if either Party, at any time, holds funds that should have been allocated to the other Party, the Party holding such funds shall be fully responsible to the other Party for any loss thereof. In no event shall such Party holding such funds have any rights, claim, interest or title in and to such funds.

6.10 Accounting Treatment. Each Party shall be solely responsible for its own accounting related to operation of that Party's Express Lanes, and for writing off lost toll, account and other Revenues in such manner as that Party determines legal and appropriate. In no event shall either Party be deemed to make any representations or warranties as to the other Party's accounting treatment.

6.11 Coordinating Changes in Toll Rates. The Parties shall make a good faith effort to coordinate the timing of any changes in toll rates.

ARTICLE 7

GENERAL MATTERS

7.1 Indemnification.

7.1.1 RCTC shall indemnify, defend and hold OCTA, its directors, officials, officers, employees, agents, consultants and contractors free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries, in law or in equity, to property or persons, including wrongful death, in any manner arising out of or incident to any breach of contract, negligent acts, omissions or breach of law, or willful misconduct of RCTC, its officials, officers, employees, agents, consultants or contractors (other than the joint Operator or other contractors with which the Parties have a separate joint agreement) arising out of or in connection with performance under this Cooperative Agreement, including the payment of all reasonable attorneys fees.

7.1.2 OCTA shall indemnify, defend and hold RCTC, its directors, officials, officers, employees, agents, consultants and contractors free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries, in law or in equity, to property or persons, including wrongful death, in any manner arising out of or incident

to any breach of contract, negligent acts, omissions or breach of law, or willful misconduct of OCTA, its officials, officers, employees, agents, consultants or contractors (other than the joint Operator or other contractors with which the Parties have a separate joint agreement) arising out of or in connection with performance under this Cooperative Agreement, including the payment of all reasonable attorneys fees.

7.1.3 Neither Party shall be liable to the other Party for any consequential, special, incidental or indirect damages.

7.2 Recovery of Damages Under Joint Agreements. In the case of recovery of damages from the Operator under the Operations Agreement, or from any other consultant or contractor under any joint agreement of the Parties related to the Express Lanes, such recovery shall be proportionately allocated between the Parties based on the percentage of damage or loss incurred by each Party, taking into account any contributory negligence of either Party.

7.3 Insurance. Each Party agrees to maintain appropriate insurance in such amounts and with such coverage as determined necessary, in its sole discretion. Each Party shall name the other Party as an additional insured under all of its insurance policies related to the use and operation of the Express Lanes, unless provision for additional insureds is not generally available for a policy covered under this Cooperative Agreement. Alternatively, the Parties may determine to jointly procure insurance required for the use and operation of the Express Lanes.

7.4 Termination. The Parties may terminate this Cooperative Agreement in whole or in part as follows:

7.4.1 Termination for Convenience. Neither Party shall have the right to terminate this Cooperative Agreement for convenience for the term of the Operations Agreement. Following such period, either Party shall have the right to terminate this Cooperative Agreement, in whole or in part, for convenience of the terminating Party, after providing five (5) years' prior written notice of termination to the other Party, provided that the effective date of such termination must coincide with a termination of the Operations Agreement, either in whole or as to the terminating Party's rights and obligations thereunder, as set forth in this Cooperative Agreement. The notice shall specify the grounds for termination and the effective date thereof.

7.4.2 Termination/or Cause.

(a) Default. Subject to any extensions of time set forth in this Cooperative Agreement and/or any extensions agreed upon by the Parties, the following shall constitute a default under this Cooperative Agreement:

(i) Commencement of a voluntary or involuntary action by or against a Party under federal or state bankruptcy law;

(ii) breach of a material bond covenant or failure to make a timely bond payment by either Party under a bond indenture for a toll revenue bond financing of the 91 Express Lanes to which such Party is a party, which breach or failure has not been cured within any applicable notice and cure period set forth in the bond indenture; or

(iii) failure or delay by either Party to perform any material term or provision of this Cooperative Agreement.

(b) Notice of Default. The non-defaulting Party shall give written notice of default to the Party in default, specifying the default complained of by the non-defaulting Party. Except as otherwise expressly provided in this Cooperative Agreement, any failures or delays by either Party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by either Party in asserting any of its rights and remedies shall not deprive either Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

(c) Failure to Cure. In the event that the defaulting Party fails to commence to cure, correct or remedy a default within thirty (30) calendar days following receipt of written notice, or thereafter fails to diligently complete such cure, correction or remedy, a default of this Cooperative Agreement shall be deemed to have occurred, and the defaulting Party shall be liable to the non-defaulting Party for any damages caused by such default. In the event of a default, the non-defaulting Party may exercise all rights and remedies available at law or in equity, including the right to seek damages, seek specific performance or other injunctive or equitable relief and/or terminate this Cooperative Agreement through a written notice of termination, the effective date of which shall be no less than ninety (90) days from the date of the notice. Disputes regarding the existence of a default that may give rise to termination under this Section shall be subject to the dispute resolution provisions provided below, but the right to exercise rights and remedies for such reason shall not be subject to review. The exercise of a Party's rights and remedies shall be cumulative with the exercise of other rights and remedies. Notwithstanding anything contained in this paragraph, neither Party shall have the right to terminate this Cooperative Agreement while the subject of such termination is in the process of review pursuant to the dispute resolution procedures contained in this Cooperative Agreement.

7.4.3 Cooperation Prior to Termination. Prior to the effective date of either a termination for cause or for convenience, the Parties shall cooperate in good faith to facilitate the transfer of services, agreements, materials, software, equipment and information, as necessary for the continued successful operation by each Party of its Express Lanes.

7.4.4 Survival Following Termination. Notwithstanding any termination of this Cooperative Agreement, and for the best interest of Customers of the 91 Express Lanes, the Parties shall continue to cooperate and coordinate operation of the 91 Express Lanes.

In addition, all rights and obligations under this Cooperative Agreement that by their nature are to continue after any expiration or termination of this Cooperative Agreement, shall survive any such expiration or termination.

7.5 Dispute Resolution. Unless otherwise specified herein, the Parties shall comply with the following procedures in the case of a dispute, claim or controversy arising under or in relation to this Cooperative Agreement. If one of the procedures below has already been completed pursuant to another section of this Cooperative Agreement, the matter shall immediately be submitted to the subsequent procedure.

7.5.1 Submission to Executive Director and CEO. The dispute shall be referred for negotiation to the Executive Director and the CEO. The Executive Director and the CEO agree to undertake good faith attempts to resolve said dispute, claim or controversy within ten (10) calendar days after the receipt of written notice from the Party alleging that a dispute, claim or controversy exists. The Parties additionally agree to cooperate with the other Party in scheduling negotiation sessions.

7.5.2 Submission to Ad Hoc Committee. If said matter is not resolved by the Executive Director and the CEO within thirty (30) calendar days after conducting the first negotiating session, either Party may then request that the matter be submitted to an ad hoc committee comprised of two (2) members of the SR-91 Advisory Committee, with one (1) member from the governing board of RCTC and one (1) member from the governing board of OCTA.

7.5.3 Further Dispute Resolution. If a matter is not timely resolved after submission to a dispute resolution ad hoc committee as described above, the Parties may refer the matter to further dispute resolution procedures, as may be agreed upon by the Parties.

7.5.4 Legal Action. If a matter is not resolved within thirty (30) calendar days after the first negotiating session of the dispute resolution ad hoc committee, unless otherwise agreed upon in writing by the Parties, either Party may proceed with any other remedy available in law or in equity.

7.6 Term. This Cooperative Agreement shall remain in full force and effect, unless otherwise terminated as provided herein, so long as both Parties operate their Express Lanes as a toll facility.

7.7 Force majeure. The failure of performance by either Party (except for payment obligations) hereunder shall not be deemed to be a default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor, railroad, or suppliers; acts of the other Party; acts or failure to act of any other public or governmental agency or entity (other than the acts or failure to act of the Parties); or any other causes beyond the control or without the fault of the Party claiming an extension of time to perform or relief from default. An extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the Party claiming such extension is sent to the other Party within thirty (30) days of the commencement of the cause. Times of performance under this Cooperative Agreement may also be extended in writing by mutual agreement between the Parties.

7.8 Amendments. This Cooperative Agreement may be amended at any time by the mutual consent of the Parties by an instrument in writing; however, no amendments or other modifications of this Cooperative Agreement shall be binding unless executed in writing by both Parties hereto, or their respective successors or assigns.

7.9 Assignment of Agreement. Neither Party may assign or transfer its respective rights or obligations under this Cooperative Agreement without the express written consent of the other

Party. Any purported assignment or transfer by one Party without the express written consent of the other Party shall be null and void and of no force or effect.

7.10 Waiver. No delay or omission in the exercise of any right or remedy of a non-defaulting Party on any default shall impair such right or remedy or be construed as a waiver. No consent or approval of either Party shall be deemed to waive or render unnecessary such Party's consent to or approval of any subsequent act of the other Party. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Cooperative Agreement.

7.11 General Interpretation.

7.11.1 As used in this Cooperative Agreement, unless otherwise specified, the term "including" shall mean including, but not limited to, or without limitation.

7.11.2 As used in this Cooperative Agreement, unless otherwise specified, the terms "shall" and "will" shall have the same meaning.

7.12 Entire Agreement. This Cooperative Agreement, including the attached exhibits, constitutes the entire agreement between the Parties with respect to the subject matter contained herein. As of the Effective Date, this Cooperative Agreement shall supersede and replace, in its entirety, the Original Agreement.

7.13 Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Cooperative Agreement shall be declared invalid or unenforceable by valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Cooperative Agreement, which shall be interpreted to carry out the intent of the Parties hereunder.

[Signatures on following page]

**SIGNATURE PAGE TO
COOPERATIVE AGREEMENT
FOR STATE ROUTE 91 EXPRESS LANES
AND CORRIDOR IMPROVEMENTS
BETWEEN RIVERSIDE COUNTY TRANSPORTATION COMMISSION
AND
ORANGE COUNTY TRANSPORTATION AUTHORITY**

DRAFT

EXHIBIT A

COST AND REVENUE AND ALLOCATION BETWEEN THE EXPRESS LANES

This exhibit sets forth the agreed-upon methodology for sharing revenue and expenses processed through the consolidated back-office and the sharing of Operator costs.

The methodologies are broken down in the following sections:

1. Revenue and Discounts
2. Operator Costs (non pass-through)
3. Pass-through Expenses
4. Allocation Formulas

1. REVENUE AND DISCOUNTS

Toll and Violation Revenue

All toll and violation revenue associated with a specific toll transaction shall be assigned to the entity (OCTA 91 Express Lanes, RCTC 91 Express Lanes, or RCTC 15 Express Lanes) for which the toll plaza is assigned. The assignment of revenue includes tolls, NTEV penalty, NDTEV penalty, Collection Agency Assignment Fee and the DMV Registration Hold Fee.

	OCTA 91 Express Lanes	RCTC 91 Express Lanes	RCTC 15 Express Lanes
Toll Revenue	OCTA 91 Express Lanes Toll Plaza	RCTC 91 Express Lane Toll Plaza	RCTC 15 Express Lanes Toll Plaza
Violation Penalty Revenue	OCTA 91 Express Lanes Toll Plaza	RCTC 91 Express Lane Toll Plaza	RCTC 15 Express Lanes Toll Plaza
Violation Fee Revenue at Transaction Level	OCTA 91 Express Lanes Toll Plaza	RCTC 91 Express Lane Toll Plaza	RCTC 15 Express Lanes Toll Plaza

Toll Transaction Discounts

Discounts given at the transaction level should be assigned to the entity for which the toll plaza is assigned. This includes HOV3+, disabled veteran, disabled plate, motorcycle, standard plan frequent user discount and AAA one/two-week free discount.

Account Level Discounts and Credits

Discounts or credits given at the account level will be shared equally between the RCTC 91 Express Lanes and OCTA 91 Express Lanes, 50%.

Account-Based Revenue

Prior to consolidation, the 91 Express Lanes had approximately 186,000 accounts compared to the 15 Express Lanes 25,000 accounts. OCTA, as the account-holding agency, will take over the 15 Express Lanes accounts and the 15 EL will no longer “own” accounts. The 91 Express Lanes also offered account plans that the 15 Express Lanes did not have: Express Club and Convenience. The 15 Express Lanes Account Fee revenue will be \$550,000 per fiscal year for the term of the agreement. The remaining annual Account Fee revenue will be split evenly between the 91 Express Lanes. The allocation of account-based revenue will not change through the term of this agreement.

If the 15 Express Lanes South is added to the operation, it will not receive any account revenue or change the allocation in any way.

	RCTC 15 FY 25
Express Club	0
Standard Account Fee	346,220
NSF and Statement Fee	47,302
Convenience Fee	0
Account Deactivation	54,293
Transponder	102,185
Totals	550,000

This table is for the purpose of determining the 15 Express Lanes on-going fixed account revenue.

2. OPERATOR COSTS (Non Pass-Through)

Kapsch BOS Fixed Fee

The Kapsch contract has three fixed fee components: BOS Fixed Fee, CSC Fixed Fee, and BRiC BOS Fixed Fee. The total contract fee for these items (the base contract and 2041 refresh cost plus the 2026 Amended and Restated 91 EL Costs), less the costs of the RCTC ODS program (\$555k annually for ODS) and for project management shared with the RCTC roadside (\$1.5M annually) will be allocated based on the Entity Transaction Calculation.

91 TOC Costs

All 91 TOC costs shall be shared equally between the RCTC 91 Express Lanes and OCTA 91 Express Lanes, 50% each.

15 TOC Costs

All 15 EL TOC costs shall be paid by RCTC 15 Express Lanes.

Bad Debt Expense Accounts

Bad debt expense for prepaid customers will be shared equally between the RCTC 91 Express Lanes and OCTA 91 Express Lanes, 50% each.

Bad Debt Expense Violations

Bad debt expense for violations will be assigned to each entity based on toll plaza assignment.

Variable Account Fee

The Kapsch contract has a variable account fee based on the number of active transponder accounts. This fee will be allocated using the Entity Transaction Calculation.

Variable NTEV Fee

The Kapsch contract has a variable violation processing fee based on the number of NTEVs mailed. NTEVs can include trips from all three entities on them. The Entity Violation Calculation will be used.

Back Office System Improvement Costs

The cost of improvements or changes for a specific entity will be paid for by that entity. BOS improvements that benefit all entities shall be split according to the Entity Transaction Calculation.

3. PASS THROUGH EXPENSES

The Kapsch contract includes several pass-through costs that will be paid according to the following allocations.

Credit Card Fees

Credit card fees shall be allocated to each entity based on the Entity Revenue Calculation.

PayNearMe Fees

PayNearMe fees are commonly not a pass-through cost. This fee is charged by PayNearMe to the contracting parties when minimum revenue thresholds are not met. In the instance where this fee is charged, the cost shall be shared by the entities using the Entity Revenue Calculation.

Welcome Kit Postage

Welcome Kit Postage will be allocated based on the Entity Transaction Calculation.

CSC Phone Lines

CSC Phone Lines will be allocated based on the Entity Transaction Calculation.

Violation Postage

The Kapsch contract has a pass-through cost for NTEV and NDTEV mailings. NTEVs and NDTEVs can include trips from all three entities on them. The Entity Violation Calculation will be used.

Administrative Hearings

Administrative Hearing costs will be allocated based on the Entity Transaction Calculation.

Collection Fees

Collection Fees will be allocated based on the toll plaza assignment for the transaction on which the fee was charged.

Miscellaneous Mailing Postage and Fees

Miscellaneous Mailing Postage and Fees will be allocated based on the Entity Transaction Calculation.

4. ALLOCATION FORMULAS

Entity Revenue Calculation

Each year prior to budget development (January), the proportion of entity revenue will be calculated using revenue from the prior fiscal year. The calculated percentages will be used for the entire fiscal year provided that no new entity is introduced to the operation. If a new entity is introduced, the allocation will be revised based on estimated revenue for the new entity. The calculation will be as follows:

	OCTA 91 Express Lanes	RCTC 91 Express Lanes	RCTC 15 Express Lanes	New Entity
Toll revenue	60,605,242	90,629,646	44,633,972	NA
Violation Penalty Revenue	5,615,410	10,382,059	8,875,611	NA
Fees	1,580,587	2,455,636	726,672	NA
Total	67,801,239	103,467,341	54,236,255	NA
Percentage	30.1%	45.9%	24.1%	NA

Initial Percentages Based on FY 2025 Revenue

Entity Trip Calculation

Each year prior to budget development (January), the proportion of entity trips will be calculated using trips from the prior fiscal year. The calculated percentages will be used for the entire fiscal year provided a new entity is not introduced to the operation. If a new entity is introduced, the allocation will be revised based on estimated trip for the new entity. The calculation will be applied for the entire fiscal year following the calculation. The calculation will be as follows:

	OCTA 91 Express Lanes	RCTC 91 Express Lanes	RCTC 15 Express Lanes	New Entity
Toll Trip	21,992,452	20,952,400	16,802,743	0
Percentage	36.8%	35.1%	28.1%	0

Initial Percentages Based on FY 2025 Trips

Entity Violation Calculation

Violation notices can include trips from all three entities. Violation notices are cost drivers for the CSC regardless of the number of violations included on a single NTEV. A weighted-average allocation of the NTEVs issued for the combined entities will be calculated each year prior to budget development (January). If the Parties agree, this calculation may be performed more frequently. Only NTEVs will be used in the calculation and assumes NDTEVs follow the same allocation. The calculated percentages will be used for the entirety of the following year provided a new entity is not introduced to the operation. As there is not historical data to make this calculation for the Go Live date the Agencies will agree to an allocation based on the best available data. The calculation will be as follows:

Transaction Mix on Single NTEV	NTEV Count by Mix*	OCTA 91	RCTC 91	RCTC 15	OCTA 91 Allocation	RCTC 91 Allocation	RCTC 15 Allocation
		Weighted Average	Weighted Average	Weighted Average			
OCTA 91 Only	20,000	1			20,000	-	-
RCTC 91 EL only	20,000		1		-	20,000	-
15 EI Only	20,000			1	-	-	20,000
OCTA 91 EL and RCTC 91 EL	40,000	0.5	0.5		30,000	30,000	-
RCTC 91 EI and RCTC 15 EL	30,000		0.5	0.5	-	10,000	10,000
OCTA 91 and RCTC 15	5,000	0.5		0.5	10,000	-	10,000
OCTA 91, RCTC 91 and RCTC 15	30,000	0.33	0.33	0.34	6,600	6,600	6,800
Total	165,000				66,600	66,600	46,800
					37%	37%	26%

This is sample data for illustrative purposes only. The initial split will be OCTA 91 30%, RCTC 91 30%, 15 Express Lanes 40%.

If the Parties identify changes to the allocation methods described in this Exhibit the Executive Director of RCTC and CEO of OCTA shall be authorized to approve an amendment to this Exhibit to reflect those changes.

EXHIBIT B

TOLL REVENUE ALLOCATION

1. Custodial Agreement. RCTC and OCTA shall jointly enter into a Custodial Agreement with a Custodian in a form agreed upon by the Parties, pursuant to which the accounts described below shall be established by the Custodian. RCTC and OCTA shall negotiate with the Operator to include the Operator obligations below under the Operations Agreement.

2. 91 Express Lanes Customer Account Transactions. Operator will use commercially reasonable efforts to insure that balances in the Express Lanes Customer Funds Account are maintained. For Customer Account holders that have agreed to permit OCTA to request advances on credit cards of such Customer Account holders, Operator shall timely request and process such advances whenever the current balance of funds on deposit to the credit of such Customer Accounts are not sufficient to either pay any amounts payable with respect to such Customer Account, including for any use of the Express Lanes, or to satisfy any minimum cash balance requirements applicable to such Customer Account.

2.1 For each Express Lanes Customer Transponder transaction on the Express Lanes, Operator agrees that by no later than the date specified in Section 4.1 of this Exhibit, Operator will instruct the Custodian to (i) debit the Express Lanes Customer Funds Account in order to effect payment into a designated RCTC Express Lanes toll Revenue account (“RCTC Express Lanes Toll Revenue Account”), of the toll Revenue for such transaction determined by the Operator as described in Section 4.1 and (ii) transfer such funds to the designated RCTC payee account (“RCTC Payee Account”).

2.2 For each Express Lanes Customer Transponder transaction on the OCTA 91 Express Lanes, Operator agrees that by no later than the date specified in Section 4.2 of this Exhibit, Operator will instruct the Custodian to (i) debit the Customer Funds Account in order to effect payment into a designated OCTA Express Lanes toll Revenue account (“OCTA Express Lanes Toll Revenue Account”), of the toll Revenue for such transaction determined by the Operator as described in Section 4.2 and (ii) transfer such funds to the designated OCTA payee account (“OCTA Payee Account”).

3. Other Toll Entity Transactions. OCTA will deliver instructions to each Other Toll Entity to make or cause to be made all payments with respect to Transponder transactions by their customers on the Express Lanes not to OCTA but instead either (i) into a single master account maintained by the Custodian under the Custodial Agreement (the “Other Toll Entity Revenue Account”), which will be collected daily, processed and cash proceeds transferred by the Custodian into a single master Custodial account maintained by the Custodian under the Custodial Agreement (the “Other Toll Entity Revenue Account”) or (ii) directly to the Custodian by electronic funds transfer for deposit into the Other Toll Entity Revenue Account.

3.1 For each Other Toll Entity Transponder transaction on the RCTC Express Lanes, Operator will instruct the Custodian to (i) debit the Other Toll Entity Revenue Account in order to

effect payment into the RCTC 91 Express Lanes Toll Revenue Account, of the toll Revenue for such transaction and (ii) transfer such funds to the RCTC Payee Account.

3.2 For each Other Toll Entity Transponder transaction on the OCTA 91 Express Lanes, Operator will instruct the Custodian to (i) debit the Other Toll Entity Revenue Account in order to effect payment into the OCTA 91 Express Lanes Toll Revenue Account, of the toll Revenue for such transaction and (ii) transfer such funds to the OCTA Payee Account.

4. Toll Transaction Payments.

4.1 Operator shall direct the Custodian to pay to the designated RCTC Payee Account, in arrears, the toll Revenue for each Transponder transaction on the RCTC 91 Express Lanes, including the toll Revenue received from Other Toll Entity account holders, within five (5) business days after the date that all required transaction data for such Transponder transaction has been acquired by the Operator.

4.2 Operator shall direct the Custodian to pay to the designated OCTA Payee Account, in arrears, the toll Revenue for each Transponder transaction on the OCTA 91 Express Lanes, including the toll Revenue received from Other Toll Entity account holders, within five (5) business days after the date that all required transaction data for such Transponder transaction has been acquired by the Operator.

4.3 Operator shall specify the date of each required distribution by the Custodian in its payment instructions to the Custodian under the Custodial Agreement and Operator agrees that such dates shall be on or before the date that payments are required under Sections 4.1 and 4.2 above.

4.4 Operator acknowledges that Operator is an intermediary of RCTC and has no beneficial interest in the toll Revenues collected and held by the Custodian with respect to any Transponder trips on the RCTC Express Lanes.

4.5 Operator acknowledges that Operator is an intermediary of OCTA and has no beneficial interest in the toll Revenues collected and held by the Custodian with respect to any Transponder trips on the OCTA 91 Express Lanes.

4.6 OCTA acknowledges that OCTA is an intermediary of RCTC and has no beneficial interest in the toll Revenues collected by OCTA, if any, with respect to any Transponder trips on the RCTC Express Lanes.