

**[2019][2021] FEE AGREEMENT**  
**DATED JULY \_\_, 2017**

Reference is hereby made to the [2019][2021] Credit Agreement dated as of July 1, 2017 (as amended, supplemented, modified or restated from time to time, the “*Agreement*”), between the Orange County Local Transportation Authority (the “*Authority*”) and Bank of America, N.A. (the “*Bank*”). Capitalized terms not otherwise defined herein have the meanings set forth in the Agreement.

The purpose of this Fee Agreement is to confirm the agreement between the Bank and the Authority with respect to certain fees payable by the Authority to the Bank pursuant to the Agreement. This Fee Agreement is the Fee Agreement referenced in the Agreement, and the terms hereof are incorporated by reference into the Agreement. This Fee Agreement and the Agreement are to be construed as one agreement between the Authority and the Bank, and all obligations hereunder are to be construed as obligations thereunder. All references to amounts due and payable under the Agreement will be deemed to include all amounts, fees and expenses payable under this Fee Agreement.

ARTICLE I. FEES.

*Section 1.1. Commitment Fees.* (a) The Authority hereby agrees to pay to the Bank on October 2, 2017 (for the period commencing on the Closing Date and ending on September 30, 2017), and on the first Business Day of each January, April, July and October to occur thereafter (each, a “*Quarterly Payment Date*”) to the Commitment Termination Date, and on the Commitment Termination Date, for each day during the immediately preceding fee period, a non-refundable facility fee (the “*Commitment Fee*”), computed in arrears (on the basis of a 360 day year for the actual number of days elapsed per the applicable fee period) in an amount equal to the product of (i) the positive difference between (A) the Commitment from time to time in effect for each day during the related fee period and (B) the principal amount of the Loan outstanding for each day during the related fee period and (ii) the rate per annum corresponding to the Rating set forth in the applicable Level in the pricing matrix below (the “*Commitment Fee Rate*”) from time to time in effect for each day during each related fee period:

| LEVEL    | MOODY'S<br>RATING | FITCH RATING  | S&P RATING    | COMMITMENT<br>FEE RATE |
|----------|-------------------|---------------|---------------|------------------------|
| Level 1: | Aa2 or above      | AA or above   | AA or above   | [0.26%][0.36%]         |
| Level 2: | Aa3               | AA-           | AA-           | [0.41%][0.51%]         |
| Level 3: | A1                | A+            | A+            | [0.56%][0.66%]         |
| Level 4: | A2                | A             | A             | [0.71%][0.81%]         |
| Level 5: | A3                | A-            | A-            | [0.86%][0.96%]         |
| Level 6: | Baa1              | BBB+          | BBB+          | [1.06%][1.16%]         |
| Level 7: | Baa2              | BBB           | BBB           | [1.26%][1.36%]         |
| Level 8: | Baa3 or Below     | BBB- or Below | BBB- or Below | [1.56%][1.66%]         |

The term “*Rating*” as used herein shall mean the lowest long-term unenhanced debt rating assigned by each of S&P, Fitch or Moody’s (in each case to the extent such Rating Agency is then providing such a rating) to any Senior Lien Debt or any Debt of the Authority secured by a first lien on the Sales Tax Revenues (without regard to bond insurance or any other form of credit enhancement). In the event that a Rating is withdrawn, suspended or otherwise unavailable from any of S&P, Fitch or Moody’s or upon the occurrence and during the continuance of any Event of Default (whether or not the Bank declares an Event of Default in connection therewith), in each such case, the Commitment Fee Rate shall increase automatically, immediately and without notice by 1.50% per annum above the Commitment Fee Rate otherwise in effect. In the event of a split rating (*i.e.*, one of the foregoing Rating Agencies’ ratings is at a different level than the rating of either of the other Rating Agencies), the Commitment Fee Rate shall be based upon the Level in which the lowest Rating appears (for the avoidance of doubt, Level 8 is the lowest Level, and Level 1 is the highest Level for purposes of the above pricing grid). Any change in the Commitment Fee Rate resulting from a change in a rating shall be and become effective as of and on the date of the announcement of the change in such rating. References to ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system or the adoption of a “global” rating scale by any such Rating Agency, the Ratings from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system or, in the event of the adoption of a “global” rating scale by any Rating Agency, the recalibrated or realigned rating category under such “global” rating scale, which most closely approximates the applicable rating category as currently in effect. The Authority acknowledges that as of the Effective Date the Commitment Fee Rate is that specified above for Level 1. The Commitment Fees shall be payable quarterly in arrears on each Quarterly Payment Date, together with interest on the Commitment Fees from the date payment is due until payment in full at the Default Rate, such interest to be payable on demand. Such Commitment Fee shall be payable in immediately available funds and computed on the basis of a 360-day year and the actual number of days elapsed.

(b) *Payment of Commitment Fees.* In connection with the Commitment Fees payable hereunder, the Bank shall provide the Authority with a written invoice ten (10) calendar days in advance of the date on which such Commitment Fees are due and payable; provided, however, that the failure by the Bank to provide a written invoice twelve (10) calendar days in advance of a Quarterly Payment Date shall not relieve the Authority of its obligation to pay such Commitment Fees within twelve (10) calendar days following receipt by the Authority of an invoice with respect to such Quarterly Payment Date. To the extent additional or other amounts are due and owing the Bank with respect to Commitment Fees for any fee period in accordance with Section 1.1(a) hereof, the foregoing shall not preclude the Bank from providing the Authority with a supplemental invoice with respect to such additional or other amounts with respect to such Commitment Fees and, in any event, shall not relieve the Authority of its obligation to pay such additional or other amounts due and owing the Bank with respect to such Commitment Fees within twelve (10) calendar days following receipt by the Authority of such supplemental invoice. Each invoice for Commitment Fees shall be sent by the Bank to the Authority via email to \_\_\_\_\_ or by facsimile to (\_\_\_\_) \_\_\_\_\_, or both, or to such other email address or addresses or facsimile numbers as may be provided to the Bank by the Authority in writing.

*Section 1.2. Loan Fee.* The Authority hereby agrees to pay to the Bank in connection with the Loan under the Agreement, a non-refundable loan fee of \$295 for each Loan made by the Bank pursuant to the Agreement, payable without any requirement of notice or demand by the Bank on the date of the related Loan.

*Section 1.3. Amendment, Transfer, Waiver Fees and Other Fees and Expenses.* The Authority agrees to pay to the Bank on the date of each amendment, modification, or supplement of the Agreement or any amendment, modification, or supplement to any Program Document which requires the waiver or consent of the Bank, an amendment, modification, supplement, waiver or consent fee, as applicable, of \$2,500 plus the reasonable fees of any legal counsel retained by the Bank in connection therewith. The Authority agrees to pay to the Bank all of the Bank's out-of-pocket expenses arising in connection with the administration and enforcement of, preservation of rights in connection with a workout, restructuring or default under or with respect to, the Agreement, this Fee Agreement or the other Program Documents, plus the reasonable fees of any legal counsel retained by the Bank in connection therewith.

*Section 1.4. Termination Fee; Reduction Fee.* (a) Notwithstanding the foregoing or any other provision of the Agreement or this Fee Agreement to the contrary, the Authority agrees not to terminate, permanently reduce or replace the Agreement or the Commitment prior to July 1, 2018, except upon (i) the payment by the Authority to the Bank of the Termination Fee or a Reduction Fee, as described below, (ii) with respect to the termination or replacement, payment by the Authority to the Bank of all Obligations payable under the Agreement and this Fee Agreement and (iii) the Authority providing the Bank with thirty (30) days prior written notice of its intent to terminate the Agreement and the Commitment; *provided*, that any such termination of the Agreement or the Commitment shall be in compliance with the terms and conditions of the Indenture; *provided, further*, that no Termination Fee or Reduction Fee shall become payable if the Commitment is terminated or replaced as a result of a reduction of the Bank's senior unsecured long-term ratings below "A2" (or its equivalent) by Moody's, "A" (or its equivalent) by Fitch or "A" (or its equivalent) by S&P (*provided*, that for the avoidance of doubt, the ratings referenced in this clause shall mean those ratings assigned to Bank of America, N.A. and not ratings assigned to Bank of America, N.A.'s parent or holding company or any other affiliate of Bank of America, N.A.).

The Authority agrees that all payments to the Bank referred to in the preceding paragraph shall be made in immediately available funds.

(b) The Authority hereby agrees to pay to the Bank a Termination Fee in connection with the termination or replacement of the Agreement or the Commitment by the Authority as set forth in Section 1.4(a) hereof in an amount equal to the product of (A) the Commitment Fee Rate in effect pursuant to Section 1.1 hereof on the date of termination, (B) Commitment, and (C) a fraction, the numerator of which is equal to the number of days from and including the date of such termination to and including July 1, 2018, and the denominator of which is 360 (the "*Termination Fee*"), payable on the date the Commitment is terminated or replaced.

(c) The Authority hereby agrees to pay to the Bank a reduction fee in connection with each and every permanent reduction of the Commitment by the Authority as set forth in

Section 1.4(a) hereof in an amount equal to the product of (A) the Commitment Fee Rate in effect pursuant to Section 1.1 hereof on the date of such permanent reduction, (B) the difference between the Commitment prior to such permanent reduction and the Commitment after such permanent reduction, and (C) a fraction, the numerator of which is equal to the number of days from and including the date of such permanent reduction to and including July 1, 2018, and the denominator of which is 360 (the “*Reduction Fee*”), payable on the date the Commitment is permanently reduced.

## ARTICLE II. MISCELLANEOUS.

*Section 2.1. Expenses.* The Authority shall pay to the Bank promptly upon receipt of invoice any and all reasonable fees and expenses of the Bank (including the out-of-pocket expenses of the Bank), all payable in accordance with this Fee Agreement. The Authority shall pay the reasonable legal fees and expenses, plus disbursements, of the Bank incurred in connection with the preparation and negotiation of the Agreement, this Fee Agreement and certain other Program Documents in an amount not to exceed \$75,000. Legal fees must be paid directly to the Bank’s counsel, Chapman and Cutler LLP, in accordance with the instructions provided by Chapman and Cutler LLP.

*Section 2.2. Amendments.* No amendment to this Fee Agreement shall become effective without the prior written consent of the Authority and the Bank.

*Section 2.3. Governing Law.* This Fee Agreement shall be governed by and construed in accordance with the internal laws of the State of California.

*Section 2.4. Counterparts.* This Fee Agreement may be executed in two or more counterparts, each of which shall constitute an original but both or all of which, when taken together, shall constitute but one instrument. This Fee Agreement may be delivered by the exchange of signed signature pages by facsimile transmission or by attaching a pdf copy to an email, and any printed or copied version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page.

*Section 2.5. Severability.* Any provision of this Fee Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

*Section 2.6. No Disclosure.* Unless required by law, the Authority shall not deliver or permit, authorize or consent to the delivery of this Fee Agreement to any Person for delivery to the Municipal Securities Rulemaking Board unless the Bank provides its prior written consent.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Fee Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

ORANGE COUNTY LOCAL TRANSPORTATION  
AUTHORITY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BANK OF AMERICA, N.A.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_