

**FEE LETTER**  
**DATED JANUARY \_\_, 2013**

Reference is hereby made to that (i) certain Reimbursement Agreement dated as of January 1, 2013 (the “*Agreement*”), among the Ventura County Public Financing Authority (the “*Authority*”), the County of Ventura, California (the “*County*”) and Wells Fargo Bank, National Association (the “*Bank*”) relating to the Ventura County Public Financing Authority Lease Revenue Tax-Exempt Commercial Paper Notes (the “*Commercial Paper Notes*”), and (ii) that certain Irrevocable Transferable Direct-Pay Letter of Credit dated the date hereof, issued by the Bank pursuant to the Agreement, supporting the Commercial Paper Notes (the “*Letter of Credit*”). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement.

The purpose of this Fee Letter is to confirm the agreement among the Bank, the Authority and the County with respect to certain fees and expenses payable by the County to the Bank pursuant to the Agreement. This Fee Letter is the Fee Letter referenced in the Agreement, and the terms hereof are incorporated by reference into the Agreement.

ARTICLE I. FEES.

*Section 1.1. Letter of Credit Fees.* The County agrees to pay or cause to be paid to the Bank, on April 2, 2013, for the period commencing on the Closing Date and ending on March 31, 2013, and in arrears on the first Business Day of each July, October, January and April (each, a “*Quarterly Payment Date*”) occurring thereafter to the Termination Date, and on the Termination Date, a non-refundable facility fee (the “*Letter of Credit Fee*”) for each fee period, commencing on the first calendar day of such fee period and ending on the last calendar day of such fee period, in an amount equal to the product of the rate per annum corresponding to the Level specified below associated with the Rating (as defined below) as specified below (the “*Letter of Credit Fee Rate*”) multiplied by the average daily Stated Amount of the Letter of Credit (without regard to any temporary reductions thereof) during each related fee period:

LEVEL	MOODY’S RATING	S&P RATING	LETTER OF CREDIT
			FEE RATE
Level 1:	Aa3 or above	AA- or above	0.400%
Level 2:	A1	A+	0.475%
Level 3:	A2	A	0.625%
Level 4:	A3	A-	0.775%
Level 5:	Baa1	BBB+	1.025%
Level 6:	Baa2	BBB	1.375%
Level 7:	Baa3	BBB-	1.875%

The term “*Rating*” as used above shall mean the long-term unenhanced debt ratings assigned by either of Moody’s or S&P to the long-term, unenhanced general obligation debt of the County (currently referred to by S&P as the County’s “*Issuer Credit Rating*” and by Moody’s as the County’s “*Long Term Issuer Rating*”). In the event of a split rating (i.e., one of the foregoing

Rating Agency's Rating is at a different level than the Rating of the other Rating Agency), the Letter of Credit Fee Rate shall be based upon the Level in which the lower Rating appears. If a Rating is withdrawn, suspended or otherwise unavailable from either of Moody's or S&P for a credit-related reason or upon the occurrence and during the continuance of any Event of Default, or if any Rating falls below "Baa3" (or its equivalent) by Moody's or "BBB-" (or its equivalent) by S&P, in each such case, the Letter of Credit Fee Rate shall equal the Letter of Credit Fee Rate set forth in Level 7 plus 1.50% per annum, without notice to the County or the Authority. Any change in the Letter of Credit Fee Rate resulting from a reduction, withdrawal, suspension or unavailability of a Rating shall be and become effective as of and on the date of the announcement of the reduction, withdrawal, suspension or unavailability of such Rating for a credit-related reason. 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 County represents that as of the Closing Date the Letter of Credit Fee Rate is that specified above for Level 1. If the Letter of Credit Fees are not paid when due, interest shall accrue on the Letter of Credit Fees from the date payment is due until payment in full at the Default Rate. Such Letter of Credit 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.

*Section 1.2. Draw Fee.* The County agrees to pay to the Bank in connection with each Drawing under the Letter of Credit, a non-refundable drawing fee in the amount of \$350, payable on the date each such Drawing.

*Section 1.3. Amendment, Transfer, Waiver Fees and Other Fees and Expenses.* Upon each transfer of the Letter of Credit in accordance with its terms or the appointment of a successor Trustee under the Trust Agreement, the County agrees to pay the Bank a non-refundable transfer fee of \$2,500, and to reimburse the Bank for its actual costs and expenses associated with such transfer or appointment (including, without limitation, the reasonable fees and expenses of counsel to the Bank), payable on the date of such transfer or appointment.

The County agrees to pay to the Bank on the date of each amendment, modification, or supplement of the Agreement, this Fee Letter, the Bank Note or the Letter of Credit or any amendment, modification, or supplement to any Program Document which requires the waiver or consent of the Bank, a non-refundable 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.

*Section 1.4. Termination Fee; Reduction Fee.* (a) Notwithstanding the foregoing or any other provision of the Agreement or this Fee Letter to the contrary, the County and the Authority agree not to terminate, permanently reduce or replace the Agreement or the Letter of Credit prior to the Letter of Credit Expiration Date, except upon (i) the payment by the County to

the Bank of the Termination Fee or a Reduction Fee, as described below, (ii) the payment by the County to the Bank of all Obligations payable under the Agreement and this Fee Letter and (iii) the County and the Authority providing the Bank with thirty (30) days prior written notice of their intent to terminate the Agreement and the Letter of Credit; *provided*, that any such termination of the Agreement and the Letter of Credit shall be in compliance with the terms and conditions of the Trust Agreement and the Agreement; *provided, further*, that no Termination Fee shall become payable if the Agreement and the Letter of Credit is terminated or replaced as a result of the Bank imposing tax indemnity obligations or increased costs on the County in accordance with Section 2.13 or 2.14 of the Agreement.

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

(b) The County hereby agrees to pay to the Bank a Termination Fee in connection with the termination or replacement of the Letter of Credit by the County and/or the Authority as set forth in Section 1.4(a) hereof in an amount equal to the product of (A) the Letter of Credit Fee Rate in effect pursuant to Section 1.1 hereof on the date of termination, (B) the Stated Amount in effect on the date of termination, 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 the first anniversary of the Closing Date and the denominator of which is 360 (the "*Termination Fee*"), payable on the date the Letter of Credit is terminated or replaced. After the first anniversary of the Closing Date, no such Termination Fee will be payable to the Bank.

(c) The County hereby agrees to pay to the Bank a reduction fee in connection with each and every permanent reduction of the Stated Amount of the Letter of Credit by the County and/or the Authority as set forth in Section 1.4(a) hereof in an amount equal to the product of (A) the Letter of Credit Fee Rate in effect pursuant to Section 1.1 hereof on the date of such permanent reduction, (B) the difference between the Stated Amount prior to such permanent reduction and the Stated Amount 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 the first anniversary of the Closing Date and the denominator of which is 360 (the "*Reduction Fee*"), payable on the date the Stated Amount of the Letter of Credit is permanently reduced. After the first anniversary of the Closing Date, no such Reduction Fee will be payable to the Bank.

## ARTICLE II. MISCELLANEOUS.

*Section 2.1. Expenses.* The County shall promptly pay on the Closing Date, all of the Bank's out-of-pocket expenses and the reasonable fees and expenses of special counsel for the Bank (in an amount not to exceed \$45,000 plus disbursements) in connection with the execution and delivery of the Agreement and this Fee Letter and the issuance of the Letter of Credit.

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

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

*Section 2.4. Counterparts.* This Fee Letter 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.

*Section 2.5. Severability.* Any provision of this Fee Letter 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.

[SIGNATURE PAGES FOLLOW]

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

VENTURA COUNTY PUBLIC FINANCING  
AUTHORITY

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

COUNTY OF VENTURA, CALIFORNIA

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

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: \_\_\_\_\_

Name: \_\_\_\_\_

Authorized signatory for and on behalf of  
Wells Fargo Bank, National Association