



April \_\_, 2017

City of Riverside  
3900 Main Street  
Riverside, CA 92522

Re: \$41,975,000 City of Riverside Variable Rate Refunding Electric Revenue Bonds, Issue of 2008C (the "Bonds")

Reference is made to the Reimbursement Agreement, dated as of April \_\_, 2017 (the "Reimbursement Agreement"), between City of Riverside (together with its successors and assigns permitted hereunder, the "City") and Barclays Bank PLC (together with its successors and assigns, the "Bank") relating to the Bonds. This letter is the "Fee Letter" as defined in Section 1.01 of the Reimbursement Agreement. All capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Reimbursement Agreement.

Pursuant to the Reimbursement Agreement, the Bank is willing to issue its Letter of Credit for the payment by the Tender Agent, when and as due, of the principal of, the purchase price and interest on the Bonds, and for liquidity in respect of certain Bonds tendered and not remarketed by the Remarketing Agent, upon the terms and conditions set forth in the Reimbursement Agreement and this letter (the "Fee Letter"), including any and all amendments and supplements hereto permitted pursuant to the terms hereof. This Fee Letter is to confirm our agreement relating to the Facility Fee (as defined below) to be paid by the City in connection with the Reimbursement Agreement.

(1) *Facility Fees.* By executing this letter, the City hereby agrees to pay to the Bank on June 1, 2017, for the period commencing on the Closing Date and ending on May 31, 2017, and in arrears on the first Business Day of each December, September, March and June occurring thereafter to the Termination Date, and on the Termination Date, a non-refundable facility fee in an amount equal to the rate per annum corresponding to the Rating (as defined below) as specified below (the "*Facility Fee Rate*") on the daily weighted average of the Stated Amount of the Letter of Credit (assuming for such purpose that the Stated Amount has not been reduced by any temporary reductions of the Stated Amount) (the "*Facility Fees*") during each related period.

LEVEL	S&P RATING	FITCH RATING	FACILITY FEE RATE
Level 1	AA- or above	AA- or above	0.325%
Level 2	A+	A+	0.475%
Level 3	A	A	0.625%
Level 4	A-	A-	0.775%
Level 5	BBB+ or below	BBB+ or below	0.925%

The term "*Rating*" as used above shall mean the long-term unenhanced debt rating assigned by S&P and Fitch (each a "Rating Agency" and collectively, the "Rating Agencies") to the Bonds or any Parity Debt. In the event of a split Rating (i.e., one of the foregoing Rating Agency's Rating is at a different level from the Rating of the other Rating Agency), the Facility Fee Rate shall be based upon the level in which the lowest rating appears. Any change in the Facility 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 determined by the Rating Agencies at the date hereof, and, in the event of adoption of any new or changed rating system by any Rating Agency, including, without limitation, any recalibration or realignment of the long term unenhanced rating assigned to the Bonds and such Parity Debt in connection with the adoption of a “global” rating scale, each of the Ratings referred to above from such agency shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as in effect on the date hereof. The City acknowledges, and the Bank agrees, that as of the Effective Date the Facility Fee Rate is that specified above for Level 1. Upon the occurrence and during the continuance of an Event of Default under the Reimbursement Agreement, or in the event any Rating by any Rating Agency is suspended, withdrawn or is otherwise unavailable, the Facility Fee Rate shall increase by an additional 2.00% from the Facility Fee Rate otherwise in effect. The Facility Fees shall be payable quarterly in arrears, based upon a year of 360 days and the actual number of days elapsed together with interest on the Facility Fees from the date payment is due until payment in full at the Default Rate.

(2) *Termination Fee.* The City hereby agrees to pay to the Bank a termination fee in connection with any termination of the Letter of Credit, in whole or in part, by the Tender Agent or the City as set forth in Section 2.07 of the Reimbursement Agreement in an amount equal to the Facility Fees that would have been payable to the Bank on the amount of the Stated Amount that is being terminated for the period beginning on the date of such termination and ending on the first anniversary of the Closing Date (i.e. April \_\_, 2018 (or the first anniversary of the date of any extension of the Stated Expiration Date, or, if the term of any such extension shall be shorter than one year, ending on the extended Stated Expiration Date) based upon the Facility Fee Rate in effect as of the date of such termination (the “Termination Fee”), payable on the date of such termination; provided, however, that no such Termination Fee will be payable by the City if the City requests in writing to the Bank that the Letter of Credit be terminated (A) when the rating assigned to the Bank’s short-term rating is withdrawn, suspended or reduced by Fitch below “F1” or by S&P below “A-2”, (B) in connection with (i) a conversion of the Bonds under the Resolution to a fixed rate mode or (ii) a refunding of the Bonds with bonds issued in a fixed rate mode or (C) when the Bank shall request the payment of additional amounts pursuant to Section 3.02 of the Reimbursement Agreement or a Bail-In Action shall occur.

Unless specifically set forth herein, all of the terms of this Fee Letter shall be governed by and be subject to the terms and provisions of the Reimbursement Agreement, all of which terms and provisions are hereby incorporated by reference herein.

BARCLAYS BANK PLC

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James Saakvitne  
Authorized Signatory for and on behalf of Barclays  
Bank PLC

Acknowledged and agreed to:

CITY OF RIVERSIDE

By \_\_\_\_\_

APPROVED AS TO FORM:

BY: *Susan Weber*  
ASSISTANT CITY ATTORNEY