

RiceAdvisory

7) Fees

The following is the fee schedule proposed by RiceAdvisory. All fees are negotiable.

a) Per-transaction fee. With respect to the issuance of each series of bonds, notes or other debt of the City or its agencies in excess of \$1 million in par amount, the fees to RiceAdvisory will be determined on a cost per \$1,000.00 basis, with no fee payable until and unless a transaction is closed, as shown below:

- i) For amounts up to \$10 million: \$2.00 per \$1,000.00 with a minimum fee of \$20,000;
- ii) For amounts over \$10 million up to \$20 million: \$1.90 per \$1,000.00 for the amount above \$10 million, plus amount due pursuant to (i) above;
- iii) For amounts over \$20 million up to \$30 million: \$1.80 per \$1,000.00 for the amount above \$20 million, plus amount due pursuant to (i) and (ii) above;
- iv) For amounts over \$30 million: \$1.70 per \$1,000.00 for the amount above \$30 million, plus amount due pursuant to (i), (ii) and (iii) above, provided, however, that in no case shall RiceAdvisory's total per-transaction fee exceed \$90,000 for any transaction.

b) Hourly fee. There will be no additional charge, hourly or otherwise, for work completed in connection with a specific financing transaction of the City as described in paragraph (a) above. If directed by the City, fees for general financial advisory services not connected to a specific financing transaction (for example, a periodic rating agency review) will be billed in arrears at the rate of \$150.00 per hour upon completion of such work to the City's satisfaction. Such hourly fees will be payable only for work performed by Rice and/or Williams.

c) Expenses. No reimbursement will be expected for normal operating expenses, travel to meetings in the City or general office overhead including telephone, regular postage, and related items.

d) Per-transaction expenses. Expenses directly attributable to a specific transaction will be reimbursed at cost. In no event will the total cost of reimbursable expenses for any single transaction exceed \$2,500 for such transaction unless approved in advance by the City.

e) Other expenses. Other costs of any transaction, for example: bond counsel fees, disclosure counsel fees, rating agency fees, regulatory fees, printing, and other related costs are considered outside of the definition of reimbursable expenses as contemplated above. However, RiceAdvisory will be involved in minimizing these costs, where and when appropriate, on behalf of the City.

City Exhibit

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