

ADDENDUM TO MUNICIPAL ADVISORY AGREEMENT

Addendum 3

1. Purpose

This Addendum 3 to the Municipal Advisory Agreement dated June 2, 2022 between Tulare Local Healthcare District (hereafter, "CLIENT") and Wulff, Hansen & Co. (hereafter, "Municipal Advisor" or "Advisor" or "MA") specifies and describes specific municipal advisory services to be performed by Municipal Advisor under that Agreement.

2. Services

2.1 Scope of Services

Municipal Advisor will provide the following services to CLIENT pursuant to this Addendum:

Assist CLIENT in developing a financing structure (the "Financing") to partially fund components of CLIENT's hospital tower project (the "Facilities"). The public Financing required to complete said Facilities is currently estimated to be \$20-30 million.

Municipal Advisor agrees to perform the following services, as appropriate, for CLIENT during the term of this Addendum 3:

- a) Attendance at public meetings of the CLIENT at which matters relating to the Services are considered, except routine matters, including informational and educational meetings with the public;
- b) Attendance at CLIENT's staff meetings, Board of Directors meetings, upon the request of the CLIENT after reasonable notice;
- c) Work with CLIENT staff, relevant public agencies, and the Board of Directors to address matters relating to the Services and develop and coordinate recommendations acceptable to interested parties;
- d) If requested, assist the CLIENT in its selection of any needed outside professionals (e.g., Bond Counsel, consultants, accountants, Trustee, Escrow Agent and others as appropriate);
- e) Prepare a Distribution List with contact information on all relevant participants in the project and the refinancing and a Schedule indicating timing for significant steps in the process;
- f) Assist any of the CLIENT's staff and/or special consultants in developing specific terms and conditions affecting the project and the financing so as to best reflect the CLIENT's priorities and interests;
- g) Preparation of cash flow analysis and other schedules per CLIENT's direction and related consultation;
- h) Telephone consultation with staff members to answer questions about the project, the financing and related matters;
- i) Assist in preparing and arranging for any issuance of securities to be sold to a private investor through a placement agent (Private Placement) or alternatively through an underwriter (Public Offering);
- j) Assist the CLIENT in transmitting to the Bond Counsel and Disclosure Counsel requested information to be used in the creation of the Bond and Offering Documents;
- k) Assist the CLIENT and the Placement Agent/Underwriter, Bond Counsel and other members of the financing team in closing the transaction;
- l) Assist the CLIENT in efforts to maintain or improve the CLIENT's credit rating, including preparation of materials, presentation and conference calls in the process of application for rating from the various credit rating agencies, if applicable;
- m) Assist the CLIENT in the preparation of materials and presentation in the application process for bond insurance and a surety bond for the Debt Service Reserve requirement from the various Bond Insurers, if applicable;
- n) Assist CLIENT in efforts to obtain bond insurance, if desired, and/or a surety bond to replace the otherwise required Debt Service Reserve Fund;

- o) Review and advise with regard to the financial interaction of the Financing with other prospective and current CLIENT projects;
- p) Provide ongoing follow-up consultation relating to the Financing, as necessary.

2.2 Limitations on Scope of Services

The services to be provided by Municipal Advisor to CLIENT pursuant to this Addendum are subject to the following limitations in addition to those described in the Agreement.

None.

3. Termination

The provisions of this Addendum 3 shall terminate and thereafter be null and void upon the closing and completion of Services or December 31, 2023, whichever occurs first. This Addendum 3 may only be extended or amended by a written agreement between CLIENT and Wulff, Hansen & Co.

4. Fees

With regard to Services to be provided by Municipal Adviser under this Addendum 3, Municipal Advisor shall be compensated as follows:

Section 4.1 Contingent Municipal Advisor Fee

For a Financing transaction of up to \$15 million, the fee is \$57,500. Should the required Financing increase, the fee will increase by \$10,000 for each additional \$5 million dollars of funding or any portion thereof. The Financing fee shall be fully contingent on completion of the Financing and shall be paid from proceeds of the Financing.

Section 4.2 Reimbursement for Limited Out-of-Pocket Expenses

During the term of this Addendum 3, reasonable out-of-pocket expenses incurred by Municipal Advisor shall be reimbursed by CLIENT. Unless otherwise agreed to in writing by CLIENT and Municipal Advisor, reimbursement for out-of-pocket expenses shall not exceed \$5,000 in aggregate for the span of this Addendum 3. Reimbursable expenses are limited to travel and lodging expenses and must be pre-approved by CLIENT. Any reimbursed travel expenses will be paid within 30 days upon submission of an invoice by the Municipal Advisor. Such reimbursed expenses are separate from and in addition to any compensation due to Municipal Advisor under Section 4.1.

5. Conflicts of Interest

Municipal Advisor is not aware of any additional material conflicts of interest to which it is subject in the context of this Addendum 3 other than those previously disclosed to CLIENT in connection with the Agreement.

APPROVED:

Tulare Local Healthcare District

/s/ _____

Print Name and Title

Date:

APPROVED:

Wulff, Hansen & Co.

/s/ 

Chris Charles, President

Date: 02/15/2023