

**SCHEDULE 14**

**Cashflow Sharing**

1. Definitions

In this Schedule 14 the following expressions (in addition to those specified in Schedule 1 (Definitions)) shall, save where the context or express provisions of this Contract otherwise require or admit, have the following meanings:

**“Annual Update”** shall have the meaning given to it in paragraph 2.2 of Schedule 11.

**“Cash Flow Sharing Amount”** shall have the meaning given to it in paragraph 5.4 of this Schedule 14;

**“Cash Flow Sharing Rates”** shall have the meaning given to it in paragraph 5.3 of this Schedule 14;

**“Cash Flow Sharing Threshold”** shall have the meaning given to it in paragraph 5.2 of this Schedule 14;

**“Cash Flow Review Date”** means

- (a) The date of each required annual update to the Base Case Financial Model pursuant to Schedule 11; and
- (b) The last day of the Service Period;

**“Internal Rate of Return”** means the discount rate which, when applied to discount a stream of cashflows subsequent to the reference date, results in the net present value of that stream of cashflows at the stated reference date to be zero;

**“Sub-Debt Adjusted Initial Equity IRR”** means the value of the post-tax Equity IRR shown by the Proposal Financial Model after the actual interest rate applicable to Subordinated Debt at the Commencement Date has been substituted in the Proposal Financial Model in place of the value of 11% shown in the Proposal Financial Model at the Contract Date (but, to avoid doubt, making no other change to the Proposal Financial Model whatsoever). Provided that if, at the Commencement Date, any Subordinated Debt is held by

- (a) an Equity Member or by an Affiliate of an Equity Member (except for any Finco); or
- (b) any person (apart from a Finco) who has agreed to lend the Subordinated Debt on any basis other than as an arm's length transaction, wholly unconnected (whether directly or indirectly) with any arrangement of any sort with an Equity Member or any Affiliate of an Equity Member;

then the following steps shall be carried out to determine the Sub-Debt Adjusted Initial Equity IRR:

- (i) for the purpose of this determination the Subordinated Debt shall be deemed to be divided into two tranches;
- (ii) one tranche shall be the amount of the Subordinated Debt held at the Commencement Date by any person other than a person described in

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paragraph (a) or (b) of this definition which shall be entered into the Proposal Financial model at the actual interest rate applicable to Subordinated Debt;

- (iii) the second tranche shall be the amount of the Subordinated Debt held at the Commencement Date by all persons described in paragraph (a) or (b) of this definition which shall be entered into the Proposal Financial model at a deemed an interest rate of 11%; and
- (iv) the Sub-Debt Adjusted Initial Equity IRR shall be the Initial Equity IRR shown by the Proposal Financial Model after steps (i) – (iii) have been completed.

### 2. Cash Flow Review

2.1 The Concessionaire recognizes that HPTE needs to be satisfied that the Project as implemented through this Contract represents good value for money throughout the Service Period and understands that HPTE will conduct a review of Actual Equity IRR on each Cash Flow Review Date.

2.2 HPTE will conduct the review referred to in paragraph 4 below in consultation with and with the participation of the Concessionaire. To this end, the Concessionaire agrees:

- (a) To lend reasonable assistance to HPTE in conducting such review;
- (b) To provide such information as may be reasonably requested by HPTE for the purposes of such review; and
- (c) To discuss with HPTE's Representative the actual or likely conclusions of any such review.

### 3. Concessionaire's Provision of Details of Actual Cashflows

3.1 Upon each Annual Update of the Base Case Financial Model the Concessionaire shall, at its cost, provide HPTE's Representative with the calculation of the Actual Equity IRR using a financial model which is identical to the Base Case Financial Model except that the inputs shall be adjusted to exclude:

- (a) Any part of any cost that should properly be allocated to activities other than the Project; and
- (b) Any cost which was not incurred, properly, on an arm's length basis and in the normal course of business;

but:

- (c) If the provisions of paragraph 5.3 of this schedule have been applied on any occasion prior to the date when the financial model has been updated, then any Cash Flow Sharing Amounts previously paid to HPTE and any Cash Flow Sharing Amounts that would have been due to HPTE as a result of the Actual Equity IRR as of the current Cash Flow as of the current Cash Flow Review Date shall be included.

Such calculation shall also include sufficient detail in order to allow HPTE to review and accept the calculation in accordance with paragraph 4 of this schedule.

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- 3.2 The Concessionaire's provision of details of all of its positive and negative cash flows pursuant to this paragraph 3 shall be accompanied by a statement from the Concessionaire's auditors certifying that:
- (a) The calculation is an accurate reflection of the amounts in the Concessionaire's accounting books and records in relation to the Contract and consistent with relevant information in the Concessionaire's audited accounts for the periods included (or, in respect of any period for which audited accounts are not available, the draft financial statements); and
  - (b) That the principles and methodology for compiling the actual cashflows are consistent with those used in the Base Case Financial Model.
- 3.3 The Concessionaire shall also procure that:
- (a) upon each Annual Update that it will provide a certificate signed by the chief executive, president or other similar officer of any Finco interposed between the Concessionaire and the Senior Lenders and the TIFIA Lenders confirming that the terms of Section 6.2(b) and 6.2(c) have been complied with during the period which is the subject of the relevant Annual Update. If such a certificate cannot be supplied or if it is established that there has been non-compliance with Section 6.2(b) or 6.2(c) then calculation of the Actual Equity IRR for the purpose of this section shall be carried out as if there had been no such non-compliance; and
  - (b) any auditor appointed under paragraph 4.1(b) shall have the necessary rights in relation to the Fincos to verify the matters which are the subject of paragraph 3.3(a).

## 4. HPTE's Review of Actual Equity IRR

- 4.1 HPTE's Representative shall, within 30 Business Days (or such longer period as the parties may agree) of receipt of the Concessionaire's details of its Actual Equity IRR pursuant to paragraph 3 of this schedule, notify the Concessionaire's Representative that it either:
- (a) Accepts the Concessionaire's calculation of the Actual Equity IRR provided under paragraph 3 of this schedule; or
  - (b) Requires the appointment of an independent auditor (the identity of whom shall be agreed by the Parties or, in default of agreement, nominated by the Chair of the American Institute of Certified Public Accountants on the application of either Party) to determine the Actual Equity IRR for each Cash Flow Review Date under discussion. The costs of the independent auditor shall be borne equally by the Parties.
- 4.2 If:
- (a) Within 30 Business Days (or such longer period as the parties have agreed) of receipt of the Concessionaire's details of its actual cash flows pursuant to paragraph 3 of this schedule HPTE does not notify the Concessionaire in accordance with either paragraph 4.1(a) or paragraph 4.1(b); or
  - (b) HPTE has issued a notice in accordance with paragraph 4.1(b), within 30 Business Days of such notice HPTE has either not commenced or is not diligently pursuing the process to procure the appointment an auditor to determine the Actual Equity IRR for each Cash Flow Review Date

then HPTE will be deemed to accept the Concessionaire's calculation of its Actual Equity IRR up to that Cash Flow Review Date.

**5. Calculation of Cash Flow Sharing Amounts**

5.1 Following completion of an annual update to the Base Case Financial Model pursuant to paragraphs 3.1 and 3.2 of this Schedule, or any other time, at which the Actual Equity IRR first exceeds the Cash Flow Sharing Thresholds, a Cash Flow Sharing Amount payment will be due from the Concessionaire to HPTE.

5.2 Cash Flow Sharing Thresholds for calculation of Cash Flow Sharing Amounts are defined as:

- (a) 1<sup>st</sup> Cash Flow Sharing Threshold means the Sub-Debt Adjusted Initial Equity IRR;
- (b) 2<sup>nd</sup> Cash Flow Sharing Threshold means 200 basis points above the Sub-Debt Adjusted Initial Equity IRR;
- (c) 3<sup>rd</sup> Cash Flow Sharing Threshold means 400 basis points above the Sub-Debt Adjusted Initial Equity IRR.

5.3 If the Actual Equity IRR as of the Cash Flow Review Date exceeds any of the Cash Flow Sharing Thresholds, the Concessionaire shall pay to HPTE Cash Flow Sharing Amounts based on the following Cash Flow Sharing Rates:

- (a) If the Actual Equity IRR exceeded the 1<sup>st</sup> Cash Flow Sharing Threshold but was less than the 2<sup>nd</sup> Cash Flow Sharing Threshold the Cash Flow Sharing Rate is 25%;
- (b) If the Actual Equity IRR equaled or exceeded the 2<sup>nd</sup> Cash Flow Sharing Threshold but was less than the 3<sup>rd</sup> Cash Flow Sharing Threshold the Cash Flow Sharing Rate is 33%;
- (c) If the Actual Equity IRR equaled or exceeded the 3<sup>rd</sup> Cash Flow Sharing Threshold the Cash Flow Sharing Rate is 50%.

5.4 The Cash Flow Sharing Amount will equal the amount of any cash flow available for distribution to Equity Members (as shown in the Base Case Financial Model and adjusted pursuant to paragraph 3.1 of this schedule) since the last Cash Flow Review Date multiplied by the Cash Flow Sharing Rate determined pursuant to Section 5.3. For the avoidance of doubt the Cash Flow Sharing Amount is due whether or not a payment has been made to Equity Members unless the reason for the non payment is that the Concessionaire is prevented from making the payment because it is in breach (or the making of such payment would cause it to be in breach) of a covenant in one of the Senior Funding Agreements or under the Phase 2 TIFIA Loan.

5.5 If subsequent to Concessionaire's payment of a Cash Flow Sharing Amount to HPTE, the Actual Equity IRR falls below the 1<sup>st</sup> Cash Flow Sharing Threshold the following shall apply:

- (a) HPTE shall not return any previous Cash Flow Sharing Amounts paid by the Concessionaire;
- (b) The Concessionaire may offset any payments due to HPTE for items other than the HPTE Reimbursement Payment with previously paid Cash Flow Sharing Amounts (such amounts shall not accrue interest)

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- (c) If the Actual Equity IRR subsequently exceeds the 1<sup>st</sup> Cash Flow Sharing Threshold, the Cash Flow Sharing Amount will be calculated on each Cash Flow Review Date but the Concessionaire is not required to pay to HPTE any Cash Flow Sharing Amount payments until such Cash Flow Sharing Amounts exceed the Cash Flow Sharing Amounts previously paid less any offset under paragraph 5.5(b).
- 5.6 By way of illustration example calculations using this methodology have been included at Annex 1 to this Schedule.
6. Payment of Cashflow Sharing Amounts
- 6.1 The Concessionaire shall pay to HPTE the first Cash Flow Sharing Amount within 20 Business Days of that amount having been agreed or determined, with interest from the Cash Flow Review Date down to the date when payment is due equal to the most recently published rate of State Treasurers' Reinvestment Rate. To avoid doubt, if payment is not made on the due date, the Cash Flow Sharing Amount with the interest referred to in the previous sentence shall bear interest at the Default Interest rate.
- 6.2 Following payment of the first Cash Flow Sharing Amount, the Concessionaire shall pay HPTE a Cash Flow Sharing Amount. The Cash Flow Sharing Threshold as of the last Cash Flow Review Date may be used to estimate the Cash Flow Sharing Amount. Cash Flow Sharing Payments made by the Concessionaire to HPTE during the period since the previous Cash Flow Review Date will be credited against the Cash Flow Sharing Amount calculated at the Cash Flow Review Date.
- 6.3 If the Concessionaire has paid the first Cash Flow Sharing Amount but no payments have been made to Equity Members since the last Cash Flow Review Date the Cash Flow Sharing Amount due to HPTE may be estimated using the Cash Flow Sharing Threshold as of the last Cash Flow Review Date. Cash Flow Sharing Payments made by the Concessionaire to HPTE during the period since the previous Cash Flow Review Date will be credited against the Cash Flow Sharing Amount calculated at the Cash Flow Review Date.
- 6.4 All Cash Flow Sharing Amounts are payable from gross Toll Revenues, in accordance with the MSA (as defined in the Phase 1 TIFIA Loan AAR Agreement) and are payable as additional consideration for the rights acquired pursuant to this Contract.
7. **Failure to Agree**
- Except as provided in paragraph 4.1(b) (where the decision of the independent auditor shall be final and binding on the Parties), if the Parties cannot agree any matter arising under this schedule, it shall be determined in accordance with the Dispute Resolution Procedure.

Annex 1

Example Calculations

Annex 1 to Schedule 14 provides an Example Calculations of how the Cash Flow Sharing provision of Schedule 14 would be applied under three different scenarios as follows:

Example 1 – This represents the Base Case under which the Sub-Debt Adjusted Initial Equity IRR is established (in this, and all the Example spreadsheets, the reference in the spreadsheet to “Base Case Initial Equity IRR” should be read as a reference to “Sub-Debt Adjusted Initial Equity IRR.”

Example 2 – Presents a scenario where the Actual Equity IRR exceeds the 1<sup>st</sup> Cash Flow Sharing Threshold and the Concessionaire pays Cash Flow Sharing Amounts to HPTE.

Example 3 – Presents a scenario where the Actual Equity IRR exceeds both the 1<sup>st</sup> and 2<sup>nd</sup> Cash Flow Sharing Thresholds, and the Concessionaire pays Cash Flow Sharing Amounts to HPTE.

Definitions:

“Available CF” means cash that is available to either make payments to the Concessionaire or pay Cash Flow Sharing Amounts to HPTE.

“CF shared w/HPTE at CF Review Date” means the amount paid to HPTE following the Cash Flow Review Date per paragraph 6.1 of Schedule 14. This is assumed to be October 28 of each year in this example.

“CF shared w/HPTE at Payment to Equity” means the amount paid to HPTE at the time dividends are paid to the Concessionaire. This is assumed to be June 30 of each year in this example.

“CF Available for Payment to Equity” means the cash available for distribution to “Equity” after Cash Flow Sharing Amounts are paid to HPTE.

“CF Above 1<sup>st</sup> Threshold” means the amount of cash that will be subject to Cash Flow Sharing without reducing the Concessionaire’s Actual Equity IRR below the 1<sup>st</sup> Cash Flow Sharing Threshold.

Assumptions:

- 1) Pursuant to paragraph 6.3 of this Schedule, if the Financial Model shows there is cash flow available for sharing as of the Cash Flow Review Date, then Cash Flow Sharing Amounts are paid to HPTE regardless of whether payments are made to the Concessionaire or not.
- 2) In each example the cash flow amount is assumed to be either invested by equity or paid to equity on the date shown. Typically this is June 30<sup>th</sup> of the relevant year.
- 3) The Cash Flow Review Date in this Annex is assumed to occur 90 days after the end of each Year.
- 4) Cash Flow Sharing Amounts paid following the Cash Flow Review are assumed to be paid to HPTE on October 28<sup>th</sup> of each Year for the purpose of this example. This is based on allowing HPTE 10 days to agree on the Cash Flow Sharing Amount and payment to be made

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20 days following such agreement. For ease of presentation, calculations for October 28<sup>th</sup> are included in the following examples only after the Actual Equity IRR exceeds the 1<sup>st</sup> Cash Flow Sharing Threshold.

- 5) The Cash Flow Review will occur in each year of the Term however the Examples only show the first thirteen years.
- 6) The Sub-Debt Adjusted Initial Equity IRR is assumed to be 10%.
- 7) The total equity investment is \$3.5 million.
- 8) Subject to paragraph 5.2 of this Schedule and based on an Sub-Debt Adjusted Initial Equity IRR of 10%, the applicable Cash Flow Sharing Thresholds are:

1 <sup>st</sup> Cash Flow Sharing Threshold equals	10.00%
2 <sup>nd</sup> Cash Flow Sharing Threshold equals	12.00%
3 <sup>rd</sup> Cash Flow Sharing Threshold equals	14.00%

### Example #1

Example #1 (rows 1-4) presents the Base Case cash flows under which a Sub-Debt Adjusted Initial Equity IRR of 10% is earned by the Concessionaire. In this example none of the Cash Flow Sharing Thresholds are exceeded, therefore no Cash Flow Sharing Amounts are due to HPTE.

### Example #2

Example #2 shows how the provisions of paragraph 5.3 would apply if the 1<sup>st</sup> Cash Flow Sharing Threshold is exceeded. Section 1, 2 and 3 are provided for illustrative purposes. Section 4 would be the operative section in this example.

Section 1 (rows 5 – 8) shows the Actual Equity IRR earned by the Concessionaire with no Cash Flow Sharing Amounts are paid to HPTE. In this case, the Actual Equity IRR exceeds the Sub-Debt Adjusted Initial Equity IRR in years 11, 12 and 13.

Section 2 (rows 9 – 15) shows how the Cash Flow Sharing Amount is calculated in Year 11 pursuant to paragraph 5.3 of this Schedule. As of the Cash Flow Review Date in Year 11, the calculated Cash Flow Sharing Amount is 168.04 (i.e. 25% of 672.17). This Cash Flow Sharing Amount results in the Concessionaire's Actual Equity IRR being reduced below the 1<sup>st</sup> Cash Flow Sharing Threshold.

Section 3 (rows 16 – 21) shows how the Total CF before Sharing in Year 11 is recalculated so that the Concessionaire's Actual Equity IRR is no less than the 1<sup>st</sup> Cash Flow Sharing Threshold. In this case, the Year 11 Available CF is reduced by 9.46, which is the amount that lowers the Actual Equity IRR to the 1<sup>st</sup> Cash Flow Sharing Threshold. Therefore the amount of cash flow that is subject to Cash Flow Sharing is 9.46.

Section 4 (Rows 22 to 28) is the operative section once the 1<sup>st</sup> Cash Flow Sharing Threshold has been exceeded. In this step, the applicable Cash Flow Sharing Rate is applied to the cash flow amount determined in Section 3, 9.46 in order to determine the Cash Flow Sharing Amount. The Cash Flow Sharing Amount is 2.37 (i.e. 25% of 9.46). The Cash Flow Sharing Amount is paid on October 28<sup>th</sup>.

Cash Flow Sharing Amounts for the remaining term of the example are assumed to be paid to HPTE at the same time equity is paid (see paragraph 6.2 of Schedule 14), in this case on June 30 of each subsequent year.

Example #3

Example #3 shows how the Cash Flow Sharing Amounts would be calculated when more than one Cash Flow Sharing Threshold is exceeded. Section 1, 2 and 3 are provided for illustrative purposes. Section 4 would be the operative section in this example.

Section 1 (rows 29 through 32) shows the Actual Equity IRR earned by the Concessionaire if no Cash Flow Sharing Amounts are paid to HPTE. In this case the Actual Equity IRR exceeds the 1<sup>st</sup> Cash Flow Sharing Threshold in Year 10, the 2<sup>nd</sup> Cash Flow Sharing Threshold in Year 12 and the 3<sup>rd</sup> Cash Flow Sharing Threshold in Year 13.

Section 2 (rows 33 – 39) shows how the Cash Flow Sharing Amount is calculated in Year 10 pursuant to paragraph 5.3 of this Schedule. As of the Cash Flow Review Date in Year 10, the calculated Cash Flow Sharing Amount is 200.68 (i.e. 25% of 802.72). This Cash Flow Sharing Amount results in the Concessionaire's Actual Equity IRR being reduced below the 1<sup>st</sup> Cash Flow Sharing Threshold.

Section 3 (rows 40 through 46) shows the amount of the Year 10 Available CF that is subject to sharing. In this example, only 54.50 is subject to sharing which represents that portion of the cash flow that results in an Actual Equity IRR above the 1<sup>st</sup> Threshold Equity IRR.

Section 4 (Rows 47 to 53) becomes the operative section once the 1<sup>st</sup> Cash Flow Sharing Threshold has been exceeded. For Year 10, the relevant Cash Flow Sharing Rate (25%) is applied to the amount determined in Section 3 for Year 10. The Cash Flow Sharing Amount is 13.63, (i.e. 25% of 54.50). The Cash Flow Sharing Amount is paid to HPTE on October 28<sup>th</sup>.

Cash Flow Sharing Amounts for the remaining term of the example are assumed to be paid to HPTE at the same time equity receives cash flow (see paragraph 6.2 of Schedule 14), in this case on June 30 of each subsequent year.

At each Cash Flow Review Date, the Cash Flow Sharing Amounts paid to HPTE will be taken into consideration when determining the Actual Equity IRR. In Example #3, the Cash Flow Sharing Amount of 217.06 paid to HPTE on June 30 of Year 12 was based on the Cash Flow Sharing Rate in effect as of the last Cash Flow Review Date (i.e. 25%). However, at the Year 12 Cash Flow Review Date it was determined that the Actual Equity IRR in Year 12 exceeded the 2<sup>nd</sup> Cash Flow Sharing Threshold. Therefore, the Cash Flow Sharing Amount paid on June 30 should have been subject to the next Cash Flow Sharing Rate (i.e. 33%). At the Year 12 Cash Flow Review Date, the Cash Flow Sharing Amount is calculated using 33%. The Cash Flow Sharing Amount is reduced by the amounts previously paid to HPTE, resulting in additional 69.46 due to HPTE on the Cash Flow Review Date.

**Example #1**

Section 1: Base Case Initial Equity IRR = 10% (No CF Sharing)															
	Construction Period		Operating Period												
	30-Jun-01	30-Jun-02	30-Jun-03	30-Jun-04	30-Jun-05	30-Jun-06	30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	30-Jun-11	28-Oct-11	30-Jun-12	28-Oct-12	30-Jun-13
1	Committed Investment	(1,500.00)	(2,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
2	Available CF	-	-	450.00	473.85	498.96	525.41	553.26	582.58	613.46	645.97	680.20	-	716.26	754.22
3	Total CF before Sharing	(1,500.00)	(2,000.00)	450.00	473.85	498.96	525.41	553.26	582.58	613.46	645.97	680.20	-	716.26	754.22
4	Equity IRR before Sharing	N/A	N/A	0.00%	-49.55%	-29.85%	-17.27%	-8.87%	-3.02%	1.20%	4.33%	6.71%	6.71%	8.55%	10.00%

**Example #2**

Section 1: Actual Equity IRR exceeds Initial Equity IRR in Years 11, 12 and 13															
	Construction Period		Operating Period												
	30-Jun-01	30-Jun-02	30-Jun-03	30-Jun-04	30-Jun-05	30-Jun-06	30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	30-Jun-11	28-Oct-11	30-Jun-12	28-Oct-12	30-Jun-13
5	Committed Investment	(1,500.00)	(2,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
6	Available CF	-	-	600.00	610.40	621.79	633.47	643.24	656.88	660.65	665.21	672.17	-	673.13	674.83
7	Total CF before Sharing	(1,500.00)	(2,000.00)	600.00	610.40	621.79	633.47	643.24	656.88	660.65	665.21	672.17	-	673.13	674.83
8	Equity IRR before Sharing	N/A	N/A	-74.77%	-42.19%	-22.83%	-10.98%	-3.33%	1.87%	5.48%	8.09%	10.02%	10.02%	11.47%	12.58%

Section 2: CF Sharing Calculations in Accordance w/Schedule 14 - (Sharing in Year 11 results in Actual Equity IRR below Initial Equity IRR)															
	30-Jun-01	30-Jun-02	30-Jun-03	30-Jun-04	30-Jun-05	30-Jun-06	30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	30-Jun-11	28-Oct-11	30-Jun-12	28-Oct-12	30-Jun-13
9	Committed Investment	(1,500.00)	(2,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
10	Available CF	-	-	600.00	610.40	621.79	633.47	643.24	656.88	660.65	665.21	672.17	-	673.13	674.83
11	Total CF before Sharing	(1,500.00)	(2,000.00)	600.00	610.40	621.79	633.47	643.24	656.88	660.65	665.21	672.17	-	673.13	674.83
12	CF shared w/HPTE at CF Review Date	-	-	-	-	-	-	-	-	-	-	168.04	168.28	-	168.71
13	CF Shared w/HPTE at Payment to Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	CF Available for Payment to Equity	(1,500.00)	(2,000.00)	600.00	610.40	621.79	633.47	643.24	656.88	660.65	665.21	672.17	(168.04)	504.85	506.12
15	Actual Equity IRR	N/A	N/A	-74.77%	-42.19%	-22.83%	-10.98%	-3.33%	1.87%	5.48%	8.09%	10.02%	9.59%	10.75%	11.67%

Section 3: Determine Portion of CF that sets Actual Equity IRR to 1st Threshold															
	30-Jun-01	30-Jun-02	30-Jun-03	30-Jun-04	30-Jun-05	30-Jun-06	30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	30-Jun-11	28-Oct-11	30-Jun-12	28-Oct-12	30-Jun-13
16	Committed Investment	(1,500.00)	(2,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
17	Available CF	-	-	600.00	610.40	621.79	633.47	643.24	656.88	660.65	665.21	672.17	-	673.13	674.83
18	Total CF before Sharing	(1,500.00)	(2,000.00)	600.00	610.40	621.79	633.47	643.24	656.88	660.65	665.21	672.17	-	673.13	674.83
19	CF above 1st Threshold	-	-	-	-	-	-	-	-	-	9.46	-	-	-	-
20	CF Available for Payment to Equity	(1,500.00)	(2,000.00)	600.00	610.40	621.79	633.47	643.24	656.88	660.65	665.21	662.71	-	673.13	674.83
21	Actual Equity IRR	N/A	N/A	-74.77%	-42.19%	-22.83%	-10.98%	-3.33%	1.87%	5.48%	8.09%	10.00%	10.00%	11.45%	12.56%

Section 4: CF Sharing Calculations in Accordance w/Schedule 14 - Sharing in Year 11 Based on CF Above 1st Threshold															
	30-Jun-01	30-Jun-02	30-Jun-03	30-Jun-04	30-Jun-05	30-Jun-06	30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	30-Jun-11	28-Oct-11	30-Jun-12	28-Oct-12	30-Jun-13
22	Committed Investment	(1,500.00)	(2,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
23	Available CF	-	-	600.00	610.40	621.79	633.47	643.24	656.88	660.65	665.21	672.17	-	673.13	674.83
24	Total CF before Sharing	(1,500.00)	(2,000.00)	600.00	610.40	621.79	633.47	643.24	656.88	660.65	665.21	672.17	-	673.13	674.83
25	CF shared w/HPTE at CF Review Date	-	-	-	-	-	-	-	-	-	-	2.37	-	-	-
26	CF Shared w/HPTE at Payment to Equity	-	-	-	-	-	-	-	-	-	-	-	168.28	-	168.71
27	CF Available for Payment to Equity	(1,500.00)	(2,000.00)	600.00	610.40	621.79	633.47	643.24	656.88	660.65	665.21	672.17	(2.37)	504.85	506.12
28	Actual Equity IRR	N/A	N/A	-74.77%	-42.19%	-22.83%	-10.98%	-3.33%	1.87%	5.48%	8.09%	10.02%	10.01%	11.12%	12.00%

Example #3

Section 1: Actual Equity IRR exceeds Target Equity IRR in Years 10 through 13															
	Construction Period		Operating Period												
	30-Jun-01	30-Jun-02	30-Jun-03	30-Jun-04	30-Jun-05	30-Jun-06	30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	28-Oct-10	30-Jun-11	30-Jun-12	28-Oct-12	30-Jun-13
29	Committed Investment	(1,500.00)	(2,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
30	Available CF	-	-	610.00	634.40	659.78	686.17	713.61	742.16	771.84	802.72	-	834.83	868.22	902.95
31	Total CF before Sharing	(1,500.00)	(2,000.00)	610.00	634.40	659.78	686.17	713.61	742.16	771.84	802.72	-	834.83	868.22	902.95
32	Equity IRR before Sharing	N/A	N/A	-74.41%	-41.27%	-21.55%	-9.46%	-1.62%	3.69%	7.44%	10.16%	10.16%	12.18%	13.72%	14.91%
Section 2: CF Sharing Calculations in Accordance w/Schedule 14 - (Sharing in Year 10 results in Actual Equity IRR below Initial Equity IRR)															
	30-Jun-01	30-Jun-02	30-Jun-03	30-Jun-04	30-Jun-05	30-Jun-06	30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	28-Oct-10	30-Jun-11	30-Jun-12	28-Oct-12	30-Jun-13
33	Committed Investment	(1,500.00)	(2,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
34	Available CF	-	-	610.00	634.40	659.78	686.17	713.61	742.16	771.84	802.72	-	834.83	868.22	902.95
35	CF Available for Payment to Equity	(1,500.00)	(2,000.00)	610.00	634.40	659.78	686.17	713.61	742.16	771.84	802.72	-	834.83	868.22	902.95
36	CF shared w/HPTE at CF Review Date	-	-	-	-	-	-	-	-	-	200.68	-	-	-	-
37	CF Shared w/HPTE at Payment to Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	CF Available for Payment to Equity	(1,500.00)	(2,000.00)	610.00	634.40	659.78	686.17	713.61	742.16	771.84	802.72	(200.68)	834.83	868.22	902.95
39	Actual Equity IRR	N/A	N/A	-74.41%	-41.27%	-21.55%	-9.46%	-1.62%	3.69%	7.44%	10.16%	9.60%	11.67%	13.28%	14.52%
Section 3: Determine Portion of CF that sets Actual Equity IRR to 1st Threshold															
	30-Jun-01	30-Jun-02	30-Jun-03	30-Jun-04	30-Jun-05	30-Jun-06	30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	28-Oct-10	30-Jun-11	30-Jun-12	28-Oct-12	30-Jun-13
40	Committed Investment	(1,500.00)	(2,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
41	Available CF	-	-	610.00	634.40	659.78	686.17	713.61	742.16	771.84	802.72	-	834.83	868.22	902.95
42	Total CF before Sharing	(1,500.00)	(2,000.00)	610.00	634.40	659.78	686.17	713.61	742.16	771.84	802.72	-	834.83	868.22	902.95
43	CF above 1st Threshold	-	-	-	-	-	-	-	-	54.50	-	-	-	-	-
44	CF Shared w/HPTE at Payment to Equity	-	-	-	-	-	-	-	-	-	-	208.71	217.06	-	297.97
45	CF Available for Payment to Equity	(1,500.00)	(2,000.00)	610.00	634.40	659.78	686.17	713.61	742.16	771.84	748.22	-	626.12	651.17	604.98
46	Actual Equity IRR	N/A	N/A	-74.41%	-41.27%	-21.55%	-9.46%	-1.62%	3.69%	7.44%	10.00%	10.00%	11.58%	12.83%	13.73%
Section 4: CF Sharing Calculations in Accordance w/Schedule 14 - Sharing in Years 10 and 11 based on CF Above 1st Threshold and Years 12 and 13 based on 2nd Threshold															
	30-Jun-01	30-Jun-02	30-Jun-03	30-Jun-04	30-Jun-05	30-Jun-06	30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	28-Oct-10	30-Jun-11	30-Jun-12	28-Oct-12	30-Jun-13
47	Committed Investment	(1,500.00)	(2,000.00)	-	-	-	-	-	-	-	-	-	-	-	-
48	Available CF	-	-	610.00	634.40	659.78	686.17	713.61	742.16	771.84	802.72	-	834.83	868.22	902.95
49	Total CF before Sharing	(1,500.00)	(2,000.00)	610.00	634.40	659.78	686.17	713.61	742.16	771.84	802.72	-	834.83	868.22	902.95
50	CF shared w/HPTE at CF Review Date	-	-	-	-	-	-	-	-	-	13.63	-	-	69.46	-
51	CF Shared w/HPTE at Payment to Equity	-	-	-	-	-	-	-	-	-	-	208.71	217.06	-	297.97
52	CF Available for Payment to Equity	(1,500.00)	(2,000.00)	610.00	634.40	659.78	686.17	713.61	742.16	771.84	802.72	(13.63)	626.12	651.17	604.98
53	Actual Equity IRR	N/A	N/A	-74.41%	-41.27%	-21.55%	-9.46%	-1.62%	3.69%	7.44%	10.16%	10.12%	11.68%	12.92%	13.71%