Pollution Legal Liability Insurance Premium Financing – 4.5% and 7 year term

PLL Insurance Financing

		<u>.A</u>	nnual Cost	<u>s</u> _	Total Costs over Term						
Share of Total Coverage	Premium Cost To Finance	Principal ¹ and Interest	Loan Admin,²	Total	Principal	Interest	Loan Admin.	Total			
10% 25% 20% <u>25%</u>	600,000 1,500,000 1,200,000 <u>1,500,000</u>	\$ 50,910 101,821 254,552 203,642 254,552 \$ 865,477	\$ 294 588 1,471 1,176 1,471 \$ 5,000	102,409 256,023 204,818 256,023	\$ 300,000 600,000 1,500,000 1,200,000 	\$ 56,373 112,746 281,865 225,492 281,865 \$ 958,342	\$ 2,059 4,118 10,294 8,235 10,294 \$35,000	\$ 358,432 716,864 1,792,160 1,433,728 1,792,160 \$ 6,093,342			
15%	\$ 900,000	,,	•	,,	\$ 900,000	•		\$ 1,069,119 \$ 7,162,462			
	5% 10% 25% 20% 25% 85%	Total Cost To Finance 5% \$ 300,000 10% 600,000 25% 1,500,000 20% 1,200,000 25% 1,500,000 \$85% \$5,100,000	Share of Total Coverage Premium Cost To Finance Principal and Interest 5% \$ 300,000 600,000 101,821 25% 1,500,000 254,552 20% 1,200,000 254,552 85% \$5,100,000 \$865,477 15% \$ 900,000 \$152,731	Share of Total Coverage Premium Cost To Finance Principal and Interest Loan Admin.² 5% \$ 300,000 600,000 104,821 \$ 588 254,552 1,471 200,000 254,552 1,471 203,642 1,176 254,552 1,471 858,710,000 25% 1,500,000 254,552 1,471 865,477 \$5,000 85% \$ 900,000 \$152,731 \$ -	Total Coverage Cost To Finance Principal and Interest Loan Admin.² Total 5% \$ 300,000 600,000 \$ 60,910 \$ 294 \$ 51,205 \$ 51,205 10% 600,000 101,821 588 102,409 \$ 52,002 25% 1,500,000 254,552 1,471 256,023 25% 1,500,000 254,552 1,471 256,023 85% \$ 5,100,000 \$ 865,477 \$ 6,000 \$ 870,477 15% \$ 900,000 \$ 152,731 \$ - \$ 152,731	Share of Total Coverage Premium Cost To Finance Principal and Interest Loan Admin.² Total Total Principal 5% \$ 300,000 600,000 \$ 50,910 5294 551,205 5300,000 600,000 \$ 300,000 600,000 600,000 600,000 \$ 588 102,408 600,000 600,000 600,000 600,000 25% 1,500,000 254,552 1,471 256,023 1,500,000 60	Share of Total Coverage Premium Cost To Finance Principal and Interest Loan Admin.² Total Total Total Principal Principal Interest 5% \$ 300,000 600,000 104,821 588 102,409 600,000 112,746 25% 1,500,000 254,552 1,471 256,023 1,500,000 281,865 20% 1,200,000 203,642 1,176 204,818 1,200,000 225,492 25% 1,500,000 254,552 1,471 256,023 1,500,000 225,492 25% 1,500,000 865,477 \$ 5,000 \$ 870,477 \$ 5,100,000 \$ 281,865 85% \$ 5,100,000 \$ 865,477 \$ 5,000 \$ 870,477 \$ 5,100,000 \$ 958,342 15% \$ 900,000 \$ 152,731 \$ - \$ 152,731 \$ 900,000 169,119	Share of Total Coverage Premium Cost To Finance Principal and Interest Loan Admin. ² Total Principal Principal Interest Loan Admin. 5% \$ 300,000 600,000 104,821 588 102,409 600,000 112,746 4,118 25% 1,500,000 2254,552 1,471 256,023 1,500,000 281,865 10,294 20% 1,200,000 203,642 1,176 204,818 1,200,000 225,492 8,235 25% 1,500,000 254,552 1,471 256,023 1,500,000 225,492 8,235 25% 1,500,000 8865,477 \$ 5,000 \$ 870,477 \$ 5,100,000 \$ 281,865 10,294 85% \$ 5,100,000 \$ 865,477 \$ 5,000 \$ 870,477 \$ 5,100,000 \$ 958,342 \$ 35,000			

¹ Based on loan of \$6 million, annual rate of 4.5 percent, 7 year term with 7 annual payments beginning in July 2005. FORA costs for accounting, jurisdiction invoicing, loan payments, and other finance plan

administration costs.

Sources: FORA; Myni Financial; Annette Yee and Company

2% 2% 2% 5%
For MST, TAMC, MCWD, and MPC, the cost will vary depending on the amount of coverage they purchase:

PLL Insurance Financing

	Share of Total Coverage	Premium Cost To Finance		Annual Costs					Total Costs over Term								
Amount of Coverage			1	incipal ¹ I Interest		oan min.²		Total	P	rincipal	1	nterest		Loan dmin.		Total	
\$1,000,000	1%	\$	60,000	\$	10,182	\$	294	\$	10,476	\$	60,000	\$	11,275	\$	2,058	\$	73,333
\$2,000,000	2%	\$	120,000	\$	20,364	\$	294	\$	20,658	\$	120,000	\$	22,549	\$	2,058	\$	144,607
\$3,000,000	3%	\$	180,000	\$	30,546	\$	294	\$	30,840	\$	180,000	\$	33,824	\$	2,058	\$	215,882
\$4,000,000	4%	\$	240,000	\$	40,728	\$	294	\$	41,022	\$	240,000	\$	45,098	\$	2,058	\$	287,156
\$5,000,000	5%	\$	300,000	\$	50,910	\$	294	\$	51,204	\$	300,000	\$	56,373	\$	2,058	\$	358,431

<sup>Based on loan of \$6 million, annual rate of 4.5 percent, 7 year term with 7 annual payments beginning in July 2005.
FORA costs for accounting, jurisdiction invoicing, loan payments, and other finance plan</sup>

Sources: FORA; Muni Financial; Annette Yee and Company