

## Overture Debt Financing: Credit Support Schematic

(Amounts Approximated based on September 15, 2005 Data)

### Existing 2001 Structure

**Debt "Series A" 35-Year Taxable Variable Rate Bonds** 115,000,000

**Collateral Support**

|   | Market Value | "Advance Rate" Applied | Collateral Value |            |
|---|--------------|------------------------|------------------|------------|
| <b>Original Frautschi gift held by MCAST:</b> |              |                        |                  |            |
| Monthly Valued Stocks                         | 10,604,633   | 80%                    | 8,483,706        |            |
| Daily Valued Stocks/Bonds                     | 66,554,273   | 90%                    | 59,898,846       |            |
| Inv Grade Bonds/Pub Traded Stocks             | 25,964,377   | 90%                    | 23,367,939       |            |
| Govt Bonds - Short                            | 4,836,910    | 95%                    | 4,595,065        |            |
|   | 107,960,193  |                        | 96,345,556       | 96,345,556 |

**Available Collateral Above Requirement** (18,654,444)

**Temporarily Pledged Assets Now Needed to Complete Construction:**

|                                   |            |     |            |            |
|-----------------------------------|------------|-----|------------|------------|
| Jerry Frautschi Personal Assets   |            |     |            |            |
| Monthly Valued Stocks             | -          | 80% | -          |            |
| Daily Valued Stocks/Bonds         | 31,522,237 | 90% | 28,370,013 |            |
| Inv Grade Bonds/Pub Traded Stocks | -          | 90% | -          |            |
| Govt Bonds - Short                | 1,372,085  | 95% | 1,303,481  |            |
|                                   | 32,894,322 |     | 29,673,494 | 29,673,494 |

**Total Collateral** 140,854,515

**Available Collateral Above Requirement** 11,019,050

### 2005 Restructure as of September 15th

**Debt "Series A" 35-Year Taxable Variable Rate Bonds** 87,300,000

**Collateral Support**

|  | Market Value | "Advance Rate" Applied | Collateral Value |            |
|--|--------------|------------------------|------------------|------------|
| <b>Original Frautschi gift retained by MCAST</b> |              |                        |                  |            |
| Monthly Valued Stocks                            | 10,604,633   | 80%                    | 8,483,706        |            |
| Daily Valued Stocks/Bonds                        | 66,554,273   | 90%                    | 59,898,846       |            |
| Inv Grade Bonds/Pub Traded Stocks                | 25,964,377   | 90%                    | 23,367,939       |            |
| Govt Bonds - Short                               | 4,836,910    | 95%                    | 4,595,065        |            |
|  | 107,960,193  |                        | 96,345,556       | 96,345,556 |

**Available Collateral Above "Series A" Requirement** 9,045,556

**Additional bank security would be derived from a \$40,000,000 mortgage on the Overture Center building and property**

**Debt "Series B" 6-Year Taxable Fixed Rate Bank Note** 27,700,000

**Collateral Support:**

**Suggested sources to pay Annual Debt Service if investment earnings are insufficient:**

Remaining Capitalized Interest Fund held by Overture Development Corporation  
 Madison Cultural Arts Support Trust  
 Jerry Frautschi pledge of up to \$5,000,000 if needed during first four years  
 MCAD Reserve Fund, if available, up to \$2,500,000 (currently \$623,000)  
 Other unrestricted MCAD assets  
 Unrestricted assets of 201 State Foundation, if offered (currently \$100,000)  
 Unrestricted Civic Center Endowment held by MCF, if offered (\$1,300,000)  
 City Moral Obligation Pledge of up to \$2,500,000 per year

**Additional bank security would be derived from a \$40,000,000 mortgage on the Overture Center building and property**