2.1.2. FINANCIAL PROPOSAL EXECUTIVE SUMMARY

The Presidio Parkway Project (the "Project") is a landmark transaction in a high-profile location and as the Project is the first transportation P3 in the State, its success is paramount to future P3's in California as the basis for precedents and guidance going forward. Given assumptions regarding the Project's payment mechanism (the Availability Payment or the MAP) and contributions from the Sponsors (the Milestone Payment), Golden Link Partners ("GLP"), together with its Financial and Legal Advisors and Core Lenders, have developed a viable financial structure. The proposal complies with the tender requirements and enhances the strengths and attractiveness of our bid.

GLP's Financial Plan is developed with the primary goal of providing the Sponsors with the optimal financing strategy, thus providing the best value for money to the Sponsors while achieving the following main objectives:

- financing the costs incurred during the construction phase;
- ensuring that the projected operating and maintenance costs and all debt obligations are paid on a timely basis meeting all lifecycle and handback requirements;
- providing adequate protection to lenders; and
- providing shareholders a suitable return on the funds invested.

For this purpose, GLP will utilize a combination of equity, senior Private Activity Bonds ("PABs") and a subordinated TIFIA loan payable from Milestone and Availability Payments to provide the Developer with sufficient funds to meet all of its capital investment needs, start-up and operational requirements and appropriate financing costs.

GLP is confident that the Financial Plan submitted is feasible as evidenced by:

- Our collective and substantial market experience for transactions of this type;
- Letters of Support to the GLP Financial Plan received from Merrill, Barclays and Scotia;
- The modeled resilience to downside scenarios, as anticipated to be required by the TIFIA JPO, credit rating agencies, underwriters and equity investors; and
- Confirmation by Scotia Capital, as Financial Advisor, that the Financial Plan is robust, achievable and sufficient to fulfill GLP's obligations.

GOLDEN LINK PARTNERS

The GLP Financial Plan has been developed utilizing the combined experience of leading infrastructure and public-private partnership developers, contractors and advisors.

The Golden Link Partners Group ("GLP" or the "Consortium")	Role
HOCHTIEF PPP Solutions North America Inc ("HOCHTIEF") MINA USA, LLC ("Meridiam")	Developer/Concessionaire / Equity Contributor
Flatiron West, Inc. ("Flatiron") Kiewit Infrastructure West, Co. ("Kiewit")	Design-Builder Joint Venture (DBJV)
HOCHTIEF PPP Solutions North America Inc ("HOCHTIEF") MINA USA, LLC ("Meridiam")	O&M Provider
Scotia Capital Inc. ("Scotia Capital")	Financial Advisor

The Golden Link Partners Group ("GLP" or the "Consortium")	Role
Milbank, Tweed, Hadley & McCloy LLP ("Milbank")	GLP Legal Counsel
Orrick, Herrington & Sutcliffe LLP ("Orrick")	Lenders Legal Counsel
Leigh Fisher	Lenders Technical Advisor
TSIB	GLP Insurance Advisor
Moore McNeil	Lenders' Insurance Advisor
Barclays Capital Inc. ("Barclays") Merrill Lynch, Pierce Fenner & Smith Incorporated ("Merrill") Scotia Capital, Inc. ("Scotia Capital")	Core Lenders - Underwriters

DEVELOPER / CONCESSIONAIRE / EQUITY CONTRIBUTORS

HOCHTIEF PPP Solutions North America Inc., with offices in New York, Vancouver and Toronto, is responsible for the development of, investment and long-term asset management of privately financed transportation and social infrastructure projects in North America. HOCHTIEF is part of HOCHTIEF AG. With more than 66,000 employees the company is represented in all the world's major markets. HOCHTIEF AG has demonstrated a consistent capability to fund equity investments for the projects that it has pursued. HOCHTIEF AG, through HOCHTIEF PPP Solutions and HOCHTIEF Airport GmbH, holds stakes in twenty public building projects, six airports, seven toll roads, and two renewable energy projects. Further interests are owned by HOCHTIEF AG's subsidiary, Leighton Holdings. In total, HOCHTIEF AG is involved in 34 privately financed infrastructure projects with an investment volume of more than $24 billion.

MINA USA, LLC belongs to the Meridiam Infrastructure family of funds ("Meridiam Infrastructure"). Meridiam Infrastructure has $1.2bn of private equity investments under management and is designed for investment purely within P3 infrastructure assets within the Organization for Economic Co-operation and Development (OECD). Since its inception in 2006, Meridiam Infrastructure has achieved financial close on 11 projects, including the US$2bn North Tarrant Expressway project and the US$2.6bn IH-635 managed lanes (LBJ) project in Texas as well as the $1bn Port of Miami Tunnel (POMT) project in Florida and is currently preferred proponent on one additional project in California. For the 2009 period, Meridiam Infrastructure was the recipient and nominee of 16 industry awards illustrating that Meridiam Infrastructure is highly respected within the P3 business sector globally.

KEY FINANCING PARTICIPANTS – GLP ADVISORS AND CORE LENDERS

Financial Advisor - Scotia Capital provides the global corporate and investment banking and capital markets functions within the Scotiabank Group. Included within Scotia Capital is the Global Infrastructure Finance team which performs various roles in the sector including financial advisor, debt and equity arranger. Scotia Capital provides infrastructure services worldwide with significant deal origination skills and transaction execution experience. The Global Infrastructure Finance team has provided innovative solutions to a number of infrastructure projects within the U.S. including several which incorporated TIFIA funds as well as the first transportation project to incorporate PABs.

GLP Legal Counsel – Milbank, Tweed, Hadley & McCloy LLP as been retained as legal counsel for the transaction. Milbank is an international law firm headquartered in New York and is one of the world's leading project finance legal advisors. Milbank's Global Project Finance department includes more than 100 dedicated project finance attorneys in offices in New York, Los Angeles, Washington, D.C., London, Singapore, Hong Kong, Tokyo and Sao Paulo. In the past three years alone, Milbank has acted as legal advisor in more than 100 project financings worldwide and raised more than $100 billion for infrastructure projects across the globe.

Lenders Legal Counsel – Orrick, Herrington & Sutcliffe LLP has been retained as the lenders legal counsel for the transaction. Orrick is a full service international law firm with over 18 offices in the U.S., Europe and Asia with its project finance experience dating back to its handling of the financing of the Golden Gate Bridge in 1937. Orrick is one of the nation's elite law firms, being named in The American Lawyer's "A-List" of the nation's elite law firms for the last four years running. Orrick has extensive project finance experience, advising sponsors, lenders, financial insurers, and government entities. Additionally, during the past ten years, Orrick was also ranked as the number one California bond counsel firm.

Core Lender – Barclays Capital, Inc. is the investment banking division of Barclays PLC, an international bank with an Aa2/AA-/AA rated balance sheet. Barclays' infrastructure project financing expertise includes deep U.S. and U.K. experience, and spans all sectors of project finance. The Barclays Capital Infrastructure Project Finance team was involved in some of the earliest privately developed transportation project financings in the United States. Since then, the group has advised private consortia on financings, structuring, ratings and credit enhancement strategies for many concession bids, including the Chicago Skyway, Indiana Toll Road, the Port of Miami Tunnel, I-595 Managed Lanes, IH-635/LBJ Freeway, North Tarrant Expressway and the FasTracks Eagle P3.

Core Lender - Merrill Lynch, Pierce Fenner & Smith Incorporated ("Merrill" or "BAML") has been retained by the GLP consortium as a Core Lender for the transaction. BAML is one of the world's largest financial institutions, serving clients in more than 150 countries providing a full range of financial services. Additionally, BAML has historically been one of the top senior managing underwriters of PABs financings and is ranked number one in the category in terms of issuances since 2005 with 395 financings totaling over $21 billion. Within the last year, BAML has served as a joint book runner for three PPP financings utilizing PABs as the major capital component for the preferred proponent's financing solution. These transactions include: (i) the North Tarrant Express, (ii) the IH 635/LBJ Freeway, and (iii) the Denver FasTracks Eagle P3.

FINANCIAL PLAN SUMMARY

After reviewing the Milestone Payment and Availability Payment mechanisms, the GLP Consortium carried out in-depth analysis and assessment of the various financing instruments available for the Project in the current market. GLP approached various institutions, with the objective of defining an optimal financial package for the Project and preparing a deliverable structure to ensure an efficient debt procurement and timely achievement of Financial Close.

Senior Private Activity Bonds

The GLP Financial Plan utilizes PABs which throughout the RFP time frame have been compared to alternative debt options and through this comparison, have demonstrated lower total borrowing costs when compared with bank facilities. The GLP consortium will submit an application to the USDOT to secure PABs capacity as authorized under SAFETEA-LU with the California Municipal Finance Authority acting as conduit issuer. The Core Lenders view the placement of PABs secured by the $173.43 million Milestone Payment as clearly achievable in the current market. GLP acting through its financial advisor, Scotia Capital will seek investment grade ratings from nationally accredited rating agencies to support market access and meet certain requirements of the TIFIA funding program described below.

TIFIA Loan

The long term debt is provided by a USDOT Transportation Infrastructure Finance and Innovation Act loan ("TIFIA Loan"). The TIFIA Loan proposed under GLP's Financial Plan allows for long term repayment at a fixed rate. TIFIA loans feature low costs of capital and long-dated maturity, and as a result, a TIFIA Loan is the most efficient form of finance available in the market and will help to ensure a long term source of debt capital without refinancing risk. TIFIA loans also feature flexible debt service profiles which include a capitalized interest period (from Financial Close to the fifth anniversary of Substantial Completion) and an interest only period (from the fifth to the tenth anniversary of Substantial Completion). During the early years of the operating phase, GLP may be able to utilize the flexibility of the TIFIA debt service repayment provisions, if needed, to ensure adequate liquidity.

GLP Equity Contribution

The financial structure ensures early commitment to the Project on the part of the equity investors, HOCHTIEF and Meridiam, by requiring them to cover all development costs prior to Financial Close (incentivizing them to control costs and to reach Financial Close as expeditiously as possible) and protects the Project from delays or cost overruns with a substantial amount of equity contributed at Financial Close. In addition strong equity support letters are provided as part of Volume 3.

Opportunities and Innovations

GLP and its advisors have developed the Financial Plan to meet the primary objectives as outlined above through an innovative structure that will ensure the Project's successful development and operations while providing optimal value for money for the Sponsors. Some of the benefits and innovations of the plan include the following:

Sources of Capital

Senior PABs: The Core Lenders view the placement of PABs secured by the $173.43 million Milestone Payment as achievable in the current market. Should the tax-exempt bond market be unwilling to fund competitively at the time of the IPDC process, GLP has evaluated the bank debt market and we believe capacity would exist for this type of Milestone Payment secured facility. Although we believe the financial markets will remain accessible, further confidence is provided in

the fact that during the peak of the financial crisis, certain availability payment transactions which incorporated large milestone payments were able to access the bank market.

TIFIA Loan: The GLP Financial Plan is consistent with prior approvals of TIFIA loan facilities and the Project has been selected as one of four to submit an application to the USDOT for funding under the program.

GLP Equity Contribution: HOCHTIEF and Meridiam are internationally recognized project developers with substantial resources available to contribute the required amount of equity at Financial Close. Both investors have provided significant amounts of equity to large infrastructure projects around the globe.

Margin changes between Bid Submission and Financial Close

Risk that margin spreads change between the time of the bid submission and Financial Close is minimized by the structuring of short term PABs and long term TIFIA debt. We believe credit spreads will remain relatively low in the short end of the bond market, while TIFIA features a fixed rate over the term of the facility.

Short Tenor Senior Debt and Subordinated, Low Cost, Long Term Debt

With the PABs repaid upon receipt of the Milestone Payment at Substantial Completion, the TIFIA loan will be secured and repaid with project revenues. During the operations period, the TIFIA lender will be the sole debt creditor with a first priority lien over the Project security. As mentioned previously, TIFIA 's program features low, fixed interest rates (based on a rate of one basis point above the State and Local Government Securities Series rate for a comparable tenor at the date of Financial Close) and allows for repayment over a long tenor (approximately 31 years post Financial Close for this Project).

No Refinancing Risk, No Hedging Requirement

There will be no requirement to refinance at any stage during the life of the Agreement due to the fixed rate and long tenor of the TIFIA loan, thus providing the Sponsors with comfort that fluctuations of interest rates and other factors affecting the financial markets after Financial Close will not harm the deliverability and ongoing performance of the Project. Additionally, due to the fixed rate of the TIFIA loan, a long term hedge will not be necessary, further reducing costs of finance.

Re-gearing upon Substantial Completion

Upon receipt of the Milestone Payment, any excess funds which are not required for the repayment of the senior PABs will be paid out to the equity shareholders through a one-time distribution. This partial repayment of equity will allow for a re-gearing given the significant reduction in debt outstanding and providing for a more efficient capital structure while maintaining the original debt to equity ratio of circa 87.5:12.5. This re-gearing payment is consistent with other availability payment transactions with significant construction completion payments in North America.