

# Structure Highlights (cont.)

- Highly concentrated equity and debt ownership
  - One to three equity sponsors.
  - Syndicate of banks and/or financial institutions provide credit.
  - Governing Board comprised of mainly affiliated directors from sponsoring firms/ independent directors
- Extremely high debt levels
  - Mean debt of 70% and as high as nearly 95%.
  - Balance of capital provided by sponsors in the form of equity or quasi equity (subordinated debt).
  - Debt is non-recourse to the sponsors.
  - Debt service depends exclusively on project revenues.
  - Has higher spreads than corporate debt.