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**From:** Moyse, Brandon [BMoyse@catcapital.com]  
**Sent:** 5/19/2014 8:39:08 PM  
**To:** Creighton, Lorne [LCreighton@catcapital.com]; Michaud, Zach [zmichaud@catcapital.com]  
**Subject:** RE: Project Turbine Model

In the "LBO" tab, aren't we buying this debt-free? I thought \$300MM buys out all the vendor financing and the shareholder loans go away as well. But the current case is keeping them in place and subtracting those from EV to calculate equity returns. Unless I'm misunderstanding, they should run a 2<sup>nd</sup> base case which better reflects how the transaction would actually be structured. (maybe a 1a and 1b depending on if we roll vendor financing or not.)

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**From:** Creighton, Lorne  
**Sent:** Monday, May 19, 2014 2:04 PM  
**To:** Michaud, Zach; Moyse, Brandon  
**Subject:** RE: Project Turbine Model

Just a couple high level comments for now. Otherwise I think it works.

- Did we want it to be monthly/quarterly? Looks like they put a monthly tab in there but I don't quite understand why some of the calcs are set up the way they are
- Does it make sense for the HR costs to based on per subscriber? Would think there would be more of a step function.

I am updating the memo where appropriate.

Thanks

**From:** Michaud, Zach  
**Sent:** May-19-14 8:55 AM  
**To:** Moyse, Brandon; Creighton, Lorne  
**Subject:** FW: Project Turbine Model

Please take a look and provide me your comments by early afternoon. Lorne can you please insert these into the memo where appropriate.

**From:** McGuire, Dylan [<mailto:Dylan.McGuire@morganstanley.com>]  
**Sent:** May-19-14 12:48 AM  
**To:** Michaud, Zach  
**Cc:** Moyse, Brandon; Creighton, Lorne; Babcock, Ben; Yao, George; Shaw, Victor; Bai, Aoyu  
**Subject:** Project Turbine Model

Zach,

Please see attached our first draft working model for Project Turbine – the file password is “phones”. The model contains functionality based on our previous discussions as well as an illustrative LBO analysis. We have included the full base case as described by the Wind team and will continue to refine other cases as the project progresses.

In addition, we will continue to think about outputs that will be helpful and welcome your team’s views on anything that would help you arrive at a conclusion regarding this transaction. Please let us know if you would like to discuss anything about the model or any additions/refinements which would be useful for your team.

Best,

Dylan

**Dylan McGuire**

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