

1 ILLINOIS FINANCE AUTHORITY
2 SPECIAL MEETING OF THE TAX-EXEMPT
3 CONDUIT TRANSACTIONS COMMITTEE MEMBERS

4 August 14, 2018, at 8:30 a.m.

5 REPORT OF PROCEEDINGS had at the Special
6 Meeting of the Tax-Exempt Conduit Transactions
7 Committee on August 14, 2018, at the hour of
8 8:30 a.m., pursuant to notice, at 160 North
9 LaSalle Street, Suite S-1000, Chicago, Illinois.

10 APPEARANCES:

11 ILLINOIS FINANCE AUTHORITY

TAX-EXEMPT CONDUIT TRANSACTIONS COMMITTEE MEMBERS

12 COMMITTEE VICE CHAIR E. LYLE McCOY

13 MR. JAMES J. FUENTES

MR. MIKE GOETZ

14 MS. ARLENE A. JURACEK

MR. BRADLEY R. ZELLER (via audio conference)

15 MR. ERIC R. ANDERBERG, Ex-Officio/Non-Voting

16 ILLINOIS FINANCE AUTHORITY STAFF MEMBERS

17 MR. CHRISTOPHER B. MEISTER, IFA Executive Director

MS. PAMELA LENANE, Vice President

18 MR. BRAD FLETCHER, Vice-President

MR. RYAN OECHSLER, IFA Associate General Counsel

19 MR. STANLEY LUBOFF, IFA Vice President, Loans and
Guarantees

20 MS. LORRIE KARCHER, IFA Agricultural/Rural
Development Financial Analyst (via audio

21 conference)

22 GUESTS:

MR. JONATHAN MA, Morgan Stanley

23 SULLIVAN REPORTING COMPANY, by

24 Brad Benjamin, CSR

1 VICE CHAIR McCOY: Good morning, everyone. I'd
2 like to call the meeting to order.

3 Will the Assistant Secretary please
4 call the roll?

5 OECHSLER: Certainly. The time is 8:30.

6 Mr. Fuentes?

7 FUENTES: Here.

8 OECHSLER: Mr. Goetz?

9 GOETZ: Here.

10 OECHSLER: Ms. Juracek?

11 JURACEK: Here.

12 OECHSLER: Mr. McCoy?

13 VICE CHAIR McCOY: Here.

14 OECHSLER: And Mr. Zeller via audio conference?

15 ZELLER: Here.

16 OECHSLER: And Chair Anderberg, ex-officio,
17 non-voting?

18 ANDERBERG: Here.

19 OECHSLER: Committee Vice Chair McCoy, a quorum
20 of Committee Members has been constituted.

21 VICE CHAIR McCOY: Thank you very much.

22 Does anybody wish to make any
23 additions, edits or corrections to the Minutes from
24 our June 12th, 2018, meeting?

1 (No response.)

2 VICE CHAIR McCOY: Hearing none, I'd like to
3 request a motion to approve the Minutes.

4 Is there such a motion?

5 GOETZ: So moved.

6 JURACEK: Second.

7 VICE CHAIR McCOY: Thank you.

8 All those in favor?

9 (Chorus of ayes.)

10 VICE CHAIR McCOY: Opposed?

11 (No response.)

12 VICE CHAIR McCOY: The ayes have it.

13 Presentation and Consideration of New
14 Business: I'd like to ask for the general consent of
15 the Members to consider each of the New Business
16 items collectively and that subsequent recorded vote
17 applied to each respective, individual item unless
18 there are any specific New Business items a Member
19 would like to consider separately.

20 GOETZ: Yes. I would like to recuse myself
21 from any deliberations and voting with respect to
22 Item No. 1, OSF Healthcare System, of the New
23 Business items because I have a family member who
24 works for the financial adviser in this transaction.

1 VICE CHAIR McCOY: Thank you.

2 Okay. I'd like to consider then --
3 well, what we'll do -- we'll do OSF --

4 FLETCHER: Last.

5 VICE CHAIR McCOY: -- at the end, and we'll go
6 ahead with the other ones first, and then you can
7 recuse yourself at that time.

8 Moving ahead, Brad, I think you've
9 pre- -- Perspectives.

10 FLETCHER: Sure.

11 I'll start with Tab No. 2 in your
12 Board Books, which is a Final Bond Resolution on
13 behalf of Perspectives Charter School in a
14 not-to-exceed amount of \$35 million.

15 Perspectives Charter School is a
16 public charter school that operates a network of five
17 schools at three campuses across Chicago, that
18 provides education to over 1,600 students in grades
19 6 through 12. Perspectives Charter School has had a
20 charter agreement with the Chicago Board of Education
21 since 1997, and most recently, its charter was
22 renewed through June 30th, 2022, so approximately for
23 four more years.

24 The Borrower serves a predominately

1 African-American student body with a full range of
2 programs, distinguished by its proprietary A
3 Disciplined Life program, whose 26 tenents are used
4 by all students and staff to create an ongoing
5 program of personal community improvement.

6 As a result of these programs,
7 Perspectives delivers strong academic results
8 relative to its peers. According to the Borrower,
9 Perspectives enjoys a 100 percent college acceptance
10 rate for graduated students, and 41 percent of its
11 students are accepted into selective or highly
12 selective colleges. In the 2017 school year alone,
13 these graduates earned \$35 million in college
14 scholarships.

15 To the transaction before you, the
16 plan of finance contemplates the tax-exempt and
17 potentially taxable Bonds to be underwritten by BB&T
18 Capital Markets as senior manager, and Loop Capital
19 Markets as co-manager.

20 Bonds will be sold through a limited
21 public offering to accredited investors or qualified
22 institutional buyers in minimum denominations of
23 \$100,000, pursuant to IFA policy as the Bonds will
24 not be rated.

1 As proposed, Perspectives will vacate
2 its current Auburn Gresham campus, which consists of
3 three schools at the decades-old facility leased from
4 Chicago Public Schools. It's difficult to get to,
5 hard to find, unsafe, and expensive to maintain and
6 operate.

7 Perspectives will relocate the three
8 schools at this campus to 8522 South Lafayette at a
9 cost of approximately \$25 million to be financed with
10 taxable and tax-exempt bonds.

11 This new facility being acquired is
12 located along the Dan Ryan Expressway, and thus is
13 easy to see, sits adjacent to a major Red Line "L"
14 stop, and is accessible by bus transportation.
15 The new facility is also adjacent to a variety of
16 shopping and food service amenities. You can
17 actually find a map of the network on page 8 of the
18 report.

19 The existing 225,000 square-foot
20 building to be acquired is located on approximately
21 14.5 acres. Perspectives seeks to purchase the
22 southern 115,000-square-foot portion of the building,
23 the adjacent parking area, and 6 acres of vacant land
24 adjacent to the west side of the building.

1 Renovations financed with Bond
2 proceeds include brand new classrooms; fine arts
3 facilities; administrative spaces; gymnasiums; and an
4 outdoor football, soccer, baseball field, that should
5 be among the best in South Chicago.

6 Perspectives will also use Bond
7 proceeds to pay off a loan originated in 2014 with
8 BMO Harris Bank, which had an outstanding balance of
9 approximately \$1.5 million as of June 2017, and
10 additionally, refund its Illinois Development Finance
11 Authority Series 2003 Bonds, which had an outstanding
12 balance of approximately \$3.9 million, again, as of
13 June 30th, 2017.

14 Fixed rate tax-exempt, and again,
15 potentially taxable Bonds issued in connection with
16 this transaction, will be credit enhanced by the
17 Charter School Credit Enhancement program provided by
18 IFF, formally known as Illinois Facilities Fund.
19 This Credit Enhancement program provides a
20 cash-funded debt service reserve fund equal to a
21 maximum annual debt service over the life of the
22 bonds.

23 While interest rates on the term Bonds
24 will be determined at pricing, current estimates are

1 between 5.25 and 6.5 percent depending on the term
2 Bond's maturity. The Bonds will have a final
3 maturity of 30 years, but for Bond Resolution
4 parameter purposes that you are voting on, the final
5 maturity is not to exceed 35 years.

6 Turning to pages 5, 6, and 7 of the
7 report, you'll note that Perspectives is governed by
8 a 22-member board of directors, chaired by Tony
9 Anderson, who retired from Ernst & Young after 35
10 years of service.

11 Perspectives is managed day to day by
12 its CEO, Rhonda Hopps. Ms. Hopps has an extensive
13 career in investment banking, commercial real estate,
14 and an extensive career in project finance, through a
15 variety of companies.

16 Furthermore, Perspectives' founders,
17 Kimberly Day and Ms. Shulla-Cose, remain on the
18 executive team as chief education officer and
19 president, respectively.

20 Turning to page 9 in the confidential
21 section of the report, we've provided a summary of
22 the last three years of audited financials for the
23 network in addition to a forecast, as the Borrower is
24 a non-rated entity.

1 As expected, Perspectives is supported
2 mostly through per capita tuition payments from
3 Chicago Public Schools. Per capita tuition payments
4 average between 48 percent and 56 percent of total
5 revenues posted over the last three years.

6 Also, as Perspectives is not a
7 selective enrollment charter school, it also has a
8 higher percentage of students qualifying for special
9 education services than in general CPS facilities.
10 As a result, Perspectives posted SPED Funding, or
11 Special Education Funding, that averaged over 11
12 percent of total revenues during the past three
13 years, which is higher than its charter school peers.

14 Moreover, as compared to CPS, more
15 Perspectives students are from disadvantaged
16 families, according to the Borrower, with 89 percent
17 of students qualifying for the federal free and
18 reduced Lunch Program based on federal poverty
19 guidelines.

20 In 2017, Perspectives posted total
21 revenues of approximately \$27.5 million, which was
22 \$2.5 million less than the total revenues of \$30
23 million posted in Fiscal Year 2016. The declining
24 total revenues are directly attributable to declining

1 enrollment in Perspectives Middle Academy,
2 Perspectives Leadership Academy, and Perspectives
3 High School of Technology, the three schools that
4 comprise the Auburn Gresham campus that Perspectives
5 seeks to vacate with this transaction due to its
6 aging facility and aging infrastructure. Over all,
7 enrollment declined from 1,892 students in 2016 to
8 1,725 students in 2017. This was a loss of 167
9 students.

10 Despite these ongoing operational
11 financial challenges, management, led by Ms. Hopps,
12 has successfully controlled operating expenses and
13 posted improved operating results over the last three
14 years. Specifically, Perspectives reduced its net
15 loss from approximately \$600,000 in 2015 to a net
16 loss of only \$300,000 in 2017. In each of the last
17 three years the posted net losses were less than the
18 posted noncash expenditures for depreciation. That
19 is to say these posted net losses simply represented
20 an accounting loss; depreciation was over \$1.5
21 million in each of the last three years.

22 Now, in reviewing the past fiscal year
23 and looking ahead, it should be noted that
24 Perspectives, like all charter schools in Illinois,

1 is greatly benefiting from education funding reform
2 that was signed into law by the governor in 2017.
3 Importantly, this new law requires that every charter
4 school in Illinois be funded between 97 percent and
5 103 percent of the host district per capita tuition
6 charge, in this case, Chicago Public Schools. Most
7 charter schools in Illinois previously were funded
8 only in the 75- to 85-percent range. As you can
9 imagine, this will greatly impact their financial
10 results going forward.

11 Additionally, the borrower's financial
12 advisor, Kaufman & Company, anticipates that overall
13 enrollment will begin to increase during the first
14 year of operations at the new Auburn Gresham campus,
15 that is being acquired and renovated with Bond
16 proceeds. As a new facility, it will prospectively
17 add one additional section of 6th graders and two
18 additional sections of 9th graders in its first year.

19 Furthermore, the IIT Math & Science
20 campus will prospectively add one additional section
21 of 9th graders in the same fiscal year that ends June
22 30th, 2020.

23 Collectively, overall enrollment is
24 forecasted to increase by 77 students year over year

1 across Perspectives' five schools when the new campus
2 comes online, again, providing for improved financial
3 results.

4 Finally, Ms. Hopps has hired Joan
5 Claffey, as a 20-year seasoned fundraising executive
6 to support not only annual fundraising efforts, but
7 also the recently launched \$15 million future fund
8 campaign for Perspectives in connection with this
9 transaction.

10 Ms. Claffey's senior level experience
11 in development for several major Chicago nonprofit
12 institutions including Chicago Symphony Orchestra,
13 The University of Chicago Booth School of Business,
14 DePaul University, Erickson Institute, and Adler
15 University will help Perspectives reach its annual
16 and long-term fundraising goals, to help contribute
17 to the future financial results of Perspectives.
18 I'll also note that those are all borrowers of the
19 Authority.

20 Based on these assumptions, we
21 forecasted the borrower will generate sufficient
22 operating cash flows to cover proposed debt service
23 payments with multiples of at least 1.27 times or
24 better, beginning in Fiscal Year 2020, which is the

1 first year debt service payments begin.

2 That concludes my remarks. I can take
3 any questions.

4 VICE CHAIR McCOY: Thanks, Brad.

5 Any questions?

6 GOETZ: So will these bonds be marketed to the
7 public?

8 FLETCHER: It's a limited public offering.

9 GOETZ: Limited? Yeah.

10 FLETCHER: Initially, they're working with an
11 agent, if you will, a bondholder's representative,
12 Rosemar [sic] out of New York.

13 Also, we expect that this will be,
14 likely, a half-dozen institutional --

15 GOETZ: Institutional --

16 FLETCHER: Yeah.

17 And because the bonds are not rated,
18 they'll be minimum denominations of \$100,000 --

19 GOETZ: Okay.

20 FLETCHER: -- pursuant to our --

21 GOETZ: Right. Right.

22 VICE CHAIR McCOY: Okay. Thank you, Brad.

23 FLETCHER: Thank you.

24 VICE CHAIR McCOY: Moving on to Beginning

1 Farmer Bonds, please.

2 KARCHER: Yeah. Good morning. Thank you,
3 Chairman [sic].

4 Item 3A there is a one-time Final Bond
5 Resolution in connection with the request for
6 approval of the Beginning Farmer Bond for Eric
7 Collins, who is purchasing approximately 280 acres of
8 farmland located in Wayne County, and the Bond amount
9 is not to exceed \$533,500. Fairfield National Bank
10 is the purchasing bank for the Conduit transaction.

11 Any questions on that one?

12 VICE CHAIR McCOY: No, I think we're good,
13 Lorrie.

14 KARCHER: Okay. Thank you.

15 So moving on to 3B is Tyler and Alisha
16 Heyen, and it is also a one-time Final Bond
17 Resolution in connection with their request for a
18 Beginning Farmer Bond for 40 acres of farmland
19 located in Montgomery County and it is not-to-exceed
20 amount of 180 acres [sic]. First National Bank in
21 Litchfield is the purchasing bank for this
22 transaction.

23 VICE CHAIR McCOY: Okay. Any questions?

24 KARCHER: Questions?

1 (No response.)

2 VICE CHAIR McCOY: I think we're good.

3 Okay. I'd like to request --

4 KARCHER: Thank you.

5 VICE CHAIR McCOY: Thank you.

6 -- request a motion to pass and adopt

7 the follow New Business items: Items 2, 3A, and 3B.

8 GOETZ: So moved.

9 VICE CHAIR McCOY: Thank you.

10 Do we have a second?

11 FUENTES: Second.

12 VICE CHAIR McCOY: Okay. Will the Assistant

13 Secretary please call the roll?

14 OECHSLER: Yes. On the motion and second, I

15 will call the roll.

16 Mr. Fuentes?

17 FUENTES: Yes.

18 OECHSLER: Mr. Goetz?

19 GOETZ: Yes.

20 OECHSLER: Ms. Juracek?

21 JURACEK: Yes.

22 OECHSLER: Mr. McCoy?

23 VICE CHAIR McCOY: Yes.

24 OECHSLER: Mr. Zeller, via audio conference?

1 ZELLER: Yes.

2 OECHSLER: Vice -- Committee Vice Chair McCoy,
3 the motion carries.

4 VICE CHAIR McCOY: Thank you.

5 Now, we'll move back to OSF, and
6 Member Goetz will put on his traveling shoes.

7 GOETZ: I don't need to come back, do I?

8 FLETCHER: No.

9 VICE CHAIR McCOY: No.

10 OECHSLER: Let the record show that Member
11 Goetz has exited the room.

12 VICE CHAIR McCOY: You all set, Pam?

13 LENANE: Yes. Sorry I'm late. We were having
14 water issues in our building.

15 OSF Healthcare System is seeking a
16 one-time Final Bond Resolution in an amount not to
17 exceed \$550 million. Bond proceeds will be used to
18 pay or reimburse OSF for, or refinance the costs of
19 acquiring, constructing, remodeling, renovating, and
20 equipping certain healthcare facilities.

21 The Bond proceeds will also be used to
22 refund the following Bonds previously issued by the
23 Authority: the 2007Es, the 2007Fs, the 2009Bs, the
24 2009Cs, the 2009Ds, the 2017, which we just issued in

1 last December: the 2017A, B, and C Bonds.

2 The proceeds of the Bonds may be used
3 to provide working capital or fund a debt service
4 reserve or pay a portion of the interest on the
5 Bonds, if deemed necessary or advisable.

6 The Series 2018 Bonds will be fixed
7 and variable rate and will be issued in a public
8 offering by J.P. Morgan Securities and Morgan
9 Stanley. The variable rate Bonds will be credit
10 enhanced by letters of credit from J.P. Morgan Chase
11 Bank and PNC Bank.

12 OSF expects its ratings of A2 by
13 Moody's and A by S&P to be reaffirmed in connection
14 with the issuance of its Series 2018 Bonds.

15 OSF currently has 18,014 FTEs in
16 Illinois with locations in Peoria, Pekin, Peoria
17 Heights, Washington, Morton, Loves Park, Rockford,
18 Bloomington, Normal -- Bloomington-Normal, Galesburg,
19 Pontiac, Monmouth, Ottawa, Kewanee, Alton, Mendota,
20 Urbana, and Danville.

21 OSF, as you can see, has very strong
22 financials, with a 4.5 times debt service coverage,
23 and 192 days on cash [sic].

24 Today, we'll have with us Tom Ott,

1 who's the new -- fairly new vice president in the
2 treasury from OSF Health System, and I'll introduce
3 him and he'll make a few remarks.

4 Any questions?

5 VICE CHAIR McCOY: Any questions?

6 (No response.)

7 VICE CHAIR McCOY: Okay. Thank you.

8 I'd like to request a motion to pass
9 and adopt the following New Business item: Item
10 No. 1.

11 Is there such a motion?

12 FUENTES: So moved.

13 JURACEK: Second.

14 VICE CHAIR McCOY: Thank you.

15 Will the Assistant Secretary please
16 call the roll?

17 OECHSLER: On the motion and second, I will
18 call the roll.

19 Mr. Fuentes?

20 FUENTES: Yes.

21 OECHSLER: Ms. Juracek?

22 JURACEK: Yes.

23 OECHSLER: Mr. McCoy?

24 VICE CHAIR McCOY: Yes.

1 OECHSLER: Mr. Zeller, on the line?

2 ZELLER: Yes.

3 OECHSLER: Committee Vice Chair McCoy, the
4 motion carries.

5 VICE CHAIR McCOY: Thank you very much.

6 Following on -- is there any other
7 business to come before the Committee?

8 MEISTER: Yes, there is, Mr. Chairman.

9 I did want to bring the Committee's
10 attention, as it's the Conduit Committee, to your red
11 folders, and we have three public documents
12 concerning two of the Authority's Conduit borrowers
13 in your folder.

14 First, there was an August 1st MSRB
15 EMMA disclosure that was filed on the MSRB's EMMA
16 Conduit Bond website, and it concerns all five of the
17 Better Housing Conduit transactions that have been
18 approved and closed between 2016 to 2018.

19 Second, there is a S&P Global Ratings
20 Report, also dated August the 1st, 2018, on two of
21 Better Housing's five projects that were approved and
22 closed in 2016 and 2017.

23 And finally, there is an S&P -- and
24 separately from the Better Housing transactions,

1 there is an S&P Ratings report dated July 23rd on the
2 Collegiate Housing Foundation or CHF-Cook, L.L.C.,
3 project that was closed. It was a dormitory project
4 closed in 2015.

5 These three documents speak for
6 themselves, although we'll be concluding the
7 Committee meeting here, and Elizabeth, Rich, and I
8 will be available to answer any questions that you
9 may have.

10 Does anybody have any questions on
11 these three documents? I will also be sharing them
12 with the larger Board.

13 JURACEK: So having just received these, can
14 you give us a quick summary of what's in them?

15 MEISTER: Yes. And again, I'm going to be
16 broad because these -- these are publically traded
17 bonds.

18 The first, which was an EMMA
19 transaction, and it's several pages long, it's
20 voluntar- -- it's a voluntary disclosure. And it
21 basically states that a new 501(c)(3), the veterans
22 foundation -- its full name is there in the
23 document -- will -- is seeking to substitute as the
24 sole member of all five transactions in place of

1 Better Housing Foundation. It gives a fairly lengthy
2 biographical details of the new board members of the
3 veterans foundation.

4 The veterans foundation has, I think,
5 four or five Conduit Bonds with affordable housing in
6 other states, that are Tax-Exempt Conduit Bonds and
7 publically traded. And then, it also highlighted
8 some challenges with respect to the administration of
9 the affordable housing portfolio in City of Chicago
10 of which there are three of the five.

11 The Ratings report basically did not
12 downgrade the Bonds, if the Members will recall. One
13 of the reasons why we felt strongly in putting these
14 transactions on the Agenda was, number one, it was
15 squarely within our statutory mission, but number
16 two, that they had a team of credible -- credible
17 professionals and investment-grade rating.

18 Importantly, the investment grade
19 report is not a downgrade; although, it does have a
20 negative ratings outlook and a timeline for the
21 transactions to right themselves.

22 We have been in numerous
23 conversations, as the Board Members know. I first
24 brought this to the attention of the Board in June.

1 In July, I also did -- made a statement, and we
2 continued to be in communication with numerous
3 actors.

4 Any questions?

5 (No response.)

6 MEISTER: And then also, the ratings -- the
7 Ratings report on CHF-Cook, the dormitory, it's
8 detailed, and again, it speaks for itself.

9 I would also -- and we're going to do
10 this at the larger Board Meeting, but I just want to
11 introduce some folks that are here in the room.
12 Since the June meeting -- and in the July meeting, I
13 had spoken of the Transformation Initiative.

14 To my left, Tom Morsch, raise your
15 hand. Tom is a former financial advisor and former
16 executive director of the Illinois Tollway Authority,
17 and he is going to be working with us on alternative
18 finance and delivery options.

19 Bill Atwood -- Bill, raise your
20 hand -- is the former executive director of the
21 Illinois State Board of Investments, and he is
22 working on public infrastructure proposals.

23 Cameron Wilson is our newest legal
24 fellow, courtesy of the University of Michigan Law

1 School.

2 And Shaun Murphy is a someone that
3 Eric and I invited today to attend.

4 Malcolm Simmons is our -- one of two
5 Michael Curry Interns, or fellows, and we're hoping
6 that Malcolm and his colleague Ryan, who has left to
7 go back to school, will continue to stay with us in
8 some capacity.

9 And then Stan Luboff, many of -- whom
10 you have met and heard, but he is going to be
11 concluding his full-time work with the Authority;
12 although, we are hoping to keep him on remotely in
13 some capacity.

14 Patrick Evans had -- effective
15 yesterday, has resigned from the Authority.

16 So I'll take any questions, and I'll
17 also be covering this ground at the Board Meeting,
18 but since we have about 35 minutes, I thought --
19 wanted to make sure that everybody had the
20 opportunity to talk and talk with these folks.

21 VICE CHAIR McCOY: Let's all welcome everybody.
22 And Stan, sorry to see you're leaving us, but you'll
23 be here in spirit, and hopefully, you continue --

24 LUBOFF: I'll be here physically from time to

1 time.

2 VICE CHAIR McCOY: Good.

3 LUBOFF: I'm not doing a Richard Nixon "I'm
4 Stan Luboff. I'm --

5 MEISTER: And, I'm sorry --

6 MR. JONATHAN MA: That's okay. I'm Jonathan Ma
7 from Morgan Stanley.

8 MEISTER: Excellent. Yes.

9 So I'm sorry, Jonathan. You looked
10 familiar, and I couldn't recall your name.

11 MR. JONATHAN MA: No problem at all.

12 MEISTER: And Pam advises me that in addition
13 to Mr. Ott and Jonathan, that we may have some other
14 bankers on the OSF transaction in the large Board
15 Meeting.

16 VICE CHAIR McCOY: I guess, it -- just quickly
17 going back to this, and we haven't had a time to look
18 at this, but just look at these -- the list of issues
19 that they've addressed, is this pretty comprehensive
20 of things that were outstanding, or do we have more
21 behind this?

22 MEISTER: I believe that various parties have
23 different views --

24 VICE CHAIR McCOY: Okay. Extent.

