

Liquidity Requirements

To appropriately address current and future liquidity requirements, we analyze daily cash flows from 2014 and 2015, make projections based on experiential data and communication with the various agencies and make short term investments so that maturities coincide with the expected warrants to be redeemed. We have moved liquid monies from low yielding money markets to commercial paper and expanded both the size and number of our bank DDA accounts. We have also negotiated higher rates of return in our liquid, collateralized DDA accounts. Not only have we generated a much higher return on these monies, we have actually succeeded in making the Treasury more liquid at the same time, moving from levels ranging from \$200 to \$600 million in money markets to approximately \$300 in collateralized or insured bank accounts and \$1 billion in highly liquid commercial paper maturing in 90 days or less.