



BFI Canada Income Fund
Tuesday, September 4, 2007



BFI CANADA INCOME FUND



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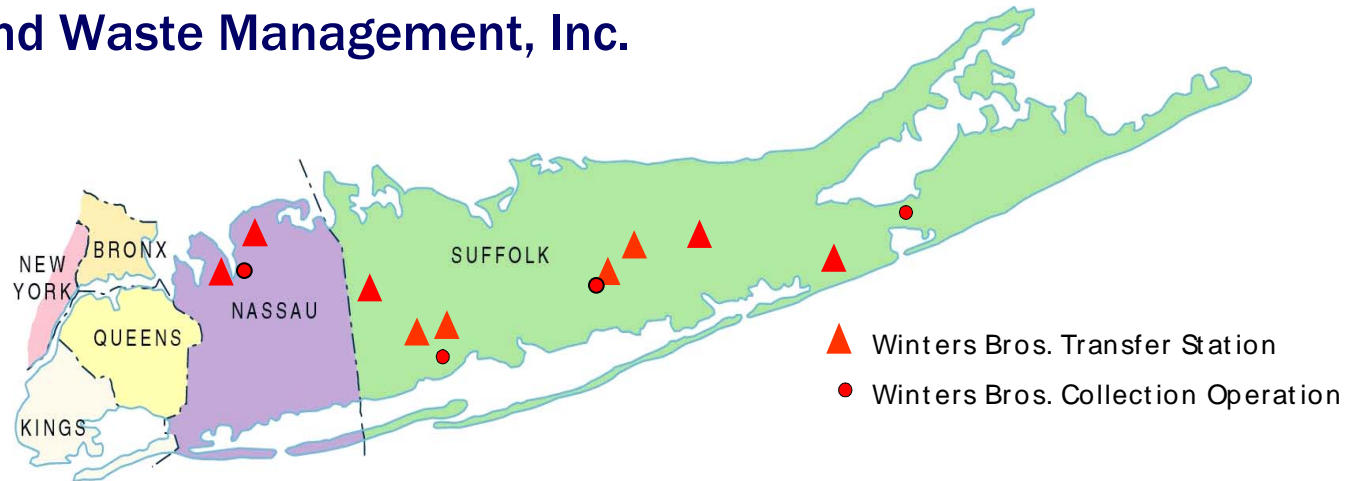
Agenda

- **Winters Bros. Waste Systems Inc. (“Winters Bros.”)
Overview**
- **Strategic Benefits Of Acquisition**
- **Financial Overview Of Transaction**



Winters Bros. Overview

- Winters Bros. is one of the two largest providers of non-hazardous solid waste management services in Long Island
- Operates 8 transfer stations and multiple collection operations
- Founded in 1998; Has grown organically and by acquisition; Approximately 400 employees
- In the past year, more than tripled in size with acquisitions of all of the Long Island collection and transfer assets of Allied Waste Industries, Inc. and Waste Management, Inc.





Winters Bros. Collection Operations

- Winters Bros. provides collection services to approximately 13,000 C&I and C&D customers, as well as 7,000 residential customers
- C&I Customers
 - More than 80% under contract
 - Contracts are typically 7 years in length
 - Front load and roll off (permanent and temporary)
 - Have ability to pass along price and certain cost increases





Strategic Benefits Of Acquisition

- Winters Bros. collection and transfer assets are strategically placed, difficult to replicate, and complementary to the Fund's existing transfer stations and landfills in the northeast U.S.
- The addition of Winters Bros. assets will enable the Fund to leverage its existing assets in the region
- The Fund will have the ability to direct Winters Bros.' waste flow to the optimal disposal location
- The Fund will be able to drive a better return on transfer stations and landfills
- Transforms the Fund's operations in the northeast into a dynamically positioned, vertically integrated operation



Strategic Benefits Of Acquisition

- Expect to reap further benefits of transaction once market-focused strategies and process are applied
- Winters Bros. provides significant customer depth and density in the Long Island market, allowing the Fund to deploy strategies in the northeast segment
- Will be able to:
 - Drive highest possible return on assets
 - Achieve margin improvements
 - Enhance organic growth performance
- Will be well-positioned to expand presence in the northeast U.S. region



Focused On People, Process, Assets

1. People

- Hire experienced people and empower them
- Manage from a bottom-up approach

2. Process

- Train people to use a consistent market-focused management process
- Market-driven strategies

3. Assets

- Build and leverage the right combination of assets



Financial Overview

- **Funded acquisition of Winters Bros. through an upsizing of the existing U.S. revolving credit facility**
- **The financing was underwritten by Bank of America and was oversubscribed**
- **Received strong support from the existing banks in the current facility and from numerous new banks now lending to the U.S. operation**



U.S. Senior Debt Facilities (Stated In U.S. Dollars)

- Increased existing U.S. revolving credit facility by \$320 million to \$575.0 million
 - \$281 million used to fund acquisition, including \$6 million for all estimated transaction fees and expenses
 - Balance of \$39 million available for future growth
- Total available U.S. lending capacity is \$825 million, including accordion feature

(\$ millions, USD)	Committed available lending
Revolving credit facility	\$575.0
Term loan	\$195.0
Total	\$770.0



Financing Terms And Conditions Of U.S. Revolving Credit Facility

Maturity **January 21, 2010**

(Unchanged)

Pricing Grid

(Unchanged)

Level	Leverage Ratio	Revolver Applicable Margin		Commitment
		Base Rate	LIBOR	Fee
I	≥ 4.50x	1.00%	3.00%	0.500%
II	≥ 4.00x	0.50%	2.50%	0.500%
III	≥ 3.50x	0.00%	2.00%	0.500%
IV	≥ 3.00x	0.00%	1.75%	0.500%
V	≥ 2.50x	0.00%	1.50%	0.375%
VI	< 2.50x	0.00%	1.25%	0.375%

Covenant

**Maximum Total Leverage Ratio:
Total Funded Debt / EBITDA of 4.25x,
lowered from 4.75x**



Sound Financial Position

- Believe that long-term debt facilities, available capacities, including accordion feature, and access to other sources of long-term debt financing are sufficient to meet near-term planned growth and development activities
- On a consolidated basis, expect Fund's leverage ratio will be approximately 2.8x



Q&A



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