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Toyota Financial Services Americas
Comment regarding State of Nevada Assembly Bill 389
April 7, 2003

Toyota Financial Services Americas ("TFSA") respectfully wishes to raise its voice in opposition of Assembly Bill 389.

We believe that the proposed legislation is not in the best interests of the people of Nevada, its economic development and ongoing business revenue generation and would ask that the legislators of the State of Nevada consider the following thoughts.

Background

Toyota has spent more than 20 years growing and developing its support of Toyota and Lexus car sales through providing competitive financing for Toyota and Lexus dealers and consumers. Toyota's growth has been grounded by the conservative and consistent business philosophy of world-class quality and continuous improvement.

In this same spirit, TFSA has spent the past two years evaluating its options to increase its product and service offerings to its customers, the Toyota and Lexus dealers and consumers. After extensive research, TFSA decided to pursue a thrift company charter in the State of Nevada.

On October 28, 2002, TFSA submitted and filed with the State of Nevada Financial Institutions Division an application for a thrift company (Toyota Financial Savings Bank "proposed") and concurrently filed an application with the FDIC for deposit insurance. The FDIC San Francisco Regional Office accepted TFSA's application on December 3, 2002.

The proposed Toyota thrift company will maintain its main offices at the Green Valley Corporate Center in Henderson, Nevada where Toyota has already executed a lease agreement.

Toyota's Business Strategy

Presently, TFSA, through its wholly owned subsidiaries Toyota Motor Credit Corporation ("TMCC") and Toyota Motor Insurance Services, Inc. ("TMIS"), conducts installment sales financing, leasing and insurance businesses that provide financial service products for Toyota and Lexus end consumers and dealers. TMCC and TMIS have been conducting retail financing and insurance business in the United States since 1982 with operations in North and South America, with over 3,000 associates, 2 million active accounts, and servicing the financing needs of over 1,200 Toyota and Lexus dealers. TMCC and TMIS are presently regulated by various state regulatory agencies, and TMCC is an issuer of public debt, subject to the Securities Exchange Act of 1934 and regulation by the Securities and Exchange Commission.

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SUBMITTED BY: Dan Reaser

Through its proposed Nevada thrift company, Toyota plans to expand its financial services product offering to support its growing base of dealers and consumers throughout the United States. The key driver to our business approach is to increase the loyalty of our dealers and consumers through a broader array of financial products and services. Our business plan is to market primarily to our customer base, the Toyota and Lexus dealers and consumers nationwide.

It is not the intent of Toyota to compete with the traditional retail / local banking community in providing general financial and banking services to the general public. Rather, our focus is to improve our ability to serve the Toyota and Lexus customers and dealers nationwide.

Selection of Nevada

Nevada has created and nurtured a reputation as a progressive and business-friendly state. Through these efforts, Nevada has led the nation in economic growth and development over the past decade. The ability to sustain economic development through quality employment and education is a resulting challenge and concern that Nevada and other neighboring states face. The thrift company charter in Nevada has attracted nationally recognized employer corporations such as USAA and Harley Davidson and has the potential to attract further business and economic growth and development.

After much deliberation, Toyota decided to file its banking application in Nevada primarily due to Nevada's positive growth and pro-business reputation. There are other states that offer this option, most notably the neighboring State of Utah. In Utah, a \$100 billion industry has been created through approximately 30 state chartered industrial loan corporations including premier organizations such as American Express, Merrill Lynch, BMW, Volkswagen, GMAC, GE Capital and others.

In Summary

TFSA has carefully crafted its business approach going forward to better meet the needs of the Toyota and Lexus dealers and consumers through providing a broader array of financial services. The State of Nevada offers an attractive place for Toyota to grow its financial service business on a national basis. Toyota has the reputation of being an outstanding corporate citizen and adds value in helping Nevada meet the goal of job and revenue growth for the State.

TFSA strongly desires to pursue its application in the State of Nevada. We have drafted language to amend the bill that would enable us, if approved, to obtain a Nevada thrift company charter. We believe that Nevada should not want to lose the opportunity to develop its financial services industry and attract companies like Toyota from doing business in its State. We feel that is in the best interests of the State of Nevada not to hinder the business and economic growth opportunities in the State through shortsighted legislation such as Assembly Bill 389.

PROPOSED AMENDMENT TO ASSEMBLY BILL 389
(Toyota Financial Services)

Amend sec. 2, page 2, by deleting line 18, and inserting:

- “2. This act does not apply to any person that on or before December 31, 2002, filed with the commissioner of financial institutions an application for authority to engage in the business of a thrift company in accordance with NRS chapter 677.
3. This act becomes effective on passage and approval.”