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WHAT BORROWERS HAVE SAID ABOUT THE PROGRAM

"For a loan of the size we needed, the IDB turned out to be the least expensive financing we could find."

John Kidd, Manager, Kidd Marshmallow Clark County, Nevada

"We had outgrown our existing manufacturing facility in Sparks, and needed to expand to meet our growing business opportunities. The State's IDB Program provided us with the low cost capital necessary to obtain a new site, and to build and equip our new facility. Without the IDB Program we wouldn't have been able to get it done."

Jay Thiessens, President, B & J Machine & Tool Sparks, Nevada

"Less than 12 weeks after being induced by the Department our tax-exempt bond were issued, providing us with the \$3.5 million in low cost capital to locate and build our new manufacturing facility. We are very appreciative of the State's excellent IDB program, and the other advantages Nevada offers us."

Ross Aguiar, Plant Manager, Feldmeier Equipment, Inc., Lyon County, Nevada

"The use of tax-exempt bonds was a perfect fit for meeting the capital needs of our company. Just as important, the Department of Business Finance and Planning walked with us in every step of the financing, providing outstanding support and service all the way to the closing of our transaction."

Edward A. Lang, Treasurer, Republic Services, Inc.

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ASSEMBLY GOVERNMENT AFFAIRS

DATE: 2/18/03 ROOM: 3143 EXHIBIT E

SUBMITTED BY: Doug Walther

LET THE STATE OF NEVADA HELP WITH YOUR INDUSTRIAL FINANCING NEEDS

Visit our web site for additional information and application materials:

<http://dbi.state.nv.us/bfp/>

OR CONTACT:

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Office of Business Finance and Planning
Department of Business and Industry
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Carson City, Nevada 89701-5491

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Department of Business and Industry
Finance and Planning

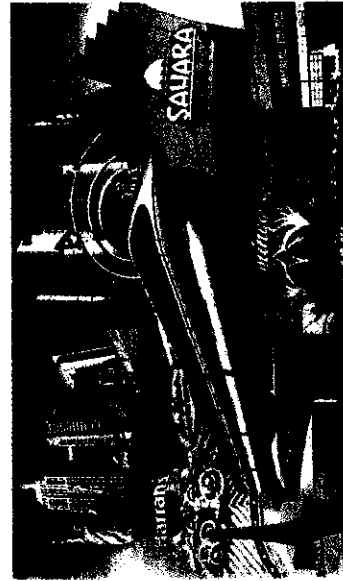
Industrial Development Bonds

Low Cost Financing
For Real Estate, Buildings and
New Equipment

TAX EXEMPT PRIVATE ACTIVITY BONDS

Industrial Development Bonds (IDB's) are a special tax-exempt form of financing made available by the State of Nevada to finance qualified projects at interest rates substantially below comparable commercial rates. Bonds offer flexible terms at variable and fixed interest rates. All borrowers must be credit worthy and present financially feasible business plans. The Nevada Office of Business Finance and Planning offers financing for the following:

- Manufacturing Facilities
- Solid Waste or Recycling Facilities
- Non-Profit facilities for Health Care, Assisted Living, Educational, Civic or Cultural activities owned and operated by qualified non-profit organizations
- Small Projects through the Mini-Bond Direct Placement Program (\$500,000 to \$3 Million) (under development)
- Renewable Energy Projects



The Las Vegas Monorail
2000 Public Finance Deal of the Year
Institutional Investor
\$650 Million, Largest Bond Issue in History of Office of
Business Finance and Planning

MANUFACTURING FACILITIES

A wide range of manufacturers may benefit from tax-exempt financing, subject to the following eligibility guidelines:

- Bond proceeds must be used to finance a capital project for manufacturing, production, or processing of consumer products. This includes the costs for the purchase of land, construction of buildings and acquisition/installation of new equipment.
- Total capital expenditures (including bond proceeds) for the project cannot exceed \$10 million in the jurisdiction (county or city) where the project is located.
- The borrower cannot have more than \$40 million of IDB's outstanding at any one time.
- No more than 2% of bond proceeds can be used to pay closing costs, excluding certain credit enhancement fees such as the letter of credit annual fee or origination fee. Closing costs in excess of 2% are paid directly by the borrower. For example, a \$5 million IDB allows for the financing of up to \$100,000 of closing costs.
- No more than 25% of bond proceeds may be applied to the purchase of land.
- Borrowers must demonstrate that the project provides public benefits, e.g., job creation or retention, economic diversification, expansion of tax base or increase in exports.



Waste Management, Inc. - \$10 Million Solid Waste Disposal
Issue, 2001

ENVIRONMENTAL, NON-PROFIT, AND OTHER QUALIFIED PROJECTS

Tax-exempt bond financing is also available to qualified businesses that process solid waste materials and recyclables. Financing is also available to qualified non-profit corporations that are organized under 501(c)(3) of the Internal Revenue Code, and serve or promote a charitable purpose. These types of organizations can include community service, educational, and cultural institutions such as schools, health care, senior/assisted living facilities and museums.

NEED HELP?

The Office of Business Finance and Planning offers the assistance of several bond facilitators to assist you in presenting your financing request and assembling your financing team. If you are unfamiliar with tax-exempt bond financing the bond facilitator can assist with all aspects of the transaction. **Call Doug Walthers, 775-687-4246, for further information.**