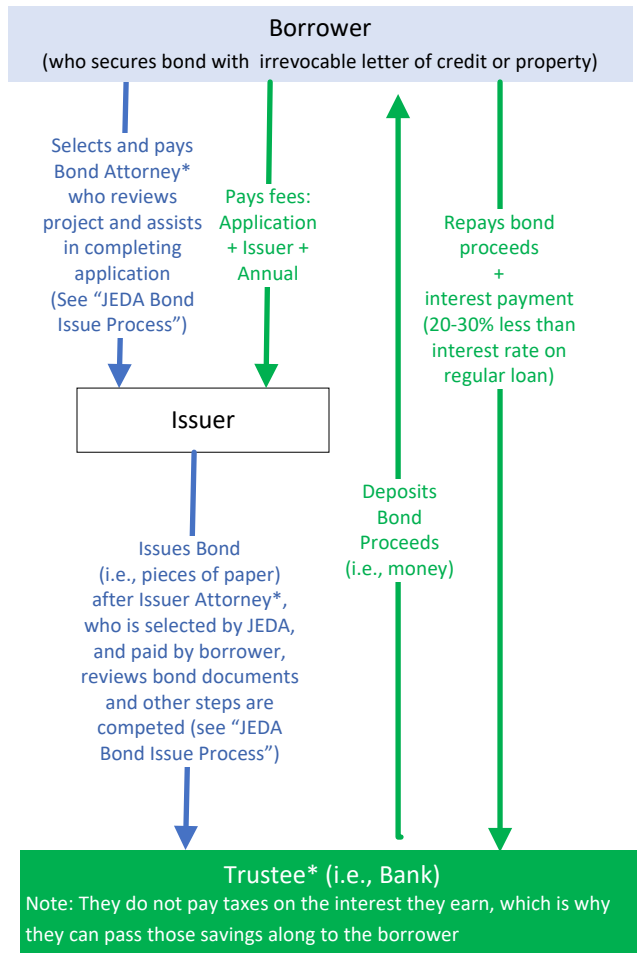


Overview of Obtaining Funds through Sale of Bonds

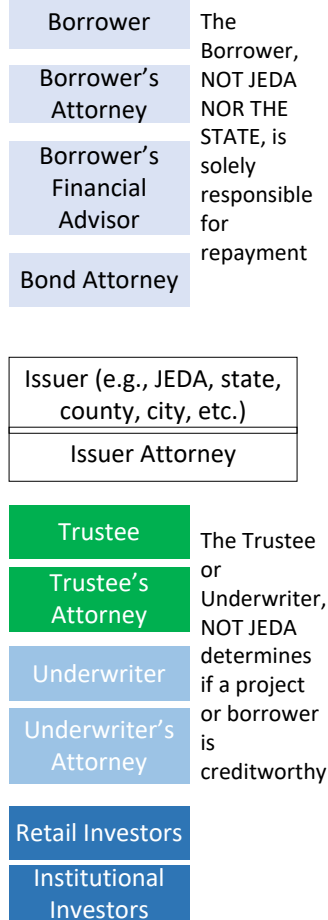
Borrower determines whether sale occurs in private placement or public market

Bond Sale in Private Placement

*Indicates individual/entity must be on list approved by the State Treasurer's Office

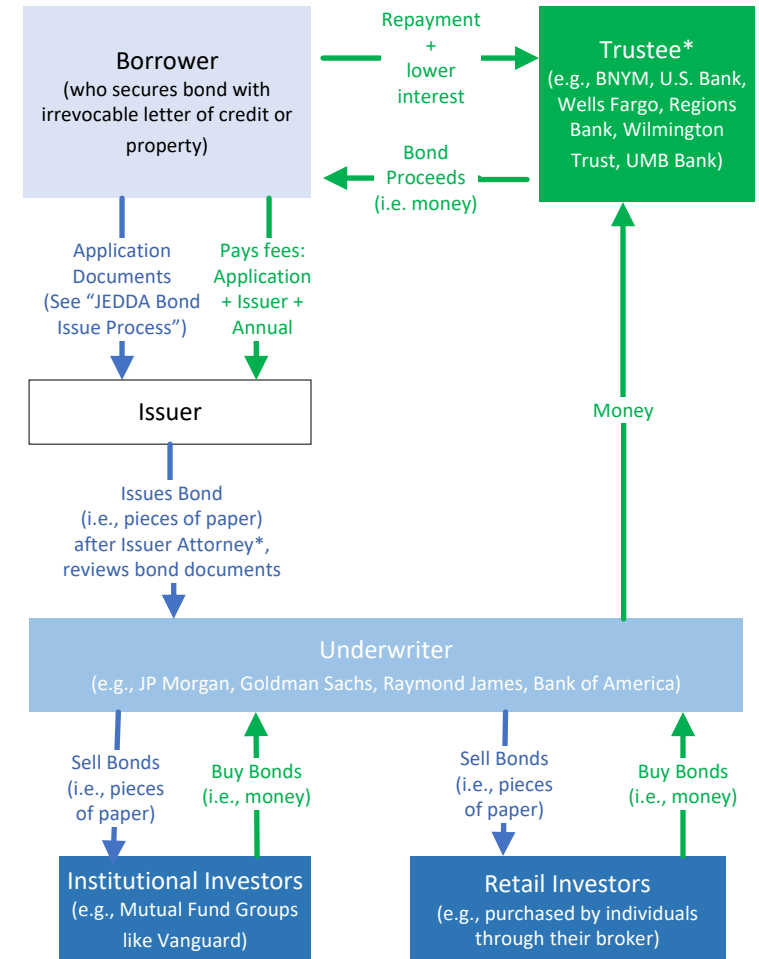


Parties Involved



Bond Sale in Public Market

*Indicates individual/entity must be on list approved by the State Treasurer's Office



JEDA Bond Issue Process

(If all steps proceed smoothly, the process can be completed in approx. 60-75 days)

Step 1: Borrower must do the following:

- contact an attorney from the list of bond law firms approved by Office of State Treasurer
- meet with Bond attorney to review the borrower's project to ensure it qualifies (at borrower's expense)
- with assistance of Bond attorney, complete/submit bond application with \$1,000 non-refundable application fee

Step 2: Once JEDA ensures application is complete...

- Bond attorney prepares inducement documents as an agenda item for the next JEDA Board meeting.
 - Inducement resolution represents preliminary approval and is non-binding to all parties
 - Issuer attorney, who is selected by JEDA and paid by borrower, reviews documents
- JEDA posts notice required by federal regulations on JEDA's website and in a paper of general circulation where project is located.
 - Federal regulations require a public hearing prior to final approval; notice must be published at least 7days prior to hearing.

- **Step 3 (or 1A):** Borrower and borrower's team (counsel, financial advisor, etc.) negotiate with financial institutions for sale of bonds via public sale or private placement (Note: It may have occurred prior to borrower submitting initial application)
- **Step 4:** JEDA project undergoes review by S.C. Coordinating Council for Economic Development (CCED) and hearing before SFAA for allocation of State Volume Cap
- **Step 5:** If CCED approves, JEDA Board adopts final bond resolution approving issuance of bonds and Trustee deposits bond proceeds at closing