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# **Jefferies** **Sustainable Financing Solutions**

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December 9, 2014

# Overview of Jefferies

## Key Points

- Investment banking, sales, trading and research presence across the United States, Europe and Asia
- Serving clients for 52 years
- Offices in 33 cities worldwide
- 3,800 employees, 2,600 (U.S.), 950 (Europe), 240 (Asia)
- Have continued to steadily build footprint while virtually all our competitors have been downsizing during the last 4 years
- \$44 billion in assets, \$3 billion in LTM revenue
- Part of Leucadia, the 385<sup>th</sup> largest company on the S&P 500 with market capitalization of approximately \$10 billion and one of the world's best known investment companies
- Awarded "Best Independent Investment Bank" by Euromoney in its 2013 Awards of Excellence
  - *"Jefferies took advantage of setbacks in the broader market to diversify its business; that and its close attention to client interests have been the making of its success."*  
Euromoney, July 11, 2013

## Principal Offices



# Sustainable Financing Solutions

- I. Stormwater Management Retrofit program well suited for raising debt in the bond markets**
- II. Stormwater P3's exhibit attractive attributes to investors**
- III. Create a strong partnership first: Financial structure should suite the partnership, not the other way around**

# Sustainable Financing Solutions

## I. Stormwater Management Retrofit program well suited for raising debt in the bond markets

- Prince George's Stormwater Management program is funded via CB-45-2013 : the legislative authority for a Stormwater Utility Fee
- Utility Fees contain the fundamental & prerequisite collateral for securitization in capital markets
- Capital Market appetite is strong

# Sustainable Financing Solutions

## II. Storm water P3's Exhibit Attractive Attributes for Investors

- Long term 40 year, fixed rate, bond financing
  - Lowers annual debt service
- Interest Only period during construction
  - Maximize funds for construction
- Non Recourse
- On/Off balance sheet financing available
  - Public/Private debt No "GO" Pledge Required
- SRF Funds
- Surety of Financing Execution

# Sustainable Financing Solutions

## III. Create a strong partnership first: Financial structure should suite the partnership, not the other way around

- Long term Programs Need Long Term Financing
- Financing Shouldn't drive the structure of the Partnership
- **First Step:** Align Interests. Create a strong P3. Synchronize storm water & partnership goals
- **Second Step:** Minimize Construction and Maintenance Costs
- **Third Step:** Select the appropriate financing program which addresses the cash demands of the partnership