

# MAG:

- 6% grant (cash) based on eligible asset cost
- Payable after certification of cost
- Award available on first \$500,000 of eligible basis
- \$30,000 maximum award per applicant, per fiscal year (July-June)
- Eligible for purchased or leased assets
- Cannot be combined with CAP program



## Nebraska Asset Modernization Initiative

# CAP:

- Creates loan loss reserve deposit
- Lender sets terms of loan
- NIFA matches lender and borrower contributions to the reserve account
- \$25,000 maximum award per applicant, per fiscal year (July-June)
- Credit enhances lender's CAP loans
- Claims paid from reserve accounts
- Reserve balance for CAP loans only
- Excess reserves held to enhance new loans

For more information on the Asset Modernization Initiative visit our website at: [www.NeMAG-CAP.org](http://www.NeMAG-CAP.org)

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### Modern Asset Grant (“MAG”) Program

- A direct grant in an amount up to 6% of eligible basis for new or used machinery and equipment

### Capital Access Program (“CAP”)

- Provides a matching loan loss reserve deposit in an amount up to 5% of the eligible amounts borrowed for new or used machinery and equipment



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***Purpose:*** Offering *financial incentives* to manufacturers and agricultural processors or food processors doing business in Nebraska.

### ***Who is eligible:***

- For-profit businesses and proprietorships with at least 5 years of Nebraska-based operations
- Businesses in Manufacturing, Agricultural Processing and Food Processing
- Companies with 2-200 Nebraska-based employees
- Companies with net depreciable Nebraska-based business assets of less than \$10,000,000

### ***What can be purchased:***

- New or used depreciable, non-mobile machinery or equipment (used equipment must be manufactured after 2005)
- Dedicated utility & electrical components
- Dedicated computers & software
- Design & engineering services - required for acquisition
- Item must have a useful life of at least 3 years
- Purchase must be pursuant to business plan with demonstrated cost benefit

### ***Funding:***

- Continuous reservation cycle (June 1, 2011 to June 30, 2013)
- Reservation fee = 2% of award requested with a maximum of \$500 (fee is refunded if award is paid)
- Applications must be approved prior to purchase of items - no retroactive approvals