

Sunshine Minting, Inc. / Sunshine Minting Nevada, LLC

7600 Eastgate Rd., Henderson, NV 89011

Ron Reed, Chief Financial Officer

Date: June 17, 2021**Application Facts:**

Industry **Manufacturing**
NAICS **331491**
Type of App **Expansion**
Location **Clark County**
RDA LVGEA, Clark County

Company Profile

Sunshine Minting, Inc. / Sunshine Minting Nevada, LLC (Sunshine Minting) is considering expanding its existing 142,000 sq. ft. state-of-art, southern Nevada, minting facility. The company is a world class supplier of precious metal products and is known as a supplier of silver planchets to the United States Mint and as the manufacturer of the private Liberty Dollar coins. Sunshine Minting's customers include governments, financial institutions, corporations, major marketing companies, other businesses, and private groups. Sunshine Minting will not just expand its currently NV operations. It also plans to relocate all its corporate, administrative functions, and operational functions in order to create a new corporate home for the company. In addition, the company hosts annual conferences and customer appreciation events that would be held in Henderson or Las Vegas. *Source: Sunshine Minting, Inc.*

Tax Abatement Requirements:

	<u>Statutory</u>	<u>Company Application</u>	<u>Meeting Requirements</u>
Job Creation	25	142	Yes
Average Wage	\$24.16	\$21.38	Yes (For the purposes of receiving full abatements if county unemployment is over 7%)
Equipment Capex (SU & MBT)			
Equipment Capex (PP)	\$131,024	\$3,162,500	Yes

Additional Requirements:

Health Insurance	65%	70%	Yes
Revenues generated outside NV	51%	95%	Yes
Business License	☒ Current	☐ Pending	☐ Will comply

Total Tax Liability (without tax abatements)**Direct (company)****\$763,850****Total****\$14,423,771****Tax Abatements****Contract Terms****Estimated Tax Abatement**

Sales Tax Abmt.	4.6% for 2 years	\$119,384
Modified Business Tax Abmt.	50% for 4 years	\$170,085
Personal Property Tax Abmt.	50% for 10 years	\$79,410
Total Estimated Tax Abatement over 10 yrs.		\$368,880

Net New Tax Revenues**Direct****Indirect****Taxes after Abatements****Local Taxes**

Property	\$829,182	\$6,199,327	\$7,028,509
Sales	\$117,447	\$3,105,884	\$3,223,331
Lodging	\$0	\$183,950	\$183,950

State Taxes

Property	\$45,351	\$360,709	\$406,060
Sales	\$74,300	\$1,036,590	\$1,110,890
Modified Business	\$987,653	\$1,055,399	\$2,043,052
Lodging	\$0	\$59,099	\$59,099

Total Estimated New Tax Revenue over 10 yrs.**\$14,054,891****Economic Impact over 10 yrs.****Total****Construction****Total**

Total Jobs Supported	369	8	377
Total Payroll Supported	\$167,192,004	\$454,262	\$167,646,266
Total Economic Value	\$1,051,366,136	\$1,199,728	\$1,052,565,864

IMPORTANT TERMS & INFORMATION**Tax Abatements are reduction or discount of tax liability and companies do not receive any form of payment.****Total Estimated Tax Abatement** is a tax reduction estimate. This estimated amount will be discounted from total tax liability.**Estimated New Tax Revenue** is amount of tax revenues local and state government will collect after the abatement was given to applying company.**Economic Impact** is economic effect or benefits that this company and its operations will have on the community and state economy measured by total number of jobs, payroll and created output.



April 15, 2021

Mr. Michael Brown
Executive Director
Nevada Governor's Office of Economic Development
555 E. Washington Avenue, Suite 5400
Las Vegas, Nevada 89101

Dear Mr. Brown,

Sunshine Minting Incorporated (SMI) is applying to the State of Nevada for the Sales and Use Tax, Modified Business Tax, and Personal Property Tax Abatements. We request their application be placed on the agenda for the June 2021 GOED Board Meeting.

SMI is exploring their options to expand operations in Southern Nevada from a current staff of 50 by hiring 142 additional employees over the next 24 months. These new hires will make an average hourly wage of \$21.38 and be provided with a comprehensive benefits package. SMI will make an investment of \$3.1 million dollars in capital equipment.

Our team has reviewed SMI's application and found it to comply with Nevada's statutory requirements for tax abatements. This application has the full support and endorsement of the Las Vegas Global Economic Alliance. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Perry Ursem". The signature is fluid and cursive, with the first name "Perry" and last name "Ursem" clearly distinguishable.

Perry Ursem
Vice President, Business Retention and Expansion

Enclosure



7600 Mineral Drive, Suite 700
Coeur d'Alene, Idaho 83815
Phone: (208)772-9592
Fax: (208) 772-9739
Web: www.sunshinemint.com

April 15, 2021

Mr. Michael Brown
Executive Director
Nevada Governor's Office of Economic Development
555 E. Washington, Suite 5400
Las Vegas, NV 89101

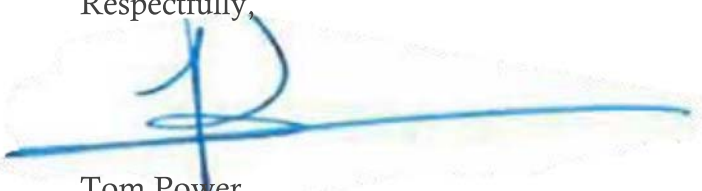
Dear Mr. Brown,

Sunshine Minting, Inc. (SMI) wants to bring silver back to the Silver State – in a big way! Our current plans to consolidate SMI's U.S. operations in Henderson would result in 80 million ounces of silver flowing through the State of Nevada every year, with a significant percentage of the revenues for those products originating from a dozen different national and sovereign foreign mints ranging from the United States, Canada to the U.K. and even to New Zealand. SMI's plans include expanding to a world-class, state-of-the-art, 142,000 square foot minting facility that will employ an additional 150-200 people within three years, in addition to the 100 currently employed in Nevada, and pump more than \$8 million in additional salaries and \$40-\$50 million more for utilities, supplies, good and services on an annual basis, the bulk of which would be locally sourced. In other words, the economic benefits that can be achieved if SMI brings silver back to the Silver State cannot be understated!

This presentation package will provide the GOED with information about the history and status of SMI, go into more detail regarding SMI's business and expansion plans, explain why SMI is an excellent partner with the community and the environment, and specifically request the GOED's assistance in reducing the tax burdens on SMI to help make this expansion plan possible and bring Silver back to the Silver State.

While some may view this as an expansion of an existing business, the Ownership of SMI view this as a new business relocation as we would be relocation all our Corporate and Administrative functions, in addition to all Operational functions to create these new opportunities. Finally, SMI would envision changing our corporate registration to a Nevada Corporation. We are looking forward to working closely with the State of Nevada, Clark County, and the City of Henderson on this exciting new development opportunity.

Respectfully,



Tom Power
President & CEO
Sunshine Minting, Inc.



CITY OF HENDERSON

240 Water Street
P.O. Box 95050
Henderson, NV 89009

April 20, 2021

Mr. Michael Brown
Executive Director
Nevada Governor's Office of Economic Development
555 E. Washington Avenue, Suite 5400
Las Vegas, NV 89101

Re: Letter of Support for Sunshine Minting

Dear Director Brown:

I am pleased to provide this letter in support of Sunshine Minting in their application for incentives from the Governor's Office of Economic Development (GOED). We are excited that Sunshine Minting chose Henderson for expanding their manufacturing operations and look forward to the company's continued success.

Within the first two years, Sunshine Minting is expected to bring a capital investment of over \$3.1 million and at least 142 new, high-quality jobs paying an average hourly wage of \$21.38. These factors, along with the 141,815 square feet of space the company is expected to occupy at 7600 Eastgate Road, reflects Sunshine Minting's commitment to our community.

The City of Henderson enthusiastically supports the development of Sunshine Minting's operations in Henderson and looks forward to the positive economic impact that their business will provide to our community. We appreciate your assistance and look forward to your favorable consideration of their application. Should you require additional information, please don't hesitate to contact me.

Sincerely,

Debra March
Mayor

cc: Thomas Power, President & Chief Executive Officer – Sunshine Minting
Perry Ursem, Vice President – Las Vegas Global Economic Alliance

Nevada Governor's Office of
ECONOMIC DEVELOPMENT
Incentive Application

Company Name: Sunshine Minting, Inc.

Date of Application: June 1, 2021

Company is an / a: (check one)

☐ New location in Nevada

☒ Expansion of a Nevada company

Section 1 - Type of Incentives

Please check all that the company is applying for on this application:

☒ Sales & Use Tax Abatement

☐ Sales & Use Tax Deferral

☒ Modified Business Tax Abatement

☐ Recycling Real Property Tax Abatement

☒ Personal Property Tax Abatement

☐ Other: _____

Section 2 - Corporate Information

COMPANY NAME (Legal name under which business will be transacted in Nevada) <u>Sunshine Minting, Inc.</u>			FEDERAL TAX ID # <u>20-5899654</u>
CORPORATE ADDRESS <u>750 West Canfield Avenue</u>	CITY / TOWN <u>Coeur de Alene</u>	STATE / PROVINCE <u>ID</u>	ZIP <u>83815</u>
MAILING ADDRESS TO RECEIVE DOCUMENTS (If different from above) <u>7600 Eastgate Rd.</u>	CITY / TOWN <u>Henderson</u>	STATE / PROVINCE <u>NV</u>	ZIP <u>89011</u>
TELEPHONE NUMBER <u>(208) 772-9592</u>	WEBSITE <u>www.sunshinemint.com</u>		
COMPANY CONTACT NAME <u>Ron Reed</u>	COMPANY CONTACT TITLE <u>Chief Financial Officer</u>		
E-MAIL ADDRESS <u>rreed@sunshinemint.com</u>	PREFERRED PHONE NUMBER <u>(208) 772-9593</u>		

Has your company ever applied and been approved for incentives available by the Governor's Office of Economic Development? ☒ Yes ☐ No

If Yes, list the program awarded, date of approval, and status of the accounts (attach separate sheet if necessary): Sunshine Minting applied for tax abatement in February, 2017. However, the contract was not executed as the precious metals market delayed our plans to expand. We are now reapplying to initiate our expansion plans that were previously intended.

Section 3 - Program Requirements

Please check two of the boxes below; the company must meet at least two of the three program requirements:

- ☒ A capital investment of \$1,000,000 in eligible equipment in urban areas or \$250,000 in eligible equipment in rural areas are required. This criteria is businesses. In cases of expanding businesses, the capital investment must equal at least 20% of the value of the tangible property owned by the business.
- ☒ New businesses locating in urban areas require fifty (50) or more permanent, full-time employees on its payroll by the eighth calendar quarter quarter in which the abatement becomes effective. In rural areas, the requirement is ten (10) or more. For an expansion, the business must increase employees on its payroll by 10% more than its existing employees prior to expansion, or by 25 (urban) or 6 (rural) employees, whichever is greater.
- ☐ In both urban and rural areas, the average hourly wage that will be paid by the business to its new employees is at least 100% of the average statewide hourly wage.

Note: Criteria is different depending on whether the business is in a county where the population is 100,000 or more or a city where the population is 60,000 or "urban" area), or if the business is in a county where the population is less than 100,000 or a city where the population is less than 60,000 (i.e., "rural" area).

Section 4 - Nevada Facility

Type of Facility:

☐ Headquarters

☒ Technology

☐ Back Office Operations

☐ Research & Development / Intellectual Property

☐ Service Provider

☐ Distribution / Fulfillment

☒ Manufacturing

☐ Other: _____

PERCENTAGE OF REVENUE GENERATED BY THE NEW JOBS CONTAINED IN THIS APPLICATION FROM OUTSIDE NEVADA <u>95%</u>	EXPECTED DATE OF NEW / EXPANDED OPERATIONS (MONTH / YEAR) <u>Jun-2021</u>		
NAICS CODE / SIC <u>331491</u>	INDUSTRY TYPE <u>Precious Metals, Manufacturer</u>		
DESCRIPTION OF COMPANY'S NEVADA OPERATIONS <u>Manufacturing of blanks, bullion, and other minted products made from based and precious metals.</u>			
PROPOSED / ACTUAL NEVADA FACILITY ADDRESS <u>7600 Eastgate Road</u>	CITY / TOWN <u>Henderson</u>	COUNTY <u>Clark County</u>	ZIP <u>89011</u>
WHAT OTHER STATES / REGIONS / CITIES ARE BEING CONSIDERED FOR YOUR COMPANY'S RELOCATION / EXPANSION / STARTUP? <u>Coeur d' Alene, Idaho</u>			

Section 5 - Complete Forms (see additional tabs at the bottom of this sheet for each form listed below)

Check the applicable box when form has been completed.

5 (A) ☒ Equipment List5 (B) ☒ Employment Schedule5 (C) ☒ Evaluation of Health Plan, with supporting documents to show the employer paid portion of plan meets the minimum of 65%.5 (D) ☒ Company Information Form**Section 6 - Real Estate & Construction (Fill in either New Operations/Startup or Expansion, not both.)**

New Operations / Start Up - Plans Over the Next <u>Ten</u> Years	Expansions - Plans Over the Next <u>10</u> Years
Part 1. Are you currently/planning on leasing space in Nevada? _____ If No, skip to Part 2. If Yes, continue below: What year(s)? _____ How much space (sq. ft.)? _____ Annual lease cost of space: _____ Do you plan on making building tenant improvements? _____ If No, skip to Part 2. If Yes *, continue below: When to make improvements (month, year)? _____	Part 1. Are you currently leasing space in Nevada? <u>Yes</u> If No, skip to Part 2. If Yes, continue below: What year(s)? <u>2017- 2027</u> How much space (sq. ft.)? <u>142,000</u> Annual lease cost at current space: <u>\$1,020,000.00</u> Due to expansion, will you lease additional space? <u>No</u> If No, skip to Part 3. If Yes, continue below: Expanding at the current facility or a new facility? _____ What year(s)? _____ How much expanded space (sq. ft.)? _____ Annual lease cost of expanded space: _____ Do you plan on making building tenant improvements? _____ If No, skip to Part 3. If Yes *, continue below: When to make improvements (month, year)? _____
Part 2. Are you currently/planning on buying an owner occupied facility in Nevada? _____ If No, skip to Part 3. If Yes *, continue below: Purchase date, if buying (month, year): _____ How much space (sq. ft.)? _____ Do you plan on making building improvements? _____ If No, skip to Part 3. If Yes *, continue below: When to make improvements (month, year)? _____	Part 2. Are you currently operating at an owner occupied building in Nevada? _____ If No, skip to Part 3. If Yes, continue below: How much space (sq. ft.)? _____ Current assessed value of real property? _____ Due to expansion, will you be making building improvements? _____ If No, skip to Part 3. If Yes *, continue below: When to make improvements (month, year)? _____
Part 3. Are you currently/planning on building a build-to-suit facility in Nevada? _____ If Yes *, continue below: When to break ground, if building (month, year)? _____ Estimated completion date, if building (month, year): _____ How much space (sq. ft.)? _____	Part 3. Do you plan on building or buying a new facility in Nevada? <u>No</u> If Yes *, continue below: Purchase date, if buying (month, year): _____ When to break ground, if building (month, year)? _____ Estimated completion date, if building (month, year): _____ How much space (sq. ft.)? _____

*** Please complete Section 7 - Capital Investment for New Operations / Startup.***** Please complete Section 7 - Capital Investment for Expansions below.**

BRIEF DESCRIPTION OF CONSTRUCTION PROJECT AND ITS PROJECTED IMPACT ON THE LOCAL ECONOMY (Attach a separate sheet if necessary):

Tenant improvements will include substantial installation of machinery and equipment necessary for SMI's world-class minting operation, as well as significant security improvements including safes, cameras, secure doors, metal detectors and other such equipment to ensure the security of the precious metals operations. Finally, the improvements will include modifications to the office space to include necessary rooms for artistic development, quality control and management operations.

Section 7 - Capital Investment (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up	Expansions
How much capital investment is planned? (Breakout below):	How much capital investment is planned? (Breakout below):
Building Purchase (if buying): _____	Building Purchase (if buying): _____
Building Costs (if building / making improvements): _____	Building Costs (if building / making improvements): <u>\$850,000</u>
Land: _____	Land: _____
Equipment Cost: _____	Equipment Cost: <u>\$3,162,500</u>
Total: _____	Total: <u>\$4,012,500</u>
	Is the equipment purchase for replacement of existing equipment? <u>No</u>
	Current assessed value of personal property in NV: <u>\$655,119</u>
	(Must attach the most recent assessment from the County Assessor's Office.)

Section 8 - Employment (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up	Expansions
How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of new operations?: _____	How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of expanded operations?: <u>142</u>
Average hourly wage of these <u>new</u> employees: _____	Average hourly wage of these <u>new</u> employees: <u>\$21.38</u>
	How many FTE employees prior to expansion?: <u>50</u>
	Average hourly wage of these <u>existing</u> employees: <u>\$19.09</u>
	Total number of employees after expansion: <u>192</u>

* FTE represents a permanent employee who works an average of 30 hours per week or more, is eligible for health care coverage, and whose position is a "primary job" as set forth in NAC 360.474.

OTHER COMPENSATION (Check all that apply):

- | | | | |
|---|---|---|---|
| ☒ Overtime | ☒ Merit increases | ☒ Tuition assistance | ☒ Bonus |
| ☒ PTO / Sick / Vacation | ☐ COLA adjustments | ☒ Retirement Plan / Profit Sharing / 401(k) | ☐ Other: _____ |

BRIEF DESCRIPTION OF ADDITIONAL COMPENSATION PROGRAMS AND ELIGIBILITY REQUIREMENTS (Attach a separate sheet if necessary):

Section 9 - Employee Health Insurance Benefit Program

Is health insurance for employees and is an option for dependents offered?: ☒ Yes (**attach health plan and quote or invoice**) ☐ No

Package includes (check all that apply):

- | | | | |
|---|--|--|---|
| ☒ Medical | ☒ Vision | ☒ Dental | ☒ Other: <u>STD and LTD</u> |
|---|--|--|---|

Qualified after (check one):

- | | | | |
|--|---|---|---|
| ☐ Upon employment | ☐ Three months after hire date | ☐ Six months after hire date | ☒ Other: <u>60 days, 1st of following month</u> |
|--|---|---|---|

Health Insurance Costs:	Percentage of health insurance premium by (min 65%):
Plan Type: <u>Aetna PPO</u>	
Employer Contribution (annual premium per employee): <u>\$ 5,634.96</u>	Company: <u>70%</u>
Employee Contribution (annual premium per employee): <u>\$ 2,448.00</u>	Employee: <u>30%</u>
Total Annual Premium: <u>\$ 8,082.96</u>	

[SIGNATURE PAGE FOLLOWS]

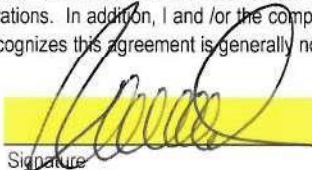
Section 10 - Certification

I, the undersigned, hereby grant to the Governor's Office of Economic Development access to all pertinent and relevant records and documents of the aforementioned company. I understand this requirement is necessary to qualify and to monitor for compliance of all statutory and regulatory provisions pertaining to this application.

Being owner, member, partner, officer or employee with signatory authorization for the company, I do hereby declare that the facts herein stated are true and that all licensing and permitting requirements will be met prior to the commencement of operations. In addition, I and /or the company's legal counsel have reviewed the terms of the GOED Tax Abatement and Incentives Agreement, the company recognizes this agreement is generally not subject to change, and any material revisions have been discussed with GOED in advance of board approval.

Ron Reed

Name of person authorized for signature



Signature

CFO

Title

April 15, 2021

Date

Nevada Governor's Office of Economic Development

555 E. Washington Ave., Ste 5400 • Las Vegas, Nevada 89101 • 702.486.2700 • (Fax) 702.486.2701 • www.diversifynevada.com

Site Selection Factors

Company Name: Sunshine Minting, Inc.

County: Clark County

Section I - Site Selection Ratings

Directions: Please rate the select factors by importance to the company's business (1 = very low; 5 = very high). Attach this form to the Incentives Application.

Availability of qualified workforce: 5

Labor costs: 3

Real estate availability: 4

Real estate costs: 5

Utility infrastructure: 4

Utility costs: 4

Transportation infrastructure: 3

Transportation costs: 3

State and local tax structure: 4

State and local incentives: 5

Business permitting & regulatory structure: 4

Access to higher education resources: 3

Please summarize the importance of the abatement program to your decision (please include at least a paragraph summary):

5(A) Capital Equipment List

Company Name: Sunshine Minting, Inc.

County: Clark County

Section I - Capital Equipment List

Directions: Please provide an estimated list of the equipment [columns (a) through (c)] which the company intends to purchase over the two-year allowable period. For example, if the effective date of new / expanded operations begins April 1, 2015, the two-year period would be until March 31, 2017. Add an additional page if needed. For guidelines on classifying equipment, visit:

tax.nv.gov/LocalGovt/PolicyPub/ArchiveFiles/Personal_Property_Manuals. Attach this form to the Incentives Application.

(a) Equipment Name/Description	(b) # of Units	(c) Price per Unit	(d) Total Cost
Extrusion Press	1	\$330,000.00	\$330,000.00
Nitrogen Generation	1	\$300,000.00	\$300,000.00
Compressors	3	\$30,000.00	\$90,000.00
EDM Wire Machine	1	\$47,500.00	\$47,500.00
Lathe	1	\$15,000.00	\$15,000.00
Heat treat ovens	2	\$20,000.00	\$40,000.00
Laser Engraver	1	\$275,000.00	\$275,000.00
Cooling Water Systems	1	\$150,000.00	\$150,000.00
DI Water System	1	\$40,000.00	\$40,000.00
Dryer System	1	\$50,000.00	\$50,000.00
Annealing Furnace	1	\$275,000.00	\$275,000.00
Robotics Packaging System	2	\$200,000.00	\$400,000.00
Coining Press	2	\$450,000.00	\$900,000.00
Meting Equipment	2	\$75,000.00	\$150,000.00
Gold Processing Equipment	1	\$100,000.00	\$100,000.00
TOTAL EQUIPMENT COST			\$3,162,500.00

Is any of this equipment* to be acquired under an operating lease? ☐ Yes ☒ No

*Certain lease hold equipment does not qualify for tax abatements

5(B) Employment Schedule

Company Name: Sunshine Minting, Inc.

County: Clark County

Section 1 - Full-Time Equivalent (FTE) Employees

Directions: Please provide an estimated list of full time employees [columns (a) through (d)] that will be hired and employed by the company by the end of the first eighth quarter of new / expanded operations. For example, if the effective date of new / expanded operations is April 1, 2015, the date would fall in Q2, 2015. The end of the first eighth quarter would be the last day of Q2, 2017 (i.e., June 30, 2017). Attach this form to the Incentives Application. A qualified employee must be employed at the site of a qualified project, scheduled to work an average minimum of 30 per week, if offered coverage under a plan of health insurance provided by his or her employer, is eligible for health care coverage, and whose position of a "primary job" as set forth in NAC 360.474.

Please use the Bureau of Labor Statistics Standard Occupational Classification System (SOC) link to populate section (b): https://www.bls.gov/soc/2018/major_groups.htm#11-0000

(a) New Hire Position Title/Description	(b) Position SOC Code	(c) Number of Positions	(d) Average Hourly Wage	(e) US Bureau of Labor Statistics Average Hourly Wage	(f) Average Weekly Hours	(g) Annual Wage per Position	(h) Total Annual Wages
Chief Executives	11-1011	2	\$96.15	\$111.04	40	\$200,000.00	\$400,000.00
Sales Managers	11-2022	4	\$30.00	U	40	\$62,400.00	\$249,600.00
Industrial Engineers	17-2112	4	\$40.87	\$40.67	40	\$85,000.00	\$340,000.00
Industrial Production Managers	11-3051	4	\$45.10	\$49.39	45	\$105,534.00	\$422,136.00
First-Line Supervisors of Production and Operating Workers	51-1011	6	\$24.04	\$27.63	45	\$56,250.00	\$337,500.00
Assemblers and Fabricators, All Other, Including Team Assemblers	51-2098	100	\$16.00	\$15.48	44	\$36,608.00	\$3,660,800.00
Commercial and Industrial Designers	27-1021	4	\$30.00	U	45	\$70,200.00	\$280,800.00
Tool and Die Makers	51-4111	10	\$30.00	\$21.91	45	\$70,200.00	\$702,000.00
Industrial Machinery Mechanics	49-9041	8	\$30.00	\$28.84	40	\$62,400.00	\$499,200.00
TOTAL		142	\$21.38				\$6,892,036.00

Section 2 - Employment Projections

Directions: Please estimate full-time job growth in Section 2, complete columns (b) and (c). These estimates are used for state economic impact and net tax revenue analysis that this agency is required to report. The company will not be required to reach these estimated levels of employment. **Please enter the estimated new full time employees on a year by year basis (not cumulative)**

(a) Year	(b) Number of New FTE(s)	(c) Average Hourly Wage	(d) Payroll
3-Year	25	\$21.38	\$1,111,760.00
4-Year	25	\$21.38	\$1,111,760.00
5-Year	25	\$21.38	\$1,111,760.00

* Column (e) determines if wage is commensurate to current wage ranges in the region the company plans to locate/is located. For these purposes the mean average hourly wage for the location has been used.

U = Unknown / data set for region is not currently available.

Source: [US Bureau of Labor Statistics](#)

5(C) Evaluation of Health Plans Offered by Companies

Company Name: Sunshine Minting, Inc.

County: Clark County

Total Number of Full-Time Employees:

142

Average Hourly Wage per Employee

\$21.38

Average Annual Wage per Employee (implied)

\$44,470.40

COST OF HEALTH INSURANCE

Annual Health Insurance Premium Cost:

\$8,082.96

Percentage of Premium Covered by:

Company

70%

Employee

30%

HEALTH INSURANCE PLANS:

Base Health Insurance Plan*:

Deductible - per employee

\$ 2,000

Coinsurance

80% / 20%

Out-of-Pocket Maximum per employee

\$ 5,000

Additional Health Insurance Plan*:

Deductible - per employee

\$ -

Coinsurance

0% / 0%

Out-of-Pocket Maximum per employee

\$ -

Additional Health Insurance Plan*:

Elements Choice PPO 6000

Deductible - per employee

\$ -

Coinsurance

0% / 0%

Out-of-Pocket Maximum per employee

\$ -

*Note: **Please list only "In Network" for deductible and out of the pocket amounts.**

Generalized Criteria for Essential Health Benefits (EHB)

[following requirements outlined in the Affordable Care Act and US Code, including 42 USC Section 18022]

Covered employee's premium not to exceed 9.5% of annual wage

7.9%

MMQ

Annual Out-of-Pocket Maximum not to exceed \$8,550 (2021)

\$5,000

MMQ

Minimum essential health benefits covered (Company offers PPO):

(A) Ambulatory patient services



(B) Emergency services



(C) Hospitalization



(D) Maternity and newborn care



(E) Mental health/substance use disorder/behavioral health treatment



(F) Prescription drugs



(G) Rehabilitative and habilitative services and devices



(H) Laboratory services



(I) Preventive and wellness services and chronic disease management



(J) Pediatric services, including oral and vision care



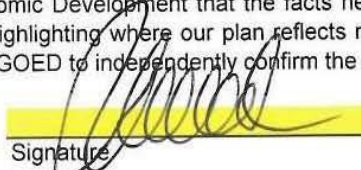
No Annual Limits on Essential Health Benefits



I, the undersigned, hereby declare to the Governor's Office of Economic Development that the facts herein stated are true, and that I have attached a qualified plan with information highlighting where our plan reflects meeting the 65% minimum threshold for the employee paid portion of the plan for GOED to independently confirm the same.

Ron Reed

Name of person authorized for signature



4/15/2021

Date

CFO

Title

5(D) Company Information

Company Name: Sunshine Minting, Inc.

County: Clark County

Section I - Company Interest List

Directions: Please provide a detailed list of owners and/or members of the company. *The Governor's Office of Economic Development strives to maintain the highest standards of integrity, and it is vital that the public be confident of our commitment. Accordingly, any conflict or appearance of a conflict must be avoided. To maintain our integrity and credibility, the applicant is required to provide a detailed list of owners, members, equity holders and Board members of the company.*

(a) Name	(b) Title
Thomas J. Power	President/CEO, Board Member
Patricia L. Power	Vice President, Board Member
Greg Roberts (A-Mark Precious Metals - Minority Interest)	Board Member

Section 2 - Company Affiliates and/or Subsidiaries

Are there any subsidiary or affiliate companies sharing tax liability with the applicant company? No ☒ Yes ☐

If Yes, continue below:

Directions: In order to include affiliates/subsidiaries, under the exemption letter, they must to be added to the Contract. Per standard practice GOED requires a corporate schematic to understand the exact relationships between the companies. Please populate the below table to show the exact relationships between the companies and include:

1. The names as they would read on the tax exemption letter.
2. Which entity(ies) will do the hiring?
3. Which entity(ies) will be purchasing the equipment?

Name of Subsidiary or Affiliate Entity, Role and Legal Control Relationship

Please include any additional details below:

SECRETARY OF STATE



NEVADA STATE BUSINESS LICENSE

SUNSHINE MINTING NEVADA, L.L.C.

Nevada Business Identification # NV20081213239

Expiration Date: 07/31/2021

In accordance with Title 7 of Nevada Revised Statutes, pursuant to proper application duly filed and payment of appropriate prescribed fees, the above named is hereby granted a Nevada State Business License for business activities conducted within the State of Nevada.

Valid until the expiration date listed unless suspended, revoked or cancelled in accordance with the provisions in Nevada Revised Statutes. License is not transferable and is not in lieu of any local business license, permit or registration.

License must be cancelled on or before its expiration date if business activity ceases. Failure to do so will result in late fees or penalties which, by law, cannot be waived.



Certificate Number: B20200505771969

You may verify this certificate
online at <http://www.nvsos.gov>

IN WITNESS WHEREOF, I have hereunto set my
hand and affixed the Great Seal of State, at my
office on 05/05/2020.

Barbara K. Cegavske

BARBARA K. CEGAVSKE
Secretary of State



"The Silver & Gold Source"

Sunshine Minting, Inc.

World Class Supplier of Precious Metal Products

QUALITY MANAGEMENT SYSTEM

CERTIFIED BY DNV GL

== ISO 9001 ==

Background

- Sunshine Minting, Inc., with its primary location in Coeur d'Alene, Idaho, have been involved with the supply of physical product into the precious metals markets since the late 1970's.
- It is our intention to give you an understanding on the history of Sunshine Minting, our role in the Coin and Mint Industry, and how we have endured for over 30 years to become the largest silver supplier in the world to the Minting industry worldwide.



"The Silver & Gold Source"

History

1979 to Now

Over 30 years of Experience

TENTEX

The Humble Beginnings:

- SMI began in 1979 in Chino, CA under the name TENTEX (an amalgam of the words Texas and Tennessee, where the husband and wife team were from respectively).
- At that time, the company primarily made 1 oz. silver rounds, and silver extruded bars for coin dealers and marketing companies around the country.
- The company quickly established a reputation for quality and was then acquired in 1984 by Sunshine Mining, of Kellogg, ID.
- In that year, the company relocated from Chino to Coeur d'Alene and was re-named Sunshine Bullion Company.
- As SBC, the company expanded their dealer list significantly, and introduced a line of Silver Bullion products, the Silver Eagle, which still exist today, and are one of the most recognized and sought after brands in the world.
- The relationship with the mining company lasted 10 years, until at the end of 1993, Sunshine Mines sought to sell the minting division, primarily driven by the weak commodities prices. The former owner of the company and his wife bought the company back and created a new private company, Sunshine Minting, Inc.

Sunshine Minting Inc.

The Early Years:

- From 1994 until 1997, SMI struggled as a small company in a market saturated with other competitors. Losing the backing of the Mines caused a significant setback as the company lost access to a virtually unlimited supply of free market silver.
- The owner of the company recognized that as a small business, it was critical for the survival of the company that they secure a steady, long-term contract with a customer for the ongoing supply of product.
- In looking at the marketplace, one significant opportunity kept presenting itself – the supply of 1 oz fine silver blanks to the US Mint. This would be an ideal relationship for a small company, such as SMI to secure a solid long-term customer. However, the question remained – how will SMI go about getting a contract with the US Government?



The Johnson Matthey Connection

The Formative Years

- At the same time that SMI was struggling with the transition from a division of a publically traded company to a small privately held company, on the other side of the continent and a whole country away, Johnson Matthey Limited of Canada (JML) had been awarded contracts for the production of gold Eagle and silver Eagle blanks for the US Mint under the US/Canada Free Trade Agreement (NAFTA).
- In 1996, Johnson Matthey decided to move into a strategically different direction with its manufacturing and needed to exit the blank fabrication business. This presented the perfect opportunity for another vendor to assume the contract for the supply of blanks.
- Through cooperation with the US Mint, JML was introduced to SMI and was asked to assist with the transition of the program from Canada to the US.
- In February of 1997, a team from JML, flew to Coeur d'Alene from Toronto for one week to assist SMI with the development and refinement of their processes to meet both the quantity and stringent quality requirements that the US Mint demanded.

The Johnson Matthey Connection

The Formative Years

- The willingness and desire of all the folks at SMI paid off, and within a few months, we were able to successfully transfer the contract from JML to SMI, for the supply of 75,000 blanks per week!
- As part of the ongoing plan for growth that the owner had, he sought out some key management assistance to ensure that they could sustain the plan and continue to be a key supplier to the US Mint.
- In May of 1997, Tom Power left JML to join SMI as their Operations Manager, working closely with the owner and other members of the management team maintain the US Mint contract.



1997 and 1998

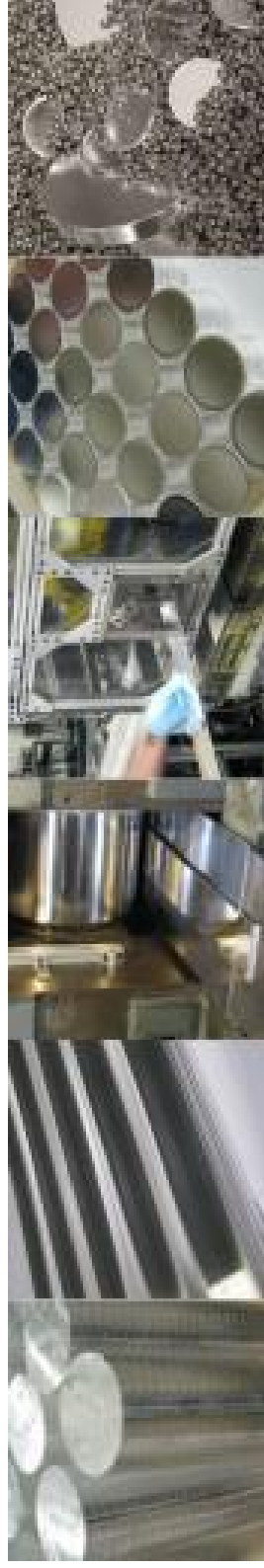
The Dark Years:

- Shortly after the contract had been successfully transferred to SMI, the owner of the company suffered a seizure in the office one day and was rushed to the hospital.
- While everyone assumed that the seizure was a result of the stress related to the endless 16 to 20 hour days that he and everyone else was working to make this project successful, none of us were prepared for what transpired next.
- Within several days of the seizure, the owner was diagnosed with an inoperable brain tumor! This was a devastating set-back for the company, which was just beginning to hit its stride.
- In January of 1998, the company lost it's founder to his battle with brain cancer. Fortunately for all involved, the wife and family wanted to maintain his legacy and kept the company to fulfill his dream – creating a world-class company supplying top quality products to the minting industry world-wide.
- 1998 was a very difficult year for SMI as the US Mint essentially cut production of product for almost 7 months, reducing our workforce to 25 people working one shift per day.
- In 1998, the total output of blanks for the US Mint was less than 2 million pieces. We now produce more than on a bi-weekly basis!

1999 to 2006

The Growth Years

- For the next 7 years, SMI forged a path of double-digit growth each year, and as it's business expanded, SMI took on new alloys and new markets.
- In 2000, SMI attended it's first ever Mint Directors Conference in Australia, where we officially launched it's new global sales initiatives to reach out to the markets previously abandoned by Johnson Matthey, which ultimately exited the blank business completely.
- In May of 2001, SMI moved into its newly commissioned factory at 750 West Canfield Avenue in Coeur d'Alene. This new 36,000 sq ft state of the art facility further enhanced SMI's global status and provided opportunities to continue to expand business.



2007 to Today

A New Era Explodes!

- In January of 2007, SMI moved into its next era of evolution as Tom Power acquired 100% interest in the business from the family of the former owner of the business.
- At that time, SMI had 95 employees, and were comfortably producing 10M to 12M blanks per year for the US Mint.
- In June of 2007, SMI acquired Global Minting Inc. of Las Vegas, NV, and ultimately combined to two companies. During that time we also acquired the silver processing line from Medallion Arts Company of Dayton, NV.
- In 2008, the market for bullion products began to rise, and ultimately exploded in 2009. Our output rose from 10M oz p.a. in 2009 to over 82M oz in 2015 with over 440 employees!!!
- In April of 2011, SMI officially opened a Joint Venture operation in Shanghai, China. Sunshine Minting International (Shanghai), known as SMISH, which provided unfettered access to the Chinese and Asian markets that SMI was not able to effectively service from the USA.
- Today, continued robust markets for silver and gold products has opened further growth opportunities for SMI.



"The Silver & Gold Source"

Company Overview

A Global Manufacturing Force

Company Overview

- Since its humble beginnings in Chino, CA, SMI has grown to be a global manufacturing company with multiple production facilities and sales offices around the world.



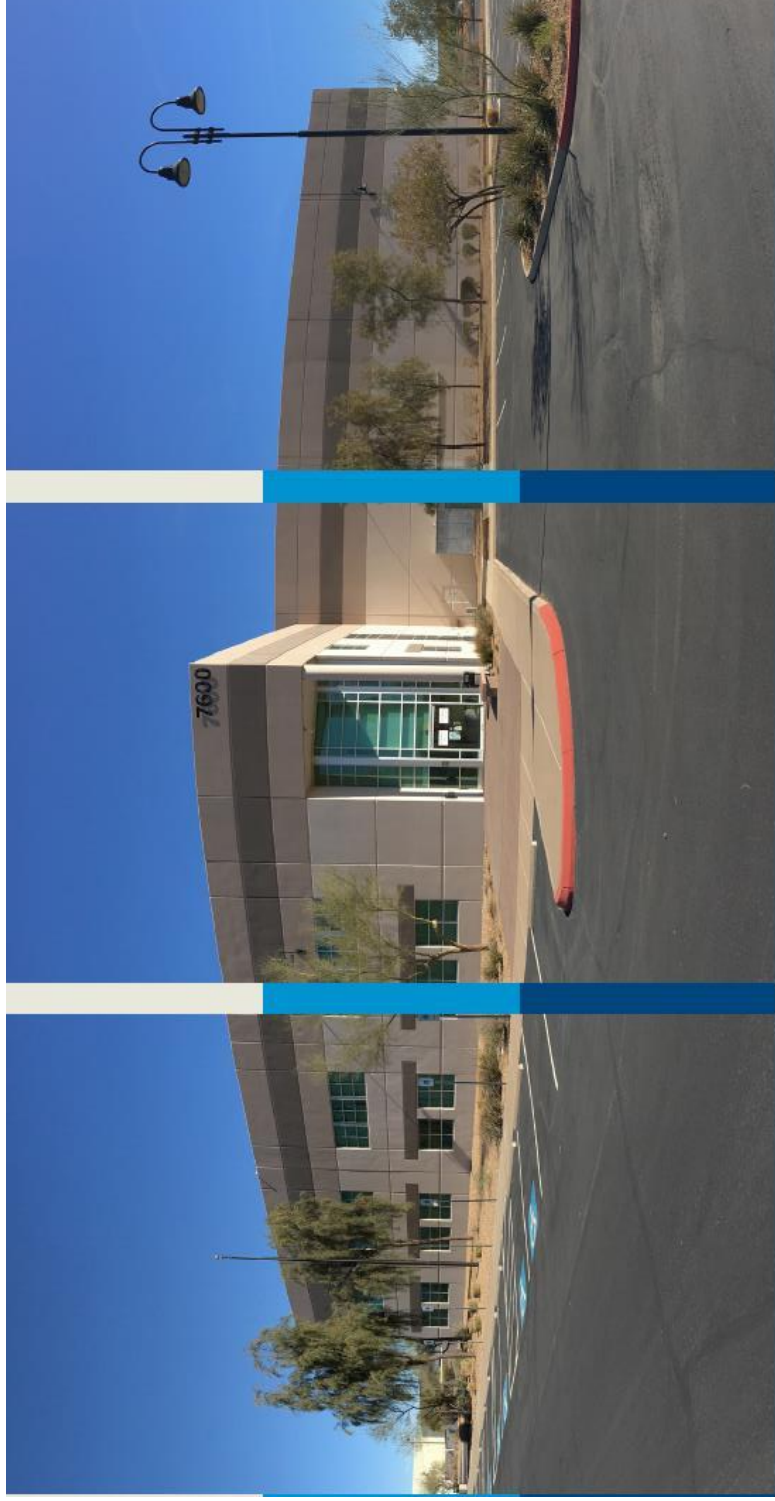
Idaho Manufacturing Facility

- Located at 750 Canfield Avenue, Coeur d'Alene, Idaho employing over 290 people
- Plant is secure 36,000 sq ft with complete manufacturing processes including Melting and Casting, Extrusion, Rolling and Blanking, Annealing, Surface Finishing, Coining and Stamping, and Packaging.
- This facility also contains our state of the art machine and tool shop, assay lab and quality testing lab.



Henderson, Nevada Facility

- Located 7600 Eastgate Road, Henderson, Nevada is our newest expansion
- Plant is secure 140,000 sq ft with planned output of over 2,000,000 ounces per week
- New corporate home for Sunshine Minting
- Today, this facility employ's another 100 employees with expansion expected at over 250 employees.



Shanghai, China Facility

- Located in Putou District of Shanghai, currently employing 75 employees.
- Plant is secure 36,000 sq ft for the fabrication of silver and gold products for the Asian and export market.



Executive Team

Executive Team



Products and Capabilities

- Blanks and products for Government and Private mints around the world
 - United States Mint
 - 999 Silver 1 oz Eagle Blanks
 - 999 Silver 5 oz ATB Blanks
 - 9999 Gold 1 oz Buffalo Blanks
 - 9167 Gold 1 oz Eagle Blanks
 - 900 Silver \$1 Commemorative Blanks
 - 900 Silver \$0.10, \$0.25 and \$0.50 Blanks
 - 9995 Platinum 1 oz Blanks
 - Royal Canadian Mint
 - 9999 Silver 1 oz Maple Leaf Blanks
 - Over 15 custom products in silver and gold
 - All Foreign Business
 - Royal Mint (UK)
 - Over 90 different blanks in silver and gold
 - 3 new fully turn key silver products
 - The Singapore Mint
 - Various products in Silver and Gold
 - The Mint of Norway and 10 other National Mints

Products and Capabilities

- Silver and Gold bullion products for Dealers, Distributors and Financial Institutions:
 - Silver bars and Rounds ranging from 1gm to 500 oz
 - Gold bars and Rounds ranging from 1gm to 1 Kilo
 - Customized Tamper Evident Packaging to add a level of security for high value items
 - Serializing and Numbering
 - Significant Accounts include:
 - A-Mark Precious Metals
 - APMEX
 - Johnson Matthey/Asahi
 - Scotia Bank (Canada)
 - TD Bank (Canada)



Products and Capabilities

- Custom fabricated Medals, Medallions, and Tokens for Corporations, Marketing Companies, and Private Individuals:
 - Custom Products in Silver, Gold, Platinum, Palladium, Brass, or Copper
 - Plated Products (full or selective)
 - Colorized Products
 - Proprietary Casino Products
 - Silver Strike™
 - Significant Accounts:
 - New Zealand Mint
 - S&A Partners
 - Asset Marketing



The Future

Opportunities and Challenges for SMI

Opportunities for SMI

- Continue development as turn key supplier for National and Sovereign Mints to supply the US and Asian markets;
- Further development as leader in the minting industry through the implementation of new technologies, such as:
 - Laser engraving and laser enhancements
 - Second generation of security features to inhibit counterfeiting
 - Use of nano technology to inhibit corrosion on silver products
- Focus on developing new high margin value add business while streamlining processes to reduce production costs on low margin silver and gold bullion;
- Continued development of additional high value add materials, such as platinum and gold.

Challenges for SMI

- CDA has limited energy for expansion but is out of space
- Tight labor market in CDA (<3.5% unemployment) limiting current production opportunities
- Investment in multiple facilities and challenges with our Chinese JV partner over the last 24 months have realized top line growth but have affected our short-term profitability

Capital Needs for SMI

- \$5M to Consolidate production facilities to improve bottom line performance through reduced redundancies and cost reduction
- \$5.5M for the replacement of critical equipment that has been taxed to failure over the last 7 years of expanded production:
 - Coining Press Systems \$900k
 - Extrusion Press Systems \$350k
 - Expanding Surface Finishing Systems 650k
 - Environmental Systems 585k
 - Automation Systems \$400k
- Total Capital Expenditures: \$5M over next 3 years
- Total Estimated annual savings through consolidation and integration: \$3.5M p.a.
- Effective Payback: 3.0 years.

Economic Benefits of SMI

- Total turnover \$700M - \$1.0B (depending on metal price)
- 150 to 200 new jobs for area made up of:
 - 2 Executives
 - 10 Plant management and Direct supervision
 - 8 Office and Accounting staff
 - 10 Sales, Customer Service and Design staff
 - 6 Engineering and Technical
 - 100-150 Manufacturing Labor with a starting wage of \$16.00/hr plus benefits
 - Total Direct salary impact in excess of \$4,000,000 per year
- In addition, there would be another \$40M to \$50M spent in the local economy for Utilities, Supplies, Goods and Services on an ongoing basis.
- Additionally, other strategic companies that are part of our supply chain have already or are considering moving to Clark County to stay close to our production in a effort to reduce costs in the supply chain.

Social Benefits of SMI

- SMI hosts annual Conferences and Customer Appreciation events that would be held in Henderson/Las Vegas;
- We have numerous customers that will visit multiple times on an annual basis that would further contribute to the local tourist economy
- With the historical importance of silver in the growth and development of Nevada, it would seem appropriate to have the worlds largest silver producer for the global minting industry located in the Silver State!