

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING is entered into this ^{7TH} day of ~~October~~^{November}, 2007 by and between the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada ("City"), and NEW VENTURES CAPITAL DEVELOPMENT COMPANY, a Nevada corporation ("New Ventures").

RECITALS

WHEREAS, during the 2007 Legislative Session, the Nevada Legislature adopted Assembly Bill No. 629 ("AB 629") which provides certain financial appropriation for various projects in the State of Nevada; and

WHEREAS, the AB 629 provides an appropriation to New Venture to capitalize a revolving loan fund to make Small Business Administration loans to minority businesses; and

WHEREAS, the funds were submitted to the City to allocate to New Venture; and

WHEREAS, the City and New Venture desire to enter into this Memorandum of Understanding to provide for the disbursement of the funds and other requirements as required by AB 629.

NOW, THEREFORE, the City and New Venture agree to the following:

1. **FUNDS.** Subject to the receipt of funds from the State of Nevada, the City shall disburse to New Venture the sum of \$350,000 for the purpose of capitalizing a revolving loan fund to make Small Business Administration loans to minority businesses.
2. **NEW VENTURE OBLIGATIONS.** Upon acceptance of the funds, New Venture shall:
 - a. Prepare and transmit a report to the State of Nevada Interim Finance Committee on or before December 15, 2008, that describes each expenditure made from the funds appropriated from the State of Nevada from the date on which the funds were received by New Venture through December 1, 2008. Prior to submittal to the State of Nevada, New Venture agrees to submit a report to the City of Las Vegas no later than December 7, 2008 for review.
 - b. Prepare and transmit a final report to the State of Nevada Interim Finance Committee on or before September 18, 2009, that describes each expenditure made from the funds appropriated by the State of Nevada from the date on which the funds received by New Venture through June 30, 2009. New Venture agrees to provide a copy of this report to the City no later than August 18, 2009.

- c. Upon request of the State of Nevada Legislative Commission, make available to the Legislative Auditor any of the books, accounts, claims, reports, vouchers or other records of information, confidential or otherwise, of New Venture, regardless of their form or location, that the Legislative Auditor deems necessary to conduct an audit of the use of the funds appropriated.

3. REMAINING BALANCE. Any remaining balance of the appropriation made must not be committed for expenditure after June 30, 2009, by New Venture or to any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 18 , 2009 by New Venture or any entity to which money was subsequently granted or transferred, and must be reverted to the State of Nevada General Fund on or before September 18, 2009.

4. INDEMNITY. New Venture agrees and acknowledges that the City is the pass through agent for the disbursement of funds. As such, New Venture agrees to indemnify and hold the City, its officers and employees, harmless from any claim, suit, objection, or action filed or submitted resulting from the actions or inactions of New Venture, negligent or otherwise, in administering the funds pursuant to the requirements of AB 629.

5. SUCCESSORS/ASSIGNMENT. This Memorandum of Understanding shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Except as otherwise permitted herein, no assignment of this Memorandum of Understanding or any right or obligation hereunder by any party hereto shall be valid unless the other party hereto consents to such assignment in writing.

6. NOTICES. All notices, demands, instructions and other communications required or permitted to be given to or made upon any party hereto shall be in writing and shall be personally delivered or sent by registered or certified mail, postage prepaid, addressed as follows:

If to the City: City of Las Vegas
400 Stewart Avenue, 6th Floor
Las Vegas, Nevada 89101
Attn: Patty Braganza, Finance Department

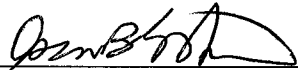
If to New Ventures: New Ventures Capital Development Company
626 S. Ninth Street
Las Vegas, Nevada 89101

7. SEVERABILITY. If any provision of this Memorandum of Understanding is deemed to be invalid or unenforceable, such invalidity or unenforceability shall not affect the remaining provisions hereof that can be given effect without the invalid or unenforceable provision and the parties agree to replace such

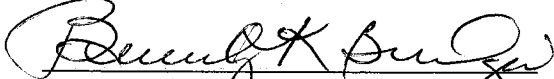
invalid or unenforceable provision with a valid provision which has, as nearly as possible, the same effect.

IN WITNESS WHEREOF, the City and New Ventures have caused this Memorandum of Understanding to be executed as of the day and year first mentioned above.


CITY OF LAS VEGAS

By: 
Oscar B. Goodman, Mayor

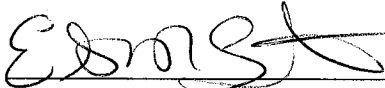
ATTEST:


Beverly K. Bridges, CMC, City Clerk

APPROVED AS TO FORM:

 10/10/07
Draft

NEW VENTURES CAPITAL
DEVELOPMENT COMPANY

By: 
Its: President