



## **Corn growers launch new way to invest in green energy**

**By Sara Wyant**

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Anaheim, CA. March 6. The National Corn Growers Association (NCGA) teamed up with investment advisor Miles Capital to launch a unique investment fund designed to attract investment in renewable energy projects and agribusinesses. The Green Energy & Growth Fund received tentative approval from the Security and Exchange Commission (SEC) and expects to be listed as GRE on the New York Stock Exchange later this month. They hope to sell initially at \$15 per share, raising \$100 million. The minimum investment is \$1,500.

The fund was created to provide NCGA members, state corn growers association members and the public an opportunity to invest in a diversified portfolio of debt, and to a limited extent equity, securities of green energy sector companies and agribusinesses that have been selected by a professional manager, according to documents filed with the Securities and Exchange Commission. The investment manager is Miles Capital, based in West Des Moines, Iowa. Miles Capital currently manages over \$3.7 billion in capital and is celebrating its 28<sup>th</sup> year in business.

The fund-structured as a business development company, will invest at least 80% of its assets in debt, and to a lesser extent, equity securities of privately-held companies and public micro-cap companies in the green energy sector that have annual revenues between \$25-250 million, according to a filing with the Securities and Exchange Commission. To a lesser extent, the fund may invest in the securities of publicly traded companies in the green energy sector and agribusinesses with market capitalizations of up to \$250 million.

Among the reasons to invest listed in the draft investor presentation posted on the SEC's Web site are the long-term growth prospects of the green energy sector, favorable regulatory and government environments, and limited capital available to micro-cap green energy sector companies. Although NCGA has been a big proponent of ethanol and biofuels in general, the fund plans to make investments across the green energy sector, including wind, solar, geothermal, hydro, landfill gas, and waste-to-energy companies. In addition, it will consider investments in agribusinesses that provide industrial and agricultural feedstock technologies and equipment.

The Green Energy & Growth Fund will charge a 1.5% management fee plus an incentive fee structure of 20% of all returns in excess of an 8% per annum hurdle rate, according to the draft presentation. Miles Capital's Green Energy Team, comprised of President and CEO David Miles, portfolio managers Thomas Myers and Allen Goody, and senior fixed-income analyst David Albright, will manage the fund. Stifel, Nicolaus & Co. is the underwriter.

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