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February 1, 2016

Chairman KleeB
Kansas State Capitol, Room 185-N
300 SW 10th St
Topeka, KS 66612

Dear Chairman KleeB:

Thank you for your work thus far in the legislative session. My name is Tammie Wahaus and I am CEO of Elias Animal Health, a company that was awarded Angel Investment Tax Credits in 2014 and 2015. I wanted to take the time to weigh in on an issue of great importance to entrepreneurs in the State of Kansas, the extension of the Angel Investment Tax Credit. It is critically important that you support the passage of H.B. 2405.

Today, high-growth companies are creating a dynamic innovation economy, creating jobs and tax revenue that will impact our state for years to come. One of the necessities of building a high-growth company is that, at some point, most companies need to raise capital to keep their business growing at a fast pace. This is a process that isn't easy in Kansas—and it shouldn't be. Investors do their best to pick the most promising companies, and companies are constantly seeking to raise money from in- and out-of-state investors. The forces of the free market ultimately determine who does and doesn't get funding.

However, when Kansas companies compete not just locally but nationally for funding, we have to overcome the fact that in Kansas we have limited resources to aid in our development when compared with companies in Silicon Valley, Boston or Austin. In this equation, to make investing in Kansas companies more attractive, our ability to "sweeten the deal" with angel tax credits is an invaluable tool to make sure investors have an incentive to invest in local companies.

In my personal experience, investors indicated that the angel tax credits were a prerequisite to meeting their investment hurdle. The angel tax credits that were awarded to my company enabled us to attract investors across nine states, including Alabama, Colorado, Florida, Kansas, Indiana, Michigan, North Carolina, Missouri, and Tennessee. In addition, we were able to increase the amount of capital raised from the initial goal of \$700,000 to \$2 million. This level of funding is critical to move our clinical studies forward in collaboration with the veterinary medical schools in this region (Kansas State and Missouri), as well as the University of Kansas Medical School. Together with the qualified researchers in this region, our talented employees and associates, our supportive investors, and the continued support provided by the angel tax credits, we have the opportunity to bring a much needed cancer treatment to market.

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I urge you to vote in favor of H.B. 2405, extend the Angel Investment Tax Credit, and in doing so, help entrepreneurs like me create jobs for years to come. The future of our state depends on it.

Thank you,

A handwritten signature in black ink, appearing to read 'Tammie Wahaus', written in a cursive style.

Tammie Wahaus, Chief Executive Officer
ELIAS Animal Health
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