

ORIGINAL

RESOLUTION NO. 2009-001

RESOLUTION APPROVING DEDUCTION FROM ASSESSED VALUE
OF NEW MANUFACTURING EQUIPMENT IN AN ALREADY DECLARED
ECONOMIC REVITALIZATION AREA
(Kendon Corporation)

WHEREAS, the Indiana General Assembly has enacted a statute, I.C. 6-1.1-12.1 (the "Act"), authorizing certain deductions from the assessed value of new manufacturing equipment (as defined in the Act) for purposes of taxation of such equipment if installed during the period beginning March 1, 1983 and ending December 31, 2011, or such other date as extended by Indiana Code, in an area that is declared an economic revitalization area; and

WHEREAS, Kendon Corporation will install new manufacturing equipment at its plant located at 3904 South Hoyt Avenue, Muncie, Indiana, 47302 during the above-described period; and

WHEREAS, by previously adopted resolutions, the Delaware County Council declared and affirmed that the area commonly described as 3904 South Hoyt Avenue which is identified on the attached map and legal description (the "Area"), is an economic revitalization area, and authorizes deductions from assessed value of new manufacturing equipment, installed in the area for purposes of taxation; and


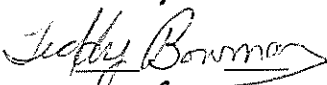
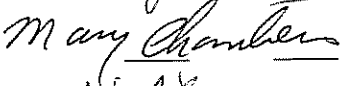

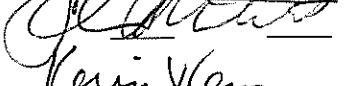
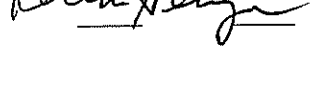
WHEREAS, as a condition of approval of the ensuing abatement, Kendon Corporation agrees to update the County Council on a semi-annual basis with regard to the status of employment at the facility during the term of the life of the abatement.

NOW, THEREFORE, BE IT RESOLVED by the County Council of the County of Delaware in the State of Indiana:


1. The Delaware County Council finds and determines that the new manufacturing equipment to be installed in the above referenced area by Kendon Corporation shall be allowed a deduction for five (5) years from the assessed value of such equipment, in accordance with the provisions of I.C. 6-1.1-12.1-4.5.

2. The Delaware County Auditor shall take such further actions as may be required to carry out the purposes of this Resolution and to insure the eligibility of the new manufacturing equipment for the deduction hereinabove described.

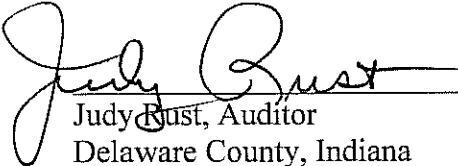
3. This Resolution shall be in full force and effect from and after its passage by the Delaware County Council and such publications as may be required by law.

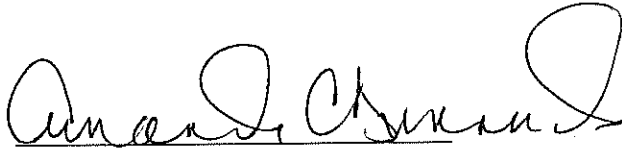
	Yeas	Nays	Abstained	Absent
Brad Bookout			—	—
Ted Bowman			—	—
Mary Chambers			—	—
James King			—	—
Chris Matchett			—	—
Kevin Nemyer			—	—
Ron Quakenbush	—	—	—	—

Passed by the County Council of Delaware County, Indiana this 27 day of January 2009.


 Chris Matchett, President County Council
 Delaware County, Indiana

ATTEST:


 Judy Rust, Auditor
 Delaware County, Indiana

This Resolution is approved in form by 
 Amanda Dunnuck
 Legal Counsel

APPLICATION FOR TAX ABATEMENT
New Manufacturing Equipment

This completed application, including a map identifying the general location of the facility, should be signed by the owner (or representative) of the new manufacturing equipment and submitted to:

Delaware County Council
c/o Bruce Baldwin, Vision 2011
P.O. Box 842
Muncie, IN 47308-0842
PH: 765.751.9104
Please type or print.

Date: 1/12/09 Name of Company: Kendon Corporation

Address of Property: 3904 S. Hoyt Avenue

Township: Center

Is legal description attached? Yes No

Property Owner (s): Bridgestone Bandag LLC

Owner's Representative:

Name Klaus Sternath Telephone 563-262-1400

Address 2905 N. HWY. 61 Muscatine, IA 52761

Is property / facility served by adequate utilities?

Yes No

Are present utilities adequate for new equipment?

Yes No

If not, please explain:

Briefly describe the use of the new equipment and its purchase price: This computer controlled machining center will be used to produce precision cast iron, steel, and aluminum industrial parts. The cost to purchase and install this machining center is approximately \$210, 000.

Tax Assessment and Payment:

Amount of last business personal property assessment: \$ 798,140.00

Amount of last business personal property taxes: \$ 25,306.92

(Please attached a copy of your latest paid tax receipts to this form)

APPLICATION FOR NEW MANUFACTURING EQUIPMENT TAX ABATEMENT - PAGE 2

Total number of employees currently working for the company: 27

Number of Minorities: 3; Number of Females: 2; Number of Handicapped: 0

What percentage of employees are Delaware County Residents? 67%

Number of new employees to be added as a result of abatement : 0 Actual (+-) jobs 0

Fringe Benefits: Health Insurance (Y or N) Y; % paid by employer: 60; % paid by employee: 40

Pension: (Y or N) N; % paid by employer: _____; % paid by employee: _____

Wage Package: Starting Wage: \$ 16.00; High Wage: \$ 23.18; Average Wage: \$ 18.53

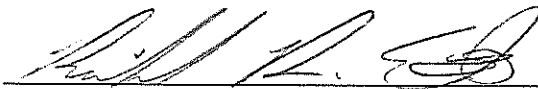
Job skill of new employees / entry level skill:

- High school education.
- 3-5 years in a manufacturing environment.
- Prior CNC programming experience.
- Capable of reading blueprints for the products produced.
- Capable of reading the production schedule.
- Ability to learn new skills and apply them to increase efficiency and reduce production cycle time.
- Ability to work in a self directed team environment.
- Willing to contribute production and teaming skills wherever they are needed in the production process.
- Willing to follow work instructions and the quality plan.

Current average expected wage for jobs resulting from abatement (range): \$ 20.46

Number of jobs retained as a result of this project: 2

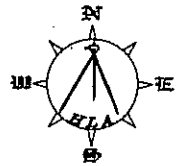
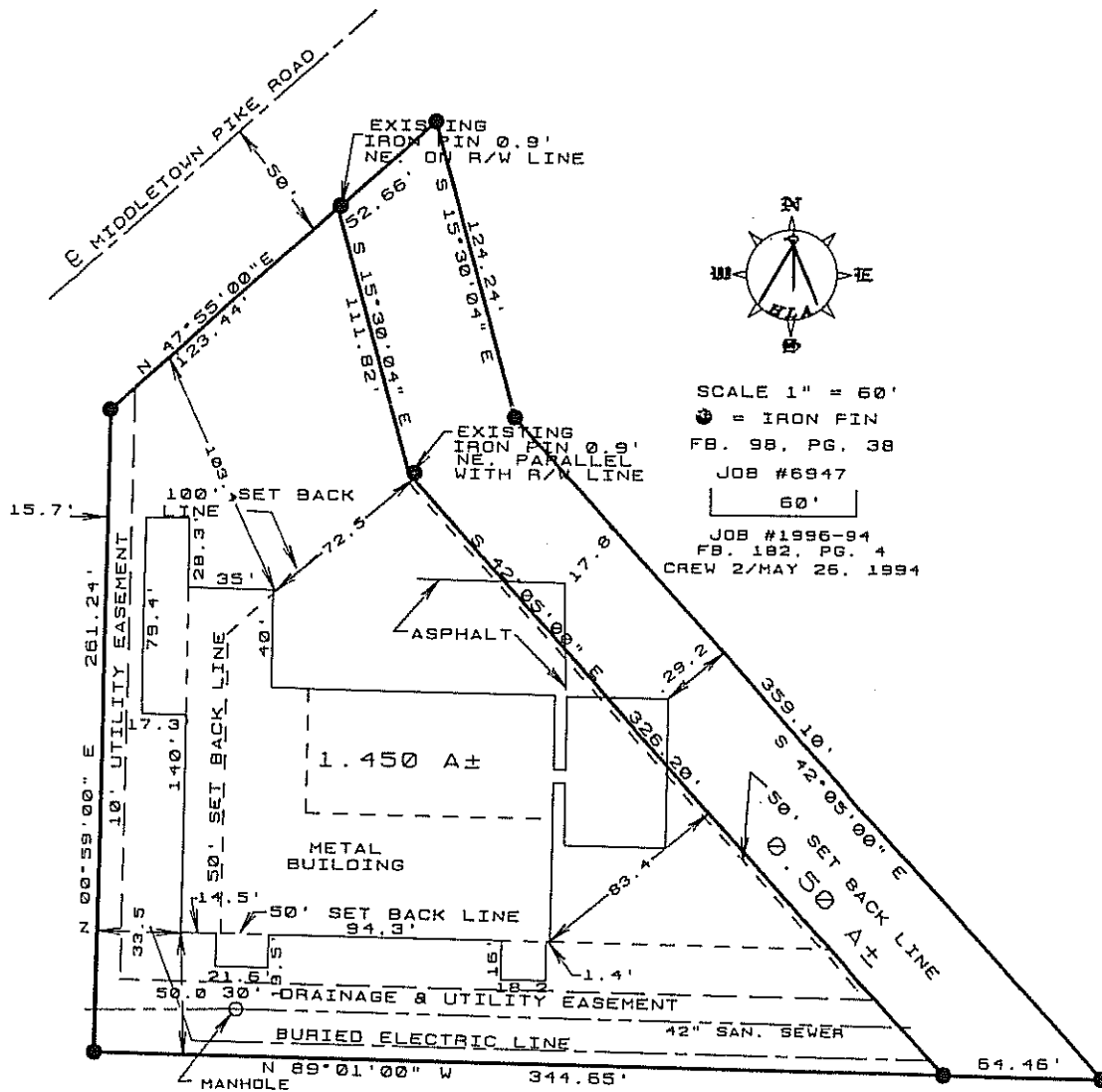
I hereby certify that the information and representations on this application are true and complete.

 TECHNICAL SUPPORT MANAGER 1/12/09
 Name Title Date

NOTICE: Your signature above indicates that you are aware that you must annually file both form *CF-1 (Compliance with Statement of Benefits)*, and *Form 322 ERA/PP (Application for Deduction from Assessed Valuation)* by the dates indicated on the forms in order to actually receive your tax deduction.

The amount of the deduction equals the product of the taxes on the newly installed manufacturing equipment multiplied by the following percentages:

1 st year	100%
2 nd year	95%
3 rd year	80%



SCALE 1" = 60'
 ● = IRON FIN
 FB. 98, PG. 38
 JOB #6947
 60'
 JOB #1986-94
 FB. 182, PG. 4
 CREW 2/MAY 26, 1994

A survey of a part of Lot 13 in Industria Centre Replat, the plat of which is recorded in Plat Book 13, pages 88-89, in the office of the Recorder of Delaware County, Indiana, being more particularly described as follows:

EQUAL EMPLOYMENT OPPORTUNITY STATEMENT

The undersigned company agrees to comply with Executive Orders 11246 and 11478, and the rules, regulations and relevant orders of the Secretary of Labor. No segregated facilities will be maintained on said company's premises as required by Title VI of Civil Rights Act of 1964. Furthermore, the undersigned company attests to and agrees to the following policies regarding equal employment opportunity and affirmative action.

There will be no discrimination against any employee or applicant for employment because of race, religion, color, age sex, handicap, or national origin.

Affirmative action will be taken to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, age, sex, handicap, or national origin.

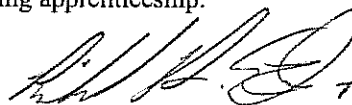
All qualified applicants will receive consideration for employment without regard to race, religion, color, age, sex, handicap, or national origin.

There will be no discrimination against any employee or applicant for employment because he or she is a disabled veteran or a veteran of the Vietnam Era in regard to any position for which the employee or applicant for employment is qualified.

Affirmative action will be taken to treat qualified disabled veterans and veterans of the Vietnam Era without discrimination based upon their disability or veteran status.

The company further agrees to post in conspicuous places, available to both employees and applicants for employment, notices to be provided setting forth the provisions of these nondiscriminating clauses and policies.

The previous policies will be adhered to in such employment practices as hiring, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.


Name/Title

HENDON CORPORATION
Company Name

1/12/09
Date



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (R / 1-06)
Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

PRIVACY NOTICE

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

INSTRUCTIONS:

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, **BEFORE** a deduction may be approved
3. To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001. For equipment installed prior to March 2, 2001, the schedules and statutes in effect at the time shall continue to apply. (IC 6-1.1-12.1-4.5(f) and (g))

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer <i>KENDON CORPORATION</i>	
Address of taxpayer (number and street, city, state, and ZIP code) <i>3904 S. HOYT AVENUE</i>	
Name of contact person <i>DICK ELIAS</i>	Telephone number <i>715-282-1515</i>

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body <i>DELAWARE COUNTY COUNCIL</i>		Resolution number (s)		
Location of property <i>3904 S. HOYT AVENUE</i>		County <i>DELAWARE</i>		
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (use additional sheets if necessary) <i>THIS CNC MACHINING CENTER WILL BE USED TO PRODUCE PRECISION CAST IRON, STEEL, AND ALUMINUM INDUSTRIAL PARTS.</i>		ESTIMATED		
		START DATE	COMPLETION DATE	
		Manufacturing Equipment	<i>12/26/08</i>	<i>2/20/09</i>
		R & D Equipment		
		Logist Dist Equipment		
IT Equipment				

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
<i>27</i>	<i>969,249.00</i>	<i>27</i>	<i>969,249.00</i>	<i>0</i>	<i>-</i>

SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Current values	<i>850,000</i>							
Plus estimated values of proposed project	<i>210,000</i>							
Less values of any property being replaced								
Net estimated values upon completion of project								

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted (pounds) <i>0</i>	Estimated hazardous waste converted (pounds) <i>0</i>
Other benefits:	

SECTION 6 TAXPAYER CERTIFICATION

I hereby certify that the representations in this statement are true.

Signature of authorized representative <i>[Signature]</i>	Title <i>TECHNICAL SUPPORT MANAGER</i>	Date signed (month, day, year) <i>1/12/09</i>
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FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____.

- B. The type of deduction that is allowed in the designated area is limited to:
- | | | |
|--|------------------------------|-----------------------------|
| 1. Installation of new manufacturing equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____.

D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____.

F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____.

G. Other limitations or conditions (specify) _____

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction on or after July 1, 2000, is allowed for:

- | | |
|-------------------------------------|--------------------------------------|
| <input type="checkbox"/> 1 year | <input type="checkbox"/> 6 years |
| <input type="checkbox"/> 2 years | <input type="checkbox"/> 7 years |
| <input type="checkbox"/> 3 years | <input type="checkbox"/> 8 years |
| <input type="checkbox"/> 4 years | <input type="checkbox"/> 9 years |
| <input type="checkbox"/> 5 years ** | <input type="checkbox"/> 10 years ** |

** For ERA's established prior to July 1, 2000, only a 5 or 10 year schedule may be deducted.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member) <i>[Signature]</i> , Council Pres	Telephone number	Date signed (month, day, year) 1/27/09
Attested by: <i>[Signature]</i> , Auditor	Designated body Delaware Co Council	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5

Delaware County Personal Property Tax
Statement For Year of 2007 Payable 2008
SPRING Installment Taxpayer's Copy

Dupl: 20200058 Parcel: 0214402103000

Legal:

*mail
 Rec'd 1/1/08
 RM*

KENDON CORPORATION
 2905 N. HWY 61
 MUSCATINE IA 52761



FOR TREASURERS USE ONLY	Tax Unit 2 CENTER SAN Loan Code	Tax Rate 3.558000
	This Statement is based on the 03-01-2007 Assessed Valuation	\$ 14,198.91 1/2 Year Gross Tax \$ 1,545.45 Replacement Credit \$ 12,653.46 Net This Installment
	Value	798140
	Exemptions	<i>A39.31</i>
		\$0.00 Total Paid To Date
	NET VALUATION 798140	\$ 12,653.46 AMOUNT TO PAY Due on Nov 10, 2008

Approved By State Board Of Accounts For Delaware County, 2002

Payments by mail must be postmarked no later than the "Delinquent after" date and addressed to the Delaware County Treasurer, 100 W. Main Street, Muncie, Indiana 47305. For your convenience most county banks and credit unions have agreed to accept property tax payments. Return both 'Spring' copies when paying first installment and both 'Fall' copies when paying second installment. Make all checks and money orders payable to "Delaware County Treasurer". Questions concerning your tax statements should be directed to the Delaware County Treasurer. Failure to receive tax statement by mail does not relieve taxpayer of his responsibility for payment and penalties when delinquent. Tax statements for both installments are enclosed. No separate statement will be sent in advance of the due date of the second installment. Notify the County Auditor of any changes that would effect the status of your exemptions. If receipt desired...please send stamped self-addressed envelope. If total tax liability is less than \$25.00 the total amount is due by date of first installment, Public Law 61, Acts of 1991. "...a property tax liability of less than five dollars (\$5) is increased to (\$5). The difference between the actual liability and the five dollar (\$5) amount that appears on the statement is a statement processing charge. The statement processing charge is considered a part of the tax liability." PENALTY CALCULATION: A Penalty will added to the unpaid portion of the amount due for each installment. The penalty will be in the amount of 5% of the unpaid tax. IF the installment is completely paid on or before thirty (30) days after the due date AND you are not liable for delinquent property taxes first due and payable in a previous year for the same parcel. Otherwise, the penalty will be in the amount of 10% of the unpaid tax.

Delaware County Treasurer

Delaware County Personal Property Tax
Statement For Year of 2007 Payable in 2008
FALL Installment Treasurer's Copy

Dupl: 20200058 Parcel: 0214402103000

Legal:

KENDON CORPORATION
 2905 N. HWY 61
 MUSCATINE IA 52761



FOR TREASURERS USE ONLY	Tax Unit 2 CENTER SAN Loan Code	Tax Rate 3.558000
	This Statement is based on the 03-01-2007 Assessed Valuation	\$ 14,198.91 1/2 Year Gross Tax \$ 1,545.45 Replacement Credit \$ 12,653.46 Net This Installment
	Value	798140
	Exemptions	
		\$ 12,653.46 AMOUNT TO PAY
	NET VALUATION 798140	Due on Jan 12, 2009

Approved By State Board Of Accounts For Delaware County, 2002

Delaware County Personal Property Tax
Statement For Year of 2007 Payable in 2008
FALL Installment Taxpayer's Copy

Dupl: 20200058 Parcel: 0214402103000

Legal:

KENDON CORPORATION
 2905 N. HWY 61
 MUSCATINE IA 52761



FOR TREASURERS USE ONLY	Tax Unit 2 CENTER SAN Loan Code	Tax Rate 3.558000
	This Statement is based on the 03-01-2007 Assessed Valuation	\$ 14,198.91 1/2 Year Gross Tax \$ 1,545.45 Replacement Credit \$ 12,653.46 Net This Installment
	Value	798140
	Exemptions	
		\$ 12,653.46 AMOUNT TO PAY
	NET VALUATION 798140	Due on Jan 12, 2009

Approved By State Board Of Accounts For Delaware County, 2002

QUIETUS
OFFICE OF DELAWARE COUNTY AUDITOR
MUNCIE, INDIANA

No

QU00595647

DATE 01/13/09

I HEREBY CERTIFY THAT: KENDON CORPORATION
HAS FILED IN MY OFFICE THE RECEIPT OF THE TREASURER OF DELAWARE COUNTY, INDIANA
IN THE SUM OF 150.00

METHOD OF PAYMENT: CHECK JUDY RUST CLANGENK
AUDITOR OF DELAWARE CO, INDIANA

QUIETUS NO. QU00595647 GENERAL LEDGER ACCOUNTS

ACCOUNT	DESCRIPTION	AMOUNT
100-000-4-06500-000	ABEMENT	150.00

ABEMENT



KENDON CORPORATION
PH. 765-282-1515
3904 S HOYT AVENUE
P.O. BOX 2343
MUNCIE, INDIANA 47307-0343

FIRST MERCHANTS BANK
71-65-749

335588

PAY:

One hundred fifty and 00/100

DATE *1/12/09*

AMOUNT *\$150.00*

TO THE
ORDER
OF

Delaware County Treasurer

[Signature]

⑈ 335588 ⑈ ⑆074900657⑆000133777⑈

Details on back
Security Features Included.