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RESOLUTION NO. 2019.004

RESOLUTION APPROVING DEDUCTION FROM ASSESSED VALUE OF PERSONAL PROPERTY (NEW MANUFACTURING EQUIPMENT) IN AN ALREADY DECLARED ECONOMIC REVITALIZATION AREA.

(Indiana Ticket Company, Inc.)

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, (2019), or such other date as extended by Indiana Code, in an area that is declared an economic revitalization area; and

WHEREAS, **Indiana Ticket Company, Inc.**, will install or has installed new manufacturing equipment at its facility located at **9610 N. State Road 67, Muncie, Indiana 47303** during the above described period; and

WHEREAS, by previously adopted resolution, the **Delaware County Council** (Council) has declared and affirmed that the area commonly described as **9601 N. State Road 67, Muncie, Indiana 47303**, which is identified on the attached map (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, **Indiana Ticket Company, Inc.**, agrees to, upon request, update the Council with regard to the status of the abatement, equipment and employment at the facility during the term of the life of the abatement.

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

1. The Council finds and determines that the new manufacturing equipment to be installed in the above referenced area shall be allowed a deduction of **eight (8)** years (note attached schedule) from the assessed value of such equipment, in accordance with the provisions of I.C. 6-1.1-12.1-4.5.
2. The **County Auditor** shall take such further actions as may be required to carry out the purposes of this resolution and to process and ensure the eligibility of the new manufacturing equipment for the deduction described herein.
3. This Resolution shall be in full force and effect from and after its passage by the Council and after advertised in such publications as may be required by law.


(Scott Alexander)

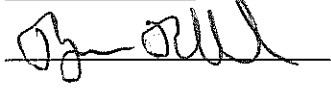
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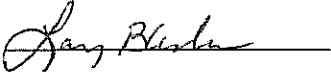
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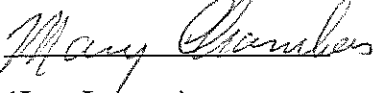
(Ryan Ballard)



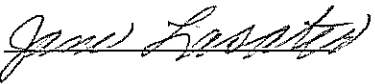
(Larry Bledsoe)



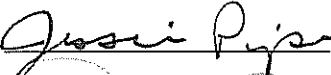
(Mary Chambers)



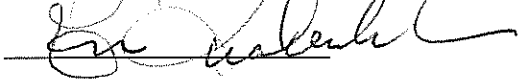
(Jane Lasater)



(Jessica Piper)



(Ron Quakenbush)

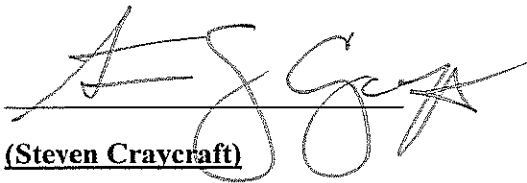


Passed by the Council of **(Delaware County)**, Indiana this _____ day of _____ **(2019)**.

(Ron Quakenbush)

Council President

ATTEST:



(Steven Craycraft)

Auditor



APPLICATION FOR TAX ABATEMENT
New Manufacturing Equipment
(Personal Property)

Date: 08/29/2018 Name of Company: Indiana Ticket Company, Inc.

Address of property where equipment will be located:

9610 N. State Road 67, Muncie, IN 47303

Is the property within the corporate limits of a City or Town? Yes No

Name of City or Town: Muncie Township: Hamilton

Is a legal description attached? Yes No

Property Owner(s): S-Corporation

Name: Indiana Ticket Company, Inc.

Name: Click or tap here to enter text.

Address: 9610 N St Rd 28, Muncie, IN 47303

Address: Click or tap here to enter text.

Phone: 765-288-8301

Phone: Click or tap here to enter text.

Email: david@muncienovelty.com

Email: Click or tap here to enter text.

Are utilities at the property adequate to accommodate the equipment? Yes No If not, please explain: Click or tap here to enter text.

Briefly describe the new equipment to be purchased:

Xerox Iridesse 120 Digital Production Press w/options
CTC/Quantum Servo 4-Spindle Turret Rewinder
Sigma Horizontal Flow Wrapper
Polar 66E Paper Cutter

Briefly describe the indented use of the new equipment:

Equipment is needed to expand production and volume to meet customer needs.

What is the Purchase Price of the Equipment? \$511,559.25 (Attach Quote)

Where is the new equipment being brought from? (Please check one)

Out of the County Out of the State

What is the amount of your last real estate property tax assessment?

Under Muncie Novelty Company, Inc.

What is the amount of your last personal property tax assessment?

\$1,636,798

Are the business and company owners above current on ALL tax liabilities? Yes No If not, please explain: Click or tap here to enter text.

Are there any judgments, liens or pending litigation against the business and company owners?

Yes No If yes, please explain: Click or tap here to enter text.

How many years has the company been in business? 47 years

Is the company headquarters located in Delaware County? Yes No If not, where are they located? Click or tap here to enter text.

What is the total number of employees currently working for the company in County?

48

Number of minorities: 0

Number of Females: 18

Number with disabilities: 0

What percentage of employees are Delaware County residents?

74.%

What is the number of new employees to be added as a result of this abatement?

1

What is the number of new employees anticipated to be hired in the next twelve months?

1

How many employees are anticipated to be retained as a result of this abatement?

48

Wages and Benefits:

What is the starting hourly wage? \$10.50

High Wage \$21.25



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (R2 / 12-11)

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 or with the county assessor if there is no township assessor for the township. 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, unless an alternative deduction schedule is adopted by the designating body (IC 6-1.1-12.1-17).

SECTION 1 TAXPAYER INFORMATION

Name of taxpayer Indiana Ticket Company, Inc.	
Address of taxpayer (number and street, city, state, and ZIP code) P. O. Box 823, Muncie, IN 47308	
Name of contact person David Broyles	Telephone number 765-288-8301

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body		Resolution number (s)	
Location of property 9610 N. State Road 67, Muncie, IN 47303	County Delaware	DLGF taxing district number 004	
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) Xerox Iridesse 120 Digital Production Press w/options CTC/Quantum Servo 4-Spindle Turret Rewinder Sigma Horizontal Flow Wrapper Polar 66E Paper Cutter	ESTIMATED		
		START DATE	COMPLETION DATE
	Manufacturing Equipment	10/01/2017	02/01/2019
	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
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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	5,455,994	1,636,798						
Plus estimated values of proposed project	511,559	153,467						
Less values of any property being replaced								
Net estimated values upon completion of project	5,967,553	1,790,265						

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted (pounds) _____	Estimated hazardous waste converted (pounds) _____
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Other benefits:

SECTION 6 TAXPAYER CERTIFICATION

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

Signature of authorized representative David Broyles	Title President	Date signed (month, day, year) 08/29/2018
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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; Yes No
 - 2. Installation of new research and development equipment; Yes No
 - 3. Installation of new logistical distribution equipment. Yes No
 - 4. Installation of new information technology equipment; Yes 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:

- 1 year 6 years ** For ERA's established prior to July 1, 2000, only a
- 2 years 7 years 5 or 10 year schedule may be deducted.
- 3 years 8 years
- 4 years 9 years
- 5 years ** 10 years **

I. Did the designating body adopt an alternative deduction schedule per IC 6-1.1-12.1-17? Yes No
If yes, attach a copy of the alternative deduction schedule to this form.

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)	Telephone number ()	Date signed (month, day, year)
Attested by:	Designated body	

* 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, IN

Map Search More

Map interface showing a grid of parcel boundaries. The map is overlaid with a grid of white lines. Several parcels are highlighted with white outlines. The map is titled "Delaware County, IN". The interface includes a search bar, a "Map" button, and a "More" dropdown menu. The map is powered by Esri. A scale bar indicates 400 feet. The coordinates 425969.02, 1831536.37 are displayed at the bottom right.

400 ft

POWERED BY esri

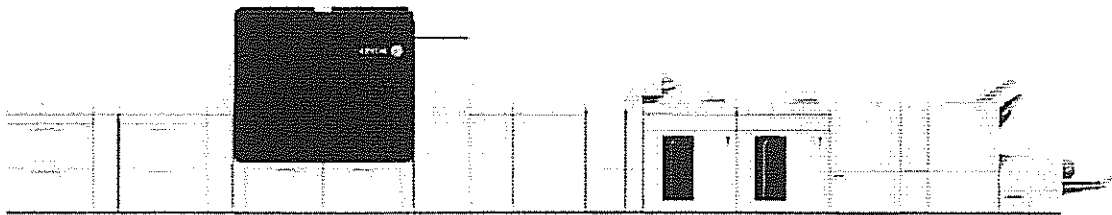
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FUJIFILM

August 27, 2018

Proposal Prepared For
Indiana Ticket Company, Inc.



*Images may reflect optional items not contained in this proposal

**Fujifilm / Xerox Iridesse 120 Digital Press
w/Gold, Silver, Clear + Future Accessory**



Fujifilm / Xerox Iridesse 120 Digital Press w/Gold, Silver, Clear +
Future Accessory

Customer Bill To:

INDIANA TICKET COMPANY, INC.
9610 N STATE ROAD 67
MUNCIE, IN 47303-9123

FUJIFILM Contact Info:

Digital Print Specialist Tony Soda
+1 5153145395
tsoda@fujifilm.com

Customer Ship To:

INDIANA TICKET COMPANY, INC.
9610 N STATE ROAD 67
MUNCIE, IN 47303-9123

Account Manager Roger Schwarzkopf
(630) 259-7901
rschwarzkopf@fujifilm.com

Proposed Equipment:

Digital Color Presses - Production Series

1 Xerox Iridesse Production Press

Includes:

- Two Tray High Capacity Feeder
- Supplies Parts Cabinet
- Step Stool
- Full Width Array
- Hi Resolution 22" Monitor
- Interface Decurler Module
- TAA Compliant

1 Xerox Iridesse Oversize High Capacity Feeder (dual Tray)

1 Xerox Iridesse 5th Color Housing Kit

1 Xerox Iridesse Clear Specialty Dry Ink Kit

1 Xerox Iridesse 6th Color Housing Kit

1 Xerox Iridesse Gold Specialty Dry Ink Kit

1 Xerox Iridesse Silver Specialty Dry Ink Kit

2 Cart For Specialty Dry Ink

1 Xerox EXP-6 Print Server Powered By Fiery

Includes:

- Fiery impose & compose
- Furniture/FACI

Digital Color Presses - Production Series - Continued

- Color profiler
- Spectrophotometer
- Graphic arts premium edition

1 Xerox Iridesse Specialty Dry Ink 5th Color License

Specialty dry ink 5th color license:

- License activation code
- Video cable - clear, gold, silver & white

1 Xerox Iridesse 6th Housing Color Kit License

6th housing color kit
(License activation code)

1 Xerox Iridesse Inserter Module

This optional unit can be used to insert sheets into jobs to be finished without having to go through the print engine (e.g., pre-printed covers, etc.). The Inserter can be added to these finishing devices:

- Production Ready Finisher
- Production Ready Booklet Maker Finisher
- Production Ready Finisher Plus
- High Capacity Stacker

1 Iridesse High Capacity Stacker

Features:

- 5,000 sheet stack tray
- 500 sheet top tray
- One paper dolly/cart included

1 Iridesse High Capacity Stacker - Second In Line

SECONDARY FINISHING UNIT

Features:

- 5,000 sheet stack tray
- 500 sheet top tray
- One paper dolly/cart included

1 Xerox X700 And Xc800/1000 & Iridesse Spare Dolly Cart For High Capacity Stacker

Maximum quantity of 3 supported

1 Xerox Analyst Services and Customer Education for Xerox Iridesse



Digital Color Presses - Production Series - Continued

Features:

- Xerox Analyst Services and Customer Education for Iridesse with EXP 6 Print Server Powered by Fiery®

Requires:

- Completed Fujifilm/Xerox Professional Services Expectation Document (PSED).
- Xerox® Iridesse Press
- EXP 6 Print Server Powered by Fiery®

- 1 **Xerox Financial Services Lease discount valid with an approved Xerox Financial Services Lease**

Digital Color Presses - Production Series Subtotal **\$269,088**

Miscellaneous

- 1 **This credit (not to exceed \$10,500) may be utilized for your acquisition of additional equipment, move services, accessories, software, training and/or analyst services for the Iridesse 120 Xerox through Fujifilm North America**
- 1 **Added Discount to cover the move cost of the Xerox XC1000 Color Press (Not to exceed \$6,000)**
- 1 **Xerox ColorPress BookletMaker amount to be used for a future purchase. (Not to exceed \$6,000)**
- 1 **The future purchase credit amounts will need to be used by March 31,2019 or a refund check will be issued for the remaining balance of the credit.**

Miscellaneous Subtotal **\$0**

Grand Total **\$269,088**



Acceptance

The Pricing on this proposal will be valid for thirty days from the date printed on this proposal. All specifications are believed to be accurate, but are subject to change without notice.

This equipment proposal shall serve as the basis for a formal, written Equipment Purchase Agreement to be negotiated between you and Fujifilm, and is subject to and conditional upon the mutual execution of such a written Equipment Purchase Agreement. Fujifilm will promptly forward to you a form of Equipment Purchase Agreement for your review. In the event that you or Fujifilm fail to execute a mutually acceptable, formal written Equipment Purchase Agreement within thirty (30) days from the date hereof, this equipment proposal shall be automatically null and void, non-binding and of no force and effect, and any deposits made by you will be promptly refunded.

NOTE: Freight charges, sales taxes (if applicable), and installation costs, unless included in the proposal, will be determined at the time of delivery, and shall be paid by Purchaser to FNAC within 30 days after installation of the Equipment.

Payment Terms

Indiana Ticket Company, Inc.	FUJIFILM North America Corporation
By: _____	By: _____
Title: _____	Title: _____
Date: _____	Date: _____



Equipment Purchase Agreement and Security Agreement

Bill To:

Company: Indiana Ticket Company, Inc.
 Address: 9610 N STATE ROAD 67
 MUNCIE IN,47303-9123

Ship to:

Company: Indiana Ticket Company, Inc.
 Address: 9610 N STATE ROAD 67
 MUNCIE IN, 47303-9123

Purchaser agrees to purchase, and FUJIFILM North America Corporation ("FNAC") agrees to sell and deliver, the equipment described below (the "Equipment") in accordance with the prices, terms and conditions set forth herein. This Equipment Purchase Agreement and Security Agreement (this "Agreement") is subject to the attached general terms and conditions, including those disclaiming warranties.

(i) Down payment of 10% upon signing this Agreement, 80% is due prior to shipping Equipment and the remaining balance of 10% is due upon installation and acceptance of the Equipment or (ii) pursuant to third party financing under a "purchase order" received by FNAC in such form, and from a leasing company, reasonably approved by and acceptable to FNAC, with the entire Purchase Price being paid no later than the date of acceptance of the Equipment by Purchaser.

FNAC will install the Equipment; the estimated delivery date will be confirmed upon FNAC's receipt of this signed Agreement from Purchaser and either (i) the down payment or (ii) a purchase order from an approved leasing company.

Applicable freight charges, sales taxes, installation costs and other costs (if any), unless set forth below, will be determined at the time of delivery, and shall be paid by Purchaser to FNAC within 30 days after installation of the Equipment.

Equipment Detail Breakout shown on Addendum	Price
Digital Color Presses - Production Series	\$269,088
Miscellaneous	\$0
Discount	\$0
Purchase Price	\$269,088
Freight Charges & Installation, if applicable	TBD
Sales Tax, if applicable	TBD

Indiana Ticket Company, Inc.	FUJIFILM North America Corporation
By: _____	By: _____
Title: _____	Title: _____
Date: _____	Date: _____

FUJIFILM

General Terms and Conditions

ACCEPTANCE. FNAC's signature shall be void if this Agreement is not signed by Purchaser within thirty (30) days of FNAC's signature. FNAC may void this Agreement at any time prior to shipment of the Equipment.

2. PAYMENTS AND TAXES. Purchaser agrees to pay all amounts payable to FNAC when due, time being of the essence, including, without limitation, any such amounts payable as provided for herein, and shall pay (a) for all taxes, insurance, freight, cartage, warehousing and (b) upon default, for reasonable attorney fees in enforcing Purchaser's obligations or preserving FNAC's rights and in taking possession, preserving or disposing of any of the Equipment. Except for FNAC's income taxes, Purchaser shall pay all taxes, whether presently or hereafter applicable, assessed or arising out of this transaction, whether in the nature of a property, excise, sales or use tax imposed upon the Purchaser, FNAC or the Equipment.

3. ACCEPTANCE OF EQUIPMENT. Purchaser shall be deemed to have effected final acceptance of the Equipment purchased hereunder and be liable for full payment (including, without limitation all other payments as provided for herein) when the Equipment is installed and demonstrated to be production operational as evidenced by successful processing of FNAC's production test files. Up to and including the date of final acceptance of the Equipment, Purchaser shall only use FNAC recommended or branded products and consumables (such as Fuji branded CTP plates and processing chemistry) in conjunction with the operation of the Equipment.

4. SECURITY INTEREST. Until the Purchase Price (as defined herein) is paid by Purchaser in full, FNAC shall retain a first priority lien and purchase money security interest in the Equipment purchased herein by Purchaser, including any replacements, additions and improvements to the Equipment or proceeds resulting from any disposition thereof and any insurance proceeds resulting from any damage or destruction thereof. Purchaser hereby authorizes FNAC to execute on its behalf and file a UCC-1 to evidence its retention of a security interest in the Equipment until payment in full. Such security interest shall be retained by FNAC until all obligations of Purchaser as provided herein, which are hereby secured, including full payment of all amounts payable by Purchaser to FNAC, are fully performed by Purchaser. Until such time, Purchaser shall fully perform the foregoing obligations:

- (a) The Equipment shall be maintained at the location designated herein and not removed without the prior written consent of FNAC and FNAC may inspect the Equipment at reasonable times;
- (b) The Equipment shall remain personal property and shall not be permanently attached or affixed to the premises;
- (c) Purchaser shall maintain the Equipment in good operating condition; and
- (d) Purchaser shall not remove, sell or convey or in any manner transfer possession of any or all of its interest in the Equipment and shall not cause or permit any prior, competing or subordinate interest, lien or claim on the Equipment, whether by consent or legal process, and shall obtain an executed waiver of landlord's lien or subordination agreement upon demand by FNAC.

5. RISK OF LOSS; INSURANCE. Risk of loss of the Equipment shall pass from FNAC to the Purchaser when the Equipment or any portion thereof has been delivered to Purchaser. Purchaser shall specifically insure the Equipment in an amount equal to at least the unpaid portion of its purchase price against all risks subject to normal exclusions from the time the risk of loss passes to the Purchaser, during installation, and continuously thereafter until the Equipment is paid for in full. Upon request, Purchaser will provide FNAC with evidence of such insurance and if Purchaser has failed to procure the required insurance, FNAC may at its option obtain the insurance and Purchaser shall promptly reimburse FNAC for the costs thereof.

6. INSTALLATION. Purchaser shall provide a suitable foundation for installation of all Equipment installed by FNAC, and shall furnish at its expense all carpentry, plumbing, electrical and rigging services required to erect, start, test and adjust such Equipment. Purchaser shall also pay such hourly rate for delays in installation caused by the site not being ready for installation after FNAC is notified by Purchaser to commence installation. FNAC shall provide the following ancillary services, at no additional charge to the Purchaser:

- (a) Consult with Purchaser as to on-site location of the Equipment and utilities (initial service pre-installation);
- (b) Notify the manufacturer's representative, or Purchaser, as appropriate, to provide and add all chemicals, lubricants and similar materials required for start-up of the Equipment;
- (c) Conduct a final check to determine that all Equipment is in proper operating order; and



FUJIFILM

(d) Advise Purchaser as to all necessary supplies required on-site for start-up of the Equipment.

7. **WARRANTIES AND WARRANTY DISCLAIMERS.** FNAC WARRANTS THAT IT HAS GOOD TITLE TO THE EQUIPMENT DESCRIBED ON THE FIRST PAGE OF THIS AGREEMENT, FREE FROM ALL LIENS AND ENCUMBRANCES AND THAT IT HAS THE RIGHT TO SELL THE EQUIPMENT. ALL WARRANTIES PROVIDED BY THE MANUFACTURER OF THE EQUIPMENT TO FNAC SHALL BE MADE AVAILABLE TO PURCHASER. BEYOND THE FOREGOING, AND UNLESS OTHERWISE EXPRESSLY AGREED IN WRITING BY FNAC AND PURCHASER, FNAC MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OF (INCLUDING PRINTING) OR ABSENCE OF ANY CLAIM OF INFRINGEMENT OR WITH RESPECT TO ANY OTHER MATTER IN CONNECTION WITH, THE EQUIPMENT, AND FNAC EXPRESSLY DISCLAIMS ANY SUCH WARRANTIES AND ANY OTHER WARRANTIES IMPLIED BY LAW. IN ADDITION, FNAC MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PERFORMANCE OF ANY EQUIPMENT WHICH HAS BEEN ALTERED OR MODIFIED IN CONTRADICTION TO MANUFACTURER SPECIFICATIONS.

8. **DAMAGES.** In no event shall FNAC or any affiliated entity be liable for punitive, exemplary, special, indirect, incidental or consequential damages, including but not limited to any damages resulting from nonconformity, defect in materials or workmanship, services provided or delay of shipment for whatever reason and regardless of whether FNAC has been advised in advance of the possibility of any such damages.

9. **DELAY OR NONPERFORMANCE.** FNAC shall not be liable for failure to ship or delay in shipment, or failure or delay in other performance hereunder, if such failure or delay is due to strikes, work stoppages, fires, accidents, wars, rebellions, civil commotion or public strife, acts of government, whether legal or otherwise, acts of public enemies, force majeure, inability to secure or delay in securing transportation, inability to obtain or delays in obtaining machinery, materials, or sufficient qualified labor, or any other causes beyond FNAC's reasonable control, whether similar or dissimilar to the foregoin

10. **CANCELLATION OR DEFAULT.** In the event Purchaser seeks to cancel any order for the Equipment sold or to be sold hereunder, or defaults by refusal to accept shipment, FNAC shall have the right, at FNAC's option and in addition to any other remedies provided by law, to retain all monies paid by Purchaser to FNAC for the Equipment as FNAC's liquidated damages, and not as a penalty or forfeiture, the parties hereto expressly acknowledging that the amount of damages incurred by FNAC are uncertain and incapable of measurement, and the down payment represents a fair and reasonable measurement of FNAC's damages; alternatively, if FNAC determines, in its sole discretion, that its damages are in fact capable of measurement, then in such event FNAC shall receive from Purchaser an amount equal to the expenses or costs incurred by FNAC (inclusive of overhead, interest, etc.) as a result of acquiring or making commitments to acquire equipment, material or labor in connection with Purchaser's order, as incurred up to the time FNAC has been expressly notified in writing that it should discontinue the order, as well as FNAC's profits on the sale of the Equipment. Each of the following is an "Event of Default" hereunder: (a) Purchaser fails to make any payment in cash when due, (b) Purchaser fails to comply with any other covenant or agreement hereunder or materially breaches any representation hereunder and such failure or breach continues for 5 days after notice by FNAC, (c) Purchaser ceases to conduct its business in the ordinary course, (d) Purchaser sells all or substantially all of its assets, (e) Purchaser makes an assignment for benefit of creditors, (f) Purchaser admits in writing an inability to pay debts as they come due, voluntarily files or has filed against it involuntarily a petition under any bankruptcy or insolvency law or a trustee, receiver or liquidator is appointed for all or a substantial part of its assets, (g) Purchaser consolidates with, merges into or transfers all or substantially all its assets to another entity or individual, and/or (h) Purchaser ceases for any reason to occupy the premises where any Equipment is located or any mortgagee or owner of such premises asserts the right to take possession thereof or exercise eviction under the mortgage or lease of such premises. At any time on or after an Event of Default, FNAC may in its sole discretion, exercise one or more of the following remedies: (1) declare immediately due and payable, the entire contract indebtedness remaining unpaid, (2) in cases where the Equipment is not subject to a third party financing arrangement, repossess the Equipment wherever located, without notice or legal process, and Purchaser agrees to peacefully tender same to FNAC; and/or (3) exercise any other right or remedy available by law or agreement. Upon any such repossession, FNAC may retain the Equipment in full satisfaction of Purchaser's obligations or may use reasonable efforts to sell the Equipment in a manner and on terms as FNAC



FUJIFILM

deems appropriate. FNAC shall have all the rights and remedies of a seller and a secured party, if applicable, as established or permitted upon agreement by the Uniform Commercial Code in addition to all other rights as established herein, which rights and remedies, to the extent permitted by law, shall be cumulative. The standard by which fulfillment of rights and duties is to be measured shall be that of FNAC's reasonable commercial judgment.

11. SOFTWARE. Purchaser does not acquire title to any software listed in this Agreement or which is part of the Equipment, but rather acquires a nontransferable, terminable license to use such software (solely in connection with Purchaser's use of the Equipment in the case of imbedded software). Purchaser agrees: not to reverse engineer, disassemble, modify, translate, derive works from, copy, transfer, loan, sublicense, or decrypt the software; to take all reasonable steps to prevent the disclosure or duplication of software in ways not expressly permitted by this paragraph; and to use imbedded software only for the purpose of operating and maintaining the Equipment. The software license granted hereunder shall end if Purchaser transfers the software or violates the provisions of this paragraph. Purchaser may make a copy of the object code version of the software for back-up purposes only, and each such copy shall bear the licensor's copyright notice.

12. CONFIDENTIALITY. Purchaser shall keep "Confidential" and not disclose to any third party the contents of this Agreement, including, but not limited to, pricing and payment terms herein, all documents and information relating to this Agreement or the transactions contemplated by this Agreement or by such other documents, except that Purchaser may disclose such information (1) to its counsel, accountants and auditors in any case as to the extent necessary to enable them to perform their respective services, so long as such person is informed by the Purchaser of the confidential nature of the information so disclosed and such person agrees to maintain the confidentiality as required hereunder and (2) any governmental body or regulatory agency to the extent required by applicable law, rule or regulation; provided, that prior to such disclosure the Purchaser to the extent permitted by law will inform FNAC and permit FNAC at its expense to take available measures to protect the confidentiality of such disclosed information and/or limit such disclosure.

13. GENERAL. Without the express written consent of an authorized officer of FNAC, (i) Purchaser shall not assign this Agreement to any person or entity (including, without limitation, to any person or entity that acquires Purchaser through a purchase of stock, a purchase of assets, a merger, a reorganization or otherwise), (ii) prior to payment in full to FNAC for the Equipment, Purchaser shall not assign, transfer, pledge, hypothecate or otherwise dispose of the Equipment, or any interest therein, or sublet or lend the Equipment or permit it to be used by anyone other than Purchaser or Purchaser's authorized employees and (iii) a waiver of any provision or any amendment or other modification of this Agreement shall not be effective. A waiver by FNAC of any breach or default shall not constitute a waiver of any subsequent breach or default. All of the terms of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and permitted assigns of the parties hereto. This Agreement, together with any exhibits, appendices, addendums, schedules, proposals and amendments attached hereto, represent the entire, final, complete and exclusive expression of the parties' agreement with respect to the transactions that are the subject matter hereof. All prior and contemporaneous negotiations, understandings or agreements between the parties with respect to the matters contained herein, whether oral or written, are expressly merged into and superseded by this Agreement. Except as expressly stated herein, Purchaser acknowledges and represents that Purchaser has not relied upon any oral or written representation, assertion, guarantee, warranty, side letter, proposal, marketing material or other assurance (specifically including any claim or statement that the use of the Equipment may produce specialty printing materials) made by or on behalf of FNAC or any of its authorized employees or agents whatsoever, prior to the execution of this Agreement. The relationship of the parties is that of independent contractors, and neither party will incur any debts or make any commitments for the other party except to the extent expressly provided in this Agreement. Nothing in this Agreement is intended to create or will be construed as creating between the parties the relationship of joint ventures, co-partners, employer/employee or principal and agent. This Agreement shall be governed by the laws of the State of New York other than principles of conflict of laws.

Initial





Equipment Purchase Agreement Addendum

Digital Color Presses - Production Series

- 1.00 Xerox Iridesse Production Press
- 1.00 Xerox Iridesse Oversize High Capacity Feeder (dual Tray)
- 1.00 Xerox Iridesse 5th Color Housing Kit
- 1.00 Xerox Iridesse Clear Specialty Dry Ink Kit
- 1.00 Xerox Iridesse Gold Specialty Dry Ink Kit
- 1.00 Xerox Iridesse 6th Color Housing Kit
- 1.00 Xerox Iridesse Silver Specialty Dry Ink Kit
- 2.00 Cart For Specialty Dry Ink
- 1.00 Xerox EXP-6 Print Server Powered By Fiery
- 1.00 Xerox Iridesse Specialty Dry Ink 5th Color License
- 1.00 Xerox Iridesse 6th Housing Color Kit License
- 1.00 Xerox Iridesse Inserter Module
- 1.00 Iridesse High Capacity Stacker
- 1.00 Iridesse High Capacity Stacker - Second In Line
- 1.00 Xerox X700 And Xc800/1000 & Iridesse Spare Dolly Cart For High Capacity Stacker
- 1.00 Xerox Analyst Services and Customer Education for Xerox Iridesse
- 1.00 Xerox Financial Services Lease discount valid with an approved Xerox Financial Services Lease

Miscellaneous

- 1.00 This credit (not to exceed \$10,500) may be utilized for your acquisition of additional equipment, move services, accessories, software, training and/or analyst services for the Iridesse 120 Xerox through Fujifilm North America
- 1.00 Added Discount to cover the move cost of the Xerox XC1000 Color Press (Not to exceed \$6,000)
- 1.00 Xerox ColorPress BookletMaker amount to be used for a future purchase. (Not to exceed \$6,000)
- 1.00 The future purchase credit amounts will need to be used by March 31,2019 or a refund check will be issued for the remaining balance of the credit.

Initial _____

Lease Agreement



Supplier Name & Address: Fujifilm North America Corp – 200 Summit Lake Drive, Valhalla, NY 10595			
Owner: XEROX FINANCIAL SERVICES LLC - 201 Merritt 7, Norwalk, CT 06851		Agreement Number: 00100719	
CUSTOMER INFORMATION			
Full Legal Name: INDIANA TICKET COMPANY INC			Phone: 800-428-8640
Billing Address: 9610 N. STATE ROAD 67		Contact Name: DAVID BROYLES	
City: MUNCIE	State: IN	Zip Code: 47303	Contact Email: DAVID@MUNCIEOVELTY.COM
EQUIPMENT			
Quantity	Model and Description	Quantity	Model and Description
1	Xerox Iridesse Production Press, EXP-6 Print Server		High Capacity Stacker – Second in line & Doily
	Oversize High Capacity Feeder, Inserter Module,		
	High Capacity Stacker, Booklet Maker Finisher		
Equipment Location (if different from Billing Address):			
TERM		LEASE PAYMENT - (Monthly frequency unless otherwise noted)	
Initial Term: <u>60</u> (in months)	Lease Payment (plus applicable taxes): \$ <u>5,400.60</u>		<input type="checkbox"/> Fair Market Value Purchase Option ("FMV")
	Frequency: <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annually		<input checked="" type="checkbox"/> \$1 Purchase Option
CUSTOMER ACCEPTANCE			
BY YOUR SIGNATURE BELOW, YOU ACKNOWLEDGE THAT YOU ARE ENTERING INTO A NON-CANCELLABLE AGREEMENT AND THAT YOU HAVE READ AND AGREED TO ALL APPLICABLE TERMS AND CONDITIONS SET FORTH ON PAGES 1 AND 2 HEREOF.			
Authorized Signer X: <i>[Signature]</i>	Date: 8/27/18	Federal Tax ID # (Required): 35-1460940	
Print Name: David Broyles	Title: President		
OWNER ACCEPTANCE			
Accepted By: Xerox Financial Services LLC	Name and Title:		Date:

TERMS & CONDITIONS

1. Definitions. The words "you" and "your" mean the legal entity identified in "Customer Information" above, and "XFS," "we," "us," "Owner" and "our" mean Xerox Financial Services LLC. "Party" means you or XFS, and "Parties" means both you and XFS. "Supplier" means the entity identified as "Supplier" above. "Acceptance Date" means the date you irrevocably determine Equipment has been delivered, installed and operating satisfactorily. "Agreement" means this Lease Agreement, including any attached Equipment schedule. "Commencement Date" will be a date after the Acceptance Date, as set forth in our first invoice, for the purpose of facilitating an orderly transition and to provide a uniform billing cycle. "Discount Rate" means 3% per annum. "Equipment" means the items identified in "Equipment" above and in any attached Equipment schedule, plus any Software (as defined in Section 3 hereof), attachments, accessories, replacements, replacement parts, substitutions, additions and repairs thereto. "Interim Period" means the period, if any, between the Acceptance Date and the Commencement Date. "Interim Payment" means one thirtieth of the Lease Payment multiplied by the number of days in the Interim Period. "Payment" means the Lease Payment specified above. Taxes and other charges you, Supplier and XFS agree will be invoiced by XFS. "Maintenance Agreement" means a separate agreement between you and Supplier for maintenance and support purposes. "Origination Fee" means a one-time fee of \$125 billed on your first invoice, which you agree to pay, covering origination, documentation, processing and other initial costs. "Term" means the Interim Period, if any, together with the Initial Term plus any subsequent renewal or extension terms. "UCC" means the Uniform Commercial Code of the State(s) where XFS must file UCC-1 financing statements to perfect its security interest in the Equipment.

2. Agreement, Payments and Late Payments. You agree and represent that the Equipment was selected, configured and negotiated by you based on your judgment and supplied by Supplier. At your request, XFS will acquire same from Supplier to lease to you hereunder and you agree to lease same from XFS. The Initial Term commences on the Commencement Date. You agree to pay XFS the first Payment plus any applicable Interim Payment no later than 30 days after the Commencement Date; each subsequent Payment shall be payable on the same date of each month thereafter. You agree to pay us all sums due under each invoice via check, Automated Clearing House debit, Electronic Funds Transfer or direct debit from your bank account by the due date. If any Payment is not paid in full within 5 days after its due date, you will pay a late charge of the greater of 10% of the amount due or \$25, not to exceed the maximum amount permitted by law. For each dishonored or returned Payment, you will be assessed the applicable fee, not to exceed \$35. Restrictive covenants on any method of payment will be ineffective.

3. Equipment and Software. To the extent that Equipment includes intangible property or associated services such as software licenses, such intangible property shall be referred to as "Software." You acknowledge and agree that XFS is not the licensor of such Software, and therefore has no right, title or interest in it, and you will comply throughout the Term with any license and/or other agreement ("Software License") with the supplier of the Software ("Software Supplier"). You are responsible for determining with the Supplier whether any Software Licenses are required, and entering into them with Software Supplier(s) no later than 30 days after the Acceptance Date. **YOU AGREE THE EQUIPMENT IS FOR YOUR LAWFUL BUSINESS USE IN THE UNITED STATES, WILL NOT BE USED FOR PERSONAL, HOUSEHOLD OR FAMILY PURPOSES, AND IS NOT BEING ACQUIRED FOR RESALE.** You will not attach the Equipment as a fixture to real estate or make any permanent alterations to it.

4. Non-Cancellable Agreement. **THIS AGREEMENT CANNOT BE CANCELLED OR TERMINATED BY YOU PRIOR TO THE END OF THE INITIAL TERM. YOUR OBLIGATION TO MAKE ALL PAYMENTS IS ABSOLUTE AND UNCONDITIONAL AND NOT SUBJECT TO DELAY, REDUCTION, SET-OFF, DEFENSE, COUNTERCLAIM OR RECOUPMENT FOR ANY REASON WHATSOEVER, IRRESPECTIVE OF THE PERFORMANCE OF THE EQUIPMENT, SUPPLIER, ANY THIRD PARTY OR XFS.** Any pursued claim by you against XFS for alleged breach of our obligations hereunder shall be asserted solely in a separate action; provided, however, that your obligations hereunder shall continue unabated.

5. End of Agreement Options. If a \$1 Purchase Option is designated, you will be deemed to have exercised your option to purchase the Equipment as of the Acceptance Date. If an FMV purchase option is designated, if you are not in default and if you provide no greater than 150 days and no less than 60 days' prior written notice to XFS, you may, at the end of the Initial Term or any renewal term ("End Date"), either (a) purchase all, but not less than all, of the Equipment by paying its fair market value, as determined by XFS in its sole but reasonable discretion ("Determined FMV"), plus Taxes, or (b) return the Equipment within 30 days of the End Date, at your expense, fully insured, to a continental US location XFS shall specify. You cannot return Equipment more than 30 days prior to the End Date without our consent. If we consent, we may charge you. In addition to all undiscounted amounts due hereunder, an early termination fee. If you have not elected one of the above options, this Agreement shall renew for successive 3-month terms. Either party may terminate the Agreement as of the end of any 3-month renewal term on 30 days' prior written notice and by taking one of the actions identified in (a) or (b) in the preceding sentence of this section. Any FMV purchase option shall be exercised with respect to each item of Equipment on the day immediately following the date of expiration of the Term of such item, and by the delivery at such time by you to XFS of payment, in form acceptable to XFS, of the amount of the applicable purchase price. Upon payment of the applicable amount, XFS shall transfer our interest in the Equipment to you on an "AS IS, WHERE IS," "WITH ALL FAULTS" basis, without representation or warranty of any kind.

6. Equipment Delivery and Maintenance. You should arrange with Supplier to have the Equipment delivered to you at the location(s) specified herein, and you agree to execute a Delivery & Acceptance Certificate at XFS's request (and confirm same via telephone and/or electronically) confirming when you have received, inspected and irrevocably accepted the Equipment, and authorize XFS to fund the Supplier for the Equipment. If you fail to accept the Equipment, you shall no longer have any obligations hereunder; however, you remain liable for any Equipment purchase order or other contract issued on your behalf directly with Supplier. Equipment may not be moved to another physical address without XFS's prior written consent, which shall not be unreasonably withheld or delayed. You agree that you will not take the Equipment out of service during the Term. You shall permit XFS or its agent to inspect Equipment and any maintenance records relating thereto during your normal business hours upon reasonable notice. You represent you have entered into a Maintenance Agreement to maintain the Equipment in good working order in accordance with the manufacturer's maintenance guidelines and to provide you with Equipment supplies. You acknowledge that XFS is acting solely as an administrator for Supplier with respect to the billing and collecting of the charges under any Maintenance Agreement. **XFS IS NOT LIABLE FOR ANY BREACH BY SUPPLIER OF ANY OF ITS OBLIGATIONS TO YOU, NOR WILL ANY OF YOUR OBLIGATIONS HEREUNDER BE MODIFIED, RELEASED OR EXCUSED BY ANY ALLEGED BREACH BY SUPPLIER.**

7. Equipment Ownership, Labeling and UCC Filing. If and to the extent a court deems this Agreement to be a security agreement under the UCC, and otherwise for precautionary purposes only, you grant XFS a first priority security interest in your interest in the Equipment as defined above in order to secure your performance hereunder. Unless a \$1 Purchase Option is applicable, XFS is and shall remain the sole owner of the Equipment, except the Software. You authorize XFS to file a UCC financing statement to show, and to do all other acts to protect, our interest in the Equipment. You agree to pay any filing fees and administrative costs for the filing of such financing statements. You agree to keep the Equipment free from any liens or encumbrances and to promptly notify XFS if there is any change in your organization such that a refiling or amendment to XFS's financing statement against you becomes necessary.

8. **Equipment Return.** If the Equipment is returned to XFS, it shall be in the same condition as when delivered to you, except for "ordinary wear and tear" and, if not in such condition, you will be liable for all expenses XFS incurs to return the Equipment to such condition. IT IS SOLELY YOUR RESPONSIBILITY TO SECURE ANY SENSITIVE DATA AND PERMANENTLY DELETE SUCH DATA FROM THE INTERNAL MEDIA STORAGE PRIOR TO RETURNING THE EQUIPMENT TO XFS. YOU SHALL HOLD XFS HARMLESS FROM YOUR FAILURE TO SECURE AND PERMANENTLY DELETE ALL SUCH CUSTOMER DATA AS OUTLINED IN THIS SECTION.

9. **Assignment.** YOU MAY NOT ASSIGN, SELL, PLEDGE, TRANSFER, SUBLEASE OR PART WITH POSSESSION OF THE EQUIPMENT, THIS AGREEMENT OR ANY OF YOUR RIGHTS OR OBLIGATIONS UNDER THIS AGREEMENT (COLLECTIVELY "ASSIGNMENT") WITHOUT XFS'S PRIOR WRITTEN CONSENT, WHICH SHALL NOT BE UNREASONABLY WITHHELD, BUT SUBJECT TO THE SOLE EXERCISE OF XFS'S REASONABLE CREDIT DISCRETION AND EXECUTION OF ANY NECESSARY ASSIGNMENT DOCUMENTATION. If XFS agrees to an Assignment, you agree to pay the applicable assignment fee and reimburse XFS for any costs we incur in connection with that Assignment, which in the aggregate shall not exceed \$250. XFS may sell, assign or transfer all or any part of the Equipment, this Agreement and/or any of our rights (but none of our obligations except for invoicing and tax administration) hereunder. XFS's assignee will have the same rights that we have to the extent assigned. YOU AGREE NOT TO ASSERT AGAINST SUCH ASSIGNEE ANY CLAIMS, DEFENSES, COUNTERCLAIMS, RECOUPMENTS, OR SET-OFFS THAT YOU MAY HAVE AGAINST XFS, and you agree to remit Payments to such Assignee if so designated. XFS agrees and acknowledges that any Assignment by us will not materially change your obligations hereunder.

10. **Taxes.** You will be responsible for, indemnify and hold XFS harmless from, all applicable taxes, fees or charges (including sales, use, personal property and transfer taxes (other than net income taxes), plus interest and penalties) assessed by any governmental entity on you, the Equipment, this Agreement, or the amounts payable hereunder (collectively, "Taxes"), which will be included in XFS's invoices to you unless you timely provide continuing proof of your tax exempt status. Regardless of your tax-exempt status, XFS reserves the right to pass through, and you agree to pay, any such Taxes that are actually assessed by the applicable State on XFS as lessor of the Equipment. For jurisdictions where certain taxes are calculated and paid at the time of agreement initiation, you authorize XFS to finance and adjust your Payment to include such Taxes over the Term. Unless and until XFS notifies you in writing to the contrary, the following shall apply to personal property taxes and returns: if an FMV purchase option is applicable, XFS will file all personal property tax returns covering the Equipment; pay the personal property taxes levied or assessed thereon, and collect from your account all personal property taxes on the Equipment. If a \$1 purchase option is applicable, you will file all personal property tax returns covering the Equipment, pay the personal property taxes levied or assessed thereon, and provide us proof thereof upon our request. XFS MAKES NO WARRANTY, EXPRESS OR IMPLIED, REGARDING THE TAX OR ACCOUNTING TREATMENT OF THIS AGREEMENT.

11. **Equipment Warranty Information and Disclaimers.** XFS HAS NO INVOLVEMENT IN THE DESIGN, MANUFACTURE, SALE, DELIVERY, INSTALLATION, USE OR MAINTENANCE OF THE EQUIPMENT. THEREFORE, XFS DISCLAIMS, AND YOU WAIVE SOLELY AGAINST XFS, ALL EQUIPMENT WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT AND FITNESS FOR PARTICULAR PURPOSE, AND XFS MAKES NO REPRESENTATIONS WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, THE EQUIPMENT'S SUITABILITY, FUNCTIONALITY, DURABILITY OR CONDITION. Since you have selected the Equipment and Supplier, you acknowledge that you are aware of the name of the manufacturer of each item of Equipment, Supplier's contact information, and agree that you will contact manufacturer and/or Supplier for a description of any warranty rights you may have under the Equipment supply contract, sales order, or otherwise. Provided you are not in default hereunder, XFS hereby assigns to you any Equipment warranty rights we may have against Supplier or manufacturer. If the Equipment is returned to XFS or you are in default, such rights are deemed reassigned by you to XFS. IF THE EQUIPMENT IS NOT PROPERLY INSTALLED, DOES NOT OPERATE AS WARRANTED, BECOMES OBSOLETE, OR IS UNSATISFACTORY FOR ANY REASON WHATSOEVER, YOU SHALL MAKE ALL RELATED CLAIMS SOLELY AGAINST MANUFACTURER OR SUPPLIER AND NOT AGAINST XFS, AND YOU SHALL NEVERTHELESS CONTINUE TO PAY ALL PAYMENTS AND OTHER SUMS PAYABLE UNDER THIS AGREEMENT.

12. **Liability and Indemnification.** XFS IS NOT RESPONSIBLE FOR ANY LOSSES, DAMAGES, EXPENSES OR INJURIES OF ANY KIND OR TYPE, INCLUDING, BUT NOT LIMITED TO, ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (COLLECTIVELY, "CLAIMS") TO YOU OR ANY THIRD PARTY CAUSED BY THE EQUIPMENT OR ITS USE. You assume the risk of liability for, and hereby agree to indemnify and hold safe and harmless, and covenant to defend, XFS, its employees, officers and agents from and against: (a) any and all Claims (including legal expenses of every kind and nature) arising out of the acceptance or rejection, ownership, leasing, possession, operation, use, return or other disposition of the Equipment; and (b) any and all loss or damage of or to the Equipment. Neither sentence in this Section shall apply to Claims arising directly and proximately from XFS's gross negligence or willful misconduct.

13. **Default and Remedies.** You will be in default hereunder if XFS does not receive any Payment within 10 days after its due date, or you breach any other material obligation hereunder or any other agreement with XFS. If you default, and such default continues for 10 days after XFS provides notice to you, XFS may, in addition to other remedies (including disabling or repossessing the Equipment and/or requesting Supplier to cease performing under the Maintenance Agreement), immediately require you to do one or more of the following: (a) as liquidated damages for loss of bargain and not as a penalty, pay the sum of (i) all amounts then past due, plus interest from the due date until paid at the rate of 1.5% per month; (ii) the Payments remaining in the Term (including the fixed maintenance component thereof, if permitted under the Maintenance Agreement), discounted at the Discount Rate to the date of default; (iii) the Equipment's booked residual; and (iv) Taxes; and (b) require you to return the Equipment as provided in Sections 5 and 8 hereof. You agree to pay all reasonable costs, including attorneys' fees and disbursements, incurred by XFS to enforce this Agreement.

14. **Risk of Loss and Insurance.** You assume and agree to bear the entire risk of loss, theft, destruction or other impairment of the Equipment upon delivery. You, at your own expense, (i) shall keep Equipment insured against loss or damage at a minimum of full replacement value thereof, and (ii) shall carry liability insurance against bodily injury, including death, and against property damage in the amount of at least \$2 million (collectively, "Required Insurance"). All such Equipment loss/damage insurance shall be with lender's loss payable to "XFS, its successors and/or assigns, as their interests may appear," and shall be with companies reasonably acceptable to XFS. XFS shall be named as an additional insured on all liability insurance policies. The Required Insurance shall provide for 30 days' prior notice to XFS of cancellation.

YOU MUST PROVIDE XFS OR OUR DESIGNEES WITH SATISFACTORY WRITTEN EVIDENCE OF REQUIRED INSURANCE WITHIN 30 DAYS OF THE ACCEPTANCE DATE AND ANY SUBSEQUENT WRITTEN REQUEST BY XFS OR OUR DESIGNEES. IF YOU DO NOT DO SO, THEN IN LIEU OF OTHER REMEDIES FOR DEFAULT, XFS IN OUR DISCRETION AND AT OUR SOLE OPTION MAY (BUT IS NOT REQUIRED TO) OBTAIN INSURANCE FROM AN INSURER OF XFS'S CHOOSING, WHICH MAY BE AN XFS AFFILIATE, IN SUCH FORMS AND AMOUNTS AS XFS DEEMS REASONABLE TO PROTECT XFS'S INTERESTS (COLLECTIVELY "EQUIPMENT INSURANCE"). EQUIPMENT INSURANCE WILL COVER THE EQUIPMENT AND XFS; IT WILL NOT NAME YOU AS AN INSURED AND MAY NOT COVER ALL OF YOUR INTEREST IN THE EQUIPMENT AND WILL BE SUBJECT TO CANCELLATION AT ANY TIME. YOU AGREE TO PAY XFS PERIODIC CHARGES FOR EQUIPMENT INSURANCE (COLLECTIVELY "INSURANCE CHARGES") THAT INCLUDE: AN INSURANCE PREMIUM THAT MAY BE HIGHER THAN IF YOU MAINTAINED THE REQUIRED INSURANCE SEPARATELY; A FINANCE CHARGE OF UP TO 1.5% PER MONTH ON ANY ADVANCES MADE BY XFS OR OUR AGENTS; AND COMMISSIONS, BILLING AND PROCESSING FEES; ANY OR ALL OF WHICH MAY GENERATE A PROFIT TO XFS OR OUR AGENTS. XFS MAY ADD INSURANCE CHARGES TO EACH PAYMENT. XFS shall discontinue billing or debiting Insurance Charges for Equipment Insurance upon receipt and review of satisfactory evidence of Required Insurance.

You must promptly notify XFS of any loss or damage to Equipment which makes any item of Equipment unfit for continued or repairable use. You hereby irrevocably appoint XFS as your attorney-in-fact to execute and endorse all checks or drafts in your name to collect under any such Required Insurance. Insurance proceeds from Required Insurance or Equipment Insurance received shall be applied, at XFS's option, to (x) restore the Equipment so that it is in the same condition as when delivered to you (normal wear and tear excepted), or (y) if the Equipment is not restorable, to replace it with like-kind condition Equipment from the same manufacturer, or (z) pay to XFS the greater of (i) the total unpaid Payments for the entire Term hereof (discounted to present value at the Discount Rate) plus, if an FMV purchase option is designated on the first page hereof, XFS's residual interest in such Equipment (herein agreed to be 20% of the Equipment's original cost to XFS) plus any other amounts due to XFS hereunder, or (ii) the Determined FMV immediately prior to the loss or damage. NO LOSS OR DAMAGE TO EQUIPMENT, OR XFS'S RECEIPT AND APPLICATION OF INSURANCE PROCEEDS, SHALL RELIEVE YOU OF ANY OF YOUR REMAINING OBLIGATIONS UNDER THIS AGREEMENT. Notwithstanding procurement of Equipment Insurance or Required Insurance, you remain primarily liable for performance under this Section in the event the applicable insurance carrier fails or refuses to pay any claim. YOU AGREE (i) AT XFS'S SOLE ELECTION TO ARBITRATE ANY DISPUTE WITH XFS, OUR AGENTS OR ASSIGNS REGARDING THE EQUIPMENT INSURANCE UNDER THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION IN FAIRFIELD COUNTY, CT, (ii) THAT IF XFS MAKES THE FOREGOING ELECTION ARBITRATION (NOT A COURT) SHALL BE THE EXCLUSIVE REMEDY FOR SUCH DISPUTES; AND (iii) THAT CLASS ARBITRATION IS NOT PERMITTED. This arbitration option does not apply to any other provision of this Agreement.

15. **Finance Lease and Customer Waivers.** The parties agree this Agreement shall be construed as a "finance lease" under UCC Article 2A. Customer waives its rights as a lessee under UCC 2A sections 508-522.

16. **Authorization of Signer and Credit Review.** You represent that you may lawfully enter into, and perform, this Agreement, that the individual signing this Agreement on your behalf has all necessary authority to do so, and that all financial information you provide accurately represents your financial condition. You agree to furnish financial information that XFS may request now, including your Federal Tax ID, and you authorize XFS to obtain credit reports on you in the future should you default or fail to make prompt payments hereunder.

17. **Original and Sole Controlling Document.** No Modifications Unless in Writing. This Agreement constitutes the entire agreement between the Parties as to the subjects addressed herein, and representations or statements not included herein are not part of this Agreement and are not binding on the Parties. You agree that an executed copy of this Agreement that is signed by your authorized representative and by XFS's authorized representative (an original manual signature or such signature reproduced by means of a reliable electronic form, such as electronic transmission of a facsimile or electronic signature) shall be marked "original" by XFS and shall constitute the only original document for all purposes. To the extent this Agreement constitutes UCC chattel paper, no security interest in this Agreement may be created except by the possession or transfer of the copy marked "original" by XFS. IF A PURCHASE ORDER OR OTHER DOCUMENT IS ISSUED BY YOU, NONE OF ITS TERMS AND CONDITIONS SHALL BE BINDING ON XFS, AS THE TERMS AND CONDITIONS OF THIS AGREEMENT EXCLUSIVELY GOVERN THE TRANSACTION DOCUMENTED HEREIN. SUPPLIER AND ITS REPRESENTATIVES ARE NOT OUR AGENTS AND ARE NOT AUTHORIZED TO MODIFY OR NEGOTIATE THE TERMS OF THIS AGREEMENT. THIS AGREEMENT MAY NOT BE AMENDED OR SUPPLEMENTED EXCEPT IN A WRITTEN AGREEMENT SIGNED BY AUTHORIZED REPRESENTATIVES OF THE PARTIES AND NO PROVISIONS CAN BE WAIVED EXCEPT IN A WRITING SIGNED BY XFS. You authorize XFS to insert or correct missing information on this Agreement, including but not limited to your proper legal name, agreement numbers, serial numbers and other Equipment information, so long as there is no material impact to your financial obligations.

18. **Governing Law, Jurisdiction, Venue and JURY TRIAL WAIVER.** THIS AGREEMENT IS GOVERNED BY, AND SHALL BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CONNECTICUT. THE JURISDICTION AND VENUE OF ANY ACTION TO ENFORCE THIS AGREEMENT, OR OTHERWISE RELATING TO THIS AGREEMENT, SHALL BE IN A FEDERAL OR STATE COURT IN FAIRFIELD COUNTY, CONNECTICUT OR, EXCLUSIVELY AT XFS'S OPTION, IN ANY OTHER FEDERAL OR STATE COURT WHERE THE EQUIPMENT IS LOCATED OR WHERE XFS'S OR YOUR PRINCIPAL PLACES OF BUSINESS ARE LOCATED, AND YOU HEREBY WAIVE ANY RIGHT TO TRANSFER VENUE. THE PARTIES HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION RELATED TO OR ARISING OUT OF THIS AGREEMENT.

19. **Miscellaneous.** Your obligations under the "Taxes" and "Liability" Sections commence upon execution, and survive the expiration or earlier termination, of this Agreement. Notices hereunder must be in writing. Notices to you will be sent to the "Billing Address" provided on the first page hereof, and notices to XFS shall be sent to our address provided on the first page hereof. Notices will be deemed given 5 days after mailing by first class mail or 2 days after sending by nationally recognized overnight courier. Invoices are not considered notices and are not governed by the notice terms hereof. You authorize XFS to communicate with you by any electronic means (including cellular phone, email, automatic dialing and recorded messages) using any phone number (including cellular) or electronic address you provide to us. If a court finds any term of this Agreement unenforceable, the remaining terms will remain in effect. The failure by either Party to exercise any right or remedy will not constitute a waiver of such right or remedy. If more than one party has signed this Agreement as Customer, each such party agrees that its liability is joint and several. The following four sentences control over every other part of this Agreement: Both Parties will comply with applicable laws. XFS will not charge or collect any amounts in excess of those allowed by applicable law. Any part of this Agreement that would, but for the last four sentences of this Section, be read under any circumstances to allow for a charge higher than that allowed under any applicable legal limit, is modified by this Section to limit the amounts chargeable hereunder to the maximum amount allowed under the legal limit. If, in any circumstances, any amount in excess of that allowed by law is charged or received, any such charge will be deemed limited by the amount legally allowed and any amount received by XFS in excess of that legally allowed will be applied by us to the payment of amounts legally owed hereunder or refunded to you.

Indiana Department of Revenue
General Sales Tax Exemption Certificate

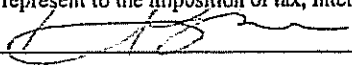
Indiana registered retail merchants and businesses located outside Indiana may use this certificate. The claimed exemption must be allowed by Indiana code. Exemption statutes of other states are not valid for purchases from Indiana vendors. This exemption certificate can not be issued for the purchase of Utilities, Vehicles, Watercraft, or Aircraft. Purchaser must be registered with the Department of Revenue or the appropriate taxing authority of the purchaser's state of residence.

Sales tax must be charged unless all information in each section is fully completed by the purchaser. Purchasers not able to provide all required information must pay the tax and may file a claim for refund (Form GA-110L) directly with the Department of Revenue.

Section 1 (print only)	Name of Purchaser <u>Indiana Ticket Co.</u>		
	Business Address <u>9610 N State Rd 67</u>	City <u>Muncie</u>	State <u>IN</u> Zip <u>47303</u>
	Purchaser must provide minimum of one ID number below.*		
	Provide your Indiana Registered Retail Merchant's Certificate TID and LOC Number as shown on your Certificate.....	<u>002327996</u> TID# (10 digits)	<u>001</u> LOC# (3 digits)
Section 2	If not registered with the Indiana DOR, provide your State Tax ID Number from another State.....		
	*See instructions on the reverse side if you do not have either number. State ID# _____ State of Issue _____		

Section 2	Is this a <input type="checkbox"/> blanket purchase exemption request or a <input checked="" type="checkbox"/> single purchase exemption request? (check one)		
	Description of items to be purchased, <u>Xerox Iridesse Production Press</u>		

Section 3	Purchaser must indicate the type of exemption being claimed for this purchase. (check one or explain)		
	<input checked="" type="checkbox"/> Sales to a retailer, wholesaler, or manufacturer for resale only.		
	<input type="checkbox"/> Sale of manufacturing machinery, tools, and equipment to be used directly in direct production.		
	<input type="checkbox"/> Sales to nonprofit organizations claiming exemption pursuant to Sales Tax Information Bulletin #10. (May not be used for personal hotel rooms and meals.)		
	<input type="checkbox"/> Sales of tangible personal property predominately used (greater than 50 percent) in providing public transportation - provide USDOT#. A person or corporation who is hauling under someone else's motor carrier authority, or has a contract as a school bus operator, must provide their SS# or FID# in lieu of a State ID# in Section #1. USDOT# _____		
	<input type="checkbox"/> Sales to persons, occupationally engaged as farmers, to be used directly in production of agricultural products for sale. Note: A farmer not possessing a State Business License# may enter a PID# or a SS# in lieu of a State ID# in Section #1.		
	<input type="checkbox"/> Sales to a contractor for exempt projects (such as public schools, government, or nonprofits).		
	<input type="checkbox"/> Sales to Indiana Governmental Units (agencies, cities, towns, municipalities, public schools, and state universities).		
<input type="checkbox"/> Sales to the United States Federal Government - show agency name. _____ Note: A U.S. Government agency should enter its Federal Identification Number (FID#) in Section #1 in lieu of a State ID#.			
<input type="checkbox"/> Other - explain. _____			

Section 4	I hereby certify under the penalties of perjury that the property purchased by the use of this exemption certificate is to be used for an exempt purpose pursuant to the State Gross Retail Sales Tax Act, Indiana Code 6-2.5, and the item purchased is not a utility, vehicle, watercraft, or aircraft.		
	I confirm my understanding that misuse, (either negligent or intentional) , and/or fraudulent use of this certificate may subject both me personally and/or the business entity I represent to the imposition of tax, interest, and civil and/or criminal penalties.		
	Signature of Purchaser <u></u>	Date <u>August 27, 2018</u>	
Printed Name <u>David Broyles</u>		Title <u>President</u>	

The Indiana Department of Revenue may request verification of registration in another state if you are an out-of-state purchaser. Seller must keep this certificate on file to support exempt sales.

UMBAUGH

H. J. Umbaugh & Associates
Certified Public Accountants, LLP
220 S. Exchange Blvd.,
Suite 300
Muncie, Indiana 47302
Phone: 317.475.2000
Fax: 317.475.2000
www.umbough.com

January 11, 2019

Mr. Brad Bookout, Director of Economic Development and Redevelopment
Delaware County, Indiana
1208 West White River Blvd., Suite 136
Muncie, Indiana 47303

Re: Abatement Analysis – Indiana Ticket Company, Inc.

Dear Mr. Bookout,

Per your request, we have prepared this illustrative property tax abatement analysis for the proposed abatement for Indiana Ticket Company, Inc. The attached schedule (listed below) presents unaudited and limited information. The use of this schedule should be restricted to this purpose, for internal use only, as the information is subject to future revision and final report.

Page

- 2 Estimated Property Tax Liability for the Proposed Investment
in Personal Property

In the preparation of this schedule, certain assumptions were made as noted regarding certain future events. As is the case with such assumptions regarding future events and transactions, some or all may not occur as expected and the resulting differences could be material. We have not examined the underlying assumptions nor have we audited or reviewed the historical data. Consequently, we express no opinion thereon nor do we have a responsibility to prepare subsequent reports.

We would appreciate your questions or comments on this information and would provide additional information upon request.

Very truly yours,

UMBAUGH



Matthew R. Eckerle

DELAWARE COUNTY, INDIANA
Indiana Ticket Company, Inc

ESTIMATED PROPERTY TAX LIABILITY FOR THE PROPOSED INVESTMENT IN PERSONAL PROPERTY
Assumes an 8-year personal property tax abatement

Taxes Payable Year	Estimated Net Assessed Value (1)			Estimated Property Tax Liability			Estimated Abatement Savings
	With Proposed Abatement	Without Proposed Abatement	Tax Rate (3)	With Proposed Abatement Circuit Breaker Tax Credit (4)	Without Proposed Abatement Circuit Breaker Tax Credit (4)	Net Taxes	
2020	\$0	\$91,544	\$1,8024	\$0	\$0	\$1,650	\$1,650
2021	0	153,468	1,8024	0	0	2,770	2,770
2022	0	153,468	1,8024	0	0	2,770	2,770
2023	0	153,468	1,8024	0	0	2,770	2,770
2024	8,701	153,468	1,8024	160	160	2,770	2,770
2025	64,490	153,468	1,8024	1,160	0	2,770	2,770
2026	102,421	153,468	1,8024	1,850	0	2,770	2,770
2027	125,925	153,468	1,8024	2,270	0	2,770	2,770
2028	145,367	153,468	1,8024	2,620	0	2,770	2,770
Totals				\$8,060	\$0	\$23,810	\$23,810
							\$15,750

- (1) Based on investment information for the proposed project provided by the Company and the Company's January 1, 2018 personal property tax returns. The estimated cost of the new equipment is \$511,559. It is estimated that \$305,148 will be in service and first assessed January 1, 2019 for taxes payable in 2020 and \$206,411 will be in service and first assessed January 1, 2020 for taxes payable in 2021.
- (2) Assumes an 8-year personal property tax abatement with the following deduction percentages: 100%, 88%, 75%, 63%, 50%, 38%, 25% and 13%.
- (3) Represents the certified pay 2018 tax rate for the Delaware Township taxing district.
- (4) Commercial property taxes are limited to 3.0% of gross assessed value.

Note: Changes to the assumptions outlined above may have a material effect on the property tax liability estimates in this analysis. For the purposes of this analysis, it has been assumed that the equipment will be purchased as new and be depreciated in Pool # 2 (5-8 year useful life) for property tax purposes. Once installed, the Company may report the depreciation in a different pool, which may have a material effect on the resulting tax increment calculations. No assumption has been made for future equipment retirement/replacement.

(Subject to the attached letter dated January 11, 2019)
(Preliminary - Subject to Change)
(For Internal Use Only)