RESOLUTION NO. 25-12

RESOLUTION APPROVING DEDUCTION FROM ASSESSED VALUE OF NEW MANUFACTURING EQUIPMENT IN AN ALREADY DECLARED ECONOMIC REVITALIZATION AREA
(Phillips Pattern & Casting, 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, 2012, or such other date as extended by Indiana Code, in an area that is declared an economic revitalization area; and

WHEREAS, Phillips Pattern & Casting, Inc. will install new manufacturing equipment at its plant located at 801 West Riggin Road, Muncie, Indiana, during the above-described period; and

WHEREAS, by previous resolutions this Common Council declared and affirmed that the area commonly described as 801 West Riggin Road which is identified on the attached map and legal description (the "Area"), is an economic revitalization area, which authorized deductions from assessed value of new manufacturing equipment, installed in the area for purposes of taxation.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Muncie, Indiana:

1. The Common Council finds and determines that the new manufacturing equipment to be installed in the above described area by Phillips Pattern & Casting, Inc. 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 Clerk shall take such further actions as may be required by Ordinance No. 31-97, and other applicable ordinances and laws, 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 Common Council and its approval by the Mayor of the City of Muncie, Indiana and such publications as may be required by law.

4. It is understood that Phillips Pattern & Casting, Inc. is responsible for following all annual state and local filing requirements regarding this abatement to assure receipt of the abatement per the applicable five (5) year schedule.
LEGAL DESCRIPTION

A part of the Northwest Quarter of the Northeast Quarter of Section Thirty-three (33), Township Twenty-one (21) North, Range Ten (10) East, more particularly described as follows, to-wit: Beginning at the northwest corner of said northwest quarter of the northeast quarter and running thence south on the west line thereof Five hundred ten (510) feet; thence east parallel with the north line of said northwest quarter of the northeast quarter Two hundred sixty-one and twenty-nine hundredths (261.29) feet; thence north parallel with said west line One hundred forty and thirty-six hundredths (140.36) feet; thence east parallel with said north line Two hundred eight and seventy-one hundredths (208.71) feet; thence north parallel with said west line Four hundred five and sixty-four hundredths (405.64) feet to said north line; thence west on said north line Four hundred seventy (470.0) feet to the point of beginning, containing Four and nine hundred thirty-two thousandths (4.932) acres, more or less. A strip of land Forty (40.0) feet of equal width off of the entire north side of the above tract is hereby reserved for public highway purposes.
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:

c/o Muncie Redevelopment Commission
Horizon Convention Center
401 South High Street, PO Box 842
Muncie, IN 47308-0842
Phone: (765) 751-9106 Fax: (765) 751-9151
Please type or print.

Date: 9/31/2012 Name of Company: Phillips Patterns + Castings, Inc.
1. Address of Property: 801 W. Riggin Rd, Muncie, IN 47303
2. Township: Center
3. Legal Description: __________________________

4. Property Owner(s):
   Name Phillips Patterns + Castings Inc
   Address 801 W. Riggin Rd
   Muncie, IN 47303

5. Owner’s Representative:
   Name Gregg Phillips / Jason Paul
   Address 801 W. Riggin Rd
   Muncie, IN 47303

6. Is property/facility served by adequate utilities? Yes __ No ___
7. Are present utilities adequate for new equipment? Yes __ No ___
8. If not, explain: __________________________

9. Briefly describe the use of the new equipment and its purchase price: New Brother’s Mill Used to secure current & future work - cost $150,000 / New Automatic Powder Coat line used to secure current work & prospect for new work.

10. Tax Assessment and Payment:
    Amount of last business personal property assessment: $48,910
    Amount of last business personal property taxes: $ __________________________

(Please attach a copy of your latest paid tax receipts to this form)
APPLICATION FOR TAX ABATEMENT ON TANGIBLE PERSONAL PROPERTY PAGE 2

11. Total number of employees currently working for the company: Full-time __2__ Part-time __2__ How long before they become full-time? ____________

12. Number of Minorities: __2__ Number of Females: __2__ Number of Handicapped: __0__

13. What percentage of employees are City of Muncie residents? __90__%

14. Number of new employees to be added as a result of the abatement: __2__

15. Number of jobs retained as a result of the project: __2__ Actual (+-) jobs __2__

16. Please answer the following additional questions regarding the total compensation package:

<table>
<thead>
<tr>
<th>Fringe Benefits:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Insurance (Y or N) <em>Y</em></td>
</tr>
<tr>
<td>Pension (Y or N) <em>N</em></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Wage Package:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Starting Wage: <strong>$10,000</strong></td>
</tr>
</tbody>
</table>

17. Does applicant intend to seek any further additional relief from property taxes on this property? (Y) (N) If yes, please explain __N__

18. What is the expected depreciable life expectancy and type of equipment upon which the abatement is being sought (each piece of equipment if more than one)? __7__

Applicant agrees that in consideration of the mutual performance of the process associated with the grant of the tax abatement by the Applicant and the City of Muncie, Indiana, and the grant of the abatement sought, the applicant agrees and warrants that the Applicant is aware of, and will comply with any and all procedures and criteria as set forth under State Law or by Ordinance of the City of Muncie. It is expressly understood and agreed that such procedures and criteria include, but are not limited to, compliance requirements, wage requirements, and addition and retention of employees.

I swear or affirm under penalties for perjury that the above information and representations on this application and Form SB-1 / PP are true and complete.

_NAME_ [Signature]

Title

_DATE_ 9/13/2012

Notary Public

Subscribed and sworn to before me this __18__th day of _September_, 2012.

_NAME_ [Signature]

Notary Public

Resident of _Delaware_ County, Indiana.

My Commission Expires: __03/03/17__

NOTICE: Your signature above indicates that you are aware that you must annually file both Form CF-I (Compliance with Statement of Benefits), and Form 103 ERA/PP accompanied by Form 103 EI, by the dates indicated on the respective forms in order to actually receive your deduction.
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) are applied 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
Phillips Pattern & Casting, Inc.
Address of taxpayer (number and street, city, state, and ZIP code)
801 West Riggins Road, Muncie, Indiana 47303

Name of contact person
Jason Paul
Telephone number
(765) 289-2816

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body
Muncie City Council
Location of property
801 West Riggins Road, Muncie, Indiana 47303

Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment.
New Brothers Mill, Serial # 121558, TC-32 BN CTS, CNC-BOO 1-Powder Coat System & Setup, Serial #8
PCS-AS-WASH-PPC, PCS-AS-DRY-PPC, PCS-AS-CURE-PPC
PCS-AS-BO-PPC, PCS-AS-AUTO GUN-PPC
PCS-AS-MANGUN-PPC

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

<table>
<thead>
<tr>
<th>Current number</th>
<th>Salaries</th>
<th>Number retained</th>
<th>Salaries</th>
<th>Number additional</th>
<th>Salaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>22</td>
<td>904,659.00</td>
<td>22</td>
<td>904,659.00</td>
<td>2</td>
<td>52,000.00</td>
</tr>
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</table>

SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

<table>
<thead>
<tr>
<th>Manufacuring equipment</th>
<th>R &amp; D equipment</th>
<th>Logistic Dist equipment</th>
<th>IT equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>COST</td>
<td>ASSESSED VALUE</td>
<td>COST</td>
<td>ASSESSED VALUE</td>
</tr>
<tr>
<td>Current values</td>
<td>2,162,367.00</td>
<td>415,019.00</td>
<td></td>
</tr>
<tr>
<td>Plus estimated values of proposed project</td>
<td>457,000.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less values of any property being replaced</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net estimated values upon completion of project</td>
<td>2,619,367.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted (pounds) __________________________  Estimated hazardous waste converted (pounds) __________________________

Other benefits:

SECTION 6 TAXPAYER CERTIFICATION

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

Signature of authorized representative
__________________________
Title
Treasurer
Date signed (month, day, year)
08/31/2012
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;
   2. Installation of new research and development equipment;
   3. Installation of new logistical distribution equipment;
   4. Installation of new information technology equipment;

   ☐ Yes ☐ No
   ☐ Yes ☐ No
   ☐ Yes ☐ No
   ☐ 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 ☐ 2 years ☐ 3 years ☐ 4 years ☐ 5 years **
   - ☐ 6 years ☐ 7 years ☐ 8 years ☐ 9 years ☐ 10 years **

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

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.

<table>
<thead>
<tr>
<th>Approved: (signature and title of authorized member)</th>
<th>Telephone number</th>
<th>Date signed (month, day, year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attested by: Designated body</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* 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
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.

[Signature]
Name/Title

[Signature]
Company Name

8/31/2012
Date