

AMENDED AND RESTATED COMMUNITY REINVESTMENT AREA AGREEMENT

This Amended and Restated Community Reinvestment Area agreement (the "THIRD AMENDMENT") is made and entered into by and between the City of Gahanna, Ohio, a municipal government, with its main offices located at 200 South Hamilton Road, Gahanna, Ohio, hereinafter referred to as Gahanna and **R&K INVESTMENTS OF FLORIDA LTD CO** with their main offices located at **6740 S.E. 110th Street #508, Belleview, FL 34420** hereinafter referred to as the **Party**.

WITNESSETH;

WHEREAS, Gahanna has encouraged the development of real property and the acquisition of personal property located in the area designated as a Community Reinvestment Area ("CRA"); and

WHEREAS, the Gahanna City Council by Ordinance No. 3-84 adopted 2/21/84 and amended 3/3/84, 5/19/92, 7/26/94, 8/23/94, 8/12/00 and 12/15/03, designated the area as CRA #1 pursuant Chapter 3735 of the Ohio Revised Code; and

WHEREAS, in 2009, the **Party** planned the construction of **approximately four 12,000** square foot buildings (the "PROJECT") for **office/retail/warehouse** use, of which 24,000 square feet are completed, on Parcel 025-013186 (the "PROJECT SITE") which is within the boundaries of the aforementioned CRA #1; and

WHEREAS, **R&K INVESTMENTS OF FLORIDA LTD CO** submitted to Gahanna a CRA Program application (the "APPLICATION"), herein attached as Exhibit A, that was approved by Gahanna City Council in 2008; and

WHEREAS, **R&K INVESTMENTS OF FLORIDA LTD CO** and Gahanna entered into a CRA Agreement (the "CRA AGREEMENT") dated March 3, 2008, a copy of which is herein attached as Exhibit B, which CRA AGREEMENT provided **R&K INVESTMENTS OF FLORIDA LTD CO** with a ten (10) year, 100 percent CRA real property tax abatement for the assessed value of the new structure at the PROJECT SITE; and

WHEREAS, because of changes in the number of employees working at the PROJECT SITE and other economic factors, it has been determined that the CRA AGREEMENT should be amended and restated; and

WHEREAS, in 2012, the Tax Incentive Review Council recommend that the CRA AGREEMENT with **R&K INVESTMENTS OF FLORIDA LTD CO** be amended and restated to account for the changes in employment levels at the PROJECT SITE and other economic factors affecting the PROJECT; and

WHEREAS, Gahanna having the appropriate authority for the stated type of PROJECT is desirous of continuing to provide **R&K INVESTMENTS OF FLORIDA LTD CO** with incentives available for the development of the PROJECT in said CRA under Chapter 3735 of the Ohio Revised Code (O.R.C.); and

WHEREAS, the Director of Development of Gahanna has reviewed the operations of **R&K INVESTMENTS OF FLORIDA LTD CO** and has recommended the same to the Gahanna City Council on the basis that **R&K INVESTMENTS OF FLORIDA LTD CO** is qualified by financial responsibility and business experience to create and preserve employment opportunities in said CRA and improve the economic climate of Gahanna; and

WHEREAS, the PROJECT SITE as owned by **R&K INVESTMENTS OF FLORIDA LTD CO** is located in the Gahanna-Jefferson School District (the "SCHOOL DISTRICT") and has been notified in accordance with the City of Gahanna/Gahanna-Jefferson School Compensation Agreement and O.R.C. Section 5709.83 and been given access to the APPLICATION; and

WHEREAS, pursuant to O.R.C. Section 3735.67(A) and in conformance with the format required under O.R.C. Section 3735.671(B) of the Ohio Revised Code, the parties hereto desire to set forth their agreement with respect to matters hereinafter contained;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and the benefit to be derived by the parties from the execution hereof, the parties herein agree as follows:

Section 1 Location by Corporation

1. **R&K INVESTMENTS OF FLORIDA LTD CO** planned the construction of **approximately four 12,000** square foot buildings at 663-669 CROSS POINTE RD. in Gahanna, Ohio. To date 24,000 square feet has been completed. The PROJECT involved a total investment by **R&K INVESTMENTS OF FLORIDA LTD CO** of \$2,400,000. Description of the PROJECT is outlined in Exhibit A.
2. The PROJECT began in 2008 and all acquisition, construction and installation have been completed on 24,000 square feet of the projected construction plan.

Section 2 Employment and Payroll

1. **R&K INVESTMENTS OF FLORIDA LTD CO** shall create an employment base of approximately **40 FULL TIME EQUIVALENT** job opportunities.
2. Prior to the PROJECT **R&K INVESTMENTS OF FLORIDA LTD CO** had zero (0) employees at the PROJECT SITE.

Section 3 Program Compliance

1. **R&K INVESTMENTS OF FLORIDA LTD CO** shall provide to the proper Tax Incentive Review Council any information reasonably required by the Council and annual reports to the City of Gahanna to evaluate the property owner's compliance with the CRA AGREEMENT, as amended by the THIRD AMENDMENT, including returns filed pursuant to O.R.C. Section 5711.02.

2. **R&K INVESTMENTS OF FLORIDA LTD CO** shall maintain a current membership in the Gahanna Area Chamber of Commerce.
3. Gahanna hereby grants **R&K INVESTMENTS OF FLORIDA LTD CO** a tax abatement for real property improvements made at the PROJECT SITE, pursuant to O.R.C. Section 3735.67, of the following amounts:

Tax Exemption Amount: 50%

Year Term Began: 2009

Amended Term of Tax Abatement: A total of ten (10) years, with seven (7) years remaining from the date of the THIRD AMENDMENT (tax year 2012-2018)

4. The identified PROJECT improvement will receive **50%** abatement for the amended **seven (7)** year abatement term. No abatement shall extend beyond December 31, 2018.
5. **R&K INVESTMENTS OF FLORIDA LTD CO** will comply with the tax abatement annual fee provisions pursuant to O.R.C. Section 3735.671 (D) of the Ohio Revised Code. **R&K INVESTMENTS OF FLORIDA LTD CO** is required to pay an annual fee equal to that contained in the Development Fee Schedule as authorized in Chapter 148 of the Codified Ordinances of Gahanna. This fee shall be paid once per year for each effective year of the agreement by the thirty-first of January post the year of abatement.
6. The **R&K INVESTMENTS OF FLORIDA LTD CO** agrees to pay additional compensation to Gahanna to meet the requirements of the Gahanna School Compensation Agreement; in the event the fifty percent of the exempted property taxes for this site for the Gahanna-Jefferson School District exceeds the fifty percent of the collected payroll tax from **R&K INVESTMENTS OF FLORIDA LTD CO**. **R&K INVESTMENTS OF FLORIDA LTD CO** agrees to pay the difference to Gahanna. If necessary, this fee shall be paid once per year for each effective year of the CRA AGREEMENT, as amended by the THIRD AMENDMENT, by the fifteenth of June post the year of abatement.
7. **R&K INVESTMENTS OF FLORIDA LTD CO** shall pay such real and tangible personal property taxes as are not exempted under the CRA AGREEMENT, as amended by the THIRD AMENDMENT, and are charged against such property and shall file all tax reports and returns as required by law. If **R&K INVESTMENTS OF FLORIDA LTD CO** fails to pay such taxes or file such returns and reports, all incentives granted under this CRA AGREEMENT, as amended by the THIRD AMENDMENT, are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.
8. **R&K INVESTMENTS OF FLORIDA LTD CO** shall perform such acts as are reasonably necessary or appropriate to affect, claim, reserve and maintain abatements from taxation granted under this CRA AGREEMENT, as amended by the THIRD AMENDMENT, including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.

City of Gahanna

Department of Planning & Development

Amended and Restated Agreement – June, 2012

663-669 Cross Pointe Road (Parcel #025-013186)

Page 3 of 5

9. If for any reason the Community Reinvestment Area designation expires or is rescinded by the City of Gahanna, entitlements granted under this CRA AGREEMENT, as amended by the FIRST AGREEMENT, shall continue for the number of years specified under this CRA AGREEMENT, as amended by the THIRD AMENDMENT, unless **R&K INVESTMENTS OF FLORIDA LTD CO** materially fails to fulfill its obligations under this CRA AGREEMENT, as amended by the THIRD AMENDMENT, and Gahanna terminates or modifies the abatement from taxation granted under this CRA AGREEMENT, as amended by the THIRD AMENDMENT.
10. If **R&K INVESTMENTS OF FLORIDA LTD CO** materially fails to fulfill its obligations under this agreement, or if Gahanna determines that the certification as to the delinquent taxes required by agreement is fraudulent, Gahanna may terminate or modify the exemptions from taxation granted under this agreement and may require the repayment of the amount of taxes that would have been payable had the property not been exempted from taxation under this agreement.
11. **R&K INVESTMENTS OF FLORIDA LTD CO** hereby certifies that at the time this THIRD AMENDMENT is executed, **R&K INVESTMENTS OF FLORIDA LTD CO** does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio, and does not owe delinquent taxes for which **R&K INVESTMENTS OF FLORIDA LTD CO** is liable under Chapter 5733., 5735., 5739., 5741., 5743., 5747., 5753. Of the Ohio Revised Code, or, if such delinquent taxes are owed, **R&K INVESTMENTS OF FLORIDA LTD CO** is currently paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against **R&K INVESTMENTS OF FLORIDA LTD CO**. For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised Code governing payment of those taxes.
12. **R&K INVESTMENTS OF FLORIDA LTD CO** affirmatively covenants that it has made no false statements to the State or City of Gahanna in the process of obtaining approval for Community Reinvestment Area incentives. If any representative of **R&K INVESTMENTS OF FLORIDA LTD CO** has knowingly made a false statement to the State or City of Gahanna to obtain Community Reinvestment Area incentives, **R&K INVESTMENTS OF FLORIDA LTD CO** shall be required immediately to return all benefits received under the AGREEMENT, as amended by the THIRD AMENDMENT, pursuant to O.R.C. Section 9.66 (C)(2) and shall be ineligible for any future economic development assistance from the State, any state agency or a political subdivision pursuant to O.R.C. Section 9.66 (D)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to O.R.C. Section 2921.13 (D)(1), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

13. Exemptions from taxation granted under this AGREEMENT, as amended by the THIRD AMENDMENT, shall be revoked if it is determined that **R&K INVESTMENTS OF FLORIDA LTD CO**, any successor to that person, or any related member (as those terms are defined in division (E) of section 3735.671 of the O.R.C.) has violated the prohibition against entering into this agreement under division (E) of section 3735.671 or section 5709.62 or 5709.63 of the O.R.C. prior to the time prescribed by that division or either of those sections.
14. **R&K INVESTMENTS OF FLORIDA LTD CO** and City of Gahanna acknowledge that this THIRD AMENDMENT must be approved by formal action of the legislative authority of City of Gahanna as a condition for the agreement to take effect. This THIRD AMENDMENT takes effect upon such approval.
15. The AGREEMENT, as amended by the THIRD AMENDMENT, is not transferable or assignable without the express, written approval of the City of Gahanna.

IN WITNESS WHEREOF, the City of Gahanna, Ohio, by _____, Housing Officer, and pursuant to Ordinance No. _____, has caused this instrument to be executed this ____ day of _____, ____ and **R&K INVESTMENTS OF FLORIDA LTD CO** by _____ has caused this instrument to be executed on this ____ day of _____, _____.

R&K INVESTMENTS OF FLORIDA LTD CO

City of Gahanna Housing Officer

By _____

By _____

Approved as to form:

City Attorney

payment received ✓
\$250 City ✓
\$750 DOB ✓

Date: 2008

CRA Area: #1

CITY OF GAHANNA

APPLICATION FOR THE COMMUNITY REINVESTMENT AREA PROGRAM

This application for Community Reinvestment Area Tax Incentives between the City of Gahanna located in the County of Franklin and Gahanna.

1. a. Name of property owner, home or main office address, contact person, and telephone number (attach additional pages if multiple enterprise participants).

REK INVESTMENTS OF FLORIDA
Enterprise Name

RODNEY INGRAM
Contact Person

6740 SE 110th ST. 508
Address
BELLEVIEW, FL 34420

(614) 206-5216
Telephone Number

- b. Project site:

025-013287
Parcel Number (Required)

RODNEY INGRAM
Contact Person

CROSS POINTE RD
Address
GAHANNA, OH 43230

(614) 206-5216 INGRAMHTI@HOTMAIL.COM
Telephone Number / Email
(740) 548-3999
Fax number

2. a. Nature of commercial/industrial activity (manufacturing, warehousing, wholesale or retail stores, or other) to be conducted at the site.

WAREHOUSING AND OFFICE SPACE

- b. List primary 4 digit Standard Industrial Code (SIC) # 3398

Business may list other relevant SIC numbers. _____

- c. If a consolidation, what are the components of the consolidation? (must itemize the location, assets, and employment positions to be transferred _____)

N/A

AGREEMENT
EXHIBIT A

City of Gahanna
Tax Abatement Application

d. Form of business of enterprise (corporation, partnership, proprietorship, or franchise).

CORPORATION

3. a. Where is your business currently located?



In State
Out of State

☐ Central Ohio

☐ Gahanna

b. Why are you locating your business in Gahanna?

HTI NEEDS CLOSE AIRPORT AND CARGO ACCESS.
HOTELS AND TAX INCENTIVES. ACCESS
TO OUTER BELT.

4. Name of principal owner(s) or officers of the business.

KEVIN TERRY - PRESIDENT

RODNEY INGRAM - VICE PRESIDENT

5. a. State the enterprise's current employment level at the proposed project site:

20 POSITIONS PER BUILDINGS

TOTAL FOUR (4) 12,000 SQ FOOT EACH

b. Will the project involve the relocation of employment positions or assets from one Ohio location to another?

Yes ☒ No ☐

c. If yes, state the locations from which employment positions or assets will be relocated and the location to where the employment positions or assets will be located:

MOVING ALL EMPLOYMENT POSITIONS & ASSETS

FROM WESTERVILLE, OHIO TO GAHANNA.

d. State the enterprise's current employment level in Ohio (itemized for full and part-time and permanent and temporary employees):

20 EMPLOYEES TOTAL

5- FULL TIME IN OFFICE 15- FIELD TECHNICIANS

e. State the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets: _____

Each Building will have Approx 20 Employees
Four (4) Building will have a total of 80 Employees

f. What is the projected impact of the relocation, detailing the number and type of employees and/or assets to be relocated?

HTI - 5 - EMPLOYEES AND 1.5 MILLION IN EQUIPMENT ASSETS
BUILDING 1. 20-EMPLOYEES / BUILDING 2. 20-EMPLOYEES
BUILDING 3. 20-EMPLOYEES / BUILDING 4. 20-EMPLOYEES

6. Does the Property Owner owe:

a. Any delinquent taxes to the State of Ohio or a political subdivision of the state?

Yes ___ No ☒

b. Any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the state?

Yes ___ No ☒

c. Any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not?

Yes ___ No ☒

d. If yes to any of the above, please provide details of each instance including but not limited to the location, amounts and/or case identification numbers (add additional sheets if necessary).

N/A

7. Project Description: Four (4) 12,000 SQUARE FOOT
OFFICE WAREHOUSE BUILDINGS. EACH BUILDING
WILL BE BROKEN DOWN IN 3000 SQUARE FOOT
UNITS. TOTAL SQUARE FOOTAGE 48,000.

8. Project will begin: MARCH, 2008 and be completed
DECEMBER, 2008 provided a tax exemption is provided.

City of Gahanna
Tax Abatement Application

9. a. Estimate the number of new employees the property owner will cause to be created at the facility that is the project site (job creation projection must be itemized by the name of the employer, full and part-time and permanent and temporary):

b. State the time frame of this projected hiring: 1.5 yrs.

c. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees):

10. a. Estimate the amount of annual payroll new employees will add \$
(new annual payroll must be itemized by full and part-time and permanent and temporary new employees). HTI'S Payroll \$250,000
overall \$2.4 million for whole site

b. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project: \$

11. An estimate of the amount to be invested by the enterprise to establish, expand, renovate or occupy a facility: Four (4) 12,000 Building 16 total 3000 sq ft. units

A. Acquisition of Buildings:	\$
B. Additions/New Construction:	\$ <u>2 - Million</u>
C. Improvements to existing buildings:	\$ <u>400,000.00</u>
D. Machinery & Equipment:	\$ <u>HTI Field Equipment</u>
E. Furniture & Fixtures:	\$ <u>HTI 15,000.00</u>
F. Inventory:	\$ <u>HTI Consumables</u>
G. Other:	\$

Total New Project Investment: \$ 2,415,000.00

12. a. Business requests the following tax exemption incentives: 100 % for 10 years covering real as described above. Be specific as to the rate, and term.

b. Business's reasons for requesting tax incentives (be quantitatively specific as possible; attach any supporting documents)

Building HTI'S OFFICE AND REINVESTING INTO
THE COMMUNITY. R&K INVESTMENTS CAN NOT
Build without the TAX INCENTIVE.

13. I certify that a tax incentive is necessary for location and or expansion of my business in Gahanna.

☒ Yes ☐ No


City of Gahanna
Tax Abatement Application

Submission of this application expressly authorizes The City of Gahanna to contact the Ohio Environmental Protection Agency to confirm statements contained within this application including item # 5 and to review applicable confidential records. As part of this application, the property owner may also be required to directly request from the Ohio Department of Taxation, or complete a waiver form allowing the Department of Taxation to release specific tax records to the local jurisdiction considering the request. The Applicant agrees to supply additional information upon request.

The Applicant affirmatively covenants that the information contained in and submitted with this application is complete and correct and is aware of the ORC Sections 9.66(C)(1) and 2921.13(D)(1) penalties for falsification which could result in the forfeiture of all current and future economic development assistance benefits as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

REK INVESTMENTS
Name of Property Owner

2-4-08
Date

RODNEY INGRAM

Signature

RODNEY INGRAM
Typed Name and Title
VP

The City of Gahanna will assume responsibility for notification to the affected Board of Education.

This application will be attached to Final Community Reinvestment Area Agreement as Exhibit A.

City of Gahanna

COMMUNITY REINVESTMENT AREA #1 AGREEMENT

This agreement made and entered into by and between the City of Gahanna, Ohio, a municipal government, with its main offices located at 200 South Hamilton Road, Gahanna, Ohio, hereinafter referred to as Gahanna and R&K Investments, Inc. and Heat Treating Inc. with their main offices located at 6740 SE 110th St. #508, Belleview, FL 34420 and 6767 Plumb Road, Galena, OH 43021 respectively and hereinafter referred to as the **Parties**.

WITNESSETH;

WHEREAS, Gahanna has encouraged the development of real property and the acquisition of personal property located in the area designated as a Community Reinvestment Area; and

WHEREAS, the **Parties** are desirous of construction of **approximately four 12,000** square foot buildings for **office/retail/warehouse**, hereinafter referred to as the "PROJECT" within the boundaries of the aforementioned Community Reinvestment Area, provided that the appropriate development incentives are available to support the economic viability of said PROJECT; and

WHEREAS, the Gahanna City Council by Ordinance No. 3-84, 14-84, 28-92, 37-94, 24 -96 and SR3-2003 designated the area as Community Reinvestment Area #1 pursuant Chapter 3735 of the Ohio Revised Code; and

WHEREAS, Gahanna has initiated a new proposed agreement with R&K Investments to modify the tax abatement start date; and

WHEREAS, Gahanna having the appropriate authority for the stated type of project is desirous of providing the **Parties** with incentives available for the development of the PROJECT in said Community Reinvestment Area under Chapter 3735 of the Ohio Revised Code; and

WHEREAS, the **Parties** have submitted a proposed agreement application, herein attached as Exhibit A, to Gahanna said application hereinafter referred to as "APPLICATION"; and

WHEREAS, the Director of Planning & Development of Gahanna has investigated the application of the **Parties** and has recommended the same to the Council of Gahanna on the basis that the **Parties** are qualified by financial responsibility and business experience to create and preserve employment opportunities in said Community Reinvestment Area and improve the economic climate of Gahanna; and

WHEREAS, the project site as proposed by the **Parties** is located in the Gahanna-Jefferson School District and has been notified in accordance with the City of Gahanna/Gahanna-Jefferson School Compensation Agreement and Section 5709.83 and been given access to the APPLICATION; and

WHEREAS, pursuant to Section 3735.67(A) and in conformance with the format required under Section 3735.671(B) of the Ohio Revised Code, the parties hereto desire to set forth their agreement with respect to matters hereinafter contained;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and the benefit to be derived by the parties from the execution hereof, the parties herein agree as follows:

Section 1 **Location by Corporation**

1. The **Parties** shall construct four new approximately **12,000 SQUARE FEET** buildings on Cross Pointe Road, Gahanna, Ohio (Parcel # 025-13186). The PROJECT will involve a total investment by the **Parties** of **\$2,400,000** as described in the application which is contained in Exhibit A, attached hereto and made a part thereof.
2. The PROJECT will begin **April 2008**, and all acquisition, construction and installation will be completed by **May 2009**.

Section 2 **Payroll and Employment**

1. The **Parties** shall create within a time period not exceeding thirty-six (36) months after the commencement of construction of the aforesaid facility, a payroll equivalent to **\$2,400,000.00** representing **80 Full Time Equivalent** job opportunities.

Section 3 **Program Compliance**

1. The **Parties** shall provide to the proper Tax Incentive Review Council any information reasonably required by the Council and annual reports to the City of Gahanna to evaluate the property owner's compliance with the agreement, including returns filed pursuant to section 5711.02 of the Ohio Revised Code.
2. The **Parties** shall each maintain a current membership in the Gahanna Area Chamber of Commerce.
3. Gahanna hereby grants the **Parties** a tax exemption for real property improvements made to the PROJECT site pursuant to Section 3735.67 of the Ohio Revised Code and shall be in the following amounts:

Year of Tax Exemption: **2009**

Tax Exemption Amount: **100%**

Term of Tax Abatement: **10 years**

Gahanna hereby grants the **Parties** the tax exemption for a **10** year period and if the **Parties** relinquish their site and are no longer located in Gahanna, prior to the end of the exemption period or within **10** years after the exemption period terminates, then the City will require the **Parties** to repay their share of abated taxes to the City of Gahanna at a rate of two (2) years for every one year the project was exempt.

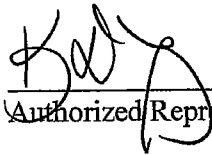
2. The identified PROJECT improvement will receive a **10 years at 100%** exemption period. The exemption commences the first year for which the real property exemption would first be taxable were that property not exempted from taxation. No exemption shall extend beyond **December 31, 2018**.
3. The **Parties** will comply with the tax abatement annual fee provisions pursuant to Section 3735.67 (D) of the Ohio Revised Code. The **Parties** are required to pay an annual fee equal to that contained in the Development Fee Schedule as authorized in Chapter 148 of the Codified Ordinances of Gahanna. This fee shall be paid once per year for each effective year of the agreement by the thirty-first of January post the year of abatement.
4. The **Parties** agree to pay additional compensation to Gahanna to meet the requirements of the Gahanna School Compensation Agreement; in the event the fifty percent of the exempted property taxes for this site for the Gahanna-Jefferson School District exceeds the fifty percent of the collected payroll tax from the **Parties**, the **Parties** agree to pay the difference to Gahanna. If necessary, this fee shall be paid once per year for each effective year of the agreement by the fifteenth of June post the year of abatement.
5. The **Parties** shall pay such real and tangible personal property taxes as are not exempted under this agreement and are charged against such property and shall file all tax reports and returns as required by law. If the **Parties** fail to pay such taxes or file such returns and reports, all incentives granted under this agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.
6. The **Parties** shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve and maintain exemptions from taxation granted under this agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.
7. If for any reason the Community Reinvestment Area designation expires or is rescinded by the City of Gahanna, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless the **Parties** materially fail to fulfill its obligations under this agreement and Gahanna terminates or modifies the exemptions from taxation granted under this agreement.
8. If the **Parties** materially fail to fulfill its obligations under this agreement, or if Gahanna determines that the certification as to the delinquent taxes required by agreement is fraudulent, Gahanna may terminate or modify the exemptions from taxation granted under this agreement and may require the repayment of the amount of taxes that would have been payable had the property not been exempted from taxation under this agreement.
9. The **Parties** hereby certify that at the time this agreement is executed, the **Parties** do not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio, and does not owe delinquent taxes for which the **Parties** are liable under Chapter 5733., 5735., 5739., 5741., 5743., 5747., 5753. Of the Ohio Revised Code, or, if such delinquent taxes are owed, the **Parties** are currently paying the delinquent taxes pursuant to an undertaking

enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against the **Parties**. For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised Code governing payment of those taxes.

10. The **Parties** affirmatively covenant that they have made no false statements to the State or City of Gahanna in the process of obtaining approval for Community Reinvestment Area incentives. If any representative of the **Parties** have knowingly made a false statement to the State or City of Gahanna to obtain Community Reinvestment Area incentives, the **Parties** shall be required immediately to return all benefits received under the Community Reinvestment Area Agreement pursuant to ORC Section 9.66 (C)(2) and shall be ineligible for any future economic development assistance from the State, any state agency or a political subdivision pursuant to ORC Section 9.66 (c)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to ORC Section 2921.13 (D)(1), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.
11. This agreement is not transferable or assignable without the express, written approval of the City of Gahanna.

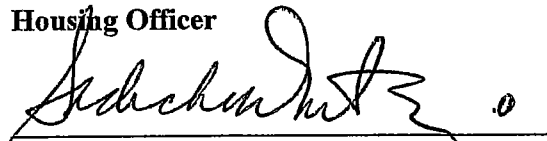
IN WITNESS WHEREOF, the City of Gahanna, Ohio, by Sadicka White, Housing Officer, and pursuant to Resolution Nos. 3-84, 14-84, 28-92, 37-94, 24 -96 and SR3-2003, has caused this instrument to be executed this 29 day of July, 2009 and the **Parties**, have caused this instrument to be executed on this 12TH day of AUGUST, 2009.

R&K Investments, Inc.



Authorized Representative

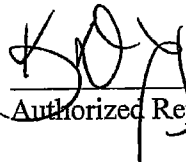
Housing Officer



Sadicka White

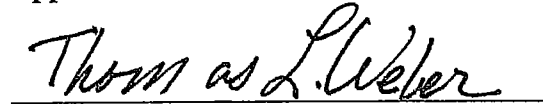
Director of Planning & Development

Heat Treating, Inc.



Authorized Representative

Approved as to form:



Thomas L. Weber, City Attorney