
REVENUE BOND

AND

TAX LEASE PROGRAM

APPLICATION

for assistance through

**the
County of Chautauqua
Industrial Development Agency**

**County of Chautauqua Industrial Development Agency
200 Harrison Street
Jamestown, New York 14701**

Phone: 716-664-3262

Fax: 716-664-4515

**Application for Financial Assistance
through the
County of Chautauqua
Industrial Development Agency**

The information listed on this form is necessary to determine the eligibility of the project applicant. Please fill in all blanks, using "NONE" or "NOT APPLICABLE" where necessary. If an estimate is given, put "EST" after the figure. Attach additional sheets if necessary. All information completed with this form will be treated confidentially. This application is only for the purpose of determining whether the applicant is eligible for consideration by the Board of Directors of the County of Chautauqua Industrial Development Agency. Return eight (8) copies of this application to the County of Chautauqua Industrial Development Agency at the address listed on the cover of this document.

PART 1

A. APPLICANT

Federal ID # 16-0874986

Company Name: Rand Machine Products, Inc.

Office Address: PO Box 0072, 2072 Allen St. Ext.
Falconer, NY 14733

Telephone: (716) 665-5217

Company officer completing this application:

Name: Herman C. Ruhlman Jr.

Title: President / CEO

1. Number of locations of present business facilities:

a. County of Chautauqua: 4

b. New York State: 4

c. Outside New York State: 0

2. Business Organization (check appropriate categories):

Corporation Partnership

Sole Proprietorship Subchapter S

Other (Specify)

3. Is business publicly or privately held? Public Private

4. List principal stockholders and percentage of ownership if applicable:

<u>Name</u>	<u>Percentage</u>	<u>Home Address</u>
Herman C. Ruhlman Jr.	61.3%	15 Annis St. Frewsburg, Ny 14738
Chad E. Ruhlman	19.3%	4729 Luce Rd. Bemus Pt., NY 14712
Jason R. Ruhlman	19.3%	12778 Brown Run Rd. Frewsburg, NY 14738

5. Is the business a subsidiary of, or affiliated directly or indirectly with any other organization? Yes No If "Yes" indicate relationship and name and address of the related organization(s) on a separate sheet.

6. Complete the following information:

<u>Officers</u>	<u>Name</u>	<u>Address</u>	<u>Social Security Number</u>	<u>Other Principal Business Affiliations</u>
Pres / CEO	Herman C. Ruhlman Jr.	15 Annis St. Frewsburg, NY 14738		N/A
Exec VP / Secretary	Chad E. Ruhlman	4729 Luce Rd Bemus Pt., NY 14712		N/A
VP / Gen. Manager	Jason R. Ruhlman	12778 Brown Run Rd. Frewsburg, NY 14738		N/A

B. References (these will be contacted):

1. Banking (List names of banks, account officers address and telephone number):
Cattaraugus County Community Bank
P.O. Box 227
Little Valley, NY 14755
Max Pickard / Scott Crist
2. Business Suppliers (List three largest accounts – names, addresses, telephone numbers, and list suppliers' terms of sale):
 - 1) Earle M. Jorgensen, 2060 Enterprise Parkway, Twinsburg, OH 44087
(800) 321-3320, Terms: Net 30
 - 2) Milwaukee Forge, 1532 E. Oklahoma Ave., Milwaukee, WI 53207-0210
(414) 744-4565, Terms: Net 30
 - 3) Accucut, 300 Connie Crescent, Concord, Ontario, Canada L4K5W6
(877-435-2633, Terms: Net 30
3. Major customers (List three largest – names, addresses, telephone numbers, and show percentage (%) of gross business obtained from each):
 - 1) Ellwood National Forge, 1 Front St., Irvine, PA 16329. (814) 563-8731 42%
 - 2) Dresser Piping Specialties, 41 Fisher Ave, Bradford, PA 16701 (814) 362-9200 11.5%
 - 3) General Dynamics, 1200 N. Glenbrook Dr., Garland, TX 75040 (972) 494-7753 10.5%
4. What are your terms of sale? 1% 10, Net 30
5. Current Landlord (List name, address and telephone number):
 - 1) Allegheny Valve Co., 419 3rd Ave., Warren, PA 16365 (814) 723-8150
 - 2) Richard E. Turner, 6 Hawthorne Ave., Lakewood, NY 14750 (716) 763-6357
 - 3) Herman C. Ruhlman Jr., 15 Annis St., Frewsburg NY 14738 (716) 569-4033
6. Legal Counsel (List name, address and telephone number):
Burgett & Robbins Attys
Dale Robbins
15 E. 5th St.
Jamestown, NY 14701
(716) 488-3090

C.

Business Description

1. Describe type of business:
Custom Contract Manufacturing (Job Shop), CNC / Conventional Machining / Fabrication / Tool & Die, Production of machine parts, subassembly & complete products
2. Describe the principal products and services:
CNC and Conventionally Machined Items (Steel, Stainless, Aluminum, Plastic)
Weld Fabrication, Final Assembly & Test
Stamping / Forming, Tool & Die Services
Non-Destructive Testing
3. Describe the market(s) served:
Defense, Railroad, Natural Gas Pipeline, Underground Mining & Hospital Equipment

D. Present Location

1. If you rent:
 - a. What is the present annual rent (state whether firm has a gross or net lease):

1) Allegheny Valve Co.	Approx \$69,750 / year (includes \$1000 / month for equipment rental)
2) Richard Turner	Approx \$155,454.48 / year
3) Herman C. Ruhlman, JR.	Approx \$91,368.00 / year
 - b. When does the lease expire? All are indefinite
2. If you own:
 - a. What is the current annual mortgage payment? No Mortgage on Main Rand Bldg.
 - b. When does the mortgage terminate? Paid In Full
3. Describe present location (include square footage, number of buildings, number of floors, etc.)

1) Rand	14,540 ft ²
2) Allegheny Valve Bldg.	22,000 ft ²
3) Rand Annex	51,960 ft ²
4) Spartan Tool & Die	<u>15,000 ft²</u>
	103,500 ft ²
4. List the current annual taxes by respective taxing jurisdictions:
 - a. Building(s): (Includes "MFG" / "Vacant Comm. & "other storage" Taxes)

Rand Bldg:	Town of Ellicott / County Taxes:	\$3,333.90
	Falconer Central School Taxes:	\$4,234.53
Spartan	Town of Gerry / County Taxes:	\$10,302.03
	Cassadaga Valley Central School Taxes:	\$11,054.78
A.V. Bldg:	Town of Ellicott / County Taxes:	\$4,051.77
	Falconer Central School Taxes:	\$5,090.48
	Village of Falconer Taxes:	<u>\$15.61</u>
		\$38,288.38 / year
 - b. Land: \$

E. Previous Financial Activities

1. What were your company's estimated capital expenditures in Chautauqua County, New York, during the past three (3) years? (Specify by place, year and amount.)

Hardinge CNC Lathes (1 at Rand – 1 at Spartan)	12/2007	\$210,000.00
Mori Seiki VMC (two - NV-5000's)	1/2008	\$451,600.00
2009 Peterbuilt Box Truck	8/2008	\$129,275.84
Yale Forklift	9/2008	\$14,000.00
Mori Seiki SL-403BMC	9/2008	\$385,000.00
Warner & Swasey CNC Lathe WSU 12	1/2010	\$10,000.00
Industrial Oven	3/2010	\$27,950.00
Sand Blast Cabinet	3/2010	\$20,255.82
Warner & Swasey CNC Lathe WSU 12	4/2010	\$15,000.00
Jones & Lamson – 30" Optical Comparator	4/2010	\$7,000.00
Warner & Swasey CNC Lathe Mod 1060	8/2010	\$30,000.00
Warner & Swasey CNC Lathe WSC-8	8/2010	\$10,000.00
	(Total)	\$1,310,081.66

2. Has your company ever been a recipient of funds obtained through tax-exempt or taxable bonds? Yes No If "Yes" give details below:

3. Describe your company's effort to secure assistance or financing in the County of Chautauqua, or any other area, on a separate sheet.

F. Types of Financial Assistance Requested
(Cross out those which are not applicable.)

1. ~~Industrial Development Revenue Bonds~~

~~A. Tax Exempt~~

~~B. Taxable~~

2. Tax Lease

3. Other loan(s). Describe: _____

Part 2

A. Describe the Project

(Include a general, functional description and prospective location.)

Rand to expand current capabilities to support growing customer demand for large / long machined parts.
Rand to invest in new equipment and manufacturing space in support of this opportunity

1) Purchase Machine tool (Mori Seiki, NT6600 Mill / Turn Center)	\$1,930,000.00
2) Installation of NT6600	\$90,000.00
3) Purchase or Coordinate Measuring Machine (CMM)	\$400,000.00
4) Installation of CMM	\$60,000.00
5) Purchase of Allegheny Valve Co. Property / bldg	\$700,000.00
6) Construction of New Manufacturing Facility (approx 19,550 ft ²) To be located in between Rand and Allegheny Valve Bldg's (Allen St. Extension, Falconer, NY)	\$1,300,000.00
8) 10 ton Crane in support of Mill / Turn Center within new Facility	\$200,000.00
9) Construct new Parking Lot & Driveway	\$200,000.00 (est)

B. Reasons for Project

1. Briefly describe the reasons why this project is necessary and what effect it will have on your business:

Rand has been approached by several customers in the Defense, Rail, Natural Gas Pipeline industries to machine items on the order of 15+ feet long and 36" in diameter. This capability will place Rand in a favorable position in the US with respect to Custom Manufacturing facilities and further help meet customer's needs.

2. If your business is unable to arrange suitable financing for this project, what will be the impact on your company and the County of Chautauqua? Would your company proceed with the project without Agency assistance and / or financing? Describe in detail:

One of our customers in Pittsburgh, PA (involved in both the defense and rail industries) has expressed significant interest in this machining capability. If Rand is not successful in obtaining the necessary aid to make this happen at the Rand Facility, this Pittsburgh based company has expressed their interest in obtaining this Mill / Turn center and placing it in their Pittsburgh, PA Facility. Rand will forego an opportunity healthy growth in the years to come (not only from this customer, but the others seeking this capability (both existing and new customers). This is a substantial opportunity for Rand, Chautauqua County and New York State in the years to come.

C. Type of Project

1. Check category which best describes your project:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Manufacturing | <input type="checkbox"/> Warehousing |
| <input type="checkbox"/> Industrial Assembly | <input type="checkbox"/> Pollution Control |
| <input type="checkbox"/> Research | <input type="checkbox"/> Other (Specify) |

2. If pollution control, check appropriate items below:

- | | |
|------------------------------------|--|
| <input type="checkbox"/> Air | <input type="checkbox"/> Noise |
| <input type="checkbox"/> Water | <input type="checkbox"/> Solid Waste |
| <input type="checkbox"/> Air/Water | <input type="checkbox"/> Other (Specify) |

D. Proposed Location

1. Does the project consist of (check appropriate categories):

- | | | |
|--|---|--|
| a. Construction of a new building | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| b. Renovations to an existing building | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| c. Construction of an addition to an existing building | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| d. Acquisition of an existing building | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

If the Company is to acquire an existing plant, attach a photograph and indicate if it is in operation, about to be abandoned or abandoned. If in operation, describe present products.

List costs or orders made by Company for the project, at the date of this application, on a separate sheet.

2. Describe the proposed location(s) of this project, including square footage, number of floors, address, etc. (If new construction is involved or expansion of existing plant, attach proposed floor plan):
- See attachment of Bldg Layout (JDA 3/10/2011) –
 - New Construction to take place between 2072 and 2088 Allen St. Extension to add approx 19,950 square feet of manufacturing space and approx 2300 square feet of new office space

3. List the present owner of the project site and the owner's name, address, and phone number. (If currently owned by the applicant, indicate date of purchase, reason for purchase and current use of the site):
Rand and Allegheny Valve Company are the current Land Owners for the proposed construction site.

4. Does the project site currently have existing occupant(s)?
 Yes No – Note: the proposed building site is vacant land (parking lot currently, However, it is desired to purchase of the A.V. building which Rand already occupies.

If "Yes", list all lessees, the amount of space occupied by each, and the date of termination of such leases on a separate sheet.

5. Is there a relationship legally or by virtue of common control between the applicant or present owner?
 Yes No

If "Yes", provide details on a separate sheet.

6. Does the Company have an option to purchase the project site or has a contract of sale been executed for such purchase? (If so, attach particulars.)
 Yes No

7. Has the Company placed any purchase orders or entered into any other agreements or contracts with respect to proposed project costs? (If so, attach particulars.)
 Yes No **Purchase order for the Machine tool (Mori Seiki NT6600) has been place "pending approved financing". No down payments have been made or formal obligation at the time of this application.

E. Location Maintenance Costs

1. What are the real estate taxes on the land and the building? (If current rate is not available, give assessed value for each and so state.)

Land (See Section D – 4)

Building \$

2. What is the estimated useful life of the:
 - a. Facility **40 years**
 - b. Equipment **20 years**

3. Is proposed Project site served by:

- a. Transportation Rail Truck Air
 Water
- b. Utilities Sewer Water Gas
 Electric Power

F. Employment

1. Employment at present time, if Company is now in existence within Chautauqua County, and an estimate of such employment at the proposed location at the end of one and two years:

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>
Full Time	92	97	102
Part Time*	4	4	4
Seasonal*	0	0	0

*Estimate percent that total part time or seasonal working time bears to total annual full working time (approx) 2%.

Total \$ 79,168

2. Estimate the annual payroll:

At present \$ 3,960,000

In one year \$ 4,173,000

G. Project Costs

1. List the costs necessary for the construction, acquisition or renovation of the project. (The project costs should **not** include working capital needs or moving expenses.)

<u>Description</u>	<u>Amount</u>
Land / Buildings	\$ 700,000
Building(s)	\$ 1,500,000
Renovation	\$ 0
Machinery and Equipment (Do not include furniture costs)	\$ 2,530,000
Installation	\$ 150,000

(G. Continued)

Fees (Do not include your own counsel fees costs)	\$ 120,000 (approx 6% of total const. / purchase costs)
Architectural Fees	\$ 130,000 (approx 10% of construction costs)
Financial Charges (specify)	\$ 0
Other (specify)	
Project contingency / risk mitigation	\$ 769,500 (approx 15 % of total estimated project)
Subtotal	\$ 5,899,500
Agency Administrative Fee	\$ 58,995
<u>Total Project Cost</u>	\$ 5,958,495

2. What is the amount of funds and term requested for financing through the County of Chautauqua Industrial Development Agency?

\$6,000,000 for 15 - 20 Years

H. Project Schedule

1. Indicate the estimated days for:
 - a. Financing of the project **ASAP**
 - b. Commence of construction **ASAP** (April 2011)
 - c. Completion of construction **ASAP** (to support machine arrival in June 2011)

2. List the date(s) and in what amount(s) the estimated funds will be required:
 - Purchase Land / Building from Allegheny Valve Approx \$700,000 April / May 2011
 - Purchase Machine tool \$1,930,000 approx June 2011
 - Purchase CMM – \$400,000 approx August 2011
 - Construct New Building between Rand and A.V. Buildings (\$1.3M to start in April / May 2011 to be completed by approx December 2011
 - Install Machine Tool \$100,000 approx June 2011 (foundation work)
 - Purchase and Install 10 Ton Crane approx \$150,000 to be installed approx June / July 2011
 - Install CMM \$60,000 approx June 2011 (foundation work)
 - Incurred Fees and expenses for construction (To start April 2011 thru December 2011) – these are rough estimates...

I. Other Agency Involvement

1. Have you contacted any other governmental agency in reference to this project?
 Yes No

If "Yes", please indicate the agency and the nature of the inquiry below:

2. Have you contacted any financing institutions or other industrial development agencies in New York State, or elsewhere, for financial assistance in reference to this project or one of a similar nature?
 Yes No

If "Yes", please indicate below the institution and / or agency and the present status of the inquiry:

J. Financial Information (attach the following)

1. Certified financial statements for the last three (3) fiscal years. (See attached)

For Industrial Development Bonds (IDB) complete Questions 2, 3 & 4.

2. Pro forma sheet as at start of operations at project site.
TBD (being developed)
3. Project profit and loss statements for first two (2) years of operation at projected site.
TBD (being developed)
4. Projected "cash flow" statement, by quarters, for first year of operation at project site.
TBD (being developed)

Certification

Herman C. Ruhlman, Jr.

(Name of chief executive officer of company submitting application)

deposed and says that he/she is the President / CEO

(Title)

of Rand Machine Products, Inc. , the corporation named in attached application;

(Company name)

that he has read the foregoing application and attachments and knows the contents thereof; that the same is true to his knowledge, contains no information or data that is false or incorrect and is truly descriptive of the project which is intended as security for the requested financing.


Deponent further says the reason for this verification is made by the deponent and not by Rand Machine Products, Inc.

(Company name)

is because the said company is a corporation. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information required by deponent in the course of his duties as an officer of and from the books and papers of said corporation.

As an officer of said corporation (hereinafter referred to as the "applicant") deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the non-profit County of Chautauqua Industrial Development Agency (hereinafter referred to as the "Agency") acting in connection with the attendant negotiations and ultimately the closing of the project and (or) financing. If, for any reason whatsoever, the applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels, or neglects the application, then upon presentation of invoice, applicant shall pay to the Agency, its agents or assigns all actual costs involved in conduct of the application and the drafting of documents up to that date and time, including fees of counsel for the Agency.

The costs incurred by the Agency and paid by the applicant, including the Agency's counsel's fees and the administrative fee, may be considered as a cost of the project and included as part of any resultant bond issue, subject to the limitations imposed by law.



(Chief Executive Officer of
company submitting application)

Notary

Sworn to before me this

14th day of March, 2011



JANICE M. PAQUIN
(Seal)
Notary Public, State of New York
No. 4980036
Qualified in Chautauque County
My Commission Expires April 8, 2014

TO: Project Applicants
 FROM: County of Chautauqua Industrial Development Agency
 RE: Cost/Benefit Analysis Questionnaire

In order for the County of Chautauqua Industrial Development Agency (the "Agency") to prepare a Cost/Benefit Analysis for a proposed project (the "Project"), the Applicant must answer the questions contained in this Project Questionnaire (the "Questionnaire") and complete the attached Schedules. This Questionnaire and the attached Schedule will provide information regarding various aspects of the Project, and the costs and benefits associated therewith.

Since we need this Questionnaire to be completed before we can finalize the Cost/Benefit Analysis, please complete this Questionnaire and forward it to us at your earliest convenience.

PROJECT QUESTIONNAIRE

1. Name of Project Beneficiary ("Company"):	Rand Machine Products, Inc.
2. Brief Identification of the Project:	Rand Expansion 2011
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$6,000,000
B. Value of Sales Tax Exemption Sought	\$56,250
C. Value of Real Property Tax Exemption Sought	\$367,500
D. Value of Mortgage Recording Tax Exemption Sought	\$18,750

PROJECTED PROJECT INVESTMENT

A. Land-Related Costs	
1. Land acquisition	\$45,000
2. Site preparation	\$75,000
3. Landscaping	\$10,000
4. Utilities and infrastructure development	\$0
5. Access roads and parking development	\$200,000
6. Other land-related costs (describe)	\$0
B. Building-Related Costs	
1. Acquisition of existing structures	\$655,000
2. Renovation of existing structures	\$0
3. New construction costs	\$1,300,000
4. Electrical systems	(included in \$1.3M est)
5. Heating, ventilation and air conditioning	(included in \$1.3M est)
6. Plumbing	(included in \$1.3M est)
7. Other building-related costs (describe)	(included in \$1.3M est)

C.	Machinery and Equipment Costs	
1.	Production and process equipment	\$2,530,000
2.	Packaging equipment	N/A
3.	Warehousing equipment	N/A
4.	Installation costs for various equipment	\$150,000
5.	Other equipment-related costs (describe)	N/A
D.	Furniture and Fixture Costs	
1.	Office furniture	N/A
2.	Office equipment	N/A
3.	Computers	N/A
4.	Other furniture-related costs (describe)	N/A
E.	Working Capital Costs	
1.	Operation costs	N/A
2.	Production costs	N/A
3.	Raw materials	N/A
4.	Debt service	N/A
5.	Relocation costs	N/A
6.	Skills training	N/A
7.	Other working capital-related costs (describe)	N/A
F.	Professional Service Costs	
1.	Architecture and engineering	\$130,000
2.	Accounting/legal (est at 5%)	\$300,000
3.	Other service-related costs (describe)	N/A
G.	Other Costs	
1.	_____	N/A
2.	_____	N/A
H.	Summary of Expenditures	
1.	Total Land Related Costs	\$230,000
2.	Total Building Related Costs	\$1,955,000
3.	Total Machinery and Equipment Costs	\$2,680,000
4.	Total Furniture and Fixture Costs	\$0
5.	Total Working Capital Costs	\$0
6.	Total Professional Service Costs	\$430,000
7.	Total Other Costs	\$0

PROJECTED CONSTRUCTION EMPLOYMENT IMPACT

I. Please provide estimates of total construction jobs at the Project:

Year	Construction Jobs (Annual wages and benefits \$40,000 and under)	Construction Jobs (Annual wages and benefits over \$40,000)
Current Year	TBD	TBD
Year 1	N/A	N/A
Year 2	N/A	N/A
Year 3	N/A	N/A
Year 4	N/A	N/A
Year 5	N/A	N/A

II. Please provide estimates of total annual wages and benefits of total construction jobs at the Project:

Year	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	TBD	TBD
Year 1	N/A	N/A
Year 2	N/A	N/A
Year 3	N/A	N/A
Year 4	N/A	N/A
Year 5	N/A	N/A

PROJECTED PERMANENT EMPLOYMENT IMPACT

I. Please provide estimates of total existing permanent jobs to be preserved or retained as a result of the Project:

Year	Existing Jobs (Annual wages and benefits \$40,000 and under)	Existing Jobs (Annual wages and benefits over \$40,000)
Current Year	Approx 18	Approx 83
Year 1	Approx 21	Approx 84
Year 2	Approx 24	Approx 84
Year 3	TBD	TBD
Year 4	TBD	TBD
Year 5	TBD	TBD

II. Please provide estimates of total new permanent jobs to be created at the Project:

Year	New Jobs (Annual wages and benefits \$40,000 and under)	New Jobs (Annual wages and benefits over \$40,000)
Current Year	2	3
Year 1	3	1
Year 2	3	0
Year 3	TBD	TBD
Year 4	TBD	TBD
Year 5	TBD	TBD

III. Please provide estimates of total annual wages and benefits of total permanent construction jobs at the Project:

Year	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	\$0	\$0
Year 1	\$0	\$0
Year 2	\$0	\$0
Year 3	\$0	\$0
Year 4	\$0	\$0
Year 5	\$0	\$0

IV. Please provide estimates for the following:

A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.

PROJECTED OPERATING IMPACT

I. Please provide estimates for the impact of Project operating purchases and sales:

Additional Purchases (1 st year following project completion)	\$125,000
Additional Sales Tax Paid on Additional Purchases	N/A
Estimated Additional Sales (1 st full year following project completion)	\$625,000
Estimated Additional Sales Tax to be collected on additional sales (1 st full year following project completion)	\$0

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes ("Pilot Payments"):

Year	Existing Real Property Taxes	New Pilot Payments	Total
Current Year	\$0	\$0	\$0
Year 1	\$0	\$5,250	\$5,250
Year 2	\$0	\$5,250	\$5,250
Year 3	\$0	\$10,500	\$10,500
Year 4	\$0	\$10,500	\$10,500
Year 5	\$0	\$15,750	\$15,750
Year 6	\$0	\$15,750	\$15,750
Year 7	\$0	\$21,000	\$21,000
Year 8	\$0	\$21,000	\$21,000
Year 9	\$0	\$26,250	\$26,250
Year 10	\$0	\$26,250	\$26,250

III. Please provide estimates for the impact of other economic benefits expected to be produced as a result of the Project:

- Additional new permanent manufacturing jobs to the area
- Companies (local and across the country) will seek out this machining capability and along with this – the will come residual work (internal to Rand and subcontract to local businesses (plating / grinding, etc...))
- New Construction jobs
- Additional tax revenue to support local school / county / State
- Rand to eliminate rent payments to Allegheny Valve (of Warren, PA)

CERTIFICATION

I certify that I have prepared the responses provided in this Questionnaire and that, to the best of my knowledge, such responses are true, correct and complete.

I understand that the foregoing information and attached documentation will be relied upon, and constitute inducement for, the Agency in providing financial assistance to the Project. I certify that I am familiar with the Project and am authorized by the Company to provide the foregoing information, and such information is true and complete to the best of my knowledge. I further agree that I will advise the Agency of any changes in such information, and will answer any further questions regarding the Project prior to the closing.

Date Signed: March 14, 2011.

**Name of Person Completing Project
Questionnaire on behalf of the Company.**

Name: Herman C. Ruhlman, Jr.
Title: President / CEO
Phone Number: (716) 665-5217

Signature: Herman C. Ruhlman, Jr.

SCHEDULE A

CREATION OF NEW JOB SKILLS

Please list the projected new job skills for the new permanent jobs to be created at the Project as a result of the undertaking of the Project by the Company.

New Job Skills	Number of Positions Created	Wage Rate
CNC Machinist / General Labor	9	\$10.00 - \$15.00 / hour (hourly with OT)
CAD / CAM / CNC Programmer	1-2	\$45,000 - \$60,000 / year (Salary)

Should you need additional space, please attach a separate sheet.

**County of Chautauqua
Industrial Development Agency**

FINANCIAL FEE
STRUCTURE

REVOLVING LOAN FUNDS

1% of total loan

CIVIC FACILITIES BONDS

1% of total IDA project cost

INDUSTRIAL REVENUE BONDS

1% of total IDA project cost

TAX LEASES

1% of total IDA project cost

AN APPLICATION FEE OF \$250 IS DUE UPON SUBMISSION OF ALL LOAN APPLICATIONS
AN APPLICATION FEE OF \$1,000 IS DUE UPON SUBMISSION OF ALL BOND AND TAX
LEASE APPLICATIONS