

RESOLUTION NO. R-94- 02

WHEREAS, the City of Conway has an approved Zone designation for Census Tract 9903, Block Group 1 within the corporate limits of the City of Conway; and

WHEREAS, the local government must endorse a business or enterprise to participate in the Arkansas Enterprise Zone Program and benefit from the refunds/exemptions as provided in Part IV of the Arkansas Enterprise Zone Program Regulations; and

WHEREAS, said endorsement must be made on specific form available from AIDC; and

WHEREAS, Virco Mfg. Corporation, located at Hwy 65 South & Robbins Street, Conway, Arkansas has sought to participate in the program and has been found by the management of the enterprise zone program to be eligible for the benefits thereof; and

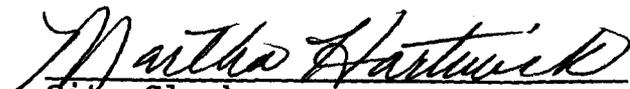
WHEREAS, Virco Mfg. Corporation has agreed to furnish the management of the enterprise zone all necessary information for compliance.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CONWAY, ARKANSAS, THAT;

1. Virco Mfg. Corporation be endorsed by the City of Conway for benefit from the Arkansas Enterprise Zone Program.
2. This resolution shall take effect immediately.

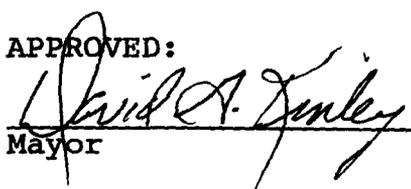
PASSED this 25th day of January, 1994.

ATTEST:



City Clerk

APPROVED:



Mayor

Application# _____

ARKANSAS ENTERPRISE ZONE PROGRAM

SECTION A - COMPANY INFORMATION

1. Name of Firm: Virco Mfg Corporation
2. Principal mailing address: P O Box 5000
3. Location of Business:
Hwy 65 South & Robbins Street Conway
(Street Address) (City or County)
4. Enterprise Zone by Census Designation: CT___, BG___, ED___
5. Standard Industrial Classification Code (SIC): 2531
6. Description of principal business activity , products manufactured, etc.
Manufacturer of school, office, and hospitlity furniture

7. Date firm began or anticipates operations in Enterprise Zone:
Imm
8. Contact person: Brad Hegeman 9. Phone 329-2901 ext 181

SECTION B - EMPLOYMENT DATA

1. How many employees do you now have? 1350 as of 12/31/93
(number) (date)
2. What was your average annual employment for the previous fiscal year? 1250 (Add monthly averages and divide by 12 or by number of months in business.)
3. How many additional full time (20 hours or more per week) employees do you anticipate hiring during this fiscal year?
25

In order to receive enterprise zone tax credits, AIDC strongly encourages hiring through the local Arkansas Employment Security Division. The business must certify (and verify after hiring) that at least 35% of its net new employees meet the criteria set forth in Section 1 published by the Revenue Division of the Arkansas Enterprise Zone Program Regulations.

In proceeding with employment, remember that 35% of all new employees must be (a) residents of the same county as the location of the business or counties adjacent thereto; and (b) have been receiving some form of public assistance immediately prior to employment; or are considered unemployable by traditional standards or lacking in basic skills at the time of employment.

Public assistance means any contribution, monetary or otherwise, made by federal, state, county, and/or local governments to individuals who qualify therefore by reason of indigence and/or unemployment, as determined by the applicable rules, regulations, or guidelines, of each public assistance program (e.g. unemployment insurance compensation, Section 8 housing payments, Social Security, etc.)

Employees considered unemployable by traditional standards should have met items 2, 3, and 4 of those listed below. A person that would qualify as lacking in basic skills should meet criteria 1, 3, and 4 of the following items:

- (1) be required to participate in a company training program; or
- (2) been unemployed for at least 13 weeks prior to employment with the company;
- (3) should not have quit last employer without good cause to gain employment with the company; and
- (4) have registered with either the Arkansas Employment Security Division or a private employment agency.

4. Estimated number of qualifying net* new employees (exclude owners) for which you expect to take the \$2,000 income tax credit. 25

*Net - difference between annual average of one year over the average of previous year.

3. The business and its contractors must give preference and priority to Arkansas Manufacturers, suppliers, contractors and labor, except where it is not reasonable possible to do so without added expense, substantial inconvenience or sacrifice in operation efficiency. Provide an estimate of the percent of expenditures in the following categories:

	Building, Machinery Equipment	Labor
Arkansas:	<u>90</u> %	<u>100</u> %
Outside Arkansas:	<u>10</u> %	<u> </u> %

4. Explain the need for purchases outside of Arkansas:

Specialized equipment and tooling not available in Arkansas

5. Projected Construction Start 1/94
6. Projected Construction Completion 12/94
7. Projected Commencement of Hiring 5/94

3. CERTIFICATION

BEFORE ME, the undersigned authority, personally came and appeared Hugh D Tyler who being first duly sworn
(Name of Company Official)

did depose and say, that s/he is Vice President/Gen Manager of
(Title)

Virco Mfg Corporation.
(Company)

This affidavit is made for the specific purpose of verifying that s/he has examined the information contained in these nine pages. Sworn to and subscribed before me the 11th day of January, 1994.

John H. Phillips
John H. Phillips
My commission expires July 21, 2003
PUBLIC
FAULKNER COUNTY, ARK.

By Hugh D Tyler
(Signature of Company Official)
Hugh D Tyler
Vice President/General Manager