

RESOLUTION NO. 5-06

**A RESOLUTION APPROVING THE DESIGNATION OF
AN ECONOMIC REVITALIZATION AREA FOR
PROPERTY TAX ABATEMENT FOR QUADRASPEC, INC.**

WHEREAS, Indiana Code chapter 6-1.1-12.1 allows a partial abatement of property taxes attributable to new manufacturing equipment and a partial abatement of property taxes attributable to new information technology equipment in Economic Revitalization Areas;

WHEREAS, Indiana Code chapter 6-1.1-12.1 empowers the Common Council to designate Economic Revitalization Areas by following a procedure involving the adoption of a preliminary resolution, provision of public notice, conducting of a public hearing and adoption of a final resolution confirming the preliminary resolution or a modified version of the preliminary resolution;

WHEREAS, the business (called applicant), named above and in the attachment to this resolution, which attachment is incorporated by reference, has an ownership interest in the geographic area (called subject real estate) described in such attachment;

WHEREAS, the applicant has requested that the subject real estate be designated as an Economic Revitalization Area for the purpose of achieving property tax savings in connection with the installation of new manufacturing equipment and information technology equipment (called New Equipment) identified in such attachment; and

WHEREAS, evidence and testimony were considered by the Common Council.

WHEREAS, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF WEST LAFAYETTE that:

Section 1. The Common Council, after consideration of the application and Statement of Benefits contained in the attachment and the evidence presented finds that:

The estimate of the cost of the installation of New Equipment (both manufacturing equipment and information technology equipment) is reasonable for equipment of that type.

The estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed installation of New Equipment.

The estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed installation of New Equipment.

Other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described installation of New Equipment.

The totality of benefits is sufficient to justify the deduction.

Section 2. The Common Council designates, finds and establishes the subject real estate an Economic Revitalization Area, subject to final confirmation after public hearing. This designation is subject to the condition that designation allows abatement of property taxes only as follows: installation of manufacturing equipment and information technology equipment (New Equipment) for a period of ten years. However, on the written request of the applicant, the Director of the Department of Development is allowed to authorize, in writing, substitutions, modifications and additions to the tax abatement set forth above and in the attachment which are not substantial in nature to the specified installation of New Equipment before March 1st of the year in which the initial certified deduction application for installation of New Equipment is filed with the Tippecanoe County Auditor and the State Board of Tax Commissioners.

Section 3. The Economic Revitalization Area designation terminates two years after the date of the final resolution. Accordingly, partial abatement of property taxes is allowed, to the extent provided above relative to specified installation of New Equipment on the subject real estate during the period from the date of the submission of the Statement of Benefits, December 28, 2005, until two years after adoption of the final resolution. However, termination of this designation does not limit the period of time to a period of less than the applicants or successor owner is entitled to receive a partial abatement of property taxes relative to specified installation of New Equipment on the subject real estate before the termination of such designation, as provided by Indiana Code chapter 6-1.1-12.1.

Section 4. The partial abatement of taxes attributed to the installation of New Equipment is subject to limitations contained in the Statement of Benefits, which is a part of the attachment to this resolution.

This resolution shall be in full force and effect from and after its passage and signing by the Mayor.

INTRODUCED AND FILED ON _____, 2006.

PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE CITY OF WEST LAFAYETTE, INDIANA ON _____, 2006, HAVING BEEN PASSED BY A VOTE OF ____ IN FAVOR AND ____ OPPOSED.

Presiding Officer

Attested:

Clerk-Treasurer

PRESENTED BY ME TO THE MAYOR OF THE CITY OF WEST LAFAYETTE,
INDIANA ON _____, 2006, AT THE HOUR OF _____ .M.

Clerk-Treasurer

THIS RESOLUTION APPROVED AND SIGNED BY ME ON _____,
2006, AT THE HOUR OF _____ .M.

Jan H. Mills, Mayor

Attested:

Clerk-Treasurer



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (5-04)
Prescribed by the Department of Local Government Finance

RECEIVED
DEC 28 2005

**FORM
SB - 1 / PP**

INSTRUCTIONS:

- 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)
- 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
- To obtain a deduction, Form 322 ERA/PPME and/or Form 322 ERA/PP Other, must be filed with the county auditor. Form 322 ERA/PPME and/or Form 322 ERA/PP Other 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 becomes assessable, 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.
- Property owners whose Statement of Benefits was approved after June 30, 1991 must submit Form CF-1 annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
- The schedules established under IC 6-1.1-12.1-4(d) and IC 6-1.1-12.1-4.5(e) effective July 1, 2000 apply to any statement of benefits filed on or after July 1, 2000. The schedules effective prior to July 1, 2000 shall continue to apply to those statement of benefits filed before July 1, 2000.

SECTION 1 TAXPAYER INFORMATION

| | |
|--|----------------------------------|
| Name of taxpayer QuadraSpec, Inc. | |
| Address of taxpayer (street and number, city, state, ZIP code) 3000 Kent Avenue West Lafayette IN 47906 | |
| Name of contact person Greg Renz | Telephone number 765-775-1026 |

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT

| | | |
|--|----------------------------|------------------------------------|
| Name of designating body West Lafayette Common Council | | Resolution number |
| Location of property 3000 Kent Avenue West Lafayette IN 47906 | County Tippecanoe | Taxing district Wabash Township |
| 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) Machinery, diagnostic equipment, and computers used in research and manufacturing. | ESTIMATED | |
| | | Start Date Completion Date |
| | Manufacturing Equipment | 01/01/2006 12/31/2007 |
| | R & D Equipment | |
| | Logist Dist Equipment * | |
| IT Equipment * | 01/01/2006 12/31/2007 | |

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

| | | | | | |
|----------------|----------|-----------------|----------|-------------------|-----------|
| Current number | Salaries | Number retained | Salaries | Number additional | Salaries |
| 13 | 987,771 | 13 | 987,771 | 40 | 2,560,979 |

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 | | | | | | | | |
| Plus estimated values of proposed project | 1,287,000 | 514,800 | | | | | 58,000 | 23,200 |
| Less values of any property being replaced | | | | | | | | |
| Net estimate values upon completion of project | 1,287,000 | 514,800 | | | | | 58,000 | 23,200 |

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 CFO | Date signed (month, day, year) 12/28/05 |
|--|--------------|--|

* See IC 6-1.1-12.1-2.3.

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; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> 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 after July 1, 2000 is allowed for:

- | | | |
|-------------------------------------|--------------------------------------|--|
| <input type="checkbox"/> 1 year | <input type="checkbox"/> 6 years | ** For ERA's established prior to July 1, 2000 <u>only</u> 5 or 10 year schedule may be deducted. |
| <input type="checkbox"/> 2 years | <input type="checkbox"/> 7 years | |
| <input type="checkbox"/> 3 years | <input type="checkbox"/> 8 years | |
| <input type="checkbox"/> 4 years | <input type="checkbox"/> 9 years | |
| <input type="checkbox"/> 5 years ** | <input type="checkbox"/> 10 years ** | |

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 or 4.5

**CITY OF WEST LAFAYETTE
TAX ABATEMENT APPLICATION FORM
WEST LAFAYETTE ECONOMIC DEVELOPMENT COMMISSION**

Please complete the following questions prior to applying for tax abatement. Should questions arise please contact the Department of Development, 609 W. Navajo, West Lafayette, Indiana 47906, 765-775-5160. The abatement process is explained in the "West Lafayette Tax Abatement Handbook" attached to this document. Please be sure that you also fill out the additional "supplementary" information sheets also attached.

SECTION I-- APPLICANT

1. Name of Applicant: QuadraSpec, Inc.
 2. Address: 3000 Kent Avenue West Lafayette, IN 47906

 3. Date Organized or Incorporated: August 10, 2004
 4. Chief Executive Officer: Chad Barden
 5. Principal Contact or Agent: Diana Bilger, Ernst & Young LLP, (317) 681-7174
 6. Principal Office Address: 3000 Kent Avenue West Lafayette, IN 47906

 7. Name of Parent Company (if any): N/A
 8. Address of Parent Company (if any): N/A

- Phone: 765-775-1026

9. Applicant is applying for Economic Revitalization Area designation for the purpose of:

- Real Property Tax Abatement
 Personal Property Tax Abatement (New Manufacturing and IT Equipment)
13 Number of full-time personnel currently employed locally

10. Please Provide:

- a. a brief history of the company and eight (8) copies of the last Annual Report
A history of QuadraSpec is on Attachment B. The Company was formed August 2004 and is still in its start-up phase so there are no prior Annual Reports available.

- b. relevant financial information, e.g. annual report, etc.
See Attachment A for projected financial information.

SECTION II-- LOCATION OF IMPROVEMENT

11. Location of Site: 3000 Kent Avenue West Lafayette, IN 47906
12. Assessor's Parcel (key) #: 168-05301-0378
13. Owner of Property: Purdue Research Park
14. Does the company currently conduct business at the location?
X Yes No

If yes, describe: See Attachment B

SECTION III-- NATURE OF THE IMPROVEMENT

15. Nature of the product or service to be performed at the site:

See Attachment B

16. Description of the proposed physical improvements. What physical changes will be made on the project property?

Real Property or Manufacturing Improvements: Leasehold Improvements

Personal Property (New Manufacturing Equipment/R&D/Lab Equipment):

QuadraSpec will be purchasing new machinery, equipment, and computers for manufacturing and R&D operations. See Attachment C for additional information.

17. Cost of the real property or manufacturing improvements (excluding land costs): \$240,000
(leasehold improvements)
18. Size of the facilities to be constructed (in square feet), if any: N/A
19. Cost of the new manufacturing equipment to be installed: \$1,287,000 - Cost of qualifying IT Equipment \$58,000
20. What is the timetable for the start and completion of project?: 1/1/06-12/31/07

21. When is completion expected?: 12/31/07

22. How many permanent employees will be employed as a result of this project?: 53 total at 12/31/07

23. In what type of employment will they be engaged?: Executives, Engineers, Chemists, Regulatory Affairs, Sales, Office Administration and Accounting

24. Estimate of the additional annual payroll to be produced at the end of:
1 year \$ 1,550,000 3 years \$ 2,560,000

25. Will the project result in any pollution?:
No
air _____ water _____ noise _____ other _____

Explain:

26. Will the project require a rezoning, variance, or zoning approval before construction is initiated?
_____ yes X _____ no
If yes, explain:

27. Describe additional public utilities and municipal services or facilities necessitated by the project (e.g., enlargement of sewer, street improvements, water supply, upgrading of traffic signals, etc.):
None

28. With what businesses will you directly compete in the Greater Lafayette Area?:

- | | |
|---------|-----|
| 1. None | 6. |
| 2. | 7. |
| 3. | 8. |
| 4. | 9. |
| 5. | 10. |

What are your products or services sold outside the eight (8) county area? Bio-CD and CD Reader
(See Attachment B)

29. The following is a definition of an "economic revitalization area". Please read the definition and answer the following question as it pertains to your project. According to IC 6-1.1.1-12.1-1:
"Economic revitalization area" means an area which is within the corporate limits of a city, town or county which has become undesirable for, or impossible of normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings or other factors which have impaired values or prevent a normal development of property or use of property. The term "economic revitalization area" also includes any area where a facility or a group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues.

What evidence can be provided that the project property should be designated as an "Economic Revitalization Area" based on this definition?

N/A- the address that will be leased by the Company is already designated an ERA

SECTION IV-- ADDITIONAL APPLICANT INFORMATION

30. Has the applicant or any predecessor of the applicant defaulted in any material respect the performance of financial obligations by the applicant?

Yes _____ no X If yes, explain:

31. Has the applicant ever applied for or benefited from any tax abatement in any other project in the State of Indiana or elsewhere? _____ Yes X No

If yes, explain:

SECTION V-- ANNUAL REPORT & HISTORY OF COMPANY

32. Is there any pending litigation materially affecting the applicant?:

_____ Yes X No If yes, please describe (or have counsel for the applicant describe) giving procedural posture of the case(s):

33. Are there any restrictions contained in the applicant's Articles or Certificate of Incorporation, Charter, Bylaws, Code of Regulations or any agreements to which the applicant is a party that could affect the applicant's ability to engage in this project?

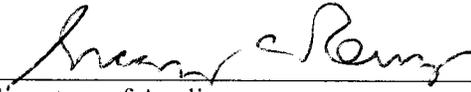
_____ Yes X No If yes, explain:

34. Certified Public Accountant: Ernst & Young

35. Commercial Bankers: Centier Bank and Lake City Bank

36. Company Counsel: Bose McKinney Evans

I hereby certify that the above information and representations are to the best of my knowledge true and complete.



Signature of Applicant

CFO

Position

12/28/05

Date Submitted

Diana Bilger

Company Contact Person

Ernst & Young, 111 Monument Circle, Ste 2600, Indianapolis, IN 46204
Address

Phone: 317 681-7174_____

Fax: 866-284-7449_____

SUPPLEMENTARY INFORMATION SHEET
TAX ABATEMENT APPLICATION
CITY OF WEST LAFAYETTE
ECONOMIC DEVELOPMENT COMMISSION

To be completed by applicant

R&D/LAB, MANUFACTURING OR COMMERCIAL

Is this request for:

_____ improvements to real estate X new manufacturing
equipment that has not been taxed in
Indiana before

Length of abatement requested for equipment and property:

Real Property _____ 3 years bldg ___ 6 years bldg ___ 10 years bldg
Mfg. Equipment _____ 5 years equip X 10 years equip.

Number of potential jobs for residents of the Greater Lafayette area:

| Current | Retained | Additional |
|---------------------------------------|---------------------------------------|---------------------------------------|
| Engineering <u> 1 </u> | Engineering <u> 12 </u> | Sr Engineering <u> 2 </u> |
| Sales _____ | Sales _____ | Sales <u> 1 </u> |
| Administration _____ | Administration _____ | Administration <u> 2 </u> |
| Manufacturing <u> 1 </u> | Manufacturing <u> 1 </u> | Manufacturing _____ |
| Maintenance _____ | Maintenance _____ | Maintenance _____ |
| Other (Specify) | Other(Specify) | Other(Specify) |
| Sr Chemist <u> 1 </u> | Sr Chemist <u> 1 </u> | Regulatory Affairs <u> 1 </u> |
| Staff Engineers/Chemists <u> 10 </u> | Staff Engineers/Chemists <u> 10 </u> | Staff Engineers/Chemists <u> 33 </u> |
| | | Executives <u> 1 </u> |

Total Potential Salaries for jobs for residents of the Greater Lafayette area:

| Current | Retained | Additional |
|---|---|---|
| Engineering <u>\$119,995</u> | Engineering <u>\$119,995</u> | Sr Engineering <u>\$230,006</u> |
| Sales _____ | Sales _____ | Sales <u>\$150,009</u> |
| Administration _____ | Administration _____ | Administration <u>\$70,013</u> |
| Manufacturing <u>\$150,009</u> | Manufacturing <u>\$150,009</u> | Manufacturing _____ |
| Maintenance _____ | Maintenance _____ | Maintenance _____ |
| Other (Specify) | Other(Specify) | Other(Specify) |
| Sr Chemist <u>\$104,998</u> | Sr Chemist <u>\$104,998</u> | Regulatory Affairs <u>\$94,994</u> |
| Staff Enginrs/Chemists <u>\$612,769</u> | Staff Enginrs/Chemists <u>\$612,769</u> | Stff Enginrs/Chemsts <u>\$1,859,957</u> |
| | | Executives <u>\$156,000</u> |

Payroll Categories:

| Retained | Additional |
|---------------------------------|---------------------------------|
| _____ up to \$20,000 | _____ up to \$20,000 |
| _____ \$20,000 to \$28,000 | _____ \$20,000 to \$28,000 |
| _____ \$28,001 to \$35,000 | _____ \$28,001 to \$35,000 |
| <u>13</u> greater than \$35,000 | <u>40</u> greater than \$35,000 |

Explanation of how the number of jobs was calculated and the time frame for reaching full employment level:

QuadraSpec estimated the number of additional net new hires by first projecting sales for the next three years. As sales were estimated (based upon potential customer demand for the product), then a calculation was made for the number of employees needed in order to support the increase in sales. At 12/31/07 the Company anticipates reaching the employment of 53 people.

Type(s) of equipment, installation schedule(s), and depreciation pool(s):

Manufacturing and R&D Machinery and Equipment - installed in early 2006 through 12/31/07 - Pool 2 Property (estimated 5 - 7 year federal income tax lives)
Computer Equipment - installed in early 2006 through 12/31/07 - Pool 1 Property (estimated 3 year life)

Narrative description of need (attach separate sheet if needed):

The Company needs to obtain state and local incentives in order to be competitive with other life science companies operating in the same industry. See Attachment C for more information on the reason for the Company requesting incentives from the locality.

Attachment A
West Lafayette Property Tax Abatement Application

QuadraSpec, Inc.

Projected Company Financial Information

| Factors | 2004 | 2005 | 2006 | 2007 | 2008 |
|--|--------------|----------------|----------------|----------------|---------------|
| Sales | \$ 0 | \$ 0 | \$ 2,000,000 | \$ 13,000,000 | \$ 56,000,000 |
| Book Income Before Federal Income Tax* | \$ (125,000) | \$ (2,339,000) | \$ (5,828,000) | \$ (3,418,000) | \$13,123,000 |

Attachment B
West Lafayette Property Tax Abatement Application

QuadraSpec, Inc.

Company History, Operations, and Products

QuadraSpec, Inc. ("the Company") was formed to commercialize Purdue developed protein technology that can analyze a single drop of blood from a patient for over 10,000 diseases. This technology has a wide range of applications including medical diagnostics for humans and animals, protein research, industrial applications (such as water testing), and biodefense. The Company's technology uses a direct optical protein detection technique and encodes the protein identification results on a compact disk. This technology will allow personalized medicines to be developed and marketed that are cost-effective and affordable. Additionally, the diagnostic platforms allow efficient assessment of the root cause of symptoms and aid with the rapid prescription of personalized medicines for patients.

The Company was incorporated in 2004 and is an exclusive licensor of technology that was originally developed by Purdue University. The Company was founded by the principal inventors and IN-Vivo Ventures, a management and investment company that is focused on accelerating the commercialization of promising research.

The Company's main product is its 'Bio-CD.' (See Attachment III for a picture of the Bio-CD.) The QuadraSpec Bio-CD is changing the face of diagnostic medicine in that it enables the Company's customers to perform thousands or even millions of tests simultaneously on a single drop of blood drawn from a patient. QuadraSpec's patented detection technology enables the rapid measurement of 1 million unique protein interactions through an optical detection method. QuadraSpec also distributes "CD Readers" for the Bio-CDs. The CD Readers can currently read at least 96 well formats. Soon the CD Reader will be able to read 4,000 to 100,000 well formats.

The Company's products are built on a core technology platform that begins with a unique and patented ability to scan biological samples for complex molecules. The Company's technology enables a user to directly detect (without the need for expensive secondary reagents) up to 1,000 unique antigens, biomarkers, or other molecular species on a single array.

The Bio-CD and the Reader enable the measurement of concentrated levels of complex molecules with unprecedented speed, throughput, sensitivity and scalability. Perhaps the single most important feature of the Company's technology is its unique ability to run 100 samples across each of the 1,000 array elements, simultaneously on a single disk. This ability presents unprecedented opportunities for experiment reliability and consistency.

The Company's technology is based on the pioneering research of Drs. David Nolte and Fred Regnier. Drs Nolte and Regnier were investigating ways to efficiently measure the many different protein interactions. Out of this research, QuadraSpec was born.

QuadraSpec, Inc. has won numerous awards including first place in the third annual Purdue University Life Sciences Business Plan Competition (April 2005) becoming the first Indiana company to win the competition since its inception; first place in the Purdue Burton D. Morgan Entrepreneurial Competition (February 2005); and first place in the Lilly Endowment Opportunity for Indiana Business Plan Competition (November 2004).

QuadraSpec's Leadership Team

Chad Barden, is the President & CEO of QuadraSpec. Mr. Barden holds a bachelors degree in Finance from Purdue University. His initial career track in the financial services industry provided an excellent framework for starting and managing emergent companies. He has since held product management, business development and senior executive positions with security software, security hardware, and telecommunications start-ups. His career experiences also include two years in Business Development for Intel's Communications Group following its acquisition of Nuron, a company he founded.

Fred Regnier, PhD, is the Principal Chemist. Dr, Regnier is a Distinguished Professor of Chemistry at Purdue University. He is generally regarded as one of the world authorities on proteomics and has received numerous awards and distinctions for his research in biochemistry. Dr. Regnier is also an accomplished entrepreneur, co-founding such companies as PerSeptive Biosystems which reached \$100 Million in annual sales before being acquired by Applied Biosystems in 1997, and Beyond Genomics which provides advanced drug discovery tools to the pharmaceutical and biotechnology industries.

David Nolte, PhD, is the Principal Physicist. Dr, Nolte is a renowned optical physicist and a Professor of Physics at Purdue University. He is the author of over 160 publications and 5 patents, including the book, Mind at Light Speed: A New Kind of Intelligence. He is a pioneer in optics and semi-conductor physics and in 1999 began focusing on using his expertise in the life sciences industry. Dr. Nolte is the primary author of QuadraSpec's issued patent. He has received numerous awards and distinctions for his research and is a fellow of both the Optical Society of America and the American Physical Society.

Manoj Varma is the Director of Engineering. Mr. Varma has been the graduate student primarily responsible for the development of QuadraSpec's technology at Purdue University. His research has resulted in the issued patent and demonstrable proof of concept that is the foundation of QuadraSpec's business. His long experience and knowledge of semi-conductor manufacturing processes and optical physics will prove invaluable in the commercialization of the Company's technology.

Jörg Schreiber, PhD, is the Vice President of Product Development. Dr. Schreiber has a PhD in physics from Giessen University, Germany, specialized in biophysics and was a post doc at the National Institute for Environmental Health Sciences in Research Triangle Park, NC, USA. He brings R&D experience (analytics and process development) from Roche Diagnostics (previously Boehringer Mannheim Germany) which he joined in 1986. In 2001 he accepted the position of Vice-President of R&D and Business Development for a new internet-based medical practice, MyDoc.com, formed by Roche Diagnostics.

Attachment C
West Lafayette Property Tax Abatement Application

QuadraSpec, Inc.

Project Description

QuadraSpec, Inc. (“the Company”) is currently trying to determine where it should expand its operations. The Company's management is considering expanding at its current location in the Purdue Research Park. West Lafayette is being considered by the Company because most of the leadership team has ties to the state and also because the location is near Purdue University. However, the Company is also considering Illinois and Michigan because of issues relating to identifying enough qualified employees and other business issues with locating in these two states. The offering of business incentives by the state of Indiana and the City of West Lafayette will be a major factor considered by the Company when making its final decision of where to do the expansion.

The Company is planning for rapid growth because of the demand for accurate and cost effective diagnostic equipment. By 12/31/07 the Company projects that it will hire at least 40 additional employees making total salaries over \$2.5 million per year (not including fringe benefits). The Company plans on investing over \$1.625 million in capital expenditures (excluding real property lease payments) by the end of 2006. Most of these purchases will be for machinery and equipment used in research and manufacturing. Additionally, the Company will retain its existing workforce of 13 employees making total annual salaries of \$988,000.



3000 Kent Avenue, West Lafayette, IN 47906

January 2, 2006

Ms. Terri Van Zant
Director, Office of Development Finance
Indiana Economic Development Corp.
One North Capitol, Suite 700
Indianapolis, Indiana 46204

RE: Project I.D. #339845

Dear Ms. Van Zant

QuadraSpec, Inc. ("the Company") is pleased to inform the Indiana Economic Development Corp. ("IEDC") that the Company has chosen to expand in West Lafayette, Indiana. The interest shown by the state and local officials assisted the Company in making its business decision.

The Company accepts the IEDC's offer letter for incentives dated December 21, 2005 consisting of (i) training assistance (SEF grant potential of up to \$23,500 and TECH grant potential of up to \$50,000); and (ii) an EDGE 7 year tax credit award of \$645,000.

Thank you for your efforts in turning this offer around quickly. The Company looks forward to continuing a long and lasting relationship with the IEDC.

Sincerely,

Gregory A. Renz

cc: Diana Bilger, Ernst & Young LLP
Todd Pederson, IEDC