

October 7, 2010

**Plastikon Industries, Inc.**

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City of Lawrence, Kansas  
Attn: Mayor Mike Amyx and City Commissioners  
6 East 6<sup>th</sup> Street  
P. O. Box 708  
Lawrence, Kansas 66044

Re: Issuance of City of Lawrence, Kansas  
Industrial Revenue Bonds on behalf of Plastikon Industries, Inc.

Dear Mayor Amyx and Commissioners:

I am the Senior Vice-President of Plastikon Industries, Inc., headquartered in Hayward, California ("Plastikon"). Plastikon is a plastic and contract manufacturing firm. Plastikon intends to expand its medical and scientific plastics manufacturing business in the City of Lawrence, Kansas ("City"). Plastikon has negotiated the purchase of a building located in the East Hills Business Park at 3780 Greenway Circle and proposes to rehabilitate the building and install new equipment for its manufacturing purposes. The purchase price of the building is \$2,535,000 and we will expend approximately \$1,000,000 on building renovations. Another \$3,500,000 is expected to be used to purchase new equipment. We anticipate hiring 50 new employees for the Lawrence facility for initial operations. Over the five years after beginning operation, we plan to have a total of 126 employees at the Lawrence facility. We do not plan to transfer many employees to Lawrence from our existing facilities; the vast majority of employees for the Lawrence facility will be hired locally. We anticipate an average wage/salary for employees of \$28.14. We anticipate on hiring plant manager, engineers, quality assurance & quality control managers, technicians and team members.

The project is for manufacturing certain sterile fluid filled resin products manufactured using Blow-Fill-Seal technology ("BFS") for Siemens Healthcare Diagnostic Inc. The end products are used in clinical diagnostic labs in the States and other countries around the world.

We understand that our project qualifies under Kansas law for industrial revenue bond conduit financing by the City and request that the City issue its industrial revenue bonds on behalf of Plastikon's project in the City. We also request the employee training incentive of \$500 per employee as described in a letter dated September 16, 2010 from Beth Johnson of the Lawrence Chamber of Commerce, addressed to Lynn Parman of the Kansas City Area Development Council. We anticipate a bond issue of \$7,000,000 and have engaged Mary Carson of Triplett, Woolf & Garretson, LLC to act as Bond Counsel on the transaction. She is located in Lawrence. Our financial advisor for this transaction is Walter Vennemeyer of Progressive Capital in San Francisco and we understand we are responsible for the sale of the bonds. We hope to complete the financing by the end of 2010.



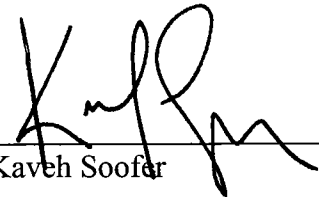
PLASTIKON IND.  
REGISTERED TO ISO 9001:2000  
AND 14001:1996  
FILE NUMBER A7171 & A12506

Please contact me with any additional questions and thank you for your consideration of this request.

Very truly yours,

PLASTIKON INDUSTRIES, INC.

By

  
Kaveh Soofar

cc: Dave Corliss, Lawrence City Manager  
Roger Zalneraitis, Economic Development Coordinator/Planner