

COMMUNITY REINVESTMENT AREA AGREEMENT

This Agreement made and entered into by and between State Automobile Mutual Insurance Company, with its main offices located at 518 E. Broad St., Columbus, Ohio 43215, (hereinafter referred to as the "COMPANY"), the Board of County Commissioners of Delaware County, Ohio with its main offices located at 101 North Sandusky Street, Delaware, Ohio 43015 (hereinafter referred to as the "County"), and Liberty Township (hereinafter referred to as "Township") with its main offices located at 10104 Brewster Lane, Suite 125, Powell, Ohio 43065.

WITNESSETH;

WHEREAS, Liberty Township and Delaware County have encouraged the development of real property and the acquisition of personal property located in the area designated as a Community Reinvestment Areas, a map and description of which is attached hereto as EXHIBIT A and made a part hereof; and

WHEREAS, State Automobile Mutual Insurance Company is desirous of constructing and expanding its business operations by constructing a state-of-the-art Data Center facility to be located at the Park @ Greif corporate business park on tax parcel number 41944005004000. The new facility will be approximately 22,000 square feet in size, to be used for data center processing and technology activities. In addition, the COMPANY desire to retain jobs and payroll, and investment in new machinery and equipment at the new data center facility, to be located at the Park @ Greif corporate business park on tax parcel number 41944005004000, Liberty Township, Powell, Delaware County, Ohio, hereinafter be referred to as the "PROJECT site", and the improvements to be constructed and invested in at the PROJECT site shall constitute the "PROJECT". The PROJECT site shall be owned by State Automobile Mutual Insurance Company on land described in EXHIBIT B, attached hereto and made a part hereof, and is within the boundaries of the aforementioned Community Reinvestment Area (CRA). State Automobile Mutual Insurance Company shall carry out the proposed PROJECT at said PROJECT site, provided that the appropriate development incentives are available to support the economic viability of said PROJECT; and

WHEREAS, the Board of Trustees, Liberty Township, Delaware County, Ohio, by Resolution Number 06-077, adopted on March 6, 2006, and Resolution Number 06-315, adopted by the Board of County Commissioners for Delaware County on March 9, 2006, designated the area as a CRA pursuant to Chapter 3735 of the Ohio Revised Code; and

WHEREAS, effective the 22nd day of March, 2006, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Resolution Number 06-315 contains the characteristics set forth in Section 3735.66 of the Ohio Revised Code and certified said area as an expansion of CRA #04105788-01 under said Chapter 3735; and

WHEREAS, the County and the Township have determined that State Automobile Mutual Insurance Company satisfies the statutory criteria set forth in Chapter 3735 of the Ohio Revised Code; and

WHEREAS, the County having the appropriate authority for the stated type of project desires to provide State Automobile Mutual Insurance Company with incentives available for the development of the PROJECT in said Community Reinvestment Area under Chapter 3735 of the Ohio Revised Code; and

WHEREAS, State Automobile Mutual Insurance Company has submitted a proposed agreement application (herein attached as EXHIBIT C) to the County pursuant to Chapter 3735 of the Ohio Revised Code, said application hereinafter referred to as "APPLICATION"; and

WHEREAS, State Automobile Mutual Insurance Company has remitted the required state application fee of \$750.00 made payable to the Ohio Department of Development with the application to be forwarded with the final Agreement; and

WHEREAS, the Tax Incentive Negotiating Committee for the Delaware County / Liberty Township Community Reinvestment Area has investigated the application of State Automobile Mutual Insurance

Company and has recommended the same to the Board of Trustees of Liberty Township and the Delaware County Board of Commissioners on the basis that State Automobile Mutual Insurance Company is qualified by financial responsibility and business experience to create and preserve employment opportunities in said CRA and improve the economic climate of Delaware County; and

WHEREAS, the PROJECT site as proposed by State Automobile Mutual Insurance Company is located in the Olentangy Local School District and the Boards of Education of the Olentangy Local School District and Delaware Area Career Center School District (collectively the "School Districts") have been notified in accordance with Section 5709.83 and have been given a copy of the APPLICATION; and

WHEREAS, the School Districts are not required to approve this Community Reinvestment Area Agreement pursuant to section 3735.671 (A)(2) of the Revised Code and by virtue of a School Compensation Agreement between State Automobile Mutual Insurance Company and the School Districts, and

WHEREAS, pursuant to Section 3735.67(A) and in conformance with the format 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:

1. State Automobile Mutual Insurance Company shall build an approximately 22,000 square foot Data Center facility to be located at the Park @ Greif corporate business park on tax parcel number 41944005004000, Liberty Township, Powell, Delaware County, Ohio. The facility will be owned by State Automobile Mutual Insurance Company, and be used for state-of-the-art Data Center operations on land described in EXHIBIT B. The cost of the real property building improvements associated with the construction of this new facility is estimated to be \$14,400,000. Said cost will include an estimated \$700,000 for real property acquisition , an estimate \$9,900,000 for construction of the data center facility building, and an estimated \$3,800,000 for machinery and equipment that will be affixed to the data center facility. State Automobile Mutual Insurance Company shall own, and State Automobile Mutual Insurance Company shall occupy, the new data center facility that constitutes the PROJECT site and remain in operation at said PROJECT site for the entire term of this Agreement, which shall end on January 1, 2020, The COMPANY agrees not to annex the project site throughout the term of the Agreement.

In addition, State Automobile Mutual Insurance Company shall lease and /or purchase new machinery and equipment, with this investment estimated to be \$4,000,000.

The PROJECT will involve an estimated total investment by State Automobile Mutual Insurance Company of \$18,400,000 (Eighteen Million Four Hundred Thousand Dollars) plus or minus ten percent, at the PROJECT site in Liberty Township. Included in this estimated total investment are: \$14,400,000 (Fourteen Million Four Hundred Thousand Dollars) for real property improvements to construct the COMPANY's new facility, a state-of-the-art data center facility at the PROJECT site located at the Park @ Greif corporate business park on tax parcel number 41944005004000, in Liberty Township; and invest \$4,000,000 (Four Million Dollars) for new machinery & equipment, \$0.00 (Zero Dollars) for new furniture & fixtures, and \$0.00 (Zero Dollars) for new inventory at the PROJECT site.

The PROJECT will begin on or about September 1, 2008, and all building improvements shall be completed by July 1, 2010 and all acquisition of personal property listed as part of the PROJECT shall be completed by July 1, 2010.

The total investment of this new construction project is greater than 10% of the market value of the facility assets already owned at the site prior to such expenditures, which is estimated to be \$0.00. The PROJECT is determined to be eligible as a significant new investment via the

construction of a new data center facility at the Park @ Greif corporate business park on tax parcel number 41944005004000, Liberty Township, Powell, Delaware County, Ohio via the construction of a new data center facility for data processing purposes, and the purchase of new machinery & equipment.

2. State Automobile Mutual Insurance Company shall create within a time period not exceeding 36 months after the completion of construction by State Automobile Mutual Insurance Company and subsequent occupancy by the COMPANY of the proposed PROJECT (estimated to be no later than July 1, 2010) of the aforesaid facility, the equivalent of 0 new full-time permanent job opportunities, 0 new part-time permanent job opportunities, 0 full-time temporary job opportunities, and 0 part-time temporary job opportunities, for a total of 0 full-time equivalent (FTE) job opportunities to be created by the PROJECT. In addition, the COMPANY shall retain a minimum of 10 full-time equivalent (FTE) existing jobs, currently consisting of 10 full-time and 0 part-time jobs, at the PROJECT site. Full-time permanent job opportunities shall include direct employees of the COMPANY, employees engaged directly by either one of the COMPANY as independent contractors to which one of the COMPANY issues an IRS Form 1099, or employees of contractors, joint venture partners or licensees operating under agreement with either one of the COMPANY that are performing functions or services for either one of the COMPANYS at the Project site.

The COMPANY schedule for retaining full-time permanent, part-time permanent, and temporary job opportunities is as follows: 10 FTE jobs retained at the PROJECT site, in Year One 2010.

As of May 28, 2008, the COMPANY had 881 full-time permanent employees, 36 part-time permanent employees, 11 full-time temporary employees, and 2 part-time temporary employees for a total of 930 employees in the State of Ohio.

The PROJECT shall result in a total of at least 10 full-time permanent positions in place at the PROJECT site as of July 1, 2010.

It is expected that this increase via the full implementation of the PROJECT will result in additional annual payroll for the COMPANY of approximately \$ 0.00 (Dollars) for full-time permanent employees, approximately \$0.00 (Zero Dollars) for part-time permanent employees, and \$0.00 (Zero Dollars) for temporary employees, for a total of \$ 0 (Dollars) of additional annual payroll for the COMPANY at the PROJECT site. It is estimated that the retaining of at least 10 FTE jobs shall result in \$450,000 (Four Hundred Fifty Thousand Dollars) retained annual payroll for the COMPANY at the PROJECT site.

3. The COMPANY shall provide to the proper Tax Incentive Review Council any information reasonably required by the Council to evaluate the enterprises' compliance with the agreement, including returns filed pursuant to section 5711.02 of the Ohio Revised Code if requested by the Council. If the COMPANY hires new employees, the COMPANY shall submit an employment plan (the "Employment Plan") to be updated annually, which establishes goals for hiring new employees. For purposes of this section new employees do not include retained employees. Compliance with the Employment Plan shall be based on the COMPANY demonstrating a best faith effort to meet the Plan's goals. The Plan shall include the following criteria:
 - a. The COMPANY shall use best faith efforts to hire at least 15% of its new employees from Delaware County residents meeting one or more of the following classifications:
 1. A resident of the CRA and/or Delaware County;
 2. Unemployed for at least 6 months;

3. Handicapped; and/or

4. A recipient of public assistance, general relief, or unemployment assistance.

Upon request, the COMPANY shall provide the Tax Incentive Review Council or Delaware County Economic Development Department with evidence demonstrating their best faith efforts to comply with the provisions of the Employment Plan.

In keeping with its intention to assume its responsibilities as a responsible member of the Delaware County business community, the COMPANY agree to undertake the following tasks during the term of this Agreement:

- a. The COMPANY shall maintain a membership in a Chamber of Commerce of their choice as long as said Chamber is headquartered in Delaware County.
 - b. The COMPANY shall contact the Delaware Area Career Center (DACC) within one hundred and eighty (180) days of the execution of this Agreement to determine areas of cooperation that may be mutually beneficial to the COMPANY and the DACC.
 - c. The COMPANY shall, within twelve (12) months of this Agreement, meet with members of the Delaware County Youth Employer Connections Sub Committee and the Delaware County Economic Development Department to determine if it would be possible to develop a Workforce Investment Act (WIA) Youth Workplace Experiences Program (YWEP) to be located at the PROJECT site. Such a program may include development of jobs for youth, a mentoring program, job shadowing, and / or tours of the COMPANY, and ongoing support for the program to the COMPANY from the WIA subcommittee.
4. The County hereby grants State Automobile Mutual Insurance Company an average 75% tax exemption pursuant to Section 3735.67 of the Ohio Revised Code for real property improvements to the PROJECT site. Said exemption shall be based on the increase in the assessed valuation of the PROJECT site as a result of the real property improvements. The tax exemption amount shall be as follows:

<u>Year</u>	<u>Exemption Percent</u>
1	75%
2	75%
3	75%
4	75%
5	75%
6	75%
7	75%
8	75%
9	75%
10	75%

If investment in new real property falls below 90% of the target level, Liberty Township and Delaware County reserve the right to modify or terminate this Agreement.

Each identified PROJECT improvement will receive a 10-year exemption period. The exemption from real property taxation commences the first year for which the real property improvements would first be taxable were the property not exempted from taxation. No exemption shall commence January 1, 2010 nor extend beyond January 1, 2020. The COMPANY shall occupy and remain in operation at the PROJECT site at least until January 1, 2021.

5. Pursuant to Chapter 3735 and Section 5709.82 (C) (2) & (D) of the Ohio Revised Code, State Automobile Mutual Insurance Company shall make annual payments to the Olentangy Local School District (OLSD) and the Delaware Area Career Center (DACC) coinciding with the term of the tax exemptions granted above. The annual payment from State Automobile Mutual Insurance Company to OLSD shall be \$42,071.36 per year for ten years for a total amount of \$420,713.60. The annual payment to DACC shall be \$3,009.09 per year for ten years for a total amount of \$30,090.90.

The payments shall be for the benefit educational initiatives on behalf of the Olentangy Local School District and the Delaware Area Career Center. The first payments to OLSD and DACC shall be due by December 31, 2010, with each subsequent payment due by December 31 of each subsequent year, with the 10th and final payment being due by December 31, 2019.

These payments shall be subject to the terms and conditions of a separate Compensation Agreement between State Automobile Mutual Insurance Company, Olentangy Local School District, and the Delaware Area Career Center. By virtue of this School Compensation Agreement the Boards of Education of OLSD and DACC are not required to approve this agreement, pursuant to section 3735.671 (A)(2) of the Revised Code. A copy of the School Compensation Agreement is attached hereto as **EXHIBIT D** and by this reference fully incorporated herein.

6. State Automobile Mutual Insurance Company shall pay an annual fee of **Five Hundred Dollars (\$500.00)** for each year that this Agreement is in effect and tax exemptions are granted. The fee shall be made payable to Delaware County once per year, and shall be due on December 31 of each year beginning with December 31, 2010, with the last payment due on December 31, 2019. The fee shall be paid by check made out to Delaware County and shall be submitted to the County Commissioners Office. This fee shall be deposited in a special fund created for such purpose and shall be used exclusively for the purpose of complying with Section 3735.671(D) of the Ohio Revised Code and by the Tax Incentive Review Council created under Section 5709.85 of the Ohio Revised Code exclusively for the purpose of performing the duties prescribed under that section.
7. As applicable, State Automobile Mutual Insurance Company must file the appropriate tax forms (DTE 24) with the Delaware County Auditor and (#913) with the State Department of Taxation to effect and maintain the exemptions covered in this Agreement. The #913 Ohio tax form must be filed by State Automobile Mutual Insurance Company annually. Copies of these tax forms shall also be provided by State Automobile Mutual Insurance Company annually to the applicable Tax Incentive Review Council. In addition, State Automobile Mutual Insurance Company may file additional and supplementary documentation, which might be helpful in demonstrating their compliance with the terms of this Agreement.
8. State Automobile Mutual Insurance Company shall pay such real and tangible personal property taxes as are owed by it and 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 State Automobile Mutual Insurance Company fails to pay such taxes or file such returns and reports as and when due, all incentives granted under this Agreement as to such entity's property are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.
9. Delaware County and Liberty Township 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.

10. If for any reason said CRA designation expires, the Director of the Ohio Department of Development revokes certification of the CRA, or the Board of Trustees of Liberty Township or the Delaware County Board of Commissioners revokes the designation of the CRA, entitlements granted under this Agreement shall continue for the number of years specified under this Agreement, unless State Automobile Mutual Insurance Company materially fail to fulfill its obligations under this Agreement, and Liberty Township and Delaware County terminate or modify the exemptions from taxation granted under this Agreement.
11. If State Automobile Mutual Insurance Company materially fail to fulfill its obligations under any provision of this Agreement, other than with respect to the number of employee positions estimated to be retained under this Agreement, or if State Automobile Mutual Insurance Company file a petition for relief pursuant to the United States Bankruptcy Code, or if Delaware County determines that the certification as to delinquent taxes required by this Agreement is fraudulent, Delaware County and Liberty Township subject to the cure provision described below, may terminate or modify the exemptions from taxation granted under this Agreement, and may require the repayment, from State Automobile Mutual Insurance Company, of a percentage of the amount of taxes that would have been payable had the property not been exempted from taxation under this Agreement as indicated below:

Year 1	100%
Year 2	100%
Year 3	100%
Year 4	100%
Year 5	100%
Year 6	80%
Year 7	80%
Year 8	80%
Year 9	50%
Year 10	50%

In the event that repayment is required, the County shall be secured by a lien on the exempted property in the amount required to be repaid. Notwithstanding any other section of this agreement, if Delaware County or Liberty Township determine that State Automobile Mutual Insurance Company has materially failed to fulfill its obligations under any provision of this Agreement, the County or Township shall provide the COMPANY with written notice describing any such material failure. Upon receipt of said notice the COMPANY shall have 30 (thirty) calendar days in which to cure any such material failure and shall before the 30th (thirtieth) calendar day after notice was received provide the County and Township written notice that said material failure has been cured.

12. In any three-year period during which this agreement is in effect, if the actual number of employee positions created or retained by the COMPANY is not equal to or greater than seventy-five per cent of the number of employee positions estimated to be created or retained under this Agreement during that three-year period, State Automobile Mutual Insurance Company shall repay the amount of taxes on property that would have been payable had the property not been exempted from taxation under this Agreement during that three-year period. In addition, Liberty Township or Delaware County may terminate or modify the exemptions from taxation granted under this

Agreement. In the event that repayment is required, the County shall be secured by a lien on the exempted property in the amount required to be repaid

The COMPANY shall provide payroll information for each employee quarterly to both the County and the Township no later than 30 days after the end of each calendar year. The information shall not include personal information such as the employee's name, address or social security number.

For purposes of this Section: (i) the first three-year period shall not commence until the start of the 2011 calendar year; (ii) the three-year periods shall be consecutive, rolling three-year periods (e.g., the first three-year period shall be 2011 through 2013, and the second three-year period shall be 2014 through 2016); and (iii) the repayment for a three-year period shall only be required only if the COMPANY fail to meet the seventy-five per cent threshold for six or more of the twelve calendar quarters in that three-year period, based on a review of the quarterly employment reports provided pursuant to this Section.

13. State Automobile Mutual Insurance Company hereby certify that at the time this Agreement is executed it (a) does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio; (b) do not owe delinquent taxes for which it is liable under Chapter 5727, 5733, 5735, 5739, 5741, 5743, 5747, or 5753 of the Ohio Revised Code, or, if such delinquent taxes are owed, it is currently paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof; and (c) has not filed a petition in bankruptcy under the United States Bankruptcy Code, or such a petition has not been filed against State Automobile Mutual Insurance Company. 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.
14. State Automobile Mutual Insurance Company affirmatively covenants that it does not owe: (1) any delinquent taxes to the State of Ohio or a political subdivision of the State; (2) any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State; and (3) 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.
15. State Automobile Mutual Insurance Company, Liberty Township, and Delaware County acknowledge that this CRA Agreement must be approved by formal action of the legislative authority of Liberty Township and Delaware County as a condition for the Agreement to take effect. This agreement takes effect upon such approval. A copy of this agreement must be forwarded by the County and Township to the Ohio Departments of Taxation and Development within fifteen (15) days of approval to be finalized. All Parties to this Agreement must sign said Agreement prior to Delaware County sending said Agreement to the Ohio Departments of Taxation and Development.
16. Delaware County has developed a policy to ensure that recipients of CRA tax benefits practice non-discrimination in their operations. By executing this Agreement, State Automobile Mutual Insurance Company is committed to following non-discriminatory hiring practices acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, disability, color, national origin, or ancestry.
17. Exemptions from taxation granted under this Agreement shall be revoked if it is determined that State Automobile Mutual Insurance Company or any successor enterprise, or any related member (as those terms are defined in Section 3735.671 of the Ohio Revised Code) has violated the prohibition against entering into this Agreement under Division (E) of Section 3735.671 or Section 5709.62, 5709.63, or 5709.63 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.

18. State Automobile Mutual Insurance Company affirmatively covenants that it has made no false statements to the State or local political subdivisions in the process of obtaining approval of the Community Reinvestment Area incentives. If any representatives of State Automobile Mutual Insurance Company have knowingly made a false statement to the State or local political subdivisions to obtain the Community Reinvestment Areas incentives, State Automobile Mutual Insurance Company shall be required to immediately 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 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.
19. This Agreement is not transferable or assignable without the express, written approval of Liberty Township and Delaware County.
20. The County, the Township and the COMPANY each agree and acknowledge that for so long as any portion of the PROJECT is exempt from ad valorem [real] property taxation pursuant to this Agreement, no party to this Agreement shall make, or consent to the making of, an application for any additional exemption from real or personal property taxation for any other portion of the Project without first receiving the prior written consent of the other parties to this Agreement. The County, the Township and the COMPANY each further acknowledge and agree that the possession by the Delaware County Port Authority (the "Port Authority") of an ownership interest in any portion of the PROJECT shall not affect the status, as exempt or nonexempt for ad valorem tax purposes, of any portion of the PROJECT, which shall be determined as if the COMPANY possess the entire ownership interest in the Project, and further, in the event that the possession by the Port Authority of an ownership interest in the Project would, as a matter of law and notwithstanding the foregoing agreement among the parties hereto, cause any portion of the Project to be exempt from ad valorem property taxes that would not be exempt under the terms of this Agreement, the COMPANY agree to make payments in the amounts and at the times that ad valorem property taxes would have been payable with respect to all or such portion of the Project to each governmental entity levying ad valorem property taxes within the area in which the Project is located.

(The remainder of this page was intentionally left blank.)

IN WITNESS WHEREOF, the Board of County Commissioners, Delaware County, Ohio by and pursuant to Resolution Number 06-438 and Resolution Number 08-__, has caused this instrument to be executed this __ day of __, 2008, the Board of Trustees of Liberty Township, Delaware County, Ohio, and pursuant to Resolution Number ____, has caused this instrument to be executed this __ day of __, 2008, and State Automobile Mutual Insurance Company has caused this instrument to be executed this __ day of __, 2008,

Delaware County, Ohio (County)

County Commissioners

James D. Ward

Date

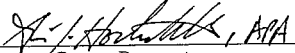
Glenn Evans

Date

Kris Jordan, President

Date

Approved as to Form:



Delaware County Prosecutor

6/10/08

Date

Liberty Township Trustees

Peggy Guzzo

Date

Robert Mann

Date

Curtis Sybert

Date

State Automobile Mutual Insurance Company

Date

Exhibit A
Delaware County/Liberty Township
Community Reinvestment Area #04105788-01
Map & Description

Exhibit B

State Automobile Mutual Insurance –Description of Project Site
Lot 3863 of Greif Park-Delaware County Tax Parcel #41944005004000

**Liberty Township, Delaware County, Ohio
Community Reinvestment Area No. 04105788-01 Expansion Area
Boundary Description**

Beginning at a point located at the northwest corner of Delaware County Tax Parcel Number 41944005007000 in Liberty Township, which is the Point of Beginning (POB) for the Community Reinvestment Area Expansion Area; then proceeding eastward along the north property line of said tax parcel number 41944005007000, a distance of approximately 1,178.60 feet to a point located at the north east corner of tax parcel number 41944005007000; then proceeding in a southerly direction along the eastern property line of tax parcel number 41944005007000 a distance of approximately 993.70 to a point located at the northwest corner of tax parcel number 41944005006000; then proceeding in an easterly direction, a distance of approximately 2,119.55 feet to a point on the eastern boundary line of Liberty Township / western boundary line of Berlin Township; then proceeding in a southerly direction along this shared township boundary line, a distance of approximately 2,118.15 feet to a point at the southeast corner of tax parcel number 41944005012000; then proceeding in a westerly direction along the southern boundary of The Park @ Greif, a distance of approximately 3,582.10 feet to a point located at the southwestern corner of tax parcel number 41944005007000; then proceeding northward along a line a distance of approximately 640 feet, then proceeding eastward along a line a distance of approximately 270 feet to a point along the western property line of tax parcel number 41944005007000; then proceeding northward a distance of approximately 1,846.55 feet along the western property line of tax parcel number 41944005007000 to the Point of Beginning (POB); encompassing an area of approximately 144.14 acres.

Exhibit C

State Automobile Mutual Insurance Application for Community Reinvestment Area (CRA)



OHIO DEPARTMENT OF DEVELOPMENT
Delaware County, Ohio

Ted Strickland
Governor

Lee Fisher
Director

OHIO DEPARTMENT OF DEVELOPMENT
COMMUNITY REINVESTMENT AREA PROGRAM

PROPOSED AGREEMENT for Community Reinvestment Area Tax Incentive between
Delaware County located in the County of Delaware and
State Automobile Mutual Insurance Co.

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

<u>State Automobile Mutual Insurance Company</u>	<u>Terry Higerd</u>
Enterprise name	Contact person
<u>518 E. Broad St. Columbus OH 43215</u>	<u>(614) 464-5002</u>
Address	Telephone number

- 1b. Project site:

<u>268 Greif Parkway</u>	<u>Terry Higerd</u>
	Contact person
<u>Delaware OH 43015</u>	<u>(614) 464-5002</u>
Address	Telephone number

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

Data Center

- 2b. List primary 4 digit Standard Industrial Code (SIC) # 6331
Business may list other relevant SIC numbers.

- 2c. If a consolidation, what are the components of the consolidation? (must itemize the location, assets, and employment positions to be transferred):
N/A
- 2d. Form of business of enterprise (corporation, partnership, proprietorship, or other).
Corporation
3. Name of principal owner(s) or officers of the business.
Robert P. Restrepo, Chairman & CEO James A Yano, VP/Sec./General Counsel
- 4a. State the enterprise's current employment level at the proposed project site:
None
- 4b. Will the project involve the relocation of employment positions or assets from one Ohio location to another? Yes X No _____
- 4c. 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:
Required staff and some computer equipment from the Corp. Hdq. at 513 E. Broad St. Columbus OH 434215 will be relocated to the proposed location 268 Greif Pkvv, Delaware OH 43015
- 4d. State the enterprise's current employment level in Ohio (itemized for full and part-time and permanent and temporary employees):
872 Fulltime Permanent, 29 Part-time Permanent, 12 Contractors, 11 Temporaries.
- 4e. State the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets:
Corporate HQ in Columbus current has a staff of 603 employees.
- 4f. What is the projected impact of the relocation, detailing the number and type of employees and/or assets to be relocated? 12 fulltime data center support employees will be relocated from corporate HQ to the proposed facility.
5. Does the Property Owner owe:
- a. Any delinquent taxes to the State of Ohio or a political subdivision of the state? Yes _____ No X
- b. Any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State? Yes _____ No X
- c. Any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owned are being contested in a court of law or not? Yes _____ No X

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).

6. Project Description: N/A

7. Project will begin Fall, 2008 and be completed 1st Quarter, 2010 provided a tax exemption is provided.

8a. 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): None projected at this time.

8b. State the time frame of this projected hiring: N/A years

8c. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees): N/A

9a. Estimate the amount of annual payroll such new employees will add \$ N/A (new annual payroll must be itemized by full and part-time and permanent and temporary new employees). N/A

9b. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project: \$ N/A

10. An estimate of the amount to be invested by the enterprise to establish, expands, renovate or occupy a facility:

a. Acquisition of Building:	\$ _____
b. Additions/New Construction:	\$ <u>11,500,000</u>
c. Improvements to existing buildings:	\$ _____
d. Machinery & Equipment:	\$ <u>7,100,000</u>
e. Furniture & Fixtures:	\$ _____
f. Inventory:	\$ _____
Total New Project Investment:	\$ <u>18,600,000</u>

11a. Business requests the following tax exemption incentives: 75 % for 10 years covering real property as described above. Be specific as to the rate, and term.

11b. Business's reasons for requesting tax incentives (be quantitatively specific as possible)

State Auto Financial Corporation (STFC, headquartered in Columbus, Ohio) is a holding company for several affiliated mutual insurance companies domiciled within and outside Ohio. The State Auto Insurance Companies and their affiliates write insurance contracts in 33 states and have facilities in Ohio, Indiana, Illinois, Maryland, Wisconsin, South Dakota, Iowa, Texas, Arizona, South Carolina and Tennessee. The boards of directors for both STFC and the State Auto Mutual Insurance Company have concluded that the data facility being considered should be established in Central Ohio (in lieu of constructing the facility in another state that State Auto does business in). The boards have made this decision for business reasons and also to permit this significant investment to occur in State Auto's "home state." In conducting due diligence consideration for several Central Ohio sites, it is imperative as a business matter and as a fiduciary for our shareholders that State Auto consider the availability of tax incentives for all sites under consideration. Funds saved as a result of receiving tax incentives provide State Auto additional flexibility to consider further investment in facilities, equipment and personnel.

Submission of this application expressly authorizes (name of the local jurisdiction) 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 Ohio Department of Taxation to release specific tax records to the local jurisdictions 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 benefit as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

State Automobile Mutual Insurance Co.
Name of Property Owner

April 4, 2008

Date

James A. Yano, VP/Sec./General Counsel
Type Name and Title


Signature

- A copy of this proposal must be forwarded by the local governments to the affected Board of Education along with notice of the meeting date on which the local government will review the proposal. Notice must be given a minimum of fourteen (14) days prior to the scheduled meeting to permit the Board of Education to appear and/or comment before the legislative authorities considering the request.
- Attached to Final Community Reinvestment Area Agreement as Exhibit A

- Please note that copies of this proposal must be included in the finalized Community reinvestment Area Agreement and be forwarded to the Ohio Department of Taxation and the Ohio Department of Development within fifteen (15) days of final approval.

Exhibit D
School Compensation Agreement

**COMMUNITY REINVESTMENT AREA
STATE AUTOMOBILE MUTUAL INSURANCE COMPANY
SCHOOL COMPENSATION AGREEMENT**

Whereas, the Ohio Community Reinvestment Area (CRA) Program, pursuant to ORC Section 3735.67 authorizes counties to grant real property tax exemptions on eligible new investments; and

Whereas, the Ohio Enterprise Zone Program, pursuant to ORC Sections 5709.61 through 5709.69 authorizes counties to grant real and/or personal property tax exemptions on eligible new investments; and

Whereas, the Board of Trustees of Liberty Township, Ohio, by Resolution Number 06-077 adopted on March 6, 2006 and the Board of County Commissioners, Delaware County, Ohio, by Resolution Number 06-315 adopted on March 9, 2006, designated an area in Liberty Township as a CRA; and

Whereas, the Board of Trustees, Liberty Township, Ohio, by Resolution Number 06-078, adopted on March 6, 2006, and Resolution Number 06-314, adopted by the Board of County Commissioners for Delaware County on March 9, 2006, expanded and re-certified Enterprise Zone 247C pursuant to Chapter 5709 of the ORC; and

Whereas, effective the 22nd day of March, 2006, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Resolution Number 06-315 contains the characteristics set forth in Section 3735.66 of the Ohio Revised Code and certified said area as an expansion of CRA #04105788-01 under said Chapter 3735; and

Whereas, effective the 22nd day of March, 2006, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Resolution Number 06-314 contains the characteristics set forth in Section 5709.61(A)(3) of the Ohio Revised Code and certified said area as an expansion of Enterprise Zone 247C under said Chapter 5709; and

Whereas, Liberty Township, within Resolutions No. & No. , adopted , 2008, has acted to authorize the Township to grant tax exemptions to State Automobile Mutual Insurance Company through the CRA program, and have requested that similar action be taken by the Delaware County Board of Commissioners; and

Whereas, Section 5 of the proposed CRA Agreement relating to the aforementioned project requires compensation to the Olentangy Local School District and the Delaware Area Career Center for the sole benefit of educational initiatives.

NOW, THEREFORE, in consideration of the premises and covenants contained herein, and to compensate the Olentangy Local School District (OLSD) and Delaware Area Career Center (DACC) for tax revenues lost because of the tax exemption granted by Delaware County, the parties agree as follows:

Section 1. State Automobile Mutual Insurance Company shall make payments as follows to Olentangy Local School District (OLSD) and the Delaware Area Career Center (DACC) in accordance with the terms and conditions set forth in Section 5 of the CRA Agreement for the referenced project. This payment shall be made upon receipt of an invoice from Delaware County.

OLSD Compensation – 10 annual payments due on December 31 of each year with the first such payment due December 31, 2010 in the amount of \$ 42,071.36 each year. The payments shall total \$ 420,713.60 over 10 years.

DACC Compensation – 10 annual payments due on December 31 of each year with the first such payment due December 31, 2010 in the amount of \$ 3,009.09 each year. The payments shall total \$ 30,090.90 over 10 years.

Section 2. The cash payments made by State Automobile Mutual Insurance Company to the OLSD and the DACC shall be used for educational initiatives for the sole benefit of the OLSD and DACC.

Section 3. OLSD and DACC agree to administer all moneys paid by State Automobile Mutual Insurance Company.

Section 4. Obligation to Make Payments. The obligation of the State Automobile Mutual Insurance Company to make the annual payments to the OLSD and DACC pursuant to this Agreement is made for the benefit of these School Districts. If State Automobile Mutual Insurance Company fails to make the Annual Payments to these School Districts in accordance with this Agreement, the School Districts agree that neither the Township nor the County shall be liable for any Annual Payments that State Automobile Mutual Insurance Company is required to remit to the School Districts pursuant to this Agreement.

Section 5. This Agreement is enforceable only with active Community Reinvestment Area Agreement and may be amended or modified by the parties, only in writing, signed by all parties to the agreement or by applicable law changes.

Section 6. This Agreement sets forth the entire agreement and understanding between the parties as to the subject matter contained herein and merges and supersedes all prior discussions, agreements, and undertakings of every kind between the parties with respect to the subject matter of this agreement.

Section 7. All payments, certificates, reports, and notices which are required to or may be given pursuant to the provisions of this Agreement shall be sent by regular mail, postage prepaid, and shall be deemed to have been given or delivered when so mailed to the following addresses:

Dave Cannon, County Administrator
Delaware County Economic Development
101 N. Sandusky Street
Delaware, Ohio 43015

Rebecca Jenkins, Treasurer
Olentangy Local School District
814 Shanahan Road, Suite 100
Lewis Center, Ohio 43035

Patricia Foor, Superintendent
Delaware Area Career Center
4565 Columbus Pike
Delaware, Ohio 43015

James A. Yano
Vice President, Secretary & General Counsel
State Automobile Mutual Insurance Company
518 E. Broad Street
Columbus, Ohio 43215

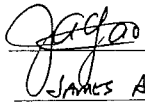
Any party may change its contact or mailing address for receiving notices and reports by giving written notice of such change to the other parties.

Section 8. The invalidity of any provision of this Agreement shall not affect the other provisions of this Agreement, and this Agreement shall be construed in all respects as if any invalid portions were omitted.

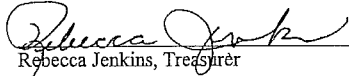
Section 9. This Agreement shall take effect immediately upon adoption and execution of the proposed CRA Agreement by the Delaware County Board of Commissioners. If the proposed CRA Agreement is not adopted and executed by the Delaware County Board of Commissioners, this Agreement shall have no effect and shall be null and void.

In witness whereof, the parties have caused this Agreement to be executed as of this 10 day of June, 2008.

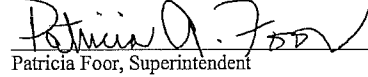
STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

 6-10-08
James A. Yano, VICE PRESIDENT & GENERAL COUNSEL

OLENTANGY LOCAL SCHOOL DISTRICT

 6-9-08
Rebecca Jenkins, Treasurer

DELAWARE AREA CAREER CENTER

 6-5-08
Patricia Foor, Superintendent

CRA Application - Tax Analysis Prepared by County ED Dept. State Auto

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Real Estate	\$14,400,000.00	\$14,400,000.00	\$14,400,000.00	\$14,400,000.00	\$14,400,000.00	\$14,400,000.00	\$14,400,000.00	\$14,400,000.00	\$14,400,000.00	#####
	\$5,040,000.00	\$5,040,000.00	\$5,040,000.00	\$5,040,000.00	\$5,040,000.00	\$5,040,000.00	\$5,040,000.00	\$5,040,000.00	\$5,040,000.00	#####
0.05161	\$260,114.40	\$260,114.40	\$260,114.40	\$260,114.40	\$260,114.40	\$260,114.40	\$260,114.40	\$260,114.40	\$260,114.40	\$260,114.40
	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%
	\$195,085.80	\$195,085.80	\$195,085.80	\$195,085.80	\$195,085.80	\$195,085.80	\$195,085.80	\$195,085.80	\$195,085.80	\$195,085.80
Taxes Receive	\$65,028.60	\$65,028.60	\$65,028.60	\$65,028.60	\$65,028.60	\$65,028.60	\$65,028.60	\$65,028.60	\$65,028.60	\$65,028.60
Taxes Abated	\$195,085.80	\$195,085.80	\$195,085.80	\$195,085.80	\$195,085.80	\$195,085.80	\$195,085.80	\$195,085.80	\$195,085.80	\$195,085.80
Real Estate	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Taxes Receive	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Taxes Abated	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Personal Proj	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Equipment	0.92	0.763	0.606	0.461	0.379	0.298	0.216	0.2	0.2	0.2
CLASS II	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Taxes Receive	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Taxes Abated	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Personal Proj	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
F&F	0.932	0.828	0.724	0.62	0.515	0.422	0.363	0.305	0.246	0.188
CLASS III	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

6/14/2008

