

CAPITALIZATION POLICY

SECTION I PURPOSE

The purpose of this Policy is to set forth and establish guidelines for the professional staff of the Carthage Industrial Development Corporation to follow in recording the purchase price of assets in the of the Carthage Industrial Development Corporation and for use in determining whether such assets are to be capitalized or expensed.

SECTION II DEFINITIONS

Corporation means the Carthage Industrial Development Corporation, a corporation organized and existing under the laws of the State of New York.

Employee means the Executive Director of the Corporation and any employees of the Corporation.

Member means any duly appointed and acting member of the Board of Directors of the Carthage Industrial Development Corporation.

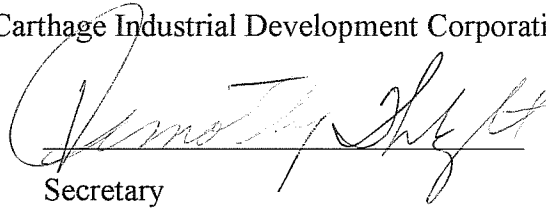
SECTION III TREATMENT OF ASSETS

All assets purchased by the Corporation shall be entered as an expense of the Corporation for that year if the value of such asset as purchased is less than \$1,000. All assets purchased at a price of \$1,000 or more, shall be capitalized and depreciated on the books of the Corporation.

SECTION IV
PROCEDURE

All fixed asset purchases are to be treated as individual units to determine value. If a purchase includes both services and fixed assets, only the fixed asset portion of the purchase shall be capitalized.

The foregoing Capitalization Policy was duly adopted at a regular meeting of the Board of Directors of the Carthage Industrial Development Corporation.


Secretary