



**City of Wilmington
1165 South Water Street
Wilmington, IL 60481**

**Agenda
Regular City Council Meeting
Wilmington City Hall
Council Chambers
January 3, 2018
7:00 p.m.**

I. Call to Order

II. Pledge of Allegiance

III. Roll Call by City Clerk

John Persic, Jr.	Kevin Kirwin
Kirby Hall	
Lisa Butler	Fran Tutor
Frank Studer	Steve Evans

IV. Approval of Minutes of the December 19, 2017 Regular City Council Meeting

V. Mayor's Report

1. Swearing in of Officer Luis Castro, Jr.
2. Approve Resolution No. 2018-01 ó A Resolution Adopting the City of Wilmington Employee Manual
3. Approve the Mayoral Appointment of Part Time Wilmington Police Officers Justice Neale and Anthony Notter
4. Mayoral Recommended Appointment of Second Ward Alderman
5. Approve the Mayoral Appointment of Second Ward Alderman

Amendment No. 1
Posting Date:
12/29/2017 12:37 PM jjz

VI. Public Comment

(State your full name clearly; limit 5 minutes each per Ordinance 17-10-17-05)

VII. Planning & Zoning Commission

1. The next scheduled meeting is Thursday, January 11, 2018 at 5:00 p.m.

VIII. Committee Reports

A. Buildings, Grounds, Parks, Health & Safety Committee

Co-Chairs – John Persic, Jr. & Steve Evans

1. The next scheduled meeting is Wednesday, January 10, 2018 at 5:30 p.m.

B. Water, Sewer, Streets & Alleys Committee

Co-Chairs – Frank Studer & Kevin Kirwin

1. The next scheduled meeting is Wednesday, January 10, 2018 at 6:00 p.m.

C. Police & ESDA Committee

Co-Chairs – Frank Studer & Fran Tutor

1. The next scheduled meeting is Tuesday, January 9, 2018 at 5:30 p.m.

D. Finance, Administration & Land Acquisition Committee

Co-Chairs – Frank Studer & Fran Tutor

1. Approve the Accounting Reports as Presented by the City Accountant
2. Approve to Decline the Offer by Mr. Wally Mietus for the Ridge Street Gift of Land, PIN 03-17-36-211-014-0000
3. Approve the Amended and Restated Redevelopment Agreement between the Adar Ridgeport Industrial Partners, LLC, Ridge Lego Partners, LLC, Ridgeport Partners I, LLC, Ridgeport Partners II, LLC, Batory Real Estate Holdings, LLC, A-R Ridgeport II, LLC (I-55 and Lorenzo Road)
4. Approve the City of Wilmington Illinois Consulting Services for Tax Increment Redevelopment Matters Engagement Letter Agreement with Crowe Horwath LLP
5. Approve the City of Wilmington TIF Financing Engagement Letter Agreement with Foley & Lardner LLP

Amendment No. 1

Posting Date:

12/29/2017 12:37 PM jjz

6. The next scheduled meeting is Tuesday, January 16, 2018 at 6:00 p.m.

E. Ordinance & License Committee
Co-Chairs – Kirby Hall & Lisa Butler

1. The next scheduled meeting is Tuesday, January 9, 2018 at 6:00 p.m.

F. Personnel & Collective Bargaining Committee
Co-Chairs – John Persic, Jr.

IX. Attorney’s Report

X. Executive Session

1. **Matters of Personnel**

Consideration of the following personnel related issues permitted in a Closed Meeting under Section 2(c)(1) “Appointment, Employment, Compensation, Discipline, Performance or Dismissal of specific employees”

And

Section 2(c)(2) “Collective negotiating matters between the public body and its employees” of the Open Meetings Acts (5 ILCS 120/1 *et seq.*)

XI. Action Taken Following Executive Session

XII. Adjournment

The next regular City Council meeting is Tuesday, January 16, 2018 at 7:00 p.m.

DRAFT

**Minutes of the Regular Meeting of the
Wilmington City Council
Wilmington City Hall
1165 South Water Street
Tuesday, December 19, 2017**

Call to Order

The Regular Meeting of the Wilmington City Council on December 19, 2017 was called to order at 7:00 p.m. by Mayor Roy Strong in the Council Chambers of the Wilmington City Hall.

Roll Call

Upon Roll Call by the Clerk the following members of the corporate authorities answered "Here" or "Present":

Aldermen Present Persic, Kirwin, Evans, Butler, Studer, Hall

Alderman Absent Tutor

Quorum

There being a sufficient number of members of the corporate authorities in attendance to constitute a quorum, the meeting was declared in order.

Other Officials in Attendance

Also in attendance were the Deputy City Clerk Joie Ziller, City Engineer Colby Zemaitis, City Accountant Kim Doglio and Attorney Bryan Wellner

Approval of Minutes

Alderman Evans made a motion and Alderman Persic seconded to approve the December 5, 2017 Regular City Council meeting minutes and have them placed on file

Upon roll call, the vote was:

AYES: 6 Aldermen Studer, Persic, Hall, Butler, Kirwin, Evans

NAYS: 0

The motion carried.

Mayor' Report

Mayor Strong had nothing to report

Public Comment

No public comments were made.

Planning & Zoning Commission

The next meeting is scheduled for Thursday, January 11, 2018 at 5:00 p.m.

DRAFT

Committee Reports

Buildings, Grounds, Parks, Health & Safety Committee

The next scheduled meeting is Wednesday, January 10, 2018 at 5:30 p.m.

Water, Sewer, Streets and Alleys Committee

Alderman Kirwin made a motion and Alderman Persic seconded to approve the Intergovernmental Agreement between Wilmington Township Road District and the City of Wilmington (Snowplowing Certain Roads)

Upon roll call, the vote was:

AYES: 6 Aldermen Studer, Persic, Hall, Butler, Kirwin, Evans

NAYS: 0

The motion carried.

Alderman Kirwin made a motion and Alderman Studer seconded to approve the Memorandum of Understanding between the WaldoFar Repeater System and the City of Wilmington pending final attorney review

Upon roll call, the vote was:

AYES: 6 Aldermen Studer, Persic, Hall, Butler, Kirwin, Evans

NAYS: 0

The motion carried.

The next scheduled meeting is Wednesday, January 10, 2018 at 6:00 p.m.

Police & ESDA Committee

The next scheduled meeting is Tuesday, January 9, 2018 at 5:30 p.m.

Finance, Administration & Land Acquisition Committee

Alderman Studer made a motion and Alderman Evans seconded to approve the Accounts Payable Report dated December 19, 2017 in the amount of \$528,336.77 and the Collector's Report for the Month Ended November 30, 2017 as presented by the City Accountant

Upon roll call, the vote was:

AYES: 6 Aldermen Studer, Persic, Hall, Butler, Kirwin, Evans

NAYS: 0

The motion carried.

Alderman Studer made a motion and Alderman Kirwin seconded to approve Pay Request #9 payable to Austin Tyler Construction, Inc. for the South Arsenal Road at IL 53 Project in the amount of \$186,244.44 as recommended by City Engineer Zemaitis

DRAFT

Upon roll call, the vote was:

AYES: 6 Aldermen Studer, Persic, Hall, Butler, Kirwin, Evans

NAYS: 0

The motion carried.

Alderman Studer informed the Council that Agenda Item No. 3 "The Amended and Restated Redevelopment Agreement between the Adar Ridgeport Industrial Partners, LLC, Ridge Lego Partners, LLC, Ridgeport Partners I, LLC, Ridgeport Partners II, LLC, Batory Real Estate Holdings, LLC, A-R Ridgeport II, LLC (I-55 and Lorenzo Road)" has been stricken from the agenda.

The next scheduled meeting is Tuesday, January 16, 2018 at 6:00 p.m.

Ordinance & License Committee

Co-Chairs – Kirby Hall & Lisa Butler

The next scheduled meeting is Tuesday, January 9, 2018 at 5:30 p.m.

Personnel & Collective Bargaining Committee

Co-Chairs – John Persic Jr.

Nothing at this time

City Engineer's Report

City Engineer Zemaitis presented his monthly report to the Council. This report is attached to the minutes for reference.


Attorney's Report

Attorney Wellner had nothing to report.

Adjournment

Motion to adjourn the meeting made by Alderman Hall and seconded by Alderman Kirwin. Upon voice vote, the motion carried. The Regular Meeting of the City of Wilmington City Council held on December 19, 2017 adjourned at 7:07 p.m.

Respectfully submitted,



Joie Ziller, Deputy City Clerk

Public Act 100-0554 (the Act) amends the State Officials and Employees Ethics Act, including Section 70-5, which pertains to government entities.

The Act mandates all governmental units adopt, within 60 days after the effective date of November 16, 2017, which is January 15, 2018, an ordinance or resolution establishing a policy prohibiting sexual harassment.

Pursuant to this new mandate, the City must adopt an ordinance or resolution establishing a policy prohibiting sexual harassment prior to January 15, 2018.

RESOLUTION NO. 2018-01

A RESOLUTION ADOPTING THE CITY OF WILMINGTON EMPLOYEE MANUAL

WHEREAS, the Illinois General Assembly has recently enacted Public Act 100-0554, an Act that requires each governmental unit to adopt an ordinance or resolution establishing a policy to prohibit sexual harassment;

WHEREAS, the City of Wilmington Employee Manual contains an "Anti-Harassment Policy" prohibiting sexual harassment that complies with Public Act 100-0554;

WHEREAS, the City of Wilmington believes it is in the best interest of the City to adopt the City of Wilmington Employee Manual in its entirety by resolution, including the sexual harassment policy to comply with Public Act 100-0554;

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILMINGTON, WILL COUNTY, ILLINOIS, AS FOLLOWS:

SECTION 1: RECITALS INCORPORATED

The foregoing recitals are incorporated herein as findings of the corporate authorities.

SECTION 2: EMPLOYEE MANUAL ADOPTED

The City of Wilmington Employee Manual, attached hereto as Exhibit A, is incorporated herein by reference as if it set forth in full and is hereby adopted in its entirety.

SECTION 3: SEVERABILITY

If any section, paragraph, subdivision, clause, sentence or provision of this Ordinance or Employee Manual shall be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not affect, impair, invalidate or nullify the remainder thereof, which remainder shall remain and continue in full force and effect.

SECTION 4: REPEALER

All ordinances or parts of ordinances conflicting with any provisions of this ordinance are hereby repealed.

SECTION 5: EFFECTIVE DATE

This Ordinance shall be in full force and effect from and after its passage, approval and publication as provided by law.

PASSED this 3rd day of January, 2018 with _____ members voting aye, _____ members voting nay, the Mayor voting _____, with _____ members abstaining or passing and said vote being:

John Persic, Jr. _____
Fran Tutor _____
Steve Evans _____

Kevin Kirwin _____
Kirby Hall _____
Lisa Butler _____
Frank Studer _____

Approved this 3rd day of January, 2018

Roy Strong, Mayor

Attest:

Joie Ziller, Deputy City Clerk

Exhibit A
City of Wilmington Employee Manual

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Section 1 Introduction

Section 1.1 Purpose and Disclaimer

This Manual describes the current personnel policies that apply to all employees as a member of the City of Wilmington ("City") workforce. This Manual is designed only to introduce employees to the City and to serve as a guide to present City policies, practices and procedures. The City has the right to modify, amend, or withdraw any or all of the policies or procedures described in this Manual at any time. All employees shall sign an employee acknowledgment form upon receiving this employee manual.

Although the City hopes that all employees will enjoy a long and mutually beneficial career with the City, there is no guarantee of future employment or employment under any specific conditions. This Manual is not an employment contract of any kind, and it does not create any rights in the nature of employment contract, regardless of whether it has been distributed to new or existing employees, nor does it provide any due process rights in the event of discipline or discharge. Nothing shall restrict an employees' right to terminate their employment at any time with or without notice or cause, and nothing shall restrict the right of the City to terminate their employment at any time with or without notice or cause. No representative of the City, other than the Mayor with City Council approval, has any authority to enter into any employment contract of any kind. Any contract or promise of employment must be in writing and must be signed by the Mayor and approved by the City Council.

Section 1.2 Applicability

Unless otherwise noted, these personnel policies apply to all employees of the City of Wilmington government except that these policies do not apply to the following:

- a. Elected Officials
- b. Persons employed to make or conduct a temporary and special inquiry, investigation or examination on behalf of the Mayor or City Council
- c. Volunteer or appointed personnel who receive no regular compensation from the City

Unless otherwise specifically stated, none of the benefits referenced in this Manual apply to part-time employees.

Unless otherwise provided for in a written contract of employment, Department Heads or other supervisory employees are subject to this Manual. If employees are a Department Head, where provisions discuss an employees' relationship with his Department Head, they may assume that the Mayor has that relationship vis-à-vis themselves. If an employee has a direct relationship with the Mayor as their immediate supervisor, such as: the City Administrator, Chief of Police, or Finance Director where provisions discuss an employees' relationship with employees' Department Head, the employee may assume the Mayor has that relationship vis-à-vis themselves. If they have any questions regarding how this Manual applies to them because of their position with the City, they should contact their immediate supervisor for clarification.

Section 1.3 City Organization and Administration of the Personnel Program

1.3.1 City Council

The City Council of the City of Wilmington shall exercise control over personnel through the adoption of the City's Annual Budget, Pay Plan, confirmation of the Mayor's appointment, or by the adoption of policies, procedures, ordinances and resolutions as deemed necessary by the Council. (The Mayor may seek advisory input from the City Council in connection with annual performance evaluations for Department Heads who have a direct relationship with the Mayor as their immediate supervisor, such as: the City Administrator and the Police Chief.

1.3.2 Mayor

The Mayor shall be responsible for ensuring the effective administration of the policies and procedures and may delegate such functions as deemed necessary for the implementation of this system. The Mayor shall perform the performance evaluations and will seek input from the City Council for the City Administrator and Chief of Police.

1.3.3 Department Heads

1. The Department Heads shall be responsible for directing and coordinating personnel activities of the City on a day-to-day basis.
2. Department Heads shall prepare a tentative budget before the end of each fiscal year. It shall be presented to the Finance Director. The Finance Director will prepare the budget to be presented to the Mayor. The Mayor will present the budget to the City Council for approval.
3. Departments Heads shall prepare Job Descriptions and recommend the selection and hiring of all personnel to their appropriate committees when such job openings are deemed necessary and subject to adoption by the Mayor.
4. Department Heads shall submit for approval any promotion, demotion, and discharge of all personnel in their respective department, with the Mayor having authority for final dispensation of all employees with the concurrence of the City Administrator. However, the Mayor may seek input and advice from the City Council before making his final decision.
5. Department Heads shall administer the personnel policies and procedures including the performance evaluation.
6. Department Heads shall perform any other lawful acts that are considered necessary or desirable to carry out the purpose of the personnel system and the provisions outlined in this manual, or as directed by the Mayor and City Council.

Section 1.3.4 Police Commissioners

The Board of Police Commissioners performs the function of a civil service commission for all sworn police officers. The board hires and promotes all members of the police department, except the Police

Chief, who is appointed by the Mayor with the advice and consent of the City Council and will not be hired or disciplined by the Board.

Section 1.4 Definition of Employee

Section 1.4.1 Department Heads

Department Heads are salaried on an annual basis, regardless of number of hours worked over 40 hours per week. Department Heads do not receive overtime pay. However, if it is necessary for them to work over the forty-hour week, they may (work requirements allowing), take time off for personal reasons. This benefit is not to be abused. The Department Heads shall notify their immediate supervisor of such time off and maintain a record to be made available to the Mayor and City Council upon request. Furthermore, any Department Head and/or exempt employee will be required to seek approval from their immediate supervisor for any time off request for one day or more.

Section 1.4.2 Supervisory

Supervisory personnel are defined as members of the management group. Supervisory personnel direct the daily work activities of unit or shift of employees. Employees shall convey late report times, illness, or other absence, and make requests for authorized leave to the Supervisory personnel.

Section 1.4.3 Non-Exempt Full-Time

Full-time non-exempt employees are paid on an hourly basis. All full-time non-exempt employees are expected to work 40 hours per week, unless authorized leave is approved by the Department Head or indicated within their job description upon approval by the Mayor and City Council.

Section 1.4.4 Part-Time

An employee who is employed regularly for less than the normal number of hours is considered part-time. These employees receive straight time for all hours, (less than forty hours in one week), are ineligible for benefit packages listed in this manual unless otherwise required by law, and may not work more than 1,000 hours per year. Any exceptions to the definition of part time employee must have Mayor and City Council approval.

Section 1.4.5 Temporary

Temporary employees are generally those persons employed to fill a position for less than six (6) months duration. There is no guarantee of reinstatement for the same period during the following calendar year. Temporary employees are not entitled to sick leave. Temporary employees are not entitled to vacation or other similar benefits enjoyed by full-time employees. Temporary employees are hired by the Department Head.

Section 1.4.6 Exempt Salaried Employee

An employee paid on a salary basis that works in an executive, administrative or professional capacity determined by the City to be exempt from the overtime provisions of the Fair Labor Standards Act (FLSA). Exempt salaried employees are not entitled to overtime under the FLSA. Notwithstanding any

provisions of this Manual, the discipline of such employees shall be in accordance with FLSA regulations regarding exempt salaried employees.

Section 1.4.7 Non-exempt Employees

An employee who is either paid by the hour or on a salary basis and is not in a position determined by the City to be exempt from overtime under the Fair Labor Standards Act. Such employees are eligible for overtime pay.

Section 1.5 Conflicts with Other Regulations or Manuals

In the event there is a conflict between the policies contained in this Manual and a collective bargaining agreement, a current written individual employment agreement, or applicable rules and regulations of the Police Commissioners, the terms of the agreement or applicable rules and regulations shall apply. No one other than the Mayor, with the advice and consent of the City Council, has the authority to enter into a contract contrary to the terms of this Manual.

Section 2 Personnel Program and Employment Status

Section 2.1 Equal Employment Opportunity

The City of Wilmington is an equal opportunity employer that does not discriminate on the basis of actual or perceived race, color, religion, national origin, ancestry, citizenship status, age, disability, sex, marital status, military or veteran status, sexual orientation, genetic information, pregnancy, or any other characteristics protected by applicable Federal, State, or local laws. The City is dedicated to this policy with respect to recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, employee activities, and general treatment during employment.

Section 2.2 Personnel Records

Section 2.2.1 Maintenance of records

The City Administrator or his designee shall maintain personnel records of each employee containing the employee's name, title, department, starting date, salary, change in employment status, training received, disciplinary actions, or other such information as may be considered pertinent.

Employees are responsible for and must promptly advise the City of any changes in:

- Name and/or marital status;
- Address and/or telephone number;
- Number of eligible dependents;
- W-4 deductions

Section 2.2.2 Confidentiality

Medical, workers compensation, and benefit records will be maintained in a separate file.

Procedures for the release and accessibility of information and assessment of employee personnel files are as follows:

- Right of access to personnel files is granted to current employees, those on leave subject to recall, and those who have terminated their employment within the preceding year.
 - An employee must make a request for personnel file review in writing to the City Administrator.
 - Records will be reviewed at a place designated by the City during working hours. A City representative may be present during such inspection.

Information contained in employee personnel files shall not be released or disclosed without the employee's written consent, except to persons with a lawful right or need to know or as required by law.

Section 2.3 Probationary Period

A formalized twelve-month evaluation and probationary period are in effect at the time of appointment for all employees. The probationary period shall be utilized for closely observing the employee's work, for securing the most effective adjustment of an employee to the position, and for evaluating the employee's performance to make a final determination as to whether the employee does or does not meet the required work standards of the position and the City. The existence and/or completion of the evaluation and probationary period do not imply that the employee has a contractual right to continued employment with the City and does not alter the at-will status of employment.

Section 3 Employee Conduct

Section 3.1 Anti-Harassment Policy

The City of Wilmington is committed to maintaining a work environment that is free of discrimination. In keeping with this commitment, we will not tolerate harassment of City employees by anyone, including any supervisor, co-worker, or any third party. All employees are expected to avoid any behavior or conduct that could reasonably be interpreted as harassment. This policy forbids harassment based, regardless of whether it rises to the level of a legal violation. All employees are expected to make it known promptly, through the avenues identified below, whenever they experience or witness offensive or unwelcome conduct before the alleged offending behavior becomes severe or pervasive.

Harassment consists of unwelcome conduct, whether verbal, physical, or visual, that is based upon a person's protected status, such as sex, color, race, religion, national origin, age, physical or mental disability or other protected group status. The City will not tolerate harassing conduct that affects tangible job benefits, that interferes unreasonably with an individual's work performance, or that creates an intimidating, hostile, or offensive working environment. Such harassment may include, for example, jokes about another person's protected status, kidding, teasing or practical jokes directed at a person based on his or her protected status.

Sexual harassment deserves special mention. Unwelcome sexual advances, requests for sexual favors, and other physical, verbal, or visual conduct based on sex constitute sexual harassment when (1) submission to the conduct is an explicit or implicit term or condition of employment, (2) submission to or rejection of the conduct is used as the basis for an employment decision, or (3) the conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an

intimidating, hostile, or offensive working environment. Sexual harassment is conduct based on sex, whether directed towards a person of the opposite or same sex, and may include explicit sexual propositions, sexual innuendo, suggestive comments, sexually oriented "kidding" or "teasing", "practical jokes", jokes about obscene printed or visual material, and physical contact such as patting, pinching, or brushing against another person's body.

All City employees are responsible to help assure that harassment is avoided. Anyone who believes that they have experienced or witnessed harassment should notify the City Administrator, a Department Head, or City Attorney. This policy does not require reporting harassment or discrimination to any individual who is creating the harassment or discrimination. Each supervisor must immediately report to the City Administrator any complaint or observation of conduct which may violate this policy. A supervisor's failure to make such a report may constitute a violation of this policy.

The City forbids retaliation against anyone for reporting harassment, assisting in making a harassing complaint, or cooperating in a harassment investigation. Anyone who believes that they have been retaliated against should notify the City Administrator, a Department Head, or City Attorney.

The City's policy is to investigate all such complaints thoroughly and promptly. Pending investigation, the City may put reasonable interim measures in place to address the complained of conduct, such as a leave of absence or a transfer, while the investigation takes place. To the fullest extent practicable, the City will keep complaints and the terms of their resolution confidential. If an investigation confirms that a violation of the policy has occurred, the City will take corrective action, including discipline, up to and including immediate termination of employment.

An employee who believes that he or she has been the subject of harassment or retaliation for complaining about harassment also has the right to file a charge of civil rights violations with the appropriate state or federal enforcement agency. These include:

Illinois Department of Human Rights
100 West Randolph Street, Suite 10-100
Chicago, Illinois 60601
312-814-6200

Equal Employment Opportunity Commission
Chicago District Office
500 West Madison Street, Suite 2800
Chicago, Illinois 60661
312-353-2713

Section 3.2 Drug-Free Workplace Policy

Section 3.2.1 The City of Wilmington has adopted a Drug-Free Workplace Policy as described in Resolution Number 2016-07. It reads as follows:

Illegal drugs and the abuse of legal drugs in the workplace are a significant danger. They impair safety and health, promote crime, lower productivity and quality and undermine public confidence in the work City employees undertake. The City prohibits drug and alcohol impairment and the illegal use of drugs in the workplace. Under the federal and state Drug-Free Workplace Acts, 41 USC 701, et seq., and 30

ILCS 580/1 et seq., in order for the City to be considered a "reasonable source" for the award of federal or state grants, it is appropriate to adopt the following policy:

Section 3.2.2 Definition and descriptions

Any location which City business is conducted, whether at this or any other site, or a vehicle, is declared to be a drug-free workplace. All employees are absolutely prohibited from unlawfully manufacturing, distributing, dispensing, possessing or unlawfully using controlled substances or alcohol, as defined in the federal and state Drug-Free Workplace Acts, in the workplace. This includes the misuse or abuse of prescription, over-the-counter, and licensed drugs.

This policy does not apply to the lawful use of prescription drugs under the supervision of a licensed healthcare professional and within the limits of a valid prescription. An employee who has been prescribed drugs or who is taking over-the-counter medications that come in containers with warnings about drowsiness or interference with the ability to operate machinery, or drive safely, or otherwise perform their job duties is required to immediately disclose to his or her immediate supervisor any medication-related work restrictions. When employees disclose such medication related work restrictions they do not need to disclose the type of medications that have been prescribed or the underlying medical conditions, impairments or disabilities unless otherwise specifically directed to do so by their doctor or by their immediate supervisor that is not in violation of any state or federal act. Employees are prohibited from using or being under the influence of legally prescribed medical cannabis during work hours.

Section 3.2.3 Ability to perform duties

Employees are expected and required to report to work on time in appropriate physical and mental condition to perform duties of their jobs.

Section 3.2.4 Education and referral program

Employees have the right to know the dangers of drug abuse in the workplace, the City's policy about them and what help is available to combat drug problems. Employees needing assistance in overcoming drug abuse problems are encouraged to seek professional assessment, treatment support and aftercare at appropriate outside agencies. Conscientious efforts to seek such help will not jeopardize any employees' job nor will it be noted in any personnel record. However, referral to such programs in no way exempts an employee from discipline for less than acceptable job performance.

Section 3.2.5 Employment condition

As a condition of initial and continued employment, each employee shall:

- a. Agree in writing to abide by the terms of the City's policy respecting a drug and alcohol-free workplace; and,
- b. Agree, as required by law, to inform his or her supervisor of his or her conviction of any criminal drug or alcohol Statute, for a violation occurring on or off City premises, while conducting City business, no later than five (5) days after such a conviction. A conviction means a finding of guilt (including a plea of "no lo contendere") or the imposition of a

sentence by a Judge or jury in any federal or state court, and/or a finding of Court Supervision.

Section 3.2.6 Disciplinary action

An employee who violates the terms of this policy may be subject to disciplinary action including suspension and/or termination and may be referred for prosecution consistent with applicable local, state and federal law.

- a. The City shall take prompt disciplinary action with respect to any employee who violates this policy.
- b. The City may require an employee who violates the terms of this policy to satisfactorily participate in a drug or alcohol abuse assistance or rehabilitation program.

Section 3.3 Alcohol/Drug Testing

It is the policy of the City to conduct drug/alcohol testing where it has reason to believe that an employee may be under the influence of alcohol, illegal drugs or other controlled substances. In addition, any employee who is reasonably believed to have caused or contributed to an accident which resulted in personal injury requiring medical treatment away from the scene of the accident or which disabled a piece of equipment shall be tested for alcohol, illegal drugs, or other controlled substances. Further, employees employed in safety sensitive positions are subject to periodic or random testing. Employees subject to Department of Transportation (D.O.T.) testing shall be tested in accordance with D.O.T. regulations in addition to the testing and discipline provisions of this policy. Refusal to submit to testing will result in disciplinary action, up to and including termination of employment.

Section 3.4 No Solicitation

Solicitation by employees shall not be permitted during working time (the time employees are performing Department functions) in the City, or during non-working hours in areas where it will disturb other employees who are working. Distribution or circulation of printed materials by employees shall not be permitted any time, including working and non-working time, in working areas. Solicitation or distribution of printed materials by non-employees is prohibited in work areas.

Section 3.5 Outside Employment

Employees may hold outside employment, including self-employment, provided such employment does not: 1) interfere with the performance of City duties; 2) present a potential conflict of interest; 3) result in outside work being performed during an employee's work shift; 4) involve the use of city equipment or supplies. Employees shall be permitted to engage in outside employment only with the prior written approval of their Department Head. If granted permission for outside employment an employee's Department Head may revoke the permission where it appears to the Department Head that such activity conflicts with the standards set forth above. Employees who engage in outside employment shall notify their Department Head of the addresses and phone numbers where they can be contacted, if necessary, for their normal work schedule, of the name of their supervisor (if applicable), and of the type of work they are (or will be) performing.

Section 3.7 Gifts and Gratuities

- a. All employees are required to comply with City Ordinances and with State laws governing the ethical conduct of public employees. Employees and their family members are prohibited from intentionally soliciting or accepting any gift from any prohibited source or in violation of any federal or State statute, rule, or regulation. The prohibition on accepting gifts extends to gifts from "prohibited sources" which are defined by law to include individuals who are seeking official action by an employee, who do business with or are seeking to do business with the City, have interests that may be substantially affected by the performance or non-performance of the employee's official duties, or who are a registered lobbyist. An employee who receives a gift from a prohibited source should: 1) promptly return the gift; or 2) donate the gift or an amount equal to its value to a 501(c)(3) charity; and 3) report the gift and response to their immediate supervisor. Employees who violate the restrictions on receipt of gifts will be subject to discipline, in addition to any further action taken in compliance with State law.
- b. Employees are restricted from performing prohibited political activity during any compensated time. In compliance with state and federal law, the City does not prohibit any employee from exercising his political rights to engage in political activities, including the right to associate with a political organization, petition, make speeches, campaign door-to-door and to run for public office. The rights, however, are not absolute and are subject to certain limitations. No employee may use his or her official position to coerce or inhibit others in the free exercise of his/her political rights. No employee may engage in political activities while at work or on duty.

Any employee actions that are inconsistent with these ordinances and laws may be the basis for disciplinary action.

Section 3.8 Workplace Inspections

The City wishes to maintain a work environment that is free of illegal drugs, alcohol, unauthorized firearms, weapons, explosives, or any material whose possession is illegal under federal or state law. To this end, the City prohibits the possession, sale, transfer or use of such materials on its premises or in City vehicles. The City requires the cooperation of all employees in administering this policy.

Desks, cabinets, file drawers, file boxes, computer files, lockers and other storage devices may be provided for your convenience but remain the sole property of the City. Accordingly, they, as well as any articles found within them, can be inspected by any agent or representative of the City at any time, with or without prior notice. If you refuse to submit to a search or are found in possession of prohibited articles you will be subject to disciplinary action, up to and including dismissal.

Section 3.9 On-the-Job Safety/Reporting of Accidents

Employees are expected to exercise caution and observe all established safety rules and regulations applicable to their position and in the operation of tools, equipment and motor vehicles in connection with City business.

The following safety rules apply to all employees of the City:

- a. Basic responsibility for safety rests with Department Heads and from them, to their designated safety representatives, supervisors, and employees, but it is the responsibility of every employee to become familiar with and adhere to all safety rules and regulations.
- b. Any employee acting in a supervisory capacity shall require all employees under their supervision to comply with all applicable safety rules and practices.
- c. Any employee having knowledge of any unsafe condition or work practice shall report such condition or practice to their immediate supervisor, departmental safety representative, or Department Heads.
- d. All employees shall use reasonable precautions in the performance of their duties and act in such a manner as to assure maximum safety to themselves, their fellow employees and the public.
- e. All employees shall familiarize themselves with the safety rules applicable to their jobs and shall consult with their supervisors on any safety rule or practice not understood, or whenever work conditions present unforeseen hazards.
- f. No employee shall remove or make ineffective any safeguard, safety device or safety appliance except for the purpose of replacement, repair or adjustment.
- g. Employees shall keep their work areas clean, orderly and, to the extent possible, free from all recognized safety hazards.
- h. All employees shall work in appropriate clothing, including footwear, suitable for the type of work being performed, and shall wear or use appropriate safety devices or personal protective equipment as provided, or directed.
- i. When driving or riding as a passenger in a City-owned vehicle, or in a personal vehicle while on City business, employees shall wear properly adjusted and fastened seat belts.
- j. Employees shall comply with all applicable Local, State and Federal traffic laws when operating a City vehicle or personal vehicle while on City business, except for police officers when authorized in the line of duty and in accordance with departmental standard operating procedures.
- k. Use of a hand-held mobile, cellular, analog wireless or digital telephone while driving is prohibited. Employees whose job responsibilities include regular or occasional driving within the City and who are issued a communications device for business use are required to use hands-free operations or pull off to the side of the road and safely stop the vehicle before placing or accepting a call. Texting or sending e-mails or other written communications is prohibited while operating a vehicle. The City will not tolerate and does not authorize conduct in violation of these safety laws in City vehicles, using City devices or in any other manner by an employee in the course of performing duties for the City.

1. Any employee who suffers an on-the-job injury or illness, or is involved in an accident while operating City equipment, a City-owned vehicle, or a personal vehicle on City business, shall complete a report of accident on the approved report form and submit the form to the immediate supervisor. The form shall be completed and submitted within twenty-four hours of the on-the-job accident, injury or illness to the extent practicable.

Individual departments may adopt any safety rules that address particular operations or hazards that exist within that department and which are not inconsistent with the general safety rules listed above.

Any employee found to be in violation of the general safety rules or applicable departmental safety rules may be subject to disciplinary action.

Section 3.10 Threats, Violence and Weapons

Section 3.10.1 Workplace Violence Policy

The City will not tolerate any threats, threatening behavior or acts of violence against employees, visitors, or other individuals by anyone on City property or while an employee is off-premises engaged in City business. There is no justification for such actions. Any employee who violates this policy will face disciplinary action up to and including discharge and may face possible arrest and criminal prosecution.

Section 3.10.2 Prohibited Conduct

"Workplace violence" includes any behavior or conduct on City premises, which is sufficiently severe, offensive, or intimidating to cause an individual to reasonably fear for his or her personal safety or the safety of co-workers and/or property. It includes, but is not limited to:

- a. Any physical behavior, or threat of physical behavior, which involves aggressive contact with any person, including pushing, hitting, fighting, throwing objects or otherwise intentionally injuring another person or attempting to injure another person;
- b. Any physical behavior, or threat of physical behavior, that would place a reasonable person in fear of receiving imminent physical injury or aggressive physical contact of the sort discussed above; or
- c. Any act of vandalism or other intentional damage or destruction of City property.

No employee or third party, except for authorized law enforcement personnel, is permitted to bring weapons or firearms onto City property (including City vehicles). City employees (other than sworn law enforcement officers acting consistent with their required duties), regardless of whether they are licensed under Illinois law, are strictly prohibited from possessing or carrying firearms or dangerous weapons while acting within the course of their employment, whether or not they are on City property. A firearm may be transported into a parking area within an employee's personal vehicle if the firearm and its ammunition remain locked in a case out of plain view within the parked vehicle. "Case" is defined as a glove compartment or console that completely encases the firearm and its ammunition, the trunk of the vehicle or a firearm carrying box, shipping box or other container. The firearm may only be removed for the limited purpose of storage or retrieval from within the trunk of the vehicle.

Section 3.10.3 Reporting Procedures

- a. Employees who become aware of workplace violence or any threat of workplace violence, whether by an employee or non-employee, must immediately report such action to their immediate supervisor and law enforcement personnel. Disciplinary action may result if the employee having knowledge of a suspected violent act fails to report the incident.
- b. Any employee who is a victim of workplace violence must immediately report the situation to law enforcement personnel, then his or her supervisor or the City Administrator when the supervisor is involved.
- c. Any report made pursuant to this policy will be treated with confidentiality to the extent reasonably possible and appropriate.
- d. Actions that may be considered endangering or life threatening by or against any employee or individual on City property should be reported to local law enforcement agency by calling 911, in addition to the reports set forth above.

Section 3.10.4 Investigation and Responsive Action

- a. All incidents of alleged workplace violence will be investigated promptly by the City.
- b. Based on the results of the investigation, the City will take appropriate action. If a violation of policy is found, such action may include immediate discharge. Additionally, the City may report the situation to law enforcement.
- c. When applicable, the City and its employees shall cooperate fully with police and other law enforcement officials in the investigation and prosecution of any workplace violence.
- d. The City may take other actions, as it deems appropriate under the specific circumstances, including seeking judicial action.

Section 3.10.5 No Retaliation

The City forbids retaliation against any employee for reporting any violation of this policy. Any employee who engages in retaliation in violation of this policy shall be subject to disciplinary action up to and including discharge.

Section 3.11 No Smoking or use of Tobacco Products

The Smoke-Free Illinois Act requires that public places and places of employment must be completely smoke-free inside and within 15 feet from entrances, exits, windows that open, and ventilation intakes. In the interest of promoting health and safety, the City's smoke-free policy applies to all City facilities (including shared vehicles), all City employees, and all residents and vendors who visit City facilities. Smoking is permitted only in designated smoking areas. The use of smoking materials refers to the lighting and smoking of cigarettes, cigars, pipes, and or other similar items such as electronic cigarettes

and vaping devices, or tobacco in any form, including smokeless tobacco. The City strictly prohibits the use of chewing tobacco in public areas or in view of the public.

Section 4 Use of City Equipment

Section 4.1 Authorization to Use Equipment

City equipment and supplies may be used only for authorized City purposes. No City equipment or supplies shall be removed from City premises for personal use unless authorized by the Department Head, City Administrator, or Mayor.

Section 4.2 Use of City Vehicles

An employee must obtain permission from the Department Head to use City vehicles. Use of City vehicles (if available) are for official City business ONLY is encouraged when City vehicles are available. Any out of pocket expenses such as parking, tolls, and emergency repairs shall be reimbursed upon presentation of receipts.

Section 4.3 Use of Personal Vehicles for City Business

Whenever an employee is authorized to use a personal vehicle in the performance of official City duties, the employee shall be compensated at the prevailing IRS mileage rate. All mileage compensation shall be a result of authorized personal vehicle use approved by the employee's Department Head. Reimbursable uses include: the use of personal vehicle to attend out-of-town functions, training sessions, and meetings when such functions are a requirement of the employee's job or are deemed desirable by their Department Head or the Mayor.

Section 4.4 Computer and Telephone Communications Systems

The City provides various information technology resources to its employees (and other authorized persons) to facilitate the creation and communication of business related data in the most effective and efficient manner possible. The term "technology resources" is intended to cover any new or emerging technologies that may be used in the workplace, in addition to those technologies currently in use and includes all computers, tablets, telephones and cellular phones, personal digital assistants (PDAs), digital cameras or camcorders, audio/video recorders, voicemail systems, pagers and similar wireless two-way communication and/or portable Internet access devices. As means develop to transmit more data in less time and with less formality, users must put more effort to maintaining the accuracy, security and control of data. Each user must ensure that use of City information technology resources is appropriate and professional. This is especially true because electronic communications tend to be more immediate and informal than written communications and because passwords and deletion functions create the illusion of privacy and control. Although the Internet can be a valuable information resource for legitimate business, research and information sharing, it also presents a significant opportunity for abuse, lost productivity and potential liability for the City and its employees.

In light of these concerns, the City has developed this policy, which establishes the parameters for proper use of information technology resources. The information technology resources are to be used for legitimate corporate purposes and in compliance with all City policies and procedures. Use of this equipment consistent with these purposes may include but is not limited to; placing and receiving phone

calls, text messaging, blogging, emailing, using camera or video features, and accessing sites or services on the Internet. Employees (and other authorized persons) who do not comply with this policy are subject to the revocation of their access to City information technology resources and disciplinary action up to and including termination.

Proper Use

Other than occasional personal use of voice-mail, e-mail and Internet access, City-provided technology resources may be used only for legitimate business-related communications.

Occasional personal use means infrequent, incidental use that is professional and does not interfere with City business, the performance of the user or any other employee's duties or the availability of technology resources. To the extent possible such use shall be restricted to meal periods. All use of City technology resources -- including all personal use -- is subject to this policy and other City policies and procedures that may be implicated by such use.

Data Ownership

All data created, entered, received, stored, accessed, viewed or transmitted via City technology resources are City property. Business-related data may neither be used for any purpose unrelated to City business nor sold, transmitted, conveyed or communicated in any way to anyone outside of the City without the City's express authorization.

No Privacy

Users have no expectation of privacy in connection with the use of City technology resources, including the creation, entry, receipt, storage, accessing, viewing or transmission of data.

Monitoring

As with all other City property, the City will search, monitor, inspect, intercept, review, access and/or disclose all City technology resources and all data created, entered, received, stored, viewed, accessed or transmitted via those resources for legitimate management reasons, at any time, and without further advance notice by persons designated by or acting at the direction of the City, or as may be required by law or as necessary for, or incidental to, auditing, security and investigative activities, and to ensure effective technology resource administration and policy compliance. Users specifically consent to the access by and disclosure to the City of information created, entered, received, stored, accessed, viewed or transmitted via the City's technology resources that is stored by a third-party electronic communication service or remote computing service and have no expectation of privacy in such information. For example, authorized persons will inspect the City's technology resources to investigate theft or other unlawful activity or workplace misconduct, the unauthorized disclosure of client confidences, attorney work product and proprietary information, misuse, to assess Internet use, and for other work-related purposes. No employee may monitor or intercept any data without the authorization of the City Administrator or persons designated by him or acting at his direction or at the direction of the Corporate Authorities.

Harassment

Users are absolutely forbidden from using the City's technology resources in any way that may be construed to violate the City's harassment-free workplace policy. This prohibition includes sexually explicit or offensive images, messages, cartoons, jokes, ethnic or religious slurs, racial epithets or any other statement or image that might be construed as harassment or disparagement on the basis of race, color, religion, sex, national origin, age, disability, sexual orientation, or any other status protected by law. Users are required to take all reasonable steps to avoid and eliminate receipt from known sources of all potentially offensive material.

Unlawful Use

City technology resources may not be used to intentionally or unintentionally violate any local, state, federal or international civil or criminal law. Unlawful activity includes but is not limited to lotteries, raffles, betting, gambling for anything of value (e.g., Final Four tournaments, fantasy football) and participating or facilitating in the distribution of unlawful materials. Users likewise may not upload, post, e-mail or otherwise transmit any data that is threatening, malicious, tortious, defamatory, libelous, obscene, or invasive of another's privacy. In addition, City technology resources may not be used to job-search outside of the City or run or solicit outside business ventures.

Prohibited Software

Software purchased and licensed for personal use may not be installed on City computers. The City periodically may, at any time, conduct an audit or interrogation of computers for installed software and related printed material that is not included on a then current inventory of City-authorized software. All unauthorized software will be removed and destroyed.

Proprietary Rights

City technology resources may not be used to violate proprietary rights, including copyright, trademark, trade secrets, right of publicity or any other intellectual property rights. For example, unless consistent with all applicable licenses, users may not post or download any data (including software) protected by copyright or patent law. Likewise, users may load only licensed software from the Internet or other source onto a City-provided workstation or laptop, provided that use of the software is consistent with the license and the original software license remains at the appropriate City office so that the City may conduct accurate audits (and respond to external audits). All software must be approved by the IS Coordinator prior to downloading.

Confidential Information and use of Intellectual Property

Users may not leak, place, post, transmit or otherwise disclose confidential, sensitive and/or proprietary City information to anyone outside of the City by any means, at any time or for any reason.

Passwords and Security

All passwords and security used in connection with City technology resources, including voice mail access codes, are City property and must be made available to the City. Users must understand that their use of passwords will not preclude access, monitoring, inspection, review, or disclosure by authorized

City personnel. The City also may unilaterally assign and/or change passwords and personal codes. The security of City's technology resources is every user's responsibility.

Viruses

Users may not upload, post, e-mail or otherwise transmit any material that contains software viruses or any other computer code, files or programs designed to interrupt, destroy, or limit the functionality of any computer software, hardware or telecommunications equipment.

Misrepresentation of Identity and/or Data

Unauthorized access of e-mail, data, and use and/or disclosure of other users' passwords is strictly prohibited. For example, users are prohibited from accessing other users' files or communications without any legitimate business purpose (e.g., to satisfy idle curiosity or to "snoop"), regardless of the security designation assigned to a particular file or communication.

General Matters

City technology resources may not be used to transmit junk mail or spam (the same or substantially similar messages sent to a large number of recipients for commercial or other purposes unrelated to City) or pyramid schemes of any kind, or to download or execute games. The City will not be responsible for any damages, direct or indirect, arising out of the use of its technology resources. The City may amend, revise or depart from this policy at any time, with or without notice. This policy does not constitute, and shall not be construed as an express or implied contract of employment.

Termination of Access at Separation

Before each user's last day of employment, he shall return or otherwise surrender possession of all City technology resources (including computers, software programs, computer peripherals, electronically stored data, data storage devices, keys, and written passwords) in his or her possession, custody or control. Upon separation of employment, the City will terminate user access to City technology resources.

Policy Violations

Access to and use of City technology resources is a privilege, not a right. Users who do not comply with this policy are subject to denial of access to City technology resources and disciplinary action up to and including termination.

Section 4.5 Personal Use of Telephones

Employees are permitted to use City telephones for personal use on limited basis and for local calls only. Approval to use City telephones for personal business may be withdrawn by Department Heads if it becomes excessive or if use causes interference with work duties. Employees may be required to pay for any non-city business calls they make which are charged to the City. This policy is subject to change, as the City deems necessary.

The City recognizes many employees have their own cell phones or other personal communication devices (e.g., ipads, laptops, etc. tablets, etc.). While the City does not prohibit employees from possessing such devices while at work or on City premises, discretion is expected with their use during work time. Personal phone calls and messaging must be limited to non-work time and made in a manner that does not disturb employees who are working. Employees are expected to devote working time to performance of job duties, and any use of communications devices during working time for messaging or functions other than a brief calls (e.g., check on status of children with babysitter, etc.) and/or an emergency is strictly prohibited. Employees should instruct individuals who need to reach them during working hours to limit such contact to truly important and/or emergency situations. Cell phones and other wireless communication devices should be turned off during meetings or in other situations where the receiving of a call would interrupt and/or interfere with the employee's job duties and responsibilities. In such situations, personal cell phones or other wireless communication devices should be set to vibrate, non-ringing/alarm function. Employees may not wear hands-free wireless devices on City premises during working hours, except when an employee is using such device for legitimate purposes. The City will not be liable for the loss of personal communications devices brought into the workplace.

Section 5 Disciplinary Action

Section 5.1 Reasons for Discipline

Employees of the City of Wilmington are expected to perform satisfactorily their assigned duties. It is the duty of the Department Heads to oversee conduct and work performance of said employees within their respective departments. Unless otherwise set forth under a written contract of employment or unless provided otherwise by the Board of Fire and Police Commissioners, employment with the City is at-will, and employees can be discharged with or without cause, at any time at the sole discretion of the Mayor. Reasons for disciplinary action may include, but are not limited to, the following:

- a. Incompetence, negligence, misconduct or inefficiency in the performance of assigned duties.
- b. Abusive, threatening or offensive attitude, conduct or language in a public place, towards the public, City officials, or other employees, or abusive in conduct including that results in physical harm or injury to other employees or to the public.
- c. Violation of any regulation, order or rule, or failure to obey any lawful and reasonable direction given by a superior, including when failure to obey amounts to insubordination, or does or is reasonably expected to result in lower morale or to result in loss, inconvenience, or injury to the public or the City.
- d. Acceptance for personal use of a gift, fee or other valuable thing which would be in conflict with legal and policy limitations; inducing or attempting to induce another to commit an unlawful act; or any unethical conduct.
- e. Violation of the City's Anti-Harassment or Equal Employment Opportunity policies.

- f. Any act or occurrence after employment that would have disqualified an individual from initial employment, including conviction of a criminal offense bearing on the performance of job duties.
- g. Where the employee, through carelessness, negligence, or willful misconduct, has caused damage to public property or waste of public supplies or money.
- h. Misappropriating City property, unlawfully disposing of City property or records, or other conduct that has or reasonably can be expected to result in loss or injury to the City or public.
- i. Failure to follow safety rules and regulations or to abide by safe practices.
- j. Absence without leave, or has failed to report following the expiration of a leave of absence, for a period of three (3) working days.
- k. Excessive absenteeism; unauthorized absences from duty; abusing lunch and break period time limitations.
- l. Refusal to comply with the instructions or directions of supervisors; failure or refusal to cooperate with an internal investigation.
- m. Use of obscenity or other abusive or antagonistic language, attitudes or conduct toward fellow employees, supervisors, residents, or vendors, including acts that interfere with proper cooperation of City employees to the detriment of efficient public service.
- n. Possession, purchase, use, selling or being under the influence of intoxicating liquor or drugs on City property, or while operating City equipment, or while performing the duties associated with the employee's position.
- o. Possession of weapons, explosives or other dangerous objects or substances.
- p. False claims of disability due to sickness or injury.
- q. Disclosing confidential records or information relating to the City, its residents and vendors.
- r. Use of City equipment, property, or material for performing personal or for any other inappropriate purpose.
- s. When the employee has used, threatened or attempted to use, personal or political influence in securing promotion, leave of absence, transfer, change of pay or other character of work.
- t. Falsification or alteration of time sheets, personnel records, employment application or any other City records.
- u. Withholding information or providing misleading or false information about a job-related injury, illness or accident.

- v. Sleeping during working hours.
- w. Engaging in unauthorized personal business during work hours.
- x. Failure to maintain a neat, clean, and businesslike appearance so as to be a credit to the City.
- y. Failure to comply with any other City policy or directive or any other misconduct as determined by the City.

These examples are not all-inclusive, and other conduct not specifically covered above may result in disciplinary action depending upon the circumstances.

Section 5.2 Discipline Procedure

The City retains the sole discretion to determine in each situation which form of discipline is appropriate. Discipline generally serves the purpose of improving performance or correcting unacceptable behavior. Corrective action may include counseling an employee, training or otherwise recommending a specific course of action, or may involve oral or written reprimand, unpaid suspension or termination. Employees may be disciplined, including termination of employment, without prior notice or warning. Where appropriate, the City supports the use of progressive discipline procedures.

Section 6 Payroll Administration, Hours of Work and Overtime

Section 6.1 Regular Hours of Work

Section 6.1.1 Workday hours and lunch breaks

All non-exempt employees shall be scheduled for an eight (8) hour or ten (10) hour workday, except sworn police officers whose workday will be determined by the Chief of Police. Lunch breaks for all City administrative offices shall be scheduled not to disrupt City services.

Section 6.1.2 Work Schedule

The work week shall consist of forty (40) hours per week for all City non-exempt full time employees. The Department Head shall determine the length of the shift and starting time providing there is no disruption to City services. Furthermore, the Mayor and City Council shall determine the hours of operations for all City administrative services.

Section 6.2 Payroll Administration

All salaried, hourly, and part-time personnel shall be paid biweekly. Up to a one-week delay in payment may be in effect for regular and overtime hours. Further payroll and reimbursement policy details are as follows:

- a. All employees are required to punch in when they arrive and are ready to start work and then out when they leave at the end of their shift. Employees are expected to follow the established procedures in keeping an accurate record of hours worked. Failure to accurately

record your time may result in discipline, up to and including termination. Hours worked are accounted for in 20-minute increments, and employees should not commence work more than five minutes prior to their shift start time or continue work more than 5 minutes after their shift start time without prior authorization.

- b. The City does not allow non-exempt employees to work off the clock without compensation. Non-exempt employees must record all hours of work, including work performed away from the workplace, on their time sheets and receive prior authorization if performing work outside of the employee's assigned work hours. Any employee who fails to accurately record all hours of work on his or her time sheet will be subject to disciplinary action, up to and including possible termination of employment.

Section 6.4 Overtime Scheduling

Time worked in excess of the established regular workweek hours constitutes overtime work. Before performing any overtime work the employee must receive approval from their supervisor or Department Head.

Section 6.5 Overtime Pay

- a. Overtime pay shall be considered that time worked which is more than forty (40) hours per week. Overtime pay shall be paid at the rate of one and one-half times the hourly rate, determined by dividing the annual salary by 2,080 hours. Furthermore, part-time police officers shall be paid overtime which is more than a scheduled work day for emergency purpose as requested by the supervisor.
- b. All full time, non-exempt employees will be compensated for all hours worked as described within their job description and duties as authorized, which means no employee shall work as an independent contractor or receive a stipend for hours worked except as authorized as an appointed position. Employees shall be duly compensated under the FLSA for hours worked; however employees may be subject to discipline for performing unauthorized work.

Section 7 Leave Time

Section 7.1 Vacation Leave

- a. Employment anniversary dates shall govern the number of vacation days allowed.
- b. Full-time and eligible part-time employees are entitled to the following vacation time. First year employees shall not receive a vacation until the completion of one year of employment, unless otherwise approved by the Mayor and City Council.

One (1) year and upon completion of five (5) years - (80 hours)

Six (6) years and upon completion of ten (10) years - (120 hours)

Eleven (11) years and upon completion of fifteen (15) years - (160 hours)

Sixteen (16) years and upon completion of twenty-two (22) years - (200 hours)

Twenty-five (25) years or more - (240 hours)

- c. Eight (8) hours of vacation leave may be taken in single days with the approval of the Department Head.
- d. Provided the employee has made a reasonable effort to take vacation time, but such time was denied due to scheduling problems, forty (40) hours of unused vacation time may be carried over into the next year. Vacation shall not accrue again until an employee's vacation bank has dropped below the maximum accrual.
- e. Upon termination of employment, the employee shall receive payment for all unused, accrued vacation.

Section 7.2 Holiday Leave

- a. Holiday pay shall be paid to all full-time employees.
- b. All employees shall receive their normal rate of pay with the day off. This is not intended to imply they shall receive any additional pay, but only the pay they would have received had they worked the day as a normal workday.
- c. The following nine (9) holidays shall be observed:
 - New Years Day
 - Good Friday
 - Memorial Day
 - Independence Day
 - Labor Day
 - Thanksgiving Day
 - Day after Thanksgiving Day
 - Christmas Eve Day
 - Christmas Day
- f. Besides the nine (9) holidays listed, all employees shall receive four (4) personal days (32 hours). Personal days which remain unused after one year from the date of credit will be added to the employee's sick leave accumulation. Department Head's approval must be obtained before taking any personal days. Personal days will be awarded on a prorated basis in an employee's first year of employment.

Section 7.3 Sick Leave

Section 7.3.1 Purpose, Allowance, and Accumulation.

Sick leave with pay is provided as a benefit in recognition that employees do contract various illnesses from time to time and that their financial resources may be diminished in such instances if pay is discontinued, and that it may not be in the best interest or health of the employee or fellow employees to work while sick. An employee who is unable to work by reason of a non-duty related illness, injury, or disability as contained herein may take sick leave. Employees shall accrue eight (8) sick leave hours per month to a maximum accrual of 960 hours. Sick leave may additionally be used for appointments with a medical practitioner that cannot be made outside of work hours or in the event of illness, disability or

injury of a member of an employee's immediate family or household, meaning spouse (or civil union partner), mother, father, children, or any relative or person living in the employee's household for whom the employee has custodial responsibility or where the person is dependent upon the employee and the presence of the employee is needed to care for the medical needs of the individual.

Section 7.3.2 Medical Verification.

The City may, at its discretion, require an employee to submit a physician's verification of illness or other conclusive evidence of illness, and such verification normally will be required for illnesses requiring the use of more than twenty-four (24) hours of sick leave.

Section 7.3.3 Sick Leave Utilization.

Sick leave may be utilized only for the purposes as stated in the first paragraph of this section. Employees utilizing paid sick leave hours shall be compensated for them according to their normal rate of pay. Employees will use accrued sick leave in reverse accrual order. Thus, when an employee uses a sick leave hour, the last sick leave hour earned is removed from his accumulated sick leave. Abuse of sick leave shall be considered grounds for disciplinary action. Absent employees who have exhausted their accumulated sick leave shall not be compensated for further absences unless approved by the City Council.

Section 7.3.4 Sick Leave upon Retirement.

An employee who is eligible upon separation to collect a retirement pension under IMRF or the Police Pension Fund shall be compensated for unused sick leave at the rate of one hundred percent (100%) of his regular rate of pay on the date of retirement for all accrued and unused sick leave hours accumulated as of his last day of scheduled work. Furthermore, for clarification this sick leave payment does not increase the employee's final earnings over the 106% cap contained in 40 ILCS 5/7-172(k). The termination benefit only accrues in the event that the employee's retirement is not the result of threatened actual disciplinary action. Alternatively, an employee's unused sick leave hours may be used to receive additional creditable service under IMRF to the extent that IMRF provides for the use of these hours for additional service credit.

Section 7.4 Reporting of Absences

All Department Heads shall keep an accurate account of any employee absences including their own. Arriving and reporting to work regularly and on time is one of the employee's prime responsibilities. Failure to be on the job when scheduled reduces the efficiency of the City. Illness should be reported to the employee's immediate supervisor one (1) hour before the start of the employee's shift. Failure to secure proper permission for the use of personal days and/or sick hours or to report illness on time may result in full loss of pay for the hours involved for non-exempt employees. Exempt employees should apprise their immediate supervisor if they will not be present during normal business.

Section 7.5 Duty-Related Illness or Leave

In the event of a work-related accident or death that occurs while on the job, all employees are eligible for worker's compensation as provided by law. Employees covered by a collective bargaining

agreement should consult the relevant agreement for additional information. The Department Head may consider a light duty program for any employee who has a medical release to return to limited duty.

Section 7.6 Emergency and Bereavement Leave

Time away from the job due to emergencies will be granted at the discretion of the Department Head. The Department Head shall make the decision whether non-exempt employees shall receive paid or unpaid time off, or may be required to make up missed time. Exempt or Supervisory employees shall be permitted to take emergency leave at the discretion of the Mayor or his/her designee, and where the need for leave is a day or more, the City may, at its discretion, designate such leave as unpaid leave time. Emergency time off for bereavement will be three (3) days off with pay upon providing verification of the death and identify the immediate family member relationship to the employee and only be allowed in the case of death of an immediate family member, (mother, father, brother, sister, child, spouse, mother-in-law, father-in-law), or in special cases as approved by Department Head. These days are separate from holidays, personal days and sick hours.

Section 7.7 Military Leave

It is the intention of the City to follow all applicable Federal and State employment laws related to military leave.

Military Service Leave. Full-time and IMRF part-time employees who are members of a military reserve unit, including the National Guard, and are mobilized for active duty as a result of an order of the President of the United States are granted military leave during the activated service. The employee will continue to receive the same regular compensation as the employee was receiving at the time of mobilization, minus the amount of the employee's base military pay. All other benefits, including insurance will continue to accrue and remain in effect as if the activated reservist is still an active employee. Medical Insurance coverage will continue for the spouse and other enrolled dependents with premium contributions being deducted from the City issued compensation. If that payment is insufficient to cover the employee's premium contributions, in order to maintain insurance coverage, premium payment shall be made to the City by the 20th of the month prior to the month of coverage but is entitled to again participate in a City medical insurance program upon return to work.

Military Training Leave. Full-time employees who are members of a reserve component of the Armed Services, including the Illinois National Guard, will receive leave during their two week annual training commitment ordered by the Armed Services. During this leave, which generally will not exceed 15 days, the employee will continue to receive the employee's regular City compensation, including insurance and other benefits. During leaves for basic training, up to sixty (60) days of special or advanced training or any other training or duty required by the Armed Forces, if the employee's compensation for military activities is less than his or her compensation as a City employee, he or she shall receive differential pay for the difference between City pay and military pay calculated as provided by State law, 5 ILCS 325/1(c).

Employees must provide the City with at least thirty (30) days advance written notice prior to the start of leave for military service except in cases of national emergency. Such notice must include, without limitation, a copy of the employee's orders. Upon return to the City from military service, employees must submit a statement signed by an appropriate military official indicating the time spent in military training and/or service. Members of the National Guard or Reservists who have an advance schedule of

monthly drills will provide that to their supervisor along with any other information which would prove helpful in scheduling for the employee's absence. The supervisor will forward the information to the Department Head.

Full-time and part-time employees who are inducted or join the armed services to serve a tour of duty are granted a military leave of absence that coincides with the period of active service. In accordance with the provisions of State and Federal law, upon the completion of active duty, employees must request reinstatement within 90 days after discharge to resume employment with the City. Barring changed circumstances, the City will reinstate an employee to the same or similar position without loss of seniority, benefits, or the rate of pay in effect prior to induction. An employee shall have no greater right to reinstatement than otherwise provided by law and must return from service with a qualifying discharge and able to perform the essential job functions of the former position.

Section 7.8 Jury Duty Leave

Employees shall be granted leave with pay when required to be absent from work for jury duty. Employees are expected to contact their immediate supervisor and report to work when they are excused from jury service, temporarily or finally. Any payment received by the employee for jury duty shall be given to the City because the employee is receiving their full pay while on jury duty leave.

Section 7.9 Unpaid Discretionary Leave

Employees may obtain a leave of absence. The employee must seek approval for an unpaid discretionary leave from the Mayor and City Council. Such leave shall be unpaid and shall not be used to gain employment elsewhere. Eligible employees may request discretionary leave only after having completed one (1) year of service. As soon as eligible employees become aware of the need for a discretionary leave of absence, they should request a leave from their supervisor. A leave of absence may be granted to an employee for such period of time as the City may determine and approval will be made on a case-by-case basis, according to the types of leave that are applicable to the circumstances. An employee is required to exhaust available paid vacation and, if applicable, sick leave before unpaid discretionary leave of absence is commenced.

Initial approval of leave will not exceed twelve (12) consecutive workweeks. Extensions may be granted for additional periods of up to twelve (12) additional workweeks, not to exceed a total of twenty-four (24) workweeks, unless a further definitive period of leave may be appropriate as a reasonable accommodation. During the leave period, employees will be required to report periodically to the City Administrator on the employee's status and intention to return to work. No leave of absence will be granted to an employee for the purpose of accepting employment elsewhere.

Unless otherwise required by law, length of service and benefits will not accrue for an employee while on leave, but will begin to accrue again when an employee returns to work. During an approved leave, an employee may continue health insurance under the applicable group health insurance plan to the extent provided in such plan and by law. Employees may be required to pay the entire premium amount for continuation of benefits according to their benefit plan. Except where required by law, the granting of a leave of absence is not a guarantee of employment following the leave of absence. A failure to return to work at the end of an approved leave will be considered a voluntary separation from employment.

Section 8 Employee Benefits

All employees will be required to notify the employer of any changes in address or other personal information.

Section 8.1 Health and Life Insurance Coverage

- a. All full-time and eligible part-time employees are covered under the City's health insurance plan. There may be a waiting period before new employees are eligible for coverage. After completion of the waiting period, insurance shall begin on the first day eligible as determined by the health insurance policy then in effect.
- b. An employee, who would otherwise lose group health insurance coverage because of a reduction in working hours or the termination of employment for reasons other than gross misconduct, is eligible to continue under the City's plan up to 18 months or for such other period time prescribed by law. The City will notify an employee of the time period for which continuation coverage may be provided. If an employee elects to continue coverage, he or she will be responsible for payment of the full premium, which amount may change from time to time.

Employees who retire from the City because of age and service, or disability pursuant to the provisions of the applicable pension plan may opt to continue their coverage under the group health care benefit program described above upon retirement by paying in advance the full applicable monthly premium for the coverage selected. Failure to make a timely election of continuation coverage will result in waiver of such coverage. An employee who declines such continuation coverage at any point in time may not subsequently elect coverage under the City's insurance.

- c. The City provides life insurance for full-time and eligible part-time employees, as budgeted and approved by the City Council and in accordance with the terms and conditions of the City's insurance plan.
- d. Summary plan descriptions (SPD's), which explain coverage of your health and life insurance benefits in greater detail, are available from the Accounting Clerk. The actual plan documents, which are available by making a written request to the Accounting Clerk, are the final authority in all matters relating to the benefits described in this Manual or in the summary plan description and will govern in the event of any conflict. Additionally, the City reserves the right to change insurance carriers, change health maintenance organizations, self-insure, and/or change or eliminate any benefits at any time with a ninety (90) day notice, when practical in accordance with applicable law.
- e. Upon retirement the employee will be responsible for paying the employee's health insurance benefit premium if the employee elects to continue to be enrolled in the health insurance plan until the employee is eligible for Medicare coverage.

Section 8.2 Pension Eligibility

All employees who work 1,000 hours or more per calendar year are covered by the Illinois Municipal Retirement Fund (I.M.R.F.) pension to which the City and employees shall contribute.

Section 8.3 Education and Training

- a. The City shall pay all expenses including wages at "regular" pay, travel, and training fees for any full-time or approved part-time employees enrolling in "required" training courses.

A full-time employee with at least one (1) year of service with the City may seek reimbursement for job-related college courses taken at an accredited college or university, subject to the approval of the City Manager and availability of funds. Such request for reimbursement must be made prior to registration and approved prior to enrollment. Reimbursement is limited to tuition, books and laboratory fees which must be supported by an official receipt of payment issued by the institution attended. Reimbursement is limited to a maximum of seven hundred dollars (\$700) per calendar year. In the event funding is not available for all City employees who have been approved for reimbursement, the City Administrator may prorate reimbursement among approved employees. Reimbursement is contingent upon successful completion of the class with a grade of C or better. Further, the employee must sign an agreement to repay the City for all reimbursement received if the employee leaves the employment of the City for any reason prior to the completion of a period of one (1) year after reimbursement.

RESOLUTION NO. 2016-07

DRUG-FREE WORKPLACE POLICY

WHEREAS, it~~s~~ the City of Wilmington~~s~~ practice to periodically review its personnel policies for conformance to laws and alignment with the City~~s~~ values; and

WHEREAS, Illegal drugs and the abuse of legal drugs in the workplace are a significant danger. They impair safety and health, promote crime, lower productivity and quality and undermine public confidence in the work City employees undertake. The City prohibits drug and alcohol impairment and the illegal use of drugs in the workplace; and

WHEREAS, the City will comply with the Drug-Free Workplace policy under the federal and state Drug-Free Workplace Acts, 41 USC 701, et seq., and 30 ILCS 580/1 et seq.

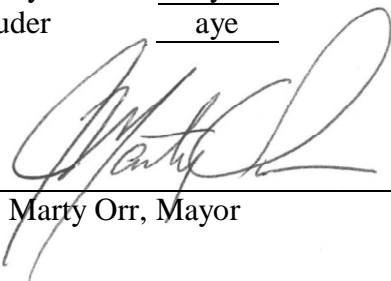
NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL MEMBERS OF THE CITY OF WILMINGTON, WILL COUNTY, ILLINOIS, HEREBY ADOPT A DRUG-FREE WORKPLACE POLICY STATEMENT, A DRUG FREE AWARENESS PROGRAM AND DRUG-FREE PROCEDURES.

PASSED this 5th day of July, 2016 with 8 members voting aye, 0 members voting nay, the Mayor N/A voting, with 0 members abstaining or passing and said vote being:

John Persic, Jr.	<u>aye</u>	Kevin Kirwin	<u>aye</u>
Larry Hall	<u>aye</u>	Kirby Hall	<u>aye</u>
Fran Tutor	<u>aye</u>	Joe VanDuyne	<u>aye</u>
Steve Evans	<u>aye</u>	Frank Studer	<u>aye</u>

Approved this 5th day of July, 2016





J. Marty Orr, Mayor

Attest:



Judith Radosevich, City Clerk

EMPLOYEE RIGHTS AND RESPONSIBILITIES UNDER THE FAMILY AND MEDICAL LEAVE ACT

Basic Leave Entitlement

FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:

- for incapacity due to pregnancy, prenatal medical care or child birth;
- to care for the employee's child after birth, or placement for adoption or foster care;
- to care for the employee's spouse, son, daughter or parent, who has a serious health condition; or
- for a serious health condition that makes the employee unable to perform the employee's job.

Military Family Leave Entitlements

Eligible employees whose spouse, son, daughter or parent is on covered active duty or call to covered active duty status may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered servicemember is: (1) a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness*; or (2) a veteran who was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.*

***The FMLA definitions of "serious injury or illness" for current servicemembers and veterans are distinct from the FMLA definition of "serious health condition".**

Benefits and Protections

During FMLA leave, the employer must maintain the employee's health coverage under any "group health plan" on the same terms as if the employee had continued to work. Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

Eligibility Requirements

Employees are eligible if they have worked for a covered employer for at least 12 months, have 1,250 hours of service in the previous 12 months*, and if at least 50 employees are employed by the employer within 75 miles.

***Special hours of service eligibility requirements apply to airline flight crew employees.**

Definition of Serious Health Condition

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and

a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Use of Leave

An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the employer's operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

Substitution of Paid Leave for Unpaid Leave

Employees may choose or employers may require use of accrued paid leave while taking FMLA leave. In order to use paid leave for FMLA leave, employees must comply with the employer's normal paid leave policies.

Employee Responsibilities

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days notice is not possible, the employee must provide notice as soon as practicable and generally must comply with an employer's normal call-in procedures.

Employees must provide sufficient information for the employer to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees also must inform the employer if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave.

Employer Responsibilities

Covered employers must inform employees requesting leave whether they are eligible under FMLA. If they are, the notice must specify any additional information required as well as the employees' rights and responsibilities. If they are not eligible, the employer must provide a reason for the ineligibility.

Covered employers must inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employee's leave entitlement. If the employer determines that the leave is not FMLA-protected, the employer must notify the employee.

Unlawful Acts by Employers

FMLA makes it unlawful for any employer to:

- interfere with, restrain, or deny the exercise of any right provided under FMLA; and
- discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

Enforcement

An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer.

FMLA does not affect any Federal or State law prohibiting discrimination, or supersede any State or local law or collective bargaining agreement which provides greater family or medical leave rights.

FMLA section 109 (29 U.S.C. § 2619) requires FMLA covered employers to post the text of this notice. Regulation 29 C.F.R. § 825.300(a) may require additional disclosures.



For additional information:
1-866-4US-WAGE (1-866-487-9243) TTY: 1-877-889-5627
WWW.WAGEHOUR.DOL.GOV



U.S. Department of Labor | Wage and Hour Division

WHD Publication 1420 - Revised February 2013

City of Wilmington
Check Register Meeting Date: January 3, 2018



Check#	Date	Vendor/Employee	Amount
Fund 1		General Corporate Fund	
0	12/29/2017	Payroll Sweep	72,678.70
0	12/29/2017	Misc Vendors	653.95
0	12/29/2017	Paycor	138.33
19594	1/3/2018	AT&T	69.35
19604	1/3/2018	Grundy Supply	217.75
19595	1/3/2018	ComEd	66.53
19602	1/3/2018	DTW Inc	1,339.98
19607	1/3/2018	Lexipol, LLC	5,894.00
19603	1/3/2018	Florida Blue	169.40
19605	1/3/2018	Healthcare Service Corp	30,192.62
19596	1/3/2018	AT&T Mobility	39.01
19606	1/3/2018	Heritage FS, Inc.	892.16
19614	1/3/2018	Wilmington Overhead Door Co.	30.00
19608	1/3/2018	Menards-Joliet	164.97
19609	1/3/2018	Office Depot	207.66
19613	1/3/2018	Will County Animal Control	270.00
19598	1/3/2018	Blue Cross Blue Shield of Illinois	1,272.00
19601	1/3/2018	Comcast	428.79
19610	1/3/2018	TA Operating, LLC	75.00
19611	1/3/2018	TransUnionsRisk&Alternative Data Solutions, Inc.	48.70
19597	1/3/2018	Blue Cross Blue Shield of Florida, Inc.	203.40
TOTAL:			115,052.30
Fund 2		Water Operating M & R Fund	
0	12/29/2017	Payroll Sweep	15,355.11
10138	1/3/2018	Jack Henry & Associates, Inc.	92.30
10135	1/3/2018	Fairbanks Scales, Inc.	635.50
10139	1/3/2018	Office Depot	245.75
10136	1/3/2018	Healthcare Service Corp	5,775.14
10134	1/3/2018	Accela, Inc. #774375	416.25
10140	1/3/2018	PDC Labs Inc	387.75
10141	1/3/2018	US Post Office	112.50
10142	1/3/2018	Viking Chemical Company	4,975.20
TOTAL:			27,995.50
Fund 3		Sewer Capital Project Fund	
0	12/29/2017	Payroll Sweep	453.20
TOTAL:			453.20
Fund 4		Sewer Operating M & R Fund	
0	12/29/2017	Payroll Sweep	12,214.04

10136	1/3/2018	Healthcare Service Corp	7,162.96
10134	1/3/2018	Accela, Inc. #774375	416.25
10143	1/3/2018	Waste Management Of Il SW	643.66
10141	1/3/2018	US Post Office	112.50
10137	1/3/2018	DS Waters of America Hinckley Springs	69.04
TOTAL:			<u>20,618.45</u>

Fund	5	DFC Federal Grant Fund	
1403	12/20/2017	Wilmington Downtown Merchants' Assoc	250.00
1402	12/20/2017	Wilmington Collision Center	1,000.00
0	12/20/2017	Better Business Planning Inc.	2,534.13
1400	12/20/2017	Cardmember Service	644.95
1401	12/20/2017	John Coyle	42.50
TOTAL:			<u>4,471.58</u>

Fund	7	ESDA Fund	
19599	1/3/2018	Camz Communications, Inc.	865.00
19601	1/3/2018	Comcast	64.90
19612	1/3/2018	United Welding Fabrication, LLC	80.00
19600	1/3/2018	Chief Shabbona Firefighters	150.00
TOTAL:			<u>1,159.90</u>

Fund	17	Water Capital Project Fund	
0	12/29/2017	Payroll Sweep	1,359.60
TOTAL:			<u>1,359.60</u>

Fund	24	Capital Project Fund	
2050	12/20/2017	Austin Tyler Construction	186,244.44
TOTAL:			<u>186,244.44</u>
GRAND TOTAL:			<u>357,354.97</u>

Kirby Hall

Steve Evans

John Persic, Jr.

Kevin Kirwin

Frank Studer

Lisa Butler

Fran Tutor

Approved: January 3, 2018

October 26, 2017

Wally Mietus
6204 W 85th Street
Burbank, IL 60459

Mayor Roy Strong
826 Kahler Road
Wilmington, IL 60481

RECEIVED
OCT 30 '17
CITY OF WILMINGTON

Dear Mayor Strong,

I am giving the City of Wilmington, IL the parcel of land with PIN number 03-17-36-211-014-0000. This is an outright gift, with no repayment expected or implied in the form of cash or future services. I have enclosed the deed to the property and the property tax bill.

Please let me know what the next steps are, if any, to complete the process. My phone number is: 708-543-9914.

Sincerely,

Wally Mietus

Encl:
Will County Levy Property Tax Bill
Warranty Deed

WILL COUNTY 2016 LEVY PROPERTY TAX BILL

PIN: 03-17-36-211-014-0000

WILL COUNTY COLLECTOR
 P.O. BOX 5000, JOLIET, IL 60434-5000
 PHONE - 815-740-4675
www.willcountytaxbill.com

MIETUS WALLY
 TR 92-1215
 6204 W 85TH ST
 BURBANK IL 60459

*2ND SANDON
 08/10/17
 CH # 2953*



Tax Bill Requested By:

Go paperless next year!

Register at eNoticesOnline.com. Authorization Code: **WIL-WL3NCJP8**

Land		4,852
Building	+	0
Added Assessment	+	0
Improvement Exemption	-	0
Total Assessed Value	=	4,852
Twp. Multiplier	X	1.0000
County Multiplier	X	1.0000
Equalized Value		4,852
Farm Land	+	0
Farm Building	+	0
Homestead Exemption	-	0
Sr. Citizen Exemption	-	0
Sr. Citizen Freeze Exemption	-	0
Enterprise Zone Exemption	-	0
Open Space Exemption	-	0
Net Equalized Value	=	4,852
Tax Rate	X	8.1458
Tax Amount	=	395.24
Reduction due to Exemption	-	0.00
Tax After Exemptions	=	395.24
Other Tax	+	
Total Tax Due	=	395.24

Acreage	Tax Code	Prop. Class	S/A Eq. Factor	2016 Mkt. Value	
	0302	R	1.0245	14,556	
Taxing District					
2015 Rate	2015 Tax	Pension	2016 Rate	2016 Tax	
FOREST PRESERVE	.1937	9.17	.34	.1944	9.43
WILL COUNTY BLDG COMM	.0218	1.03		.0026	.13
WILM TWP TOWN FUNDS	.1186	5.62		.1156	5.61
WILM TWP ROAD FUNDS	.0648	3.07		.0631	3.06
WILM FIRE DISTRICT	.7709	36.51	2.85	.7463	36.21
SCHOOL DISTRICT 209-U	4.6846	221.86		4.5095	218.80
COMM COLLEGE DIST 525	.3065	14.52		.3099	15.04
CITY OF WILMINGTON	1.0073	47.71	21.44	.9732	47.22
CITY OF WILM RD & BR	.0647	3.06		.0631	3.06
ISLAND PARK DISTRICT	.2627	12.44	.81	.2556	12.40
WILMINGTON PUB LIB	.3103	14.70	1.73	.3004	14.58
WILL COUNTY	.6140	29.09	4.66	.6121	29.70
TOTAL AMOUNT	8.4199	398.78		8.1458	395.24
1ST DUE DATE 6/1/17		2ND DUE DATE 9/1/17		TOTAL AMOUNT DUE	
197.62		197.62		395.24	

Unpaid taxes will be sold on 11/29/17. No Payment will be accepted after 11/28/17. After 9/1/17 current unpaid taxes may be purchased by a taxbuyer if back taxes sold remain unpaid.

88247 1/1



Item # 148

110

Will County, Illinois

APN: 17-36-211-014-0000

226
227

STRONG
ROY
MAY 10
2176
815



This is a copy of a county tax map. The Seller and Auctioneer makes no warranties regarding; map accuracy, land use restrictions, legal or physical access, road improvements, or any lack thereof. Parenthically in each the parcel prior to the auction.

RECORD: 110-148

This instrument Prepared and Recorded By:

Charles P. Gorosabel
N.R.L.L. East, LLC
ONE MAUCHLY
IRVINE, CA 92618

After Recording Mail To:

N.R.L.L. East, LLC
1 Mauchly
Irvine, CA 92618

Mail Tax Statements to:

Wally Mietus
6204 W 85 Str
Burbank, IL 60459

Laurie McPhillips 2P R 2007007814
Will County Recorder Page 1 of 2

LEH Date 01/11/2007 Time 16:01:38
Recording Fees: 24.75
IL Rental Hsng Support Prog: 10.00

WARRANTY DEED

THIS INDENTURE made on the November 17, 2006 between N.R.L.L., East, A Florida Limited Liability Company organized and existing under the laws of the State of Florida, having its principal place of business at 1 Mauchly, Irvine, CA 92618, (Hereinafter called the "Grantor"*) and Wally Mietus, a married man as his sole and separate property, (hereinafter called the "Grantee"*), whose address is 6204 W 85 Str, Burbank, IL 60459.

WITNESSETH: that Grantor, for and in consideration of the sum of Ten and 00/100 (\$10.00) dollars, and other good and valuable consideration to Grantor in hand paid by Grantee, the receipt whereof is hereby acknowledged, has granted, bargained, and sold to Grantee and Grantee's heirs and assigns forever, the following described land situate, lying and being in Will County, Illinois, to wit:

THE FOLLOWING DESCRIBED REAL ESTATE, SITUATED IN THE COUNTY OF WILL AND STATE OF ILLINOIS: OUTLOT 'A' IN SCHOOL MEADOWS SUBDIVISION IN THE WEST 1/2 OF THE NORTHEAST QUARTER OF SECTION 36, TOWNSHIP 33 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN. BEING THE SAME PROPERTY CONVEYED TO N.R.L.L. EAST, LLC, A FLORIDA LIMITED LIABILITY COMPANY BY DEED FROM MARGARET RUFFALO, A SINGLE PERSON, RECORDED 04/28/06 AS INSTRUMENT NO. R2006069600 IN THE OFFICE OF THE RECORDER OF DEEDS FOR WILL COUNTY, ILLINOIS. THE ABOVE LEGAL DESCRIPTION IS PROPERTY BEING SOLD AS A VACANT LOT AND AS SUCH HAS NOT BEEN ASSIGNED A PROPER STREET NUMBER, SUCH STREET NUMBER SHALL BE DULY ASSIGNED IN THE FUTURE SHOULD ANY HOUSING DEVELOPMENT OCCUR ON SAID LOT.

PROPERTY ADDRESS: BUCHANAN ST, WILMINGTON, IL 60481

Corner of Ridge St & May St.

PIN: 17-36-211-014-0000

Subject to reservations, restrictions, and easements of record, and taxes for the present year. Reserving however, any and all oil, gas, and mineral rights.

This is not the homestead property of the Grantor.

Grantor does hereby fully warrant the title to said land, and will defend the same against the lawful claims of all persons whomsoever.

*"Grantor" and "Grantee" are used for singular or plural. as context requires.

Clerk: _____

Auditor: _____

Buyer's Initials _____

Buyer's Initials _____

REAL PROPERTY PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS

Sold on 07/30/2006 in Cook County, Illinois, N.R.L.L. East, LLC, a Florida limited liability company, doing business as LandAuction.com ("Seller") hereby agrees to sell and convey, and the undersigned Buyer(s) agrees to buy and promises to pay the purchase price, and upon the terms and conditions hereinafter set forth the following described real property.

County: Will Approximate Size: 1 Lot Auction-Item: 110-148

State: IL APN: 17-36-211-014-0000

DESCRIPTION: THE FOLLOWING DESCRIBED REAL ESTATE, SITUATED IN THE COUNTY OF WILL AND STATE OF ILLINOIS: OUTLOT 'A' IN SCHOOL MEADOWS SUBDIVISION IN THE WEST 1/2 OF THE NORTHEAST QUARTER OF SECTION 36, TOWNSHIP 33 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING THE SAME PROPERTY CONVEYED TO N.R.L.L. EAST, LLC, A FLORIDA LIMITED LIABILITY COMPANY BY DEED FROM MARGARET RUFFALO, A SINGLE PERSON RECORDED 04/28/06 IN DEED BOOK PAGE IN THE

A. Winning Bid:	<u>\$100.00</u>	B. 10% Premium:	<u>\$10.00</u>	C. Loan Amount:	<u>\$19,500.00</u> (on Bid Plus Finance Only)
D. Purchase Price (A+B+C):	<u>\$19,610.00</u>	K. Deposit:		<u>\$110.00</u>	
E. Document Fee:	<u>\$995.00</u>				
G. POA Transfer Fee (if applicable):	<u>\$0.00</u>	L. Amount Financed:		<u>\$20,525.00</u>	
H. Transfer Tax:	<u>\$30.00</u>	M. Interest Rate:		<u>13.90%</u>	
I. Subtotal of Fees and Taxes:	<u>\$1,025.00</u>	N. Number of Payments:		<u>96</u>	
J. Total Purchase Amount: (Purchase Price + Fees and Taxes)	<u>\$20,635.00</u>	O. Monthly Loan Payment:		<u>\$355.38</u>	
		P. Finance Charge ((NxO)-L):		<u>\$13,591.48</u>	

TERMS:

If financing, Buyer(s) shall execute a Promissory Note and a Mortgage or Deed of Trust (depending on the state in which the property is located) securing payment of the Promissory Note. Buyer(s) agree to make monthly payments to Seller, payable in the amount, interest rate and term stated herein above, until paid in full. The first payment being due and payable one month from the day of the auction sale, and subsequent payments on the same day of each consecutive month until paid in full. Each payment shall be credited first on interest then due and then on the principal; and interest shall thereupon cease upon the principal so credited. Seller shall receive a late charge of the amount of \$10.00 or 10%, whichever is greater, of any monthly payment which becomes more than 10 days delinquent and/or a service fee of \$15.00 for any payment which is returned by payer's bank. Interest shall begin accruing upon the date of the Purchase Agreement, however, if payment in full on the contract is received by Seller within thirty (30) days of the contract date, interest which accrues during that first 30 days will be waived by Seller. Within 180 days of the Contract Date (90 if paid in full on date of Contract) Seller shall deliver to Buyer(s) a good and sufficient deed to the above-described property ("Closing").

FORFEITURE UPON DEFAULT:

In the event of default in making any of the monthly payments as provided herein prior to Closing and recordation of a Mortgage or Deed of Trust, and such default continues for thirty (30) days, this agreement may be canceled at the option of the Seller without notice to Buyer(s) and any and all moneys paid by Buyer(s) shall be retained by Seller. In the event Seller has recorded the deed placing Buyer(s) on title, Seller shall be entitled to foreclose on the Mortgage or Deed of Trust pursuant to the laws of the state in which the property is located. By execution of this agreement, Buyer(s) acknowledges this is a negotiated result, and the forfeiture of said sums of money do not constitute a penalty.

CONDITIONS:

Buyer(s) acknowledge the land is being purchased 'AS-IS' at public auction, that is in whatever physical condition and location the parcel may be found at the time of sale, subject to all existing covenants, conditions, restrictions, reservations, exploration rights, easements, rights of way, assessments, zoning of record and any land use restrictions. Seller may reserve mineral rights, if any, at Seller's sole discretion, anytime prior to and including the recording of the deed to Buyer. Improvement bonds on the property are to be assumed by Buyer(s) in addition to the sale price. BUYER(S) ACKNOWLEDGES HAVING INSPECTED THE PROPERTY AND INVESTIGATED ITS SUITABILITY FOR ANY GIVEN PURPOSE PRIOR TO THE AUCTION, INCLUDING AVAILABILITY OF ACCESS AND UTILITIES OR LACK THEREOF AND HEREBY ACCEPTS THE PROPERTY 'AS-IS'.

PROPERTY TAXES:

All real property taxes and other assessments due and payable before 7/30/2006 'Cutoff Date' will be paid by Seller, and not pro-rated. Buyer(s) represent and warrant that Buyer(s) will be responsible for all taxes which become payable on or after Cutoff Date.

Buyer's Initials _____

Buyer's Initials _____

IN WITNESS WHEREOF, Grantor has hereunto set Grantor's hand and seal the day and year above written.

Signed, sealed and delivered in our presence as witnesses:



N.R.L.L. East, LLC,
a Florida limited liability company

BY: _____

Jennyfer Newton, Manager

Witness: Michelle Nelson

Witness: Jennifer Taylor

STATE OF California
COUNTY OF Orange

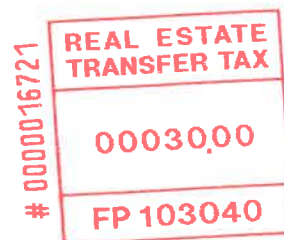
ON Oct 20, 2007 BEFORE ME, Sara Loya NOTARY PUBLIC, PERSONALLY APPEARED Jennyfer Newton [X] PERSONALLY KNOWN TO ME - OR - [] PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES) AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

WITNESS MY HAND AND OFFICIAL SEAL

[Signature]



19,610.00



**THIS INSTRUMENT WAS
PREPARED BY AND AFTER
RECORDING, MAIL TO:**

Peter M. Friedman
Holland & Knight LLP
131 S. Dearborn Street
30th Floor
Chicago, IL 60603

The above space for Recorder's use only.

AMENDED AND RESTATED REDEVELOPMENT AGREEMENT

BETWEEN

THE CITY OF WILMINGTON

AND

ADAR RIDGEPORT INDUSTRIAL PARTNERS, LLC

RIDGE LEGO PARTNERS, LLC

RIDGEPORT PARTNERS I, LLC

RIDGEPORT PARTNERS II, LLC

BATORY REAL ESTATE HOLDINGS, LLC

A-R RIDGEPORT II, LLC

(I-55 AND LORENZO ROAD)

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AMENDED AND RESTATED REDEVELOPMENT AGREEMENT

I-55 AND LORENZO ROAD

This Amended and Restated Redevelopment Agreement (this “**Agreement**”) is made and entered into as of the ____ day of _____, 2017 (“**Effective Date**”) by and between the City of Wilmington (“**City**”) and Adar Ridgeport Industrial Partners, LLC, a Delaware Limited Liability Company (“**Park Owner**”, “**New Park Owner**” or “**Owner**”), Ridge Lego Partners, LLC, a Delaware limited liability company (“**New Owner I**”), Ridgeport Partners I, LLC, a Delaware limited liability company (“**New Owner II**”), Ridgeport Partners II, LLC, a Delaware limited liability company (“**New Owner III**”), Batory Real Estate Holding, LLC, an Illinois limited liability company (“**New Owner IV**”), A-R Ridgeport II, LLC, a Delaware limited liability company (“**New Owner V**”) (The City, Park Owner, New Owner I, New Owner II, New Owner III, New Owner IV, and New Owner V are sometimes referred to individually as a “**Party**” and collectively as the “**Parties.**”)

RECITALS:

WHEREAS, the City is a duly organized and existing municipality of the State of Illinois, and is now operating under and pursuant to the provisions of the Illinois Municipal Code, as amended (65 ILCS 5/1-1-1 *et seq.*; “**Municipal Code**”), and is a “governmental unit” as defined in Section 2(i) of the Local Governmental Debt Reform Act; and

WHEREAS, the City has the authority, pursuant to the laws of the State of Illinois, to promote the health, safety, and welfare of the City and its inhabitants, to prevent the spread of blight, to encourage private development in order to enhance the local tax base, to increase employment, and to enter into contractual agreements with third parties for the purpose of achieving these purposes; and

WHEREAS, the City has the authority under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, *et seq.*, as amended (the “**Act**”), to finance redevelopment in accordance with the conditions and requirements set forth in the Act; and

WHEREAS, the Original Project Area was approximately 1,275 acres in the aggregate and is legally described in **Exhibit A-2** and depicted in **Exhibit A-1** (“**Original Property**” or “**Original Project Area**”); and

WHEREAS, the City, Ridgeport Development Services, LLC and Ridgeport Logistics Center I, LLC (“**Original Parties**”) proposed to jointly finance certain “**Redevelopment Project Costs**” related to the development of the Original Property into an Intermodal Terminal Facility Area (“**Project**”), as such costs are defined in the Act and the City, pursuant to the Act and in consideration for Ridgeport Logistics Center I, LLC’s commitment to undertake the Project, agreed to reimburse Ridgeport Logistics Center I, LLC for certain Redevelopment Project Costs, including but not limited to costs related to property acquisition and assembly, site preparation, environmental remediation, demolition, and construction of certain public improvements, all of

which will serve a public purpose and which are necessary to foster development within the Original Project Area, by utilizing tax increment financing in accordance with the Act; and

WHEREAS, to stimulate and induce redevelopment pursuant to the Act, the City, after giving all notices required by law and after conducting all public hearings required by law, adopted on May 18, 2010 the following ordinances (collectively, the “**TIF Ordinances**”): Ordinance No. 10-05-04-06, entitled “An Ordinance Approving a Tax Increment Financing Allocation Redevelopment Plan and Project for the RidgePort Logistics Center Intermodal Facility Terminal Area” (the “**Redevelopment Plan**”); and Ordinance No. 10-05-04-07, entitled “An Ordinance of the City of Wilmington Designating the RidgePort Logistics Center Intermodal Facility Terminal Area Pursuant to the Tax Increment Allocation Redevelopment Act” (the “**Original Project Area**”), which is legally described on **Exhibit A-2** and depicted in **Exhibit A-1**, and Ordinance No. 10-05-04-08, entitled “An Ordinance Adopting Tax Increment Allocation Financing for the RidgePort Logistics Center Intermodal Facility Terminal Area”. The Original Project Area consisted of 1,275 acres and was coterminous with the Original Property.

WHEREAS, the Corporate Authorities, after conducting the public hearings described above, and after due and careful consideration, concluded that the approval of the Initial Agreement (as defined below) and the construction of the Project and the Public Improvements will, among other things, promote sound planning, increase the taxable value of property within the City and enhance the local tax base, increase employment, enable the City to further and better control the development of the Original Property, and otherwise promote, enhance and serve the best interests and general welfare of the City and its citizens; and

WHEREAS, pursuant to the City’s power and authority as a local government, the powers and authority arising under the Act and the Local Government Debt Reform Act and such other powers and authorities as are granted to it by law, the Original Parties entered into the “Redevelopment Agreement” dated May 18, 2010 (the “**Initial Agreement**”); and

WHEREAS, following the approval and execution the Initial Agreement, the Initial Agreement was amended pursuant to (i) a “First Amendment to the Redevelopment Agreement” dated October 19, 2010 (the “**First Amendment**”); (ii) a “Second Amendment to Redevelopment Agreement” dated August 24, 2011 (the “**Second Amendment**”); (iii) a “Third Amendment to Redevelopment Agreement” dated July 17, 2012 (the “**Third Amendment**”); (iv) a “Fourth Amendment to Redevelopment Agreement” dated February 2013 (the “**Fourth Amendment**”); (v) a “Fifth Amendment to Redevelopment Agreement” dated June 6, 2014 (the “**Fifth Amendment**”); (vi) a “Sixth Amendment to Redevelopment Agreement” dated September 2, 2014 (the “**Sixth Amendment**”); (vii) a “Seventh Amendment to Redevelopment Agreement” dated December 19, 2014 (the “**Seventh Amendment**”); (viii) an “Eighth Amendment to Redevelopment Agreement” dated March 17, 2015 (the “**Eighth Amendment**”); (ix) a “Ninth Amendment to Redevelopment Agreement” dated March 17, 2015 (the “**Ninth Amendment**”); (x) a “Tenth Amendment to Redevelopment Agreement” dated March 29, 2016 (the “**Tenth Amendment**”); (xi) an “Eleventh Amendment to Redevelopment Agreement” dated April 26, 2016 (the “**Eleventh Amendment**”); (xii) a “Twelfth Amendment to Redevelopment Agreement” dated September 2, 2016 (the “**Twelfth Amendment**”); a “Thirteenth Amendment to the Redevelopment Agreement” dated September 27, 2016 (the “**Thirteenth Amendment**”);

and a “Fourteenth Amendment to the Redevelopment Agreement” dated February 10, 2017 (“**Fourteenth Amendment**”) (the Initial Agreement, as amended by the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth, Thirteenth, and Fourteenth Amendments are referred to collectively as the “**Amended Initial Agreement**”); and

WHEREAS, through the course of the fourteen amendments, the Parties changed numerous times, including but not limited to the following amendments: (i) the Owner changed from Ridgeport Logistics Center I, LLC to Adar Ridgeport Industrial Partners, LLC; and (ii) New Owner I, New Owner II, New Owner III, New Owner IV, and New Owner V were joined as Parties; and

WHEREAS, pursuant to the Sixth Amendment, certain land was removed (“**Removed Land**”) from the Original Project area, which is legally described in **Exhibit Q** and depicted on **Exhibit P**, which resulted in a reduction in the size of the Original Project Area (“**Project Area**” or “**Property**”), which said Project Area is legally described in **Exhibit BB** and depicted in **Exhibit CC**; and

WHEREAS, the Project Area was further amended by the “2016 Amendment to the Tax Increment Financing Redevelopment Plan & Project” for the Ridgeport Logistics Center Intermodal Terminal Facility Area, which was adopted by Ordinance 17-01-03-01 on January 3, 2017 (the “**2016 Plan Amendment**”); and

WHEREAS, the 2016 Plan Amendment provided for the addition of certain properties and removal of certain properties, or portions thereof, resulting in the current Project Area being comprised of approximately 1,171 acres; and

WHEREAS, after filing the 2016 Plan Amendment with the Will County Clerk, it was discovered that three of the six parcels added to the Project Area had not been officially annexed into the corporate limits of the City and, therefore, the parcels added and removed to/from the Project Area (as recognized by Will County) are as depicted on **Exhibit RR** and legally described in **Exhibit SS** and **Exhibit TT**, with the Project Area now being approximately 1,141 acres in size; and

WHEREAS, pursuant to the Eighth Amendment, the City issued to New Owner II a TIF note in the principal amount of \$3,449,202 between the March 17, 2015 date of approval by the City of the Eighth Amendment and the March 29, 2016 date of execution of the “Estoppel” by the City; and

WHEREAS, pursuant to the Ninth Amendment, the City issued to New Owner III a TIF note in the principal amount of \$667,464 between the March 17, 2015 date of approval by the City of the Ninth Amendment and the March 29, 2016 date of execution of the “Estoppel” by the City; and

WHEREAS, the Parties now desire to further amend the Amended Initial Agreement and to restate in its entirety the Amended Initial Agreement to read as set forth herein, which amended and restated Amended Initial Agreement shall be referred to as the “**Agreement**,” and

the Parties intend that the terms and provisions of this Agreement shall amend, restate, and replace the terms and provisions of the Amended Initial Agreement;

NOW, THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1

INCORPORATION OF RECITALS

The foregoing recitals are material to this Agreement and are incorporated into the Agreement and made a part of this Agreement as if fully stated herein.

SECTION 2

CERTAIN DEFINITIONS

As used in this Agreement, including the Recitals, the following words and terms shall have the following meanings:

2.1 “**Annexation Agreement**” means that certain annexation agreement dated May 4, 2010 between Current Titleholder, certain other parties and the City of Wilmington, as amended from time to time, pertaining to the Property.

2.2 “**Available Incremental Property Taxes**” means 100% of the ad valorem taxes generated by the Property after deducting the TIF Administration Set Aside which, pursuant to the TIF Ordinances and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City for deposit by the Treasurer into the Ridgeport Logistics Center Intermodal and Industrial TIF Allocation Fund to pay Redevelopment Project Costs under the Act and obligations incurred in the payment thereof. For avoidance of doubt, Available Incremental Property Taxes shall include the incremental ad valorem taxes generated by the Property during the twenty-third (23rd) calendar year after the year in which the TIF Ordinances were adopted that are collected in the 24th such year (after deducting the TIF Administration Set Aside).

2.3 “**Bond Counsel**” means Foley & Lardner LLP, or such other firm of attorneys or attorney as the City may select to opine as to, among other matters, the tax-exempt nature of interest on obligations the City may issue pursuant to this Agreement.

2.4 “**Bonds**” means tax increment allocation bonds issued by the City in one or more series and secured by the Available Incremental Property Taxes.

2.5 “**Certificate of Expenditure**” means a document substantially in the form of **Exhibit C** to be provided by the Owner to the City in accordance with this Agreement and evidencing TIF Eligible Expenses incurred by the Owner and eligible for reimbursement to Owner under the terms of this Agreement and the Act. The Certificate of Expenditure is sometimes referred to herein as a “**Certificate**”.

2.6 “**Certificate of Substantial Completion**” means a certificate of substantial completion issued by the independent architect licensed in the State of Illinois responsible for sealing the construction drawings upon which the building permit was issued, or other independent, qualified architect reasonably acceptable to the City, on AIA Document G704-2000 without alteration.

2.7 “**City**” means the City of Wilmington, Will County, Illinois, an Illinois municipal corporation.

2.8 “**City Attorney**” means Klein, Thorpe & Jenkins, Ltd., or such other firm or attorneys or attorney as may represent the City from time to time on matters pertaining to this Agreement.

2.9 “**City TIF Advisor**” shall mean Peckham Guyton Albers & Viets, Inc. (PGAV) or such other TIF advisory firm as may represent the City from time to time on matters pertaining to this Agreement, as designated by the City.

2.10 “**Closing Date**” means the date that the Agreement has been fully-executed by the Parties.

2.11 “**Corporate Authorities**” means the City Mayor and City Council, collectively.

2.12 “**Current Titleholder**” refers to the Park Owner or its assigns as it applies to a particular parcel within the Project Area, as may be applicable.

2.13 “**Current Projects**” refers to the current projects within the Project Area, as follows: (i) Michelin, which was approved in the Fifth Amendment and is owned by Ridge Lego Partners, LLC, (ii) Building B, which was approved in the Eighth Amendment and is owned by RidgePort Partners I, LLC, (iii) Freezer Building, which was approved in the Ninth Amendment and is owned by RidgePort Partners II, LLC, (iv) Batory Foods, which was approved in the Eleventh Amendment and is owned by Batory Real Estate Holding LLC and (v) a parcel where upon a 1,507,545 square foot warehouse is to be constructed (known as “**Project Hot Dog**”), which was approved in the Thirteenth Amendment and is owned by A-R Ridgeport II, LLC. Attached hereto as **Exhibit MM** is a map identifying each parcel corresponding to **Exhibit NN** which contains list of parcels by ownership entity (including tax PINs where known) for each Current Project.

2.14 “**Force Majeure**” shall have the meaning set forth and be applicable as provided in Section 22.22.

2.15 “**Formerly Qualified Sold Parcel**” shall mean a lot which was a Qualified Sold Parcel but fails to continue to qualify because either the Building Permit Test or the Completion Test is not met. A lot shall no longer be considered a Formerly Qualified Sold Parcel when the industrial space or commercial space building to be constructed thereon, as the case may be, has been completed as evidenced by delivery to the City of a Certificate of Substantial Completion.

2.16 “**Initial Intermodal Terminal Facility**” means the facilities so described in **Exhibit G**.

2.17 “**Initial Public Improvements**” consists of constructing approximately 2,500 feet of Graaskamp Boulevard, constructing the intersection improvements at Lorenzo Road & Graaskamp Boulevard, constructing a one million gallon elevated water tower at the Project, the widening of Lorenzo Road from the IDOT right-of-way (approximate location is the West Frontage Road) west to approximately Kavanaugh Road and all stormwater management, landscaping, screening and grading improvements associated with the aforementioned improvements and required under the Annexation Agreement including adequate water supply and sanitary facilities to serve the first industrial building in the Project.

2.18 “**Issuance Costs**” means all costs reasonably incurred by the City in furtherance of the issuance of the Bonds including, but not limited to, the fees and expenses of financial advisors and consultants, attorneys (including, but not limited to, the City Attorney, counsel for the Underwriter and Bond Counsel), the City’s administrative fees and expenses (including, but not limited to, fees and costs of planning consultants), discounts and fees of underwriters, the costs of credit enhancement, if any, and the fees of any rating agency rating any Bonds.

2.19 “**Issuance Date**” means the stated date of issuance of a particular TIF Obligation or the pay-as-you-go obligations.

2.20 “**Lego Lease**” means that certain Lease Agreement dated June 6, 2014 by and between New Owner I and Michelin North America, Inc.

2.21 “**Local Government Debt Reform Act**” means the Local Government Debt Reform Act, 30 ILCS 350/1, *et seq.*, as amended from time to time.

2.22 “**Net Bond Proceeds**” means the proceeds derived from the issuance of the Bonds, less any Issuance Costs and amounts set aside for capitalized interest and debt service reserves.

2.23 “**New Owner I**” means Ridge Lego Partners, LLC, a Delaware limited liability company.

2.24 “**New Owner I Parcel**” means that certain real property consisting of 104.5 acres and depicted and legally described in **Exhibit I**.

2.25 “**New Owner I Expansion Parcel**” means that certain real property consisting of approximately 13 acres and depicted and legally described in **Exhibit J**.

2.26 “**New Owner I Tenant Improvements**” means the improvements described in **Exhibit K** attached hereto, which are required for the operations of an industrial tenant which is to be located on the New Owner I Parcel.

2.27 “**New Owner II**” means Ridgeport Partners I, LLC, a Delaware limited liability company.

2.28 “**New Owner II Parcel**” means that certain real property consisting of 51.881 acres depicted and legally described in **Exhibit S**.

2.29 “**New Owner II Tenant Improvements**” means the improvements described in **Exhibit T** attached hereto, which are required for the operations of one or more industrial tenants which are to be located on the New Owner II Parcel.

2.30 “**New Owner III**” means Ridgeport Partners II, LLC, a Delaware limited liability company.

2.31 “**New Owner III Parcel**” means that certain real property consisting of 5.0929 acres of the Property depicted and legally described in **Exhibit V**.

2.32 “**New Owner III Expansion Parcel**” means that certain additional portion of the Property consisting of 3.508 acres which is legally described in **Exhibit X** and onto which Consolidated Distribution Corporation (“**Tenant**”) may expand its premises pursuant to the Lease Agreement dated February 23, 2015 by and between Tenant and New Owner III.

2.33 “**New Owner III Tenant Improvements**” means those improvements depicted in **Exhibit W** that are required for the operations of one or more industrial tenants which are to be located on the New Owner III Parcel.

2.34 “**New Owner IV**” means Batory Real Estate Holding, LLC, an Illinois limited liability company.

2.35 “**New Owner IV Parcel**” means that certain real property consisting of 33.213 acres of the Property depicted and legally described in **Exhibit DD**.

2.36 “**New Owner IV Adjacent Parcel**” means that certain real property consisting of an additional 7.003 acre parcel that was not located in the Original Project Area, but has since been annexed to the City and added to the Project Area and is legally described in **Exhibit DD-1**.

2.37 “**New Owner IV Improvements**” means the improvements described in **Exhibit EE** which are required for the operations of New Owner IV, which are to be located on the New Owner IV Parcel and the New Owner IV Adjacent Parcel.

2.38 “**New Owner IV Expansion Parcel**” means the following real property New Owner IV is obligated to purchase: (i) the certain additional 9.828 acre portion of the Property legally described in **Exhibit FF**; and (ii) the certain additional 1.607 acre parcel that was not located in the Original Project Area but has since been annexed to the City and added to the Project Area, which is legally described in **Exhibit FF-1**.

2.39 “**New Owner V**” means A-R Ridgeport II, LLC, a Delaware limited liability company.

2.40 “**New Owner V Parcel**” means that certain real property consisting of 80 acres of the Property and legally described in **Exhibit HH**.

2.41 “**New Owner V Improvements**” means the improvements described in **Exhibit II** which are required for the operations of New Owner V, which are to be located on the New Owner V Parcel.

2.42 “**New Owner V Lease**” that lease dated September 23, 2016 between New Owner V and General Mills Operations, LLC, a Delaware limited liability company.

2.43 “**New Park Owner**” means Adar Ridgeport Industrial Partners, LLC, a Delaware limited liability company also referred to herein as Owner.

2.44 “**New Park Owner Property**” means that certain real property legally described in **Exhibit AA**, the transfer of which to New Park Owner was approved by the City and any other property that is part of the Project Area and owned by New Park Owner.

2.45 “**Note Interest Rate**” means interest on the applicable Note shall accrue beginning on the Issuance Date at an annual rate equal to the median value of BBB uninsured general obligation bond rates as published by Thompson- Reuters municipal market data (“MMD”) for fifteen (15) business days prior to the Issuance Date, plus 150 basis points but in no event exceeding eight and one-half percent (8.50%) per annum.

2.46 “**Original Project Area**” means the original property prior to the removal of the Removed Land, as depicted in **Exhibit A-1** and as legally described in **Exhibit A-2**.

2.47 “**Owner’s TIF Counsel**” shall mean Holland & Knight LLP or such other firm of attorneys, as shall be selected by Owner and reasonably acceptable to the City and Bond Counsel, to opine to certain matters required pursuant to this Agreement;

2.48 [Intentionally deleted].

2.49 “**Phase I**” means the proposed development of the Phase I Property by the Park Owner or its successor in one (1) or more sub-phases and which shall include the Intermodal Terminal Facility, approximately 7.7 million square feet of buildings and the Initial Public Improvements related thereto, as depicted in **Exhibit A-3** attached hereto and made apart hereof.

2.50 “**Phase II**” means the proposed development of the Phase II Property by the Park Owner or its successor in one (1) or more sub-phases and which shall include approximately 3.5 million square feet of buildings and the Public Improvements related thereto, as depicted in **Exhibit A-3**.

2.51 “**Phase III**” means the proposed development of the Phase III Property by the Park Owner or its successor in one (1) or more sub-phases and which shall include approximately 2.5 million square feet of buildings and the Public Improvements related thereto, as depicted in **Exhibit A-3**.

2.52 “**Public Improvements**” consist of those water distribution lines, sewer distribution lines, site grading, on-site roadway improvements, off-site roadway improvements, on and off-site stormwater management facilities, landscaping improvements, water tower and

associated design and engineering fees necessary to serve a particular phase of the Project Area including the underlying land to the extent contemplated in the Annexation Agreement *except* for those items which are expressly the responsibility of the City pursuant to the Annexation Agreement.

2.53 “**Phase**” refers to Phase I, Phase II or Phase III.

2.54 “**Project Area**” refers to the land area located within the “Intermodal Terminal Facility Area” established by Ordinance No. 10-05-04-07, as amended by Ordinance 14-09-02-03 (Sixth Amendment) and Ordinance 17-01-03-01 (2016 Plan Amendment). If the Park Owner desires to further amend the Project Area in the future by removing property which it owns on an acre for acre basis, it may do so solely with the consent of the Corporate Authorities (and no other Party) by amending the Agreement in the same manner as the Sixth Amendment. If the Park Owner desires to further amend the Project Area in the future to add property which it owns on an acre for acre basis, it may do so solely with the consent of the Corporate Authorities (and no other Party) by amending the Agreement in the same manner as the Sixth Amendment, and by amending the Tax Increment Financing Redevelopment Plan for the Ridgeport Logistics Center Intermodal Terminal Facility Area in accordance with the requirements of the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, *et seq.*

2.55 “**Qualified Sold Parcel**” shall mean a buildable lot which is a portion of the Property and is the subject of a Transfer, provided however that (i) a building permit for an industrial space or commercial space building on the lot, as the case may be, is issued within two (2) years of the date of the Transfer (the “**Building Permit Test**”); (ii) the building is substantially complete and fully assessed within three (3) years of the date of the Transfer (the “**Completion Test**”); and (iii) there shall be no more than 400 acres of the Property at any one time which shall constitute Qualified Sold Parcels and Formerly Qualified Sold Parcels (the “**Rolling Limit**”). Once the industrial space building or commercial space building for the lot is constructed (as evidenced by delivery to the City of a Certificate of Substantial Completion), the lot shall no longer be counted as a Qualified Sold Parcel or a Formerly Qualified Sold Parcel, as the case may be, and the Owner shall have the ability to Transfer another lot up to the Rolling Limit. Any Transfer of the Property or any portion thereof which would cause the total area of Qualified Sold Parcels and Formerly Qualified Sold Parcels to exceed the Rolling Limit is subject to the prior written approval of the City not to be unreasonably withheld or delayed, provided full and complete information is furnished. Notwithstanding anything to the contrary, the transfer of the approximately 60 acre to 100 acre parcel containing the surface operations associated with mining activities to a joint venture in which a Related Owner Party is an owner, shall not be a Qualified Sold Parcel and shall not count towards the Rolling Limit. Notwithstanding anything in the Agreement to the contrary, the transfer and development of the New Owner I Parcel shall not render the New Owner I Parcel a Qualified Sold Parcel or a Formerly Qualified Sold Parcel and the New Owner I Parcel shall not count towards the Rolling Limit. Notwithstanding anything in the Agreement to the contrary, the transfer and development of the New Owner II Parcel shall not render the New Owner II Parcel a Qualified Sold Parcel or a Formerly Qualified Sold Parcel and the New Owner II Parcel shall not count towards the Rolling Limit. Notwithstanding anything in the Agreement to the contrary, the transfer and development of the New Owner III Parcel shall not render the New Owner III Parcel a Qualified Sold Parcel or a Formerly Qualified Sold Parcel and the New Owner III Parcel shall not count towards the

Rolling Limit. If the City and New Owner III enter into an amendment to the Agreement with respect to the New Owner III Expansion Parcel due to exercise of the option to expand the Premises in the Lease by the Tenant, then the City and New Owner III intend that a provision similar to the provision set forth in this Section 2.56 hereof, but applicable to the New Owner III Expansion Parcel will be included in such amendment. Notwithstanding anything in the Agreement to the contrary, the transfer and development of the New Park Owner Property shall not render the New Park Owner Property a Qualified Sold Parcel or a Formerly Qualified Sold Parcel and the transfer of the New Park Owner Property to New Park Owner shall not count towards the Rolling Limit. Notwithstanding anything in the Agreement to the contrary, the transfer and development of the New Owner IV Parcel shall not render the New Owner IV Parcel a Qualified Sold Parcel or a Formerly Qualified Sold Parcel and the New Owner IV Parcel shall not count towards the Rolling Limit. If the City and New Owner IV enter into an amendment to the Agreement with respect to the New Owner IV Expansion Parcel after it is acquired by New Owner IV, then the City and New Owner IV intend that a provision similar to the provision set forth in this Section 2.56 hereof, but applicable to the New Owner IV Expansion Parcel will be included in such amendment. Notwithstanding anything in the Agreement to the contrary, the transfer and development of the New Owner V Parcel shall not render the New Owner V Parcel a Qualified Sold Parcel or a Formerly Qualified Sold Parcel and the New Owner V Parcel shall not count towards the Rolling Limit.

2.56 “**Related Owner Party**” means either (i) persons or entities who are either employees of or are entities which are affiliates of and are controlled by New Park Owner for so long as New Park Owner is controlled, directly or indirectly, by Elion Partners, LLC, or (ii) entities which are part of the affiliated companies operated and controlled by Elion Partners, LLC.

2.57 “**Removed Land**” means the land removed from the Original Project Area pursuant to the Sixth Amendment to this Agreement and depicted in **Exhibit P** and legally described in **Exhibit Q**.

2.58 “**RidgePort Logistics Center Intermodal and Industrial TIF Allocation Fund**” or “**Fund**” means that certain fund created by the City in connection with the Project Area into which the Available Incremental Property Taxes shall be deposited by the City.

2.59 “**Taxable Interest Rate**” shall mean an annual interest rate equal to the median value of the Corporate BBB Bond Index Rate (20-year) as published by Bloomberg on the last business day prior to the Issuance Date of the applicable obligations plus 195 basis points, but in no event exceeding nine percent (9%) per annum.

2.60 “**TIF Formation Costs**” shall mean all costs and expenses incurred by the City in connection with the formation or amendment of the tax increment financing arrangement anticipated by this Agreement, including without limitation, costs and expenses incurred in connection with the analysis, preparation, negotiation and amendment of this Agreement, any of the TIF Ordinances or issuance of any obligations other than Issuance Costs paid with gross Bond proceeds.

2.61 **“TIF Administration Set-Aside”** means a portion of tax increment revenue which shall be set-aside each year for the City to administer the tax increment finance district anticipated by this Agreement, including compliance with the terms of this Agreement, annual reporting to the State of Illinois and Joint Review Board (JRB), annual meetings of the JRB and similar matters. The amount of the set-aside shall be the greater of 0.05% of tax increment revenue or \$25,000. Nothing herein shall be construed to prevent any additional City administration costs from being reimbursed as part of Redevelopment Project Costs.

2.62 **“TIF Eligible Expenses”** means those portions of the costs related to the Project which are (i) reasonable Redevelopment Project Costs and are eligible for reimbursement to the Owner under the Redevelopment Plan and (ii) incurred in accordance with the Act.

2.63 **“TIF Notes”** or **“Notes”** means one (1) or more tax increment allocation revenue notes in the form of **Exhibit C** which shall be for a term of twenty (20) years or the number of years left in the Redevelopment Plan, whichever is less, and shall be issued to the Owner. The maximum principal amount of (i) all pay-as-you-go reimbursement, (ii) all TIF Notes issued by the City pursuant to Section 4.3 below and (iii) all Net Bond Proceeds paid to or for the benefit of the Owner, shall not exceed \$140,000,000.00, plus applicable interest. To the extent permitted by law, as determined by Bond Counsel, the Owner and the City will make all reasonable efforts to ensure that interest on the TIF Notes is exempt from federal income taxation (which shall include issuing the TIF Notes as one or more smaller revenue notes).

2.64 **“TIF Obligations”** means TIF Notes and Bonds.

2.65 **“Transfer”** shall mean the sale, ground lease or similar disposition of all or a portion of the Property.

2.66 **“Underwriter”** means William Blair & Company, or any other nationally recognized underwriter mutually acceptable to the City and Owner to be the lead underwriter for the sale of the Bonds.

2.67 **“Unpermitted Owner Interest Transfers”** mean a transfer of either (i) the right to manage or control the operations of New Park Owner, which is currently controlled by Elion Partners, LLC, or (ii) a transfer or series of transfers or transactions, in the aggregate, of more than eighty percent (80%) of the ownership interests of New Park Owner to a party or parties other than a Related Owner Party.”

For purposes of clarification, the Parties acknowledge that any transfer of ownership interests in New Park Owner which constitute Unpermitted Owner Interest Transfers pursuant to Section 2.68 of the Agreement shall require the express approval of the City pursuant to the terms of the Agreement or shall be subject to the Events of Default Section 12.1(i). New Park Owner certifies that Elion Partners, LLC is currently a Related Owner Party. For the avoidance of doubt, the Parties acknowledge that any direct or indirect transfers of ownership interests in New Park Owner to one or more Related Owner Parties, including one or more of such entities while they remain Related Owner Parties, are not Unpermitted Owner Interest Transfers, and do not require approval of the City unless combined with other factors set forth in the Agreement which expressly require approval. The Parties also acknowledge that the City shall be promptly

advised of any transfer of ownership interests required pursuant to Section 3.7 of the Agreement whether or not approval is required.

SECTION 3

OWNER COVENANTS

The covenants of New Park Owner (as Owner) in this Section 3 of the Agreement shall be effective as of March 29, 2016, and shall only apply to the portions of the Project Area that are owned by New Park Owner. New Park Owner shall not be responsible or liable for the failure of any other Party to perform its obligations under the Agreement, including, without limitation, the failure to pay real estate taxes or any code violations.

Park Owner, New Owner I, New Owner II, New Owner III, New Owner IV, and New Owner V, their successors and assigns, shall continue to remain liable for performance of their respective indemnity and/or other obligations under the Amended Initial Agreement, as applicable, including without limitation in the case of the respective Parcel owners, the failure to pay real estate taxes or any code violations.

3.1 **Development Obligations.** The Owner shall construct the Project in accordance with the general parameters set forth in **Exhibit G** attached, in a good and workmanlike manner in accordance with all applicable building codes of the City, applicable requirements of other governmental authorities with jurisdiction over the Project, plans and specifications approved by the City and the terms and conditions of this Agreement. The Owner shall conduct construction of all buildings and other improvements in accordance with sound industry practices and, once commenced, shall prosecute any construction of a particular building or Public Improvements continuously with diligence until completion thereof, lien free. Public Improvements related to a Phase shall be completed prior to the time their use is required and in accordance with the Annexation Agreement. The Parties acknowledge that the timing of completion of Phase I and commencement and completion of Phases II and III will depend, in part, upon market conditions. The Owner shall utilize continuous and commercially reasonable efforts, in accordance with industry standards, supported by adequate financing, to prosecute the Project.

3.2 **Payment of Real Estate Taxes and Assessments.** The respective lot owner shall promptly pay or cause payment of all general real estate taxes, assessments, charges and fees due and payable to the City or any other governmental entity with respect to the Project Area when the same are due and payable.

3.3 **No Violations.** Owner shall construct, operate and maintain the Project in conformance with all applicable laws, rules, ordinances and regulations. All work with respect to the Project shall conform to all federal, state and local laws, regulations and ordinances to the extent the same are applicable to the Project.

3.4 **Reporting.** The Owner shall meet with the Corporate Authorities and the City's staff from time to time and make presentations as reasonably requested by the City Administrator, or the City Mayor, or their respective designees ("**City Administrator**"), in order

to keep the City apprised of the progress of the Project and demonstrate compliance with the terms of this Agreement.

3.5 **Construction.** The Owner agrees to construct the Project according to the construction schedule(s) furnished to the City in accordance with the terms of this Agreement, subject, however, to Force Majeure and the right to update from time to time based on market conditions in Will County for demand for industrial space. Owner shall diligently pursue obtaining all required permits and shall cause construction of the portions of the Project where construction is commenced, to be completed pursuant to plans and specifications approved by the City, with reasonable diligence, in good faith and without delay, subject to Force Majeure.

3.6 **Payment of TIF Formation Costs.** The Owner shall cause all TIF Formation Costs to be paid promptly as incurred and the same shall qualify as TIF Eligible Expenses to the extent the same constitute Redevelopment Project Costs pursuant to the Act.

3.7 **Notice of Transfer of Interests in New Park Owner.** The New Park Owner shall promptly advise the City of any change in direct ownership or control of New Park Owner.

3.8 **Owner's Obligations Continuing.** The Owner's obligations under this Agreement shall be continuing and shall not be deemed released merely by subsequent transfer of the Property except as expressly provided in this Agreement. For purposes of clarification, the Parties acknowledge Owner shall not be responsible for any failure to pay real estate taxes or code violations on Qualified Sold Parcels, Formerly Qualified Sold Parcels, or other portions of the Property which are subject of a Transfer expressly approved by the City.

(i) Owner shall not be responsible for any failure of New Owner I (or any tenant thereof) to pay real estate taxes or for any code violations or New Owner I's defaults under the Agreement on or related to the New Owner I Parcel. New Owner I shall not be responsible for any failure of Owner (or any tenant thereof) of the remainder of the Property other than the New Owner I Parcel and New Owner I Expansion Parcel to pay real estate taxes or for any code violations or Owner's defaults under the Agreement on or related to such remainder of the Property.

(ii) Owner shall not be responsible for any failure of New Owner II (or any tenant thereof) to pay real estate taxes or for any code violations or New Owner II's defaults under the Agreement on or related to the New Owner II Parcel. New Owner II shall not be responsible for any failure of Owner (or any tenant thereof) of the remainder of the Property other than the New Owner II Parcel to pay real estate taxes or for any code violations or Owner's defaults under the Agreement on or related to such remainder of the Property.

(iii) Owner shall not be responsible for any failure of New Owner III (or any tenant thereof) to pay real estate taxes or for any code violations or New Owner III's defaults under the Agreement on or related to the New Owner III Parcel or, if applicable, the New Owner III Expansion Parcel. New Owner III shall not be responsible for any failure of Owner (or any tenant thereof) of the remainder of the Property other than the New Owner III Parcel or the New Owner III Expansion Parcel to pay real estate taxes or for any code

violations or Owner's defaults under the Agreement on or related to such remainder of the Property.

(iv) Owner shall not be responsible for any failure of New Owner IV (or any tenant thereof) to pay real estate taxes or for any code violations or New Owner IV's defaults under the Agreement on or related to the New Owner IV Parcel or if applicable, the New Owner IV Expansion Parcel or New Owner IV Adjacent Parcel. New Owner IV shall not be responsible for any failure of Owner (or any tenant thereof) of the remainder of the Property other than the New Owner IV Parcel, the New Owner IV Expansion Parcel, or New Owner IV Adjacent Parcel to pay real estate taxes or for any code violations or Owner's defaults under the Agreement on or related to such remainder of the Property.

(v) Owner shall not be responsible for any failure of New Owner V (or any tenant thereof) to pay real estate taxes or for any code violations or New Owner V's defaults under the Agreement on or related to the New Owner V Parcel. New Owner V shall not be responsible for any failure of Owner (or any tenant thereof) of the remainder of the Property other than the New Owner V Parcel to pay real estate taxes or for any code violations or Owner's defaults under the Agreement on or related to such remainder of the Property.

SECTION 4

CITY ASSISTANCE

4.1 **General.** As detailed below, and subject to the terms and conditions of this Agreement, the City hereby agrees to reimburse the Owner, solely from Available Incremental Property Taxes, an amount not to exceed One Hundred and Forty Million Dollars (\$140,000,000), plus interest described below, through a combination of (i) pay-as-you-go reimbursement, (ii) TIF Notes issued by the City pursuant to Section 4.3 below, and (iii) Net Bond Proceeds paid to or for the benefit of the Owner, all of the foregoing to reimburse for a portion of the costs of TIF-Eligible Expenses that constitute Redevelopment Project Costs in accordance with the Act, contingent upon receipt by the City of reasonably satisfactory documentation evidencing such costs, including but not limited to, property acquisition settlement statements, contractor affidavits with accompanying and current lien waivers, paid invoices and/or evidence of wire transfers, which costs shall be subject to the approval of Bond Counsel and the reasonable approval of the City.

4.2 **Pay-as-You-Go Reimbursement.** As Available Incremental Property Taxes in any year exceed the amount necessary to make debt service payments on any outstanding Bonds (including payments for any reserves, sinking funds or redemptions) and all of the then outstanding Notes (including permissible prepayments), if any, the Owner shall be entitled to receive pay-as-you-go reimbursement from such excess Available Incremental Property Taxes, subject to the availability of TIF-Eligible Expenses which have not been previously used to establish the principal of the Bonds and/or a Note. Reimbursement of TIF Eligible Expenses on a pay-as-you-go basis shall not exceed \$140,000,000, plus interest, and the pay-as-you go reimbursement may be further limited by Section 4.1 in the event of issuance of TIF Notes or the payment of Net Bond Proceeds to or for the benefit of the Owner. The City shall make such

pay-as-you-go reimbursement payments to the Owner in relation to the approved TIF-Eligible Expenses incurred by the Owner for which the Owner has not been previously reimbursed, subject to the same terms, conditions and requirements as for other reimbursements pursuant to this Agreement. Interest shall accrue on the pay-as-you-go obligation at the Taxable Interest Rate on a simple interest basis from the date on which reimbursable TIF Eligible Expenses are incurred (and such date shall serve as the “Issuance Date” for purposes of calculating Taxable Interest Rate), but in no event shall interest accrue for any period that was prior to the creation of the TIF district. The applicable Issuance Date for all current pay-as-you-go obligations is set forth on **Exhibit PP** attached hereto. For simplicity, the Parties agree that a single Taxable Interest Rate shall apply to all current pay-as-you-go reimbursement obligations (“**Accrued Interest Rate**”). The Accrued Interest Rate has been 5.6% from the date the pay-as-you-go obligations were incurred and, going forward, the Taxable Interest Rate on the pay-as-you-go reimbursement obligations shall be reset at the beginning of each quarter during the calendar year. For avoidance of doubt, (i) accrued interest on the pay-as-you-go obligations (and any interest that accrues pursuant to TIF Note(s)) shall not be subject to the \$140,000,000.00 limitation set forth in this Section 4.2, and (ii) such aggregate amount shall be available for reimbursement to (or assignment by) the applicable Owner, subject to and in accordance with the Agreement.

Notwithstanding the foregoing, in the event that any portion of the Property shall become a Formerly Qualified Sold Parcel, then for so long as such portion shall remain a Formerly Qualified Sold Parcel, interest which would otherwise accrue on the pay-as-you-go obligation shall abate and no longer accrue, which abatement shall be in the ratio of the land area of the Formerly Qualified Sold Parcel(s) to the total land area of buildable lots in the Project which do not yet have buildings which are fully assessed. The City shall have the right to prepay its pay-as-you-go obligations by the issuance of TIF Notes, Bonds or a combination thereof, in whole or in part, at any time. The rights to pay-as-you-go reimbursement are not assignable except to the Owner’s senior institutional lender in accordance with Section 13 or otherwise with the City’s consent in its sole discretion in connection with a transfer of the Property. No assignment shall be effective except with written acknowledgment by the City or as specifically provided in 4.2(i) below:

(i) **Reimbursement Process.**

(a) The ad valorem taxes generated by properties within the Project Area for each calendar year (the “**Tax Year**”) are collected by Will County and allocated into two categories, as follows: (i) taxes that are attributable to the lower of the current equalized assessed value of each property or the initial equalized assessed value of each property, and (ii) taxes that are attributable to the increase in the current equalized assessed value of the each property over and above the initial equalized assessed value of each property (the taxes referenced in this clause (ii) being the “**Tax Increment**”). Will County distributes the ad valorem taxes to the City through multiple payments throughout the year. The City Treasurer shall deposit any Tax Increment received by the City in a given month no later than 15 days after the end of the applicable month into the Ridgeport Logistics Center Intermodal Terminal Facility Area Tax Allocation Fund (the “**Fund**”) to reimburse TIF Eligible Expenses that have been certified by the City.

(b) No less frequently than every 60 days, the City Treasurer shall analyze the current payment obligations set forth in the TIF Note Registry and the Pay-As-You-Go Obligation Registry and determine the applicable distributions to the eligible Owners (or TIF Note holders, as applicable). Prior to making any distributions to the Owners (or TIF Note holders, as applicable), the City shall first pay itself the TIF Administration Set Aside, which the Parties agree is solely payable from Tax Increment, and the balance shall be the Available Incremental Property Taxes that are available for distribution.

(c) The City Treasurer shall send notice to the Park Owner of its completed analysis required by Section 4.2(i)(b), which notice shall include the City Treasurer's calculation of Available Incremental Property Taxes. Park Owner shall then have 10 days to confirm such analysis or notify that City of any discrepancies (the "**Confirmation Deadline**"), in which case the City and Park Owner shall work together in good faith to determine the Available Incremental Property Taxes. If the Park Owner confirms the City's Treasurer's analysis, the City shall distribute to Park Owner Available Incremental Property Taxes in accordance with Section 4.2(i)(b). If the City and Park Owner are unable to reach agreement, the Park Owner may file for declaratory and injunctive action provided that it does so within 30 days of the Confirmation Deadline (the "**Challenge Deadline**"). If the Park Owner does not file for such declaratory and injunctive action by the Challenge Deadline, the City shall distribute to Park Owner Available Incremental Property Taxes in accordance with the City Treasurer's final, good faith determination and Section 4.2(i)(d) below.

(d) Available Incremental Property Taxes, shall be distributed by the City from the Fund within 30 days of the Confirmation Deadline or the Challenge Deadline (if applicable) in accordance with Section 4.6 of the Agreement, as follows: (i) first, to the City as reimbursement of all TIF Formation Costs incurred by the City which have not otherwise previously been paid by the Owner or other related parties, (ii) then, to pay all scheduled debt service for Bonds, or the TIF Notes if the Bonds are not issued, to the holders of the Bonds or TIF Notes, as applicable, subject to and in accordance with the terms of such Note (or Bond) and this Agreement, (iii) then, to the Bond reserve and redemption payments, if the Bonds are issued, and (iv) the balance to New Park Owner, subject to and in accordance with the Agreement, less any third-party administrative costs incurred by the City, relative to the Project Area, which are not paid for by the TIF Administration Set Aside. Amounts applied to pay-as-you-go obligations shall be applied, first to the interest on the pay-as-you-go reimbursement obligations, then to the principal amount of such obligations, all subject to and in accordance with this Agreement.

(e) The City shall hire Crowe Horwath, LLP or another certified public accounting firm ("**CPA Firm**") acceptable to the City and the New Park Owner, to perform the tasks agreed upon by the New Park Owner and the City, and as set forth in an agreement by and between the City and the CPA Firm, as amended from time to time. The New Park Owner shall directly pay the costs of the CPA Firm up

to ~~\$20,000 annually~~ 22,500 per year for years 2018 and 2019, and \$20,000 per year thereafter, provided that the City does not alter the tasks agreed to by New Park Owner and the City without the New Park Owner's prior written permission, which costs shall not be reimbursed to New Park Owner as TIF Eligible Expenses. Upon reasonable request, the City shall: (i) share with New Park Owner all work product, reports, calculations, and any underlying documents or information provided to or provided by the CPA Firm; and (ii) grant the CPA Firm permission to share with New Park Owner work product, reports, calculations, and any underlying documents or information related to the CPA Firm's engagement with the City.

(ii) **Assignment of Rights to Reimbursement of TIF Eligible Expenses.**

(a) Except for the designation of rights to Available Incremental Property Taxes with respect to the New Owner I Parcel, the New Owner II Parcel, the New Owner III Parcel, and New Owner IV Parcel to Park Owner pursuant to Section 4.2(iii) below, any assignment or other transfer of rights to pay-as-you-go reimbursement with respect to the New Owner I Parcel, the New Owner II Parcel, the New Owner III Parcel, and the New Owner IV Parcel shall be subject to Section 4.2 and other applicable terms of this Agreement.

(b) Except for the designation of rights to Available Incremental Property Taxes with respect to the New Owner V Parcel to Park Owner pursuant to Section 4.2(iii) below, any assignment or other transfer of rights to pay-as-you-go reimbursement with respect to the New Owner V Parcel shall be subject to Section 4.2 and other applicable terms of this Agreement.

(iii) **Payment of Reimbursement of TIF Eligible Expenses.** Subject to the procedures and order of payment set forth in this Agreement, including, without limitation, Section 4.2(i), allocation and assignment of TIF Eligible Expenses shall be as follows:

(a) **New Owner I Parcel.** Available Incremental Property Taxes generated from the New Owner I Parcel in any fiscal year shall be allocated and assigned, for purposes of reimbursing TIF Eligible Expenses, in the following order of priority:

(1) To New Owner I (or its assignee) pursuant to the TIF Note, not to exceed the New Owner I Annual Limitation (while authorized by the Fifth Amendment, as of the Effective Date, no New Owner I Supplemental Note has been issued to New Owner I relative to the New Owner I Expansion Parcel, as defined in the Fifth Amendment); and

(2) 100% of all remaining amounts to New Park Owner.

(b) **New Owner II Parcel.** Provided the New Owner II Improvements are completed in compliance with terms of this Agreement and so long as the other terms of the Agreement are complied with, Available Incremental Property Taxes

generated from the New Owner II Parcel in any fiscal year shall be allocated and assigned, for purposes of reimbursing TIF Eligible Expenses, in the following order of priority:

(1) To New Owner II pursuant to the TIF Note , not to exceed the New Owner II Annual Limitation and for a term not exceeding the New Owner II Term Limitation (while authorized by the Eight Amendment, as of the Effective Date, no replacement TIF Note has been issued to New Owner II, relative to the Expansion, as defined in the Eighth Amendment); and

(2) 100% of all remaining amounts to New Park Owner.

(c) **New Owner III Parcel.** Provided that the New Owner III Improvements are completed in compliance with terms of this Agreement and so long as the other terms of the Agreement are complied with, Available Incremental Property Taxes generated from the New Owner III Parcel in any fiscal year shall be allocated and assigned, for purposes of reimbursing TIF Eligible Expenses, in the following order of priority:

(1) To New Owner III pursuant to the TIF Note, not to exceed the New Owner III Annual Limitation and for a term not exceeding the New Owner III Term Limitation (while authorized by the Twelfth Amendment, which amended the Ninth Amendment, as of the Effective Date, no supplemental TIF Note has been issued to New Owner III, relative to the Expansion, as defined in the Twelfth Amendment); and

(2) 100% of all remaining amounts to New Park Owner.

(d) **New Owner IV Parcel.** Provided that the New Owner IV Improvements are completed in compliance with terms of this Agreement and so long as the other terms of the Agreement are complied with, Available Incremental Property Taxes generated from the New Owner IV Parcel in any fiscal year shall be allocated and assigned, for purposes of reimbursing TIF Eligible Expenses, in the following order of priority:

(1) To New Owner IV pursuant to the TIF Note, not to exceed the New Owner IV Annual Limitation and for a term not exceeding the New Owner IV Term Limitation (as of the Effective Date, no TIF Note has been issued to New Owner IV); and

(2) All remaining amounts to Park Owner.

(e) **New Owner V Parcel.** Provided that the New Owner V Improvements are completed in compliance with terms of this Agreement and so long as the other terms of the Agreement are complied with, Available Incremental Property Taxes generated from the New Owner V Parcel in any fiscal year shall be allocated and

assigned, for purposes of reimbursing TIF Eligible Expenses, in the following order of priority:

- (1) To New Owner V pursuant to the New Owner V Note (or the Replacement New Owner V Note, as applicable), not to exceed the New Owner V Annual Limitation (or the Revised New Owner V Annual Limitation, as applicable) and for a term not exceeding the New Owner V Term Limitation (or the Extended New Owner V Term Limitation, as applicable) (as of the Effective Date, no TIF Note has been issued to New Owner V); and
- (2) All remaining amounts to Park Owner.

4.3 **Issuance of the TIF Notes.**

(i) **Issuance of TIF Notes to Owner.** Upon satisfaction of the conditions set forth herein for the issuance of TIF Notes and request by the Owner or upon the City's own determination, the City shall issue TIF Notes to the Owner in a maximum initial principal amount which is the lesser of the limit of TIF Notes for the respective conditions satisfied or the amount of TIF-Eligible Expenses which have been incurred by the Owner as of the Issuance Date, as evidenced by a Certificate of Expenditure issued by the City. After the initial issuance of the TIF Notes, if the collective reimbursement to or for the benefit of Owner is less than \$140,000,000, plus accrued interest, and is less than the maximum limit for which conditions for issuance remain satisfied, then, at the request of the Owner (no more often than quarterly) or upon the City's own determination and in a manner prescribed by the City Attorney, the principal balance of the TIF Notes shall be increased when the City issues additional Certificate(s) of Expenditure for each TIF Note up to a total maximum principal amount which is the lesser of (i) the applicable limit for the respective conditions satisfied and (ii) and the amount such that aggregate reimbursement has reached \$140,000,000, plus accrued interest, provided that the minimum amount of TIF Note(s) issuance/adjustment shall be \$1,000,000 and shall be in multiples of \$500,000. Interest on the TIF Notes will not compound but will accrue simple interest and shall begin to accrue at the Note Interest Rate upon issuance. The TIF Notes shall be payable from Available Incremental Property Taxes and payments of principal and interest on the TIF Note shall be made to the Owner by March 31st of each year following the year of issuance until paid. Prepayment will be available at the City's option and without premium. At any time after issuance of the TIF Notes, with notice to the City and registration in the City's note registry, the TIF Notes may be (i) assigned or pledged as collateral to any senior, institutional lender providing financing for the Project; (ii) assigned or pledged from Owner to a permitted successor; and/or (iii) transferred or assigned to: (a) any entity controlling, controlled by or under common ownership with the Owner; or (b) any entity in which the majority equity interest of such entity is owned by the parties that have a majority equity interest in the Owner and have the ability to direct operations and management of both such entity and the Owner. TIF Notes shall be assignable as provided above, but are non-negotiable, and shall remain subject to the terms of this Agreement.

(ii) **Issuance of TIF Note to New Owner I.** As of June 6, 2014 and upon certification of TIF Eligible Expenses with respect to the New Owner I Parcel of at least \$26,131,751 (including the \$6,763,458 assigned pursuant to Section 15.3), and promptly following a written request to the City from New Owner I, the City shall issue a TIF Note to New Owner I with New Owner I as payee (the “**New Owner I Note**”) in the amount of \$26,131,751 and in the form attached hereto as **Exhibit N-1**. The New Owner I Note shall be paid from the Available Incremental Property Taxes generated solely by the New Owner I Parcel, but in no event shall the payments on the New Owner I Note exceed the limitations per annum identified in **Exhibit M** per square foot of building improvements initially located on the New Owner I Parcel, as certified by New Owner I and Tenant pursuant to the Lego Lease (the “**New Owner I Annual Limitation**”). The New Owner I Note shall be subject to New Owner I’s compliance with the terms of the Agreement. New Owner I shall be permitted to assign the New Owner I Note, including, without limitation, to a tenant on the New Owner I Parcel under the Lego Lease or a subsequent lease, subject to compliance with the terms of the Agreement including Section 4.11 concerning the City’s note registry, and the City shall consent to such assignment agreements substantially in the form of **Exhibit N-2**. The form of TIF Note attached as **Exhibit C** to the Agreement shall be modified for purposes of the New Owner I Note to reflect (i) that it is the New Owner I (or its registered assigns), not the Owner, that is the beneficiary of the TIF Note, (ii) that the Available Incremental Property Taxes that secures the repayment of the TIF Note are only those Available Incremental Property Taxes generated from the New Owner I Parcel (and not by the Project Area as a whole), (iii) that, notwithstanding the principal amount of the TIF Note, New Owner I shall not receive Available Incremental Property Taxes in any year in excess of the New Owner I Annual Limitation, (iv) that any Available Incremental Property Taxes generated from the New Owner I Parcel in any year in excess of the New Owner I Annual Limitation shall be allocated as set forth in this Agreement, (v) that the City, Owner or New Owner I, if assigned, shall have no responsibility at the end of the term of the TIF Note to pay any shortfall in the payment of the TIF Note due to insufficient Available Incremental Property Taxes resulting from the New Owner I Annual Limitation or otherwise, (vi) any payment under the New Owner I Note shall be subject to New Owner I’s compliance with the terms of the Agreement, including satisfaction of the covenants, terms and conditions of Section 15 of the Agreement, and (vii) payments pursuant to the New Owner I Note shall be suspended and forfeited by the holder of the Note upon notice from New Owner I to the City pursuant to the terms of the New Owner I Note and any assignment thereof. In the event of such suspension and forfeiture, New Owner I shall be entitled to request the City issue a replacement note with New Owner I as payee and the City shall issue such a replacement note and in such case, the former note shall be deemed fully replaced and voided. These rights of New Owner I shall be appurtenant to ownership of the New Owner I Parcel and shall be held by a subsequent titleholder. The New Owner I Note shall have a maturity date not earlier than one (1) year following the expiration of the term of the Intermodal Terminal Facility Area.

To the extent and at such time as Tenant exercises its right to expand its Premises to the New Owner I Expansion Parcel and upon certification of TIF Eligible Expenses of at least \$5,182,825 (including the \$2,845,965 assigned pursuant to Section 15), the City agrees

that it shall issue a subsequent TIF Note in the amount of approximately \$5,182,825 to New Owner I or its title holder successor with respect to the New Owner I Expansion Parcel in accordance with the terms and provisions applicable to the New Owner I Note, including the New Owner I Annual Limitation, which shall be payable from Available Incremental Property Taxes generated by the New Owner I Expansion Parcel (“*New Owner I Supplemental Note*”).

(iii) **Issuance of TIF Note to New Owner II.** ~~As of March 17, 2015 and upon~~ Upon certification of TIF Eligible Expenses with respect to the New Owner II Parcel of at least \$3,449,202, and promptly following a written request to the City from New Owner II, the City shall issue a TIF Note to New Owner II with New Owner II as payee (the “**New Owner II Note**”) in the amount of \$3,449,202 and in substantially the form attached hereto as **Exhibit U-1**. The New Owner II Note shall be paid from the Available Incremental Property Taxes generated solely by the New Owner II Parcel, but in no event shall the payments on the New Owner II Note exceed \$0.50 per annum per square foot of building improvements initially located on the New Owner II Parcel, as certified by New Owner II and Ridge Park (the “**New Owner II Annual Limitation**”), or continue for a period in excess of twelve (12) years from the date of the completion of the New Owner II Tenant Improvements (the “**New Owner II Term Limitation**”). If the Expansion occurs at any time prior to the New Owner II Term Limitation, the City shall issue a replacement New Owner II Note to New Owner II upon completion of the Expansion building improvements and certification of sufficient TIF Eligible Expenses with respect to the Expansion, in a principal amount sufficient to support payments equal to the New Owner II Annual Limitation for the additional floor area of building improvements certified by New Owner II and Ridge Park and occupied by Tenant for the remainder of the period of the New Owner II Term Limitation. The New Owner II Note shall be subject to New Owner II’s compliance with the terms of the Agreement. The form of TIF Note attached as **Exhibit C** to the Agreement shall be modified for purposes of the New Owner II Note to reflect (i) that it is the New Owner II, not the Owner, that is the beneficiary of the TIF Note, (ii) that the Available Incremental Property Taxes that secures the repayment of the TIF Note are only those Available Incremental Property Taxes generated from the New Owner II Parcel (and not by the Project Area as a whole), (iii) that, notwithstanding the principal amount of the TIF Note, New Owner II shall not receive Available Incremental Property Taxes for any year after expiration of the New Owner II Term Limitation or in excess of the New Owner II Annual Limitation, (iv) that any Available Incremental Property Taxes generated from the New Owner II Parcel in any year after the expiration of the New Owner II Term Limitation or in excess of the New Owner II Annual Limitation shall not be paid under the New Owner II Note but shall be allocated as set forth in this Agreement, (v) that each of the City and Owner shall have no responsibility at the end of the term of the TIF Note to pay any shortfall in the payment of the TIF Note due to insufficient Available Incremental Property Taxes resulting from the New Owner II Term Limitation, New Owner II Annual Limitation, or otherwise, and (vi) that any payment under the New Owner II Note shall be subject to New Owner II’s compliance with the terms of the Agreement, including satisfaction of the covenants, terms and conditions of Section 16 of the Agreement. These rights of New Owner II shall

be appurtenant to fee ownership of the New Owner II Parcel and shall be held by a subsequent titleholder (but which ownership shall not be fractionalized).

(iv) **Issuance of TIF note to New Owner III.** ~~As of March 17, 2015 and upon~~ Upon certification of TIF Eligible Expenses with respect to the New Owner III Parcel of at least \$667,464, and promptly following a written request to the City from New Owner III, the City shall issue a TIF Note to New Owner III with New Owner III as payee (the “**New Owner III Note**”) in the amount of \$667,464 and in substantially the form attached hereto as **Exhibit Z**. The New Owner III Note shall be paid from the Available Incremental Property Taxes generated solely by the New Owner III Parcel, but in no event shall the payments on the New Owner III Note exceed \$0.50 per annum per square foot of building improvements initially located on the New Owner III Parcel, as certified by New Owner III and Ridge Park (the “**New Owner III Annual Limitation**”), or continue for a period in excess of twelve (12) years from the date of the completion of the New Owner III Tenant Improvements (the “**New Owner III Term Limitation**”). The New Owner III Note shall be subject to New Owner III’s compliance with the terms of the Agreement. The form of TIF Note attached as **Exhibit C** to the Agreement shall be modified for purposes of the New Owner III Note to reflect (i) that it is the New Owner III (or its registered assigns), not the Owner, that is the beneficiary of the TIF Note, (ii) that the Available Incremental Property Taxes that secures the repayment of the TIF Note are only those Available Incremental Property Taxes generated from the New Owner III Parcel (and not by the Project Area as a whole), (iii) that, notwithstanding the principal amount of the TIF Note, New Owner III shall not receive Available Incremental Property Taxes for any year after expiration of the New Owner III Term Limitation or in excess of the New Owner III Annual Limitation, (iv) that any Available Incremental Property Taxes generated from the New Owner III Parcel in any year after the expiration of the New Owner III Term Limitation or in excess of the New Owner III Annual Limitation shall not be paid under the New Owner III Note but shall be allocated as set forth in this Agreement, (v) that each of the City and Owner, shall have no responsibility at the end of the term of the TIF Note to pay any shortfall in the payment of the TIF Note due to insufficient Available Incremental Property Taxes resulting from the New Owner III Term Limitation, New Owner III Annual Limitation, or otherwise, and (vi) that any payment under the New Owner III Note shall be subject to New Owner III’s compliance with the terms of the Agreement, including satisfaction of the covenants, terms and conditions of Section 17 of this Agreement. These rights of New Owner III shall be appurtenant to fee ownership of the New Owner III Parcel and shall be held by any subsequent titleholder (but which ownership shall not be fractionalized). Upon the exercise by Tenant of a right to expand its Premises with a building expansion pursuant to the Lease onto the New Owner III Expansion Parcel (in each instance, an “**Expansion**”) at any time prior to the New Owner III Term Limitation, subject to the other terms of the Agreement, the City shall issue a supplemental New Owner III Note to New Owner III (the then titleholder) upon completion of the applicable Expansion building improvements and certification of sufficient TIF Eligible Expenses with respect to the Expansion, in a principal amount up to an amount sufficient to support payments equal to the New Owner III Annual Limitation for the additional floor area of building improvements for such Expansion certified by New Owner III and Adar for the remainder

of the period of the New Owner III Term Limitation. A supplemental New Owner III Note shall be issued on a pari passu basis (that is, with the same priority claim as to Available Incremental Property Taxes) as the original New Owner III Note. Notwithstanding Section 4.2 of this Agreement, the rights to issuance of a New Owner III Note or any supplemental Note shall be with the then current titleholder of the New Owner III Parcel.

(v) **Issuance of TIF Note to New Owner IV.** Upon substantial completion of the initial 678,000 square foot building as part of the New Owner IV Improvements as contemplated under this Agreement and upon certification of TIF Eligible Expenses with respect to the New Owner IV Parcel of at least \$3,730,650, and promptly following a written request to the City from New Owner IV, the City shall issue a TIF Note to New Owner IV with New Owner IV as payee (the "**New Owner IV Note**") in the amount of \$3,730,650 and in the form attached hereto as **Exhibit GG-1**. The New Owner IV Note shall be paid from the Available Incremental Property Taxes generated solely by the New Owner IV Parcel, but in no event shall the payments on the New Owner IV Note exceed \$0.5833 per annum per square foot of building improvements initially located on the New Owner IV Parcel, as certified by New Owner IV and Park Owner (the "**New Owner IV Annual Limitation**"), or continue for a period in excess of eleven (11) years from the date of the completion of the New Owner IV Improvements (the "**New Owner IV Term Limitation**"). The New Owner IV Note shall be subject to New Owner IV's compliance with the terms of the Agreement. The form of TIF Note attached as **Exhibit C** to the Agreement shall be modified for purposes of the New Owner IV Note to reflect (i) that it is the New Owner IV (or its registered assigns), not the Owner, that is the beneficiary of the TIF Note, (ii) that the Available Incremental Property Taxes that secures the repayment of the TIF Note are only those Available Incremental Property Taxes generated from the New Owner IV Parcel (and not by the Project Area as a whole), (iii) that, notwithstanding the principal amount of the TIF Note, New Owner IV shall not receive Available Incremental Property Taxes for any year after expiration of the New Owner IV Term Limitation or in excess of the New Owner IV Annual Limitation, (iv) that any Available Incremental Property Taxes generated from the New Owner IV Parcel in any year after the expiration of the New Owner IV Term Limitation or in excess of the New Owner IV Annual Limitation shall not be paid under the New Owner IV Note but shall be allocated as set forth in this Agreement, (v) that the City, Owner or New Owner IV, if assigned, shall have no responsibility at the end of the term of the TIF Note to pay any shortfall in the payment of the TIF Note due to insufficient Available Incremental Property Taxes resulting from the New Owner IV Term Limitation, New Owner IV Annual Limitation, or otherwise, and (vi) that any payment under the New Owner IV Note shall be subject to New Owner IV's compliance with the terms of the Agreement, including satisfaction of the covenants, terms and conditions of Section 19 of the Agreement. These rights of New Owner IV shall be appurtenant to fee ownership of the New Owner IV Parcel and shall be held by any subsequent titleholder (but which ownership shall not be fractionalized). Notwithstanding the foregoing, to the extent that the New Owner IV Adjacent Parcel is subsequently added to the Project Area, the building improvements that constitutes the New Owner IV Improvements shall remain the same notwithstanding the additional improvements located on the New Owner IV

Adjacent Parcel, and in all instances the principal amount of the New Owner IV Note shall remain in the amount of \$3,730,650.

(vi) **Issuance of TIF Note to New Owner V.** Upon substantial completion of the 1,507,545 square foot building as part of the New Owner V Improvements as contemplated herein, and promptly following a written request to the City from New Owner V, the City shall issue a TIF Note to New Owner V with New Owner V as payee (the “**New Owner V Note**”) in the amount of \$7,537,725 (as supported by the assignment of TIF Eligible Expenses in Section 20.3) and in the form attached hereto as **Exhibit KK**. The New Owner V Note shall be paid from the Available Incremental Property Taxes generated solely by the New Owner V Parcel, but in no event shall the payments in any calendar year on the New Owner V Note exceed \$0.50 per annum per square foot of building improvements located on the New Owner V Parcel, as certified by New Owner V and Park Owner (the “**New Owner V Annual Limitation**”), or continue for a period in excess of ten (10) years commencing on the date of completion of the New Owner V Improvements (the “**New Owner V Term Limitation**”); provided, that for calendar years 2017 and 2018, the total payment amount in each such year shall not exceed 50% of the Taxes (as defined in the New Owner V Lease) paid for such calendar years, and in any event shall not exceed the New Owner V Annual Limitation for such calendar years. The New Owner V Note shall be subject to New Owner V’s compliance with the terms of the Agreement. New Owner V shall be permitted to assign the New Owner V Note, including, without limitation, to a tenant on the New Owner V Parcel under the New Owner V Lease, subject to compliance with the terms of the Agreement, including Section 4.6 concerning the City’s note registry, and the City shall consent to such assignment agreements substantially in the form of **Exhibit LL**. The form of TIF Note attached as Exhibit C to the Agreement shall be modified for purposes of the New Owner V Note to reflect (i) that it is the New Owner V (or its registered assigns), not the Owner, that is the beneficiary of the TIF Note, (ii) that the Available Incremental Property Taxes that secures the repayment of the TIF Note are only those Available Incremental Property Taxes generated from the New Owner V Parcel (and not by the Project Area as a whole), (iii) that, notwithstanding the principal amount of the TIF Note, New Owner V shall not receive Available Incremental Property Taxes for any year after expiration of the New Owner V Term Limitation or in excess of the New Owner V Annual Limitation, (iv) that any Available Incremental Property Taxes generated from the New Owner V Parcel in any year after the expiration of the New Owner V Term Limitation or in excess of the New Owner V Annual Limitation in any year shall not be paid under the New Owner V Note but shall be allocated as set forth in this Agreement, (v) that none of the City, Owner or, if the TIF Note is assigned, New Owner V, shall have any responsibility at the end of the term of the TIF Note to pay any shortfall in the payment of the TIF Note due to insufficient Available Incremental Property Taxes resulting from the New Owner V Term Limitation, New Owner V Annual Limitation, or otherwise, and (vi) that any payment under the New Owner V Note shall be subject to New Owner V’s compliance with the terms of the Agreement, including satisfaction of the covenants, terms and conditions of Section 20 of the Agreement. These rights of New Owner V shall be appurtenant to fee ownership of the New Owner V Parcel and shall be held by any subsequent titleholder (but which ownership shall not be fractionalized).

Upon the extension of the term of the New Owner V Lease by the tenant thereunder by way of an exercise of a renewal option, negotiated amendment, or any other means by which such tenant and New Owner V extend the term of the New Owner V Lease (the “**Extension**”), certification of the same by New Owner V (and tenant under the New Owner V Lease) to the City and return of the original New Owner V Note accompanied by the parties request to cancel and replace the New Owner V Note, the City shall cancel and terminate the New Owner V Note as of the expiration of the New Owner V Term Limitation and shall issue a new TIF Note to New Owner V with New Owner V as payee (the “**Replacement New Owner V Note**”) in the amount of \$1,884,431.25 (as supported by the assignment of TIF Eligible Expenses in Section 20.3), dated as of the day following the expiration of the New Owner V Note and in the form attached hereto as **Exhibit KK**. The Replacement New Owner V Note shall be paid from the Available Incremental Property Taxes generated solely by the New Owner V Parcel, but in no event shall the payments on the Replacement New Owner V Note exceed \$0.25 per annum per square foot of building improvements located on the New Owner V Parcel, as certified by New Owner V and Park Owner (the “**Revised New Owner V Annual Limitation**”), or continue for a period in excess of five (5) years commencing on the day following the expiration of the New Owner V Term Limitation period (such five (5) year period being the “**Extended New Owner V Term Limitation**”). The Replacement New Owner V Note shall otherwise be treated the same as the New Owner V Note for all purposes of this Agreement.

4.4 **Issuance of Bonds.** Upon the Owner’s request and in order to retire outstanding pay-as-you-go obligations (or portions thereof), and/or to retire TIF Notes, on a dollar for dollar basis, upon satisfaction of the relevant conditions of issuance for the series involved, or upon the City’s own determination, the City shall use commercially reasonable efforts to issue one or more series of Bonds in the amount required to yield Net Bond Proceeds in the maximum amount of the limit for the series involved based upon the respective conditions satisfied, with a maximum amount of \$140,000,000 of all such reimbursements, plus interest, including Net Bond Proceeds. The source of repayment for the Bonds shall be the Available Incremental Property Taxes which, when collected, are allocated to and paid to the Treasurer for deposit by the Treasurer into the Ridgeport Logistics Center Intermodal and Industrial TIF Allocation Fund. The City shall hold all necessary hearings to approve one or more ordinances authorizing the issuance of one or more series of Bonds (the “**TIF Bond Ordinances**”). The obligation of the City to issue Bonds is conditioned upon the ability of the Underwriter to find one or more purchasers of the Bonds upon terms reasonably acceptable to the City. Owner and the City shall cooperate as reasonably necessary to cause the Bonds (and the City shall use commercially reasonable efforts in connection with the same) to be issued as tax-exempt instruments. The minimum amount of a bond series issuance shall be \$3,000,000 and an issuance shall be in multiples of \$500,000.

4.5 **Additional Bonds.** At such time as the Owner makes a request to the City to issue one or more additional series of Bonds upon satisfaction of the relevant conditions for the issuance for the series involved, or upon the City’s own determination, the City, subject to the provisions of Section 4.4 above, will use commercially reasonable efforts to issue such additional series of Bonds to refund any outstanding TIF Notes and pay-as-you-go obligations.

4.6 **Lien Priority on Available Incremental Property Taxes.** Below is a summary of the relative lien priority of annual payments to the financial obligations presented above from the Available Incremental Property Taxes:

- First Call (1st): Reimbursement of TIF Formation Costs incurred by the City which have not otherwise previously been paid by the Owner or other related parties;
- Second Call (2nd): Payment of scheduled debt service for Bonds, or the TIF Notes if the Bonds are not issued, on 100% of the Available Incremental Property Taxes;
- Third Call (3rd): Bond reserve and redemption payments, if the Bonds are issued;
- Fourth Call (4th): Payments of all remaining Available Incremental Property Taxes not needed to make a debt service payments in the First Call, the Second Call, and the Third Call, as detailed in Section 4.2 above.

4.7 **Note Registry.** The City may elect to maintain a note registry and require that a holder of a Note maintain registration of ownership and indicate any transfer on the registry. Only one person or entity shall be shown on the registry per Note and the City shall be obligated to pay only the party indicated on the registry. Attached hereto as **Exhibit OO** is a preliminary copy of the current TIF Note Registry that is maintained by the City, which the Parties shall cooperate in completing, and which when completed shall be attached to this Agreement and made a part hereof, which reflects all TIF Notes that have been issued (or that are authorized and may be issued in the future) as of the date of this Agreement. As of the date of this Agreement, no Bonds have been issued by the City.

4.8 **No General Obligation of the City.** THE NOTES AND BONDS AND PAY-AS-YOU-GO OBLIGATIONS DESCRIBED HEREIN (INCLUDING ANY INTEREST THEREON) ARE NOT GENERAL OR MORAL OBLIGATIONS OF THE CITY BUT ARE SPECIAL LIMITED OBLIGATIONS OF THE CITY. THE NOTES AND BONDS AND PAY-AS-YOU-GO OBLIGATIONS SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER(S) OF THE NOTES AND/OR BONDS AND/OR PAY-AS-YOU GO OBLIGATIONS SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF OR INTEREST ON THE NOTES AND/OR BONDS AND/OR PAY-AS-YOU-GO OBLIGATIONS.

4.9 **Opinion of Owner's TIF Counsel.** No land acquisition costs will be treated as TIF Eligible Expenses (Qualified Redevelopment Project Costs) hereunder unless an opinion of

Owner's TIF Counsel, which opinion is acceptable in form and substance to the City and Bond Counsel dealing with such matters as the City and Bond Counsel may require.

4.10 Current Titleholder/Owner Reimbursement for Dedications "For Value"

(i) Any amounts paid to the Owner or Current Titleholder (including amounts paid for dedications "for value", if any) shall be deemed paid "for the benefit of the Owner" for purposes of calculating the City assistance including, without limitation, calculation of the \$140,000,000 limitation. Pay-as-you-go obligations issued to the Owner or Current Titleholder, or used by the City and issued/assigned to the Owner or Current Titleholder as a means of compensation for dedicated Property "for value", shall be treated as reimbursement obligations issued in favor of the Owner for purposes of calculation the \$140,000,000 limitation and shall be subject to all other terms, conditions and limitations of the Agreement. In addition, in the event the City shall elect to issue Notes or Bonds, it may issue them to the Current Titleholder and the same shall be treated in the same manner as being issued to the Owner for purposes of the Agreement.

(ii) In the event the City requires or authorizes certain dedications from Current Titleholder "for value", then the City shall be entitled to be reimbursed for its TIF Eligible Expenses out of the Pay-as-you-go obligations, Notes and/or Bonds and shall assign such obligations to Current Titleholder in payment therefor, provided that such obligations, Notes and/or Bonds, as the case may be, shall be deemed to be issued under the Agreement "for the benefit of the Owner" and shall be subject to all of the other terms and conditions of the Agreement, including without limitation, the limitations on assignment.

4.11 Pay-As-You-Go Obligation Registry. The City may elect to maintain a Pay-as-you-go obligation registry and require that the holder of such obligation maintain registration of ownership and indicate any assignment or other transfer on the registry. Only one person or entity shall be shown on the registry per obligation and the City shall be obligated to pay only the party indicated on the registry. Nothing herein shall affect the limitations on assignability set forth in Section 4.2 of this Agreement. Attached hereto as **Exhibit PP** is a preliminary copy of the current Pay-As-You-Go Obligation Registry that is maintained by the City, which the Parties shall cooperate in completing, and which when completed shall be attached to this Agreement and made a part hereof, which reflects the current status of all pay-as-you-go reimbursement obligations and the Owner entitled to such reimbursements (which, as of the date of this Agreement, is solely Park Owner).

SECTION 5

CONDITIONS OF ISSUANCE OF TIF OBLIGATIONS AND PAY-AS-YOU-GO REIMBURSEMENT

5.1 Conditions to Initial Effectiveness of Pay-As-You-Go Obligations. The City's agreement to reimburse on a pay as you go basis as provided herein, shall be initially conditioned upon the satisfaction of the following conditions which are for the benefit of the City:

(a) The Owner shall be in compliance with all applicable terms of this Agreement and no material default shall have occurred and be continuing hereunder;

(b) There shall be no uncured material violations of any codes, regulations, laws, certificates of occupancy or other governmental requirements with respect to the Property;

(c) No delinquencies shall then exist with respect to the Property with regard to any general real estate taxes, assessments or other fees and charges payable to the City or any other governmental entity;

(d) The Owner shall have acquired fee simple title to the Property subject only to Permitted Mortgages and Permitted Exceptions;

(e) The Owner has furnished a current “will serve” letter from BNSF confirming its agreement to construct any necessary improvements and serve the Initial Intermodal Terminal Facility;

(f) The Owner has demonstrated to the reasonable satisfaction of the City, the Owner’s commitment to promptly commence and timely complete construction subject to Force Majeure of (i) the Initial Public Improvements, (ii) the items set forth on **Exhibit H** and (iii) the Initial Intermodal Terminal Facility, including furnishing such budgets, construction schedules lump sum construction contracts with qualified contractors, evidence of authorization to proceed, financing commitments for debt and equity, including contingency funding, as may be required by the City. A funding letter from The Prudential Insurance Company of America confirming funds are readily available, including contingency, will be a sufficient financing commitment.

(g) **New Owner II Parcel.** With respect to the New Owner II Parcel only and the ability to apply Available Incremental Property Taxes generated from the New Owner II Parcel, all of the conditions set forth in subsections (a), (b), (c) and (d) of this Section 5.1 of the Agreement shall be determined with respect to the New Owner II Parcel only (and not on the Property as a whole).

(h) **New Owner III Parcel.** With respect to the New Owner III Parcel only and the ability to apply Available Incremental Property Taxes generated from the New Owner III Parcel, all of the conditions set forth in subsections (a), (b), (c) and (d) of Section 5.1 of the Agreement shall be determined with respect to the New Owner III Parcel only (and not on the Property as a whole).

(i) **New Park Owner Property.** With respect to the New Park Owner Property only and the ability to apply Available Incremental Property Taxes generated from the New Park Owner Property to the reimbursement of TIF Eligible Expenses, (i) all of the conditions set forth in subsections (a), (b), (c) and (d) of Section 5.1 of the Agreement shall be determined with respect to the New Park Owner Property only (and not on the Property as a whole), and (ii) all of the conditions set forth in subsections (e) and (f) of Section 5.1 of the Agreement have been waived or satisfied.

(j) **New Owner IV Parcel.** With respect to the New Owner IV Parcel only and the ability to apply Available Incremental Property Taxes generated from the New Owner IV Parcel, all of the conditions set forth in subsections (a), (b), (c) and (d) of Section 5.1 of the Agreement shall be determined with respect to the New Owner IV Parcel only (and not on the Property as a whole).

(k) **New Owner V Parcel.** With respect to the New Owner V Parcel only and the ability to apply Available Incremental Property Taxes generated from the New Owner V Parcel, all of the conditions set forth in subsections (a), (b), (c) and (d) of Section 5.1 of the Agreement shall be determined with respect to the New Owner V Parcel only (and not on the Property as a whole).

5.2 **General Conditions of Issuance/Reimbursement.** The City's agreement to issue or adjust the amount of any TIF Note or Bonds or reimbursement on a pay as you go basis as provided herein, shall be conditioned upon the continued satisfaction of the following conditions at such time of issuance of the Note or Bond or payment of the reimbursement. These conditions are for the benefit of the City:

(a) The Owner shall be in compliance with all applicable terms of this Agreement and no material default shall have occurred and be continuing hereunder;

(b) There shall be no material uncured violations of any codes, regulations, laws, certificates of occupancy or other governmental requirements with respect to the Property (excluding any portion which is a Qualified Sold Parcel, a formerly Qualified Sold Parcel, or which the City has otherwise expressly agreed to release in connection with a Transfer);

(c) No delinquencies shall then exist with respect to the Project Area with regard to any general real estate taxes, assessments or other fees and charges payable to the City or any other governmental entity (excluding any portion which is a Qualified Sold Parcel, a formerly Qualified Sold Parcel, or which the City has otherwise expressly agreed to release in connection with a Transfer);

(d) No material default by Owner exists pursuant to the documents evidencing the Bonds;

(e) Construction of the Initial Intermodal Terminal Facility has been substantially completed by or for the Owner, is ready for operation, and is fully connected to the nearby Class I rail track;

(i) The Parties hereby acknowledge and confirm that the rail improvements and connections now in place and described in **Exhibit N** attached hereto satisfy Owner's obligations to commence and timely complete construction of the Initial Intermodal Terminal Facility, including without limitation the obligations contained in Section 5.1(f) and Section 5.2(e) of the Agreement.

(ii) The Parties hereby acknowledge and confirm that Owner has furnished a track agreement from BNSF that satisfies Owner's obligation to furnish a "will serve" letter to the City, including without limitation the obligations contained in Section 5.1(e) and Section 5.2(f) of the Agreement

(f) The Owner has furnished a current "will serve" letter from BNSF confirming its agreement to serve the Initial Intermodal Terminal Facility to the extent not then in daily operation;

(g) Public Improvements necessary to serve existing buildings and buildings under construction are complete and operational or is in process and subject only to necessary delays for completion of City's relevant water and sewer work in accordance with the Annexation Agreement;

(i) It is acknowledged that the intention of the Parties is Section 5.2(g) of the Agreement (necessary Public Improvements complete and operational) shall be determined and satisfied on a Parcel by Parcel basis.

(ii) Section 5.2(g) was determined to be satisfied with respect to the New Owner I Parcel only.

(iii) The Parties acknowledge that the requirement for satisfaction of Section 5.2(g) with respect to the New Owner II Parcel, New Owner III Parcel and New Owner III Expansion Parcel, the New Owner IV Parcel, and the New Owner V Parcel has not been waived but has been deferred until the respective building is substantially complete and ready for business operations.

(h) The Owner has demonstrated to the reasonable satisfaction of the City the Owner's commitment to timely complete construction of any uncompleted Initial Public Improvements and has completed at least the first 500,000 square feet of industrial building space which is then fully assessed.

(i) The Parties hereby acknowledge and confirm that the commencement of construction of the New Owner I Tenant Improvements, the New Owner II Tenant Improvements, the New Owner III Tenant Improvements, the New Owner IV Tenant Improvements, and the New Owner V Improvements shall satisfy the condition of issuance/reimbursement contained in Section 5.2(h) of the Agreement.

5.3 **Conditions for Issuance of TIF Obligations.** With respect to the TIF Notes and Bonds, issuance shall be subject to satisfaction of the following additional conditions precedent for the benefit of the City, with any documentation subject to the approval of the City as to form and substance in all respects:

(a) The City has received an opinion from Bond Counsel stating that the TIF Obligations are valid and legally binding obligations of the City and that the interest thereon is exempt from federal income taxation, which opinion shall be based on various documents selected for review by Bond Counsel, in their sole discretion;

(b) There has been approval of the structure of the Bonds and/or TIF Notes, as the case may be, by Bond Counsel, the Underwriter and City Attorney and, in all cases, approval by Bond Counsel and the Underwriter of a cash flow analysis prepared by the City TIF Advisor; and

(c) acceptable opinions from Bond Counsel, Owner's Counsel and the City Attorney.

5.4 **New Owner I Conditions.** With respect to the New Owner I Parcel only and the ability to apply Available Incremental Property Taxes generated from the New Owner I Parcel, (i) all of the conditions set forth in subsections (a), (b), (c) and (d) of Section 5.1 of this Agreement shall be determined with respect to the New Owner I Parcel only (and not on the Property as a whole), and (ii) all of the conditions set forth in subsections (e), and (f) of Section 5.1 of the Agreement shall hereby be deemed satisfied in full.

5.5 **New Owner II Conditions.** With respect to the New Owner II Parcel only and the ability to apply Available Incremental Property Taxes generated from the New Owner II Parcel to the reimbursement of TIF Eligible Expenses, all of the conditions set forth in subsections (a), (b), (c), (d) and (g) of Section 5.2 of the Agreement shall be determined with respect to the New Owner II Parcel only (and not on the Property as a whole).

5.6 **New Owner III Conditions.** With respect to the New Owner III Parcel only and the ability to apply Available Incremental Property Taxes generated from the New Owner III Parcel to the reimbursement of TIF Eligible Expenses, all of the conditions set forth in subsections (a), (b), (c), (d) and (g) of Section 5.2 of the Agreement shall be determined with respect to the New Owner III Parcel only (and not on the Property as a whole).

5.7 **New Park Owner Conditions.** With respect to the New Park Owner Property only and the ability to apply Available Incremental Property Taxes generated from the New Park Owner Property to the reimbursement of TIF Eligible Expenses, (i) all of the conditions set forth in subsections (a), (b), (c) and (d) of Section 5.2 of the Agreement shall be determined with respect to the New Park Owner Property only (and not on the Property as a whole), and (ii) all of the conditions set forth in subsections (e), (f), and (h) of Section 5.2 of the Agreement have been satisfied or deemed satisfied. The Parties understand and intend that satisfaction of Section 5.2(g) will be determined on a Parcel by Parcel basis.

5.8 **New Owner IV Conditions.** With respect to the New Owner IV Parcel only and the ability to apply Available Incremental Property Taxes generated from the New Owner IV Parcel to the reimbursement of TIF Eligible Expenses, all of the conditions set forth in subsections (a), (b), (c), (d) and (g) of Section 5.2 of the Agreement shall be determined with respect to the New Owner IV Parcel only (and not on the Property as a whole).

5.9 **New Owner V Conditions.** With respect to the New Owner V Parcel only and the ability to apply Available Incremental Property Taxes generated from the New Owner V Parcel to the reimbursement of TIF Eligible Expenses, all of the conditions set forth in subsections (a), (b), (c), (d) and (g) of Section 5.2 of the Agreement shall be determined with respect to the New Owner V Parcel only (and not on the Property as a whole).

5.10 **Land Acquisition Costs.**

(a) The acquisition cost set forth in **Exhibit L** for the New Owner I Parcel is approved by the City and upon certification of payment shall be a TIF Eligible Expense.

(b) The acquisition cost set forth in **Exhibit U** for the New Owner II Parcel is approved by the City and upon certification of payment shall be a TIF Eligible Expense.

(c) The acquisition cost set forth in **Exhibit Y** for the New Owner III Parcel is approved by the City and upon certification of payment shall be a TIF Eligible Expense.

(d) The acquisition cost set forth in **Exhibit GG** for the New Owner IV Parcel is approved by the City and upon certification of payment shall be a TIF Eligible Expense.

(e) The amount of acquisition costs of New Park Owner set forth in **Exhibit AA** for the New Park Owner Property is hereby approved by the City and, upon certification of payment by New Park Owner in connection with a commitment to construct improvements to create Available Incremental Property Taxes, shall be a reimbursable TIF Eligible Expense on a Parcel by Parcel basis (and New Park Owner may allocate such costs to one or more Parcels in proportions determined by New Park Owner in its reasonable discretion). The requirement to obtain an opinion of Owner's TIF Counsel set forth in Section 4.9 of the Agreement is waived with respect to the acquisition costs set forth on **Exhibit AA**.

(i) Pursuant to Section 5.10(e), certain acquisition costs of Park Owner were approved in principle by the City (collectively, the "**Approved Acquisition Costs**"). As contemplated by Section 5.10(e), in connection with the commitment of Park Owner (through New Owner V) to construct improvements to create Available Incremental Property Taxes, the City hereby certifies that a portion of the Approved Acquisition Costs in a principal amount equal to \$11,221,056 is a reimbursable TIF Eligible Expense, such allocation of Approved Acquisition Costs was made in accordance with the methodology attached hereto as **Exhibit QQ** (the "**Approved Methodology**"). The resulting cost allocations shown in Exhibit QQ shall be used for assigning Approved Acquisition Costs to future projects within Phase I of the Project Area. After the allocation and certification above, the remaining principal balance of the Approved Acquisition Costs not yet certified is \$43,913,371.32, before any reimbursements that have been paid to date from the TIF Fund.

(ii) The Parties hereby agree that all future allocations and certifications of Approved Acquisition Costs within Phase II and Phase III of the Project Area, in

connection with the commitment of Park Owner (directly or indirectly) to construct improvements to create Available Incremental Property Taxes, shall be made in accordance with the Approved Methodology, with the understanding that the cost allocation calculations, with respect to streets and infrastructure costs, will be based on actual costs incurred in Phase II and Phase III of the Project Area.

5.11 **TIF Formation Costs.** The City hereby acknowledges that the TIF Formation Costs previously due and payable (other than in connection with preparation and negotiation of the Fifth Amendment) have been paid in full by Ridge Logistics Park I, LLC (“**Ridge Park**”) and are TIF Eligible Expenses.

SECTION 6

CITY COVENANTS

6.1 **Additional City Covenants.** The City covenants and agrees that, subject to the terms and conditions of this Agreement, until such time as all principal and interest payments due under the Bonds and any Note (as the case may be) have been made: (1) the City will not, without the consent of the Owner and bondholders, revoke or amend the TIF Ordinances or the TIF Bond Ordinances if such actions would adversely impact the existence of the Redevelopment Area and/or the Redevelopment Plan, the City’s obligations under this Agreement, the ability of the City to make payments on the Note or the Bonds and/or the tax-exempt status of the Bonds or the Note; (2) the City will not pledge or apply any portion of the Available Incremental Property Taxes to any other purpose or payment of any other obligation of the City other than as required by this Agreement or as set forth herein so long as any obligations are owed to the Owner hereunder; (3) the City will not commingle the monies deposited into the Ridgeport Logistics Center Intermodal and Industrial Tax Allocation Fund with the City’s other monies; (4) the City will not take any action or omit to take any action that will affect the continued existence of the Available Incremental Property Taxes for the originally anticipated term or the availability of the monies deposited in the Ridgeport Logistics Center Intermodal and Industrial Tax Allocation Fund to pay the principal and interest on the Bonds and/or any Note (as the case may be) other than as permitted by this Agreement; (5) the City will take all reasonable actions and submit all documents in a timely manner in order to receive from the Will County Treasurer all Available Incremental Property Taxes; and (6) the City will make reasonable efforts to comply with all annual reporting requirements set forth in the Act.

6.2 **Redevelopment Project Costs.** In order to further the development of the Property, the City hereby authorizes the Owner to incur, or cause to be incurred all reasonable Redevelopment Project Costs for which reimbursement is permitted under the terms of the Act and which are provided for in the Redevelopment Plan.

6.3 **TIF Financial Statements.** The City agrees to provide, in a timely manner, and to the extent required by law, all information required to demonstrate continued compliance with the requirements of the Act. Upon request, the City shall provide the Owner promptly with a copy of all such information submitted to the State. To help assure that the Owner receives such information, the Owner shall register, and maintain its registration with, the City’s TIF interested parties registry regarding the Project Area.

6.4 **TIF Fund.** The Ridgeport Logistics Center Intermodal and Industrial Tax Allocation Fund shall be or has been established by the City in connection with the Redevelopment Project Area pursuant to the Act to receive deposits of Available Incremental Property Taxes generated from the Property to pay principal and interest on the Note and/or the Bonds, as the case may be.

6.5 **Request for Reimbursement.** To establish the Owner's right of reimbursement for TIF-Eligible Expenses, the Owner shall submit to the City Administrator such documentation as may be reasonably requested by the City (including but not limited to lien waivers, cancelled checks, paid invoices and evidence of wires) verifying: (a) the costs the Owner has incurred in connection with its development of the Property, including construction of the Project improvements so as to permit the Parties to establish the TIF-Eligible Expenses that the Owner has incurred for which the Owner is requesting reimbursement, for approval of the City. The City Administrator, or his or her designee, shall have fifteen (15) business days after receipt of such information from the Owner to recommend approval or disapproval of such request for reimbursement to the Corporate Authorities and, if a request is disapproved, to provide the Owner in writing and in detail with an explanation as to why the City will not or cannot recommend such reimbursement. The Owner shall similarly submit all requested documentation to Bond Counsel for approval of the TIF – Eligible Expenses and approval by the Corporate Authorities shall be subject to the prior approval of the City Administrator and Bond Counsel. Requests for reimbursement shall be paid no more often than quarterly.

SECTION 7

CONDITIONS PRECEDENT TO EFFECTIVENESS AND EACH ISSUANCE

The following conditions precedent to the City's obligation under this Agreement at the inception of this Agreement and also to the City's obligation to issue TIF Obligations or pay-as-you-go obligations upon each Issuance Date and are for the benefit of the City. The Parties acknowledge that these conditions were satisfied at or about the time of the inception of this Agreement. These conditions must also remain satisfied as of each Issuance Date, with evidence thereof furnished not less than ten (10) business days prior to each Issuance Date unless expressly waived in writing by the City. The City may allow updates for subsequent Issuance Dates by certificates at the City's discretion. In each case, the form and substance of all items submitted to the City shall be subject to the City's reasonable approval in all respects. To the extent required by the City, the Owner (which may include the Current Titleholder, as applicable) shall provide required updates for any or all of the matters set forth below not less than ten (10) business days prior to each Issuance Date.

7.1 **Sufficient Funds.** The Owner shall have furnished proof reasonably acceptable to the City that it has sufficient funds to commence construction of the Project and complete construction of all buildings and Public Improvements which have been commenced, free of mechanics liens or claims. A then current letter from The Prudential Insurance Company of America confirming the funds in question are available for use at the Project will satisfy this requirement.

7.2 **Title.** The Owner shall furnish the City with a copy of its Title Policy for the Property confirming that the Owner holds fee simple title to the Property subject to Existing Mortgages, permitted liens identified on **Exhibit D**, and matters of record.

7.3 **Evidence of Clean Title.** The Owner, at its own expense, shall have provided the City with current searches for the Owner as follows: Secretary of State (IL) UCC search, Federal tax search, general tax search, memoranda of judgments search, pending suits, judgments, bankruptcy proceedings, showing no liens against the Owner, the Property or any fixtures now affixed thereto, except for the permitted liens identified on **Exhibit D**. For the Initial Issuance Date, a certificate of the Owner will be sufficient.

7.4 **Surveys.** The Owner or the Current Titleholder shall have furnished the City with a survey of the Property.

7.5 **Insurance.** The Owner or the Current Titleholder, at its own expense, shall have insured the Property in accordance with Section 11 hereof and provided to the City the certificates of insurance required pursuant to Section 11.

7.6 **Opinion of Owner's Counsel.** On the Issuance Date for the pay-as-you-go obligations the Owner and affiliates, if applicable, shall furnish the City with an opinion of counsel, substantially in the form of **Exhibit E** with such changes as may be reasonably required by or acceptable to the City.

7.7 **Corporate Documents.** The Owner and affiliates, if applicable, shall make available to the City for inspection, at the City's request, its articles of organization, certificate of good standing from the Secretary of State of the State of Illinois and the resolution authorizing the execution of this Agreement.

7.8 **Litigation.** The Owner shall provide to the City a certification of no pending or written threats of litigation or administrative proceedings, or if there are exceptions, a listing thereof including a description of all pending litigation or administrative proceedings or written threats thereof which may materially affect the ownership, construction, management use or operation of the Project or in any way materially affect Owner's ability to comply with this Agreement. In each case, the description shall specify the amount of each claim, and the extent that potential liability is covered by insurance. No pending or written threats of litigation or administrative proceedings shall, in the reasonable judgment of the City have the potential to materially adversely affect the ownership, construction, management, use or operation of the Project including any subsurface operation.

SECTION 8

COVENANTS/REPRESENTATIONS/WARRANTIES OF OWNER

8.1 **General.** Owner represents, warrants and covenants that as of the date of this Agreement:

(a) Owner is a Delaware limited liability company, duly organized, validly existing and qualified to do business in Illinois;

(b) Owner has the right, power and authority to enter into, execute, deliver and perform this Agreement;

(c) the execution, delivery and performance by Owner of its obligations under this Agreement have been duly authorized and do not violate the Owner's articles of organization or other governance documents, as the same may be amended and supplemented, nor any applicable provision of law, nor do they constitute a breach of default under, or require any consent under any material agreement, instrument or document to which the Owner is now a party or by which it is now or may become bound;

(d) there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending which materially affect the Owner or which would impair its ability to perform under this Agreement;

(e) Owner shall not do or permit any of the following without the prior written consent of the City, which shall be in City's reasonable discretion: (1) be a party to any merger, liquidation or consolidation that would cause a material and detrimental change to Owner's financial condition so as to impair Owner's ability to complete the Project; (2) enter into any transaction outside the ordinary course of business that would cause a material and detrimental change to Owner's financial condition so as to impair Owner's ability to complete the Project; or (3) assume or guarantee the obligations of any other person or in such a manner so as to impair Owner's ability to complete the Project;

(f) the Owner is now and for the term of this Agreement shall remain solvent and able to pay its debts as they mature;

(g) the Owner has, or will obtain when required, all governmental permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct, complete and operate the Project;

(h) to the best of Owner's knowledge, no agreement, document, financial statement, certificate or statement furnished by either the Owner or any of its affiliates contains, or will contain, any untrue statement of a material fact or omits or will omit, to state a material fact necessary to make the statements therein not misleading, including any financial statements previously submitted or to be submitted to the City;

(i) notwithstanding Subsection 8.1(k), the Owner has good fee marketable title to the Property, subject to no prior encumbrances as of the date of this Agreement which would materially impact Owner's construction of Phase I and shall not allow the existence of any liens against the Property other than the Permitted Mortgages, defined below (or non-governmental charges the Owner is contesting in good faith pursuant to the terms of this Agreement and which are bonded over), and permitted liens identified on

Exhibit D and shall not incur any indebtedness secured by the Property or any fixtures now or hereafter attached thereto, except for lender financing disclosed in the project budget(s) submitted to the City as part of the evidence of satisfactory financing under Section 7.1;

(j) to the extent the Recitals contain statements pertaining to the Owner, its affiliates or the Project, the same are true, complete and correct in all material respects;

(k) to the extent that Section 8.1(i) applies to the Current Titleholder, it shall apply to the Current Titleholder and not to the Owner with respect to the Property owned by the Current Titleholder.

8.2 **Bonds.** Owner shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue Bonds in connection with the Project; provided, however, that any such amendments shall not have a material adverse effect on the Owner, the Project, or any payments to be made to the Owner pursuant to Section 4 herein. The Owner shall cooperate and provide reasonable assistance in connection with the marketing of any such additional Bonds, including but not limited to providing written descriptions of the Project, and providing information and assisting the City in preparing an offering statement with respect thereto.

8.3 **Conflict of Interest.** The Owner represents and warrants that it will not offer any compensation, ownership interest in the Property or the Project, or other financial benefit to any member, official, or employee of the City, or any consultant hired by the City. This prohibition does not apply to any contract that may be awarded pursuant to an open competitive bid process or to any consultant hired by the Owner to obtain financing necessary to construct the Project. In addition, this prohibition does not apply to those City consultants whose fees are to be reimbursed by the Owner as required by separate agreement.

SECTION 9

COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

9.1 **General Covenants.** The City represents that it has the authority as a non-home rule unit of local government to execute and deliver this Agreement and to perform its obligations hereunder, subject to applicable laws, and subject to the effects of applicable bankruptcy, reorganization, insolvency, moratorium, fraudulent conveyance or transfer, preference and other similar laws now or hereafter in effect and affecting the creditor's rights generally.

9.2 **Reasonable Consideration for Additional Capital Providers.** In the event Owner desires to raise additional capital for use in the Project by issuing additional ownership interests or granting collateral interests in the Project, to institutional investors which would otherwise not be permitted as a matter of right under this Agreement, the City shall give reasonable consideration thereto and shall not unreasonably delay a response. Non-institutional investors may also be proposed, but the Owner acknowledges the City may utilize different standards of review and scrutiny.

SECTION 10

INDEMNIFICATION

10.1 The Owner and a subsequent owner of any applicable lot, as the case may be, (the “**Indemnifying Parties**”) agree to jointly and severally indemnify, defend and hold the City, including its officers, agents, officials, and consultants, harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys’ fees of counsel reasonably acceptable to the City, and court costs) (hereinafter the “**Indemnified Costs**”) suffered or incurred by the City arising from or in connection with (i) any construction by or for the Owner in connection with the Project, or (ii) the Indemnifying Parties’ failure to comply with or permitting violation of any of the terms, covenants and conditions contained within this Agreement, or (iii) the Indemnifying Parties’ failure to pay or permitting nonpayment of the applicable general contractor, subcontractors or materialmen in connection with the portion of the Project, or (iv) any of Indemnifying Parties’ or any of their affiliates making of any material misrepresentation or omission in this Agreement, any offering memorandum or the Redevelopment Plan or any document related to this Agreement, or (v) the Indemnifying Parties’ failure to cure any material misrepresentation in this Agreement, or any other agreement relating hereto. The Indemnified Parties’ indemnification obligations under this Section 10 shall not extend to the Indemnified Costs that are attributable to the willful misconduct or gross negligence of the City.

10.2 Notwithstanding Sections 10.1 and 14 of this Agreement, Owner shall not be responsible for the indemnification of any Party for any losses, liabilities, damages, injuries, costs, expenses, or claims of any kind whatsoever relating to the condition, development, and use of the New Owner I Parcel or New Owner I Expansion Parcel for a condition which did not exist at the time Owner was title holder of such parcel(s), it being understood and agreed that New Owner I and its successors shall be responsible for all indemnity provisions of the Agreement with respect to their respective New Owner I Parcel or New Owner I Expansion Parcel and any condition, development, and use of the New Owner I Parcel or New Owner I Expansion Parcel, as applicable. Owner shall remain jointly and severally liable with the New Owner I to the Indemnified Parties under the indemnification for any condition unless the same did not exist while Owner was titleholder. Notwithstanding Sections 10.1 and 14 of the Agreement, New Owner I shall not be responsible for the indemnification of any Party for any losses, liabilities, damages, injuries, costs, expenses, or claims of any kind whatsoever relating to the condition, development, and use of any and all of the remainder of the Property except the New Owner I Parcel and the New Owner I Expansion Parcel, it being understood and agreed that the Owner shall be responsible for all indemnity provisions of the Agreement with respect to the remainder of the Property other than the New Owner I Parcel and New Owner I Expansion Parcel and any condition, development, and use of such remainder of the Property other than the New Owner I Parcel and New Owner I Expansion Parcel.

10.3 Notwithstanding Sections 10.1 and 10.2 and 14 of the Agreement, Owner shall not be responsible for the indemnification of any Party for any losses, liabilities, damages, injuries, costs, expenses, or claims of any kind whatsoever relating to the condition, development, and use of the New Owner II Parcel for a condition which did not exist at the time Owner was title holder of such parcel(s), it being understood and agreed that New Owner II and its successors shall be

responsible for all indemnity provisions of the Agreement with respect to the New Owner II Parcel and any condition, development, and use of the New Owner II Parcel. Owner shall remain jointly and severally liable with the New Owner II to the Indemnified Parties under the indemnification for any condition unless the same did not exist while Owner was titleholder. Notwithstanding Sections 10.1, 10.2, and 14 of the Agreement, New Owner II shall not be responsible for the indemnification of any Party for any losses, liabilities, damages, injuries, costs, expenses, or claims of any kind whatsoever relating to the condition, development, and use of any and all of the remainder of the Property except the New Owner II Parcel, it being understood and agreed that the Owner shall be responsible for all indemnity provisions of the Agreement with respect to the remainder of the Property other than the New Owner II Parcel and any condition, development, and use of such remainder of the Property other than the New Owner II Parcel.

10.4. Notwithstanding Sections 10.1, 10.2, 10.3 and 14 of the Agreement, Owner shall not be responsible for the indemnification of any Party for any losses, liabilities, damages, injuries, costs, expenses, or claims of any kind whatsoever relating to the condition, development, and use of the New Owner III Parcel or the New Owner III Expansion Parcel for a condition which did not exist at the time Owner was title holder of such parcel(s), it being understood and agreed that New Owner III and its successors shall be responsible for all indemnity provisions of the Agreement with respect to the New Owner III Parcel or, if applicable, the New Owner III Expansion Parcel and any condition, development, and use of the New Owner III Parcel or, if applicable, the New Owner III Expansion Parcel. Owner shall remain jointly and severally liable with the New Owner III to the Indemnified Parties under the indemnification for any condition unless the same did not exist while Owner was titleholder. Notwithstanding Sections 10.1, 10.2, 10.3 and 14 of the Agreement, New Owner III shall not be responsible for the indemnification of any Party for any losses, liabilities, damages, injuries, costs, expenses, or claims of any kind whatsoever relating to the condition, development, and use of any and all of the remainder of the Property except the New Owner III Parcel and the New Owner III Expansion Parcel, it being understood and agreed that the Owner shall be responsible for all indemnity provisions of the Agreement with respect to the remainder of the Property other than the New Owner III Parcel and the New Owner III Expansion Parcel and any condition, development, and use of such remainder of the Property other than the New Owner III Parcel.

10.5 Notwithstanding Sections 10.1, 10.2, 10.3, 10.4 and 14 of the Agreement, Owner shall not be responsible for the indemnification of any Party for any losses, liabilities, damages, injuries, costs, expenses, or claims of any kind whatsoever relating to the condition, development, and use of the New Owner IV Parcel or the New Owner IV Expansion Parcel for a condition which did not exist at the time Owner was title holder of such parcel(s), it being understood and agreed that New Owner IV and its successors shall be responsible for all indemnity provisions of the Agreement with respect to the New Owner IV Parcel or, if applicable, the New Owner IV Expansion Parcel and any condition, development, and use of the New Owner IV Parcel or, if applicable, the New Owner IV Expansion Parcel. Owner shall remain jointly and severally liable with the New Owner IV to the Indemnified Parties under the indemnification for any condition unless the same did not exist while Owner was titleholder. Notwithstanding Sections 10.1, 10.2, 10.3, 10.4 and 14 of the Agreement, New Owner IV shall not be responsible for the indemnification of any Party for any losses, liabilities, damages, injuries, costs, expenses, or claims of any kind whatsoever relating to the condition,

development, and use of any and all of the remainder of the Property except the New Owner IV Parcel and the New Owner IV Expansion Parcel, it being understood and agreed that the Owner shall be responsible for all indemnity provisions of the Agreement with respect to the remainder of the Property other than the New Owner IV Parcel and the New Owner IV Expansion Parcel and any condition, development, and use of such remainder of the Property other than the New Owner IV Parcel.

10.6 **Indemnification.** Notwithstanding Sections 10.1, 10.2, 10.3, 10.4, 10.5, and 14 of the Agreement, Owner shall not be responsible for the indemnification of any Party for any losses, liabilities, damages, injuries, costs, expenses, or claims of any kind whatsoever relating to the condition, development, and use of the New Owner V Parcel for a condition which did not exist at the time Owner was title holder of such parcel(s), it being understood and agreed that New Owner V and its successors shall be responsible for all indemnity provisions of the Agreement with respect to the New Owner V Parcel and any condition, development, and use of the New Owner V Parcel. Owner shall remain jointly and severally liable with the New Owner V to the Indemnified Parties under the indemnification for any condition unless the same did not exist while Owner was titleholder. Notwithstanding Sections 10.1, 10.2, 10.3, 10.4, 10.5, and 14 of the Agreement, New Owner V shall not be responsible for the indemnification of any Party for any losses, liabilities, damages, injuries, costs, expenses, or claims of any kind whatsoever relating to the condition, development, and use of any and all of the remainder of the Property except the New Owner V Parcel, it being understood and agreed that the Owner shall be responsible for all indemnity provisions of the Agreement with respect to the remainder of the Property other than the New Owner V Parcel and any condition, development, and use of such remainder of the Property other than the New Owner V Parcel.

SECTION 11

INSURANCE

The Owner shall provide and maintain at the Owner's own expense, or cause to be provided during each phase of the Project under construction, the insurance coverages and requirements specified below, insuring all operations related to the construction of the Project. The City is to be named as an additional insured on all liability policies.

(i) Workers Compensation and Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$1,000,000 each accident or illness.

(ii) Commercial General Liability Insurance (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$5,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages shall include the following: all premises and operations, products/completed operations (for a minimum of two years following issuance of the

applicable Certificate), explosion, collapse, underground, independent contractors, separation of insured, defense, and contractual liability (with no limitation endorsement).

(iii) Automobile Liability Insurance (Primary and Umbrella)

When motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the applicable General Contractor shall provide Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage.

(iv) Builders Risk Insurance

When the applicable General Contractor undertakes any construction, including improvements, betterments, and/or repairs, the applicable General Contractor shall provide, or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the permanent facility. Coverages shall include but are not limited to the following: collapse, boiler and machinery.

(v) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions shall be maintained by such architects, engineers, construction managers or other professional consultants with limits of not less than \$1,000,000. Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two years.

(vi) Contractor's Pollution Liability

When any work is performed which may cause a pollution exposure, contractor's Pollution Liability shall be provided by the general contractor with limits of not less than \$5,000,000 insuring bodily injury, property damage and environmental re dedication, cleanup costs and disposal. When policies are renewed, the policy retroactive date must coincide with or precede start of work on the Agreement. A claims made policy which is not renewed or replaced must have an extended reporting period of one (1) year.

(vii) Excess Coverage

Excess liability coverage above all primary liability coverages that follows the form of the underlying liability coverages, in an amount of not less than \$20,000,000 per occurrence.

(viii) Other Requirements

The Owner will furnish the City original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from the Owner shall not be deemed to be a waiver by the City. The Owner shall advise all insurers of this Agreement's provisions regarding insurance. Non-conforming insurance shall not relieve the Owner of the obligation to provide insurance as specified herein.

The City may require that one or more of the foregoing minimum policy limits be increased by increases in the general consumer price index (CPI-U) for the greater Chicago metropolitan area from the date of this Agreement.

The insurance shall provide for 30 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by the Owner or the professional consultant or entity with respect to the coverage required under clause (v) above or the contractor with respect to the coverage required under clause (vi) above. Only reasonable deductibles or self-insured retentions under the circumstances, shall be permitted.

The Owner agrees that insurers shall waive rights of subrogation against the City, its employees, elected officials, agents, or representatives. The Owner expressly understands and agrees that any coverages and limits furnished by the Owner shall in no way limit the Owner's liabilities and responsibilities specified within this Agreement or by law.

The Owner expressly understands and agrees that the Owner's insurance is primary and any insurance or self-insurance programs maintained by the City shall not contribute with insurance provided by the Owner under the Agreement.

The Owner shall require the applicable general contractor, and all significant subcontractors, to provide the insurance required herein or the Owner may provide the coverages for the general contractor, or subcontractors. All general contractors and significant subcontractors shall be subject to the same requirements as the Owner unless otherwise specified herein; provided, however, a significant subcontractor's liability issuance requirement hereunder shall be limited to \$10,000,000 including all primary and excess coverages. A significant subcontractor shall be a subcontractor with aggregate contract values for the Project in excess of \$1,000,000. Significant subcontractor requirements may be waived by the City upon reasonable request.

If the Owner, the applicable general contractor or subcontractor desires additional coverages, the Owner, Contractor and each subcontractor shall be responsible for the acquisition and cost of such additional protection.

SECTION 12

DEFAULT AND REMEDIES

12.1 **Events of Default.** The occurrence of any one or more of the following events shall constitute a default by the Owner hereunder:

(a) The failure of the Owner to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations under this Agreement or any related agreement in any material respect;

(b) The making or furnishing by the Owner to the City of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or any related agreement which is untrue or misleading in any material respect;

(c) Except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon the Property, including any fixtures now or hereafter attached thereto, other than the Permitted Mortgages, or the making or any attempt to make any levy, seizure or attachment thereof, *provided*, however, that nothing shall be deemed to impair the ability of the Owner to contest any lien in good faith with diligence provided that security to protect the City's interest has been furnished which the City deems reasonably adequate under the circumstances;

(e) The commencement of any proceedings in bankruptcy by or against the Owner or for the liquidation or reorganization of the Owner, or alleging that such the Owner is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Owner's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Owner; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

(f) The appointment of a receiver or trustee for the Owner, for any substantial part of the Owner's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of the Owner, provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within sixty (60) days after the commencement thereof;

(g) The entry of any judgment or order against the Owner which remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution and such judgment or order materially impairs prosecution of the Project including without limitation any pending construction;

(h) Failure to have funds to meet the Owner's obligations (a then current letter reasonably acceptable to the City from Elion Partners, LLC confirming the funds in question are readily available for use at the Project will be sufficient to cure);

(i) Sale, assignment, or transfer of the Project, or interests therein, including Unpermitted Owner Interest Transfers, except for Qualified Sold Parcels, Formerly Qualified Sold Parcels, and otherwise as may be expressly approved by the City in accordance with this Agreement;

(j) The Owner abandons prosecution of the Project or the Property. Abandonment shall be deemed to have occurred when substantial construction work stops at the portion of the Property owned by Owner for more than one hundred eighty (180) consecutive days for any reason other than Force Majeure, unless the Owner remains ahead of its planned construction schedule as previously furnished to the City;

(k) The Owner fails to comply with applicable governmental codes and regulations in relation to the construction and maintenance of the buildings and other improvements contemplated by this Agreement in any material respect; or

(l) Sale, assignment or transfer of the Project, or interests therein, in a manner that would violate the Act or result in any TIF Eligible Expense which has been financed by the City to no longer qualify as a Redevelopment Project Cost under the Act (provided that it shall not be a default under this clause if land acquisition costs fail to be treated as TIF Eligible Expenses as a result of Owner's inability to obtain an initial opinion of Owner's TIF Counsel pursuant to Section 4.9).

12.2 **Curative Period.** Owner shall promptly notify the City of any breach or default by Owner under this Agreement. In the event of a breach or default under any representation, warranty, covenant or other obligation which Owner is required to perform or otherwise comply with under this Agreement, the City's remedies shall be limited as provided below unless Owner fails to perform such defaulted obligation within 30 days of its receipt of a written notice from the City specifying the nature of the default (or pursuant to such other period as may apply, without notice, pursuant to Sections 12.1(e), (f) and (j)). Except for defaults pursuant to Sections 12.1(e) and (f), if such default cannot be cured within 30 days, and the Owner has commenced to cure the default within such initial cure period and thereafter diligently prosecutes such cure to completion within ninety (90) days, then an Event of Default shall not have occurred. In the case where the Owner has not cured the default within the foregoing curative period, an "**Event of Default**" shall exist.

12.3 **City Remedies.** Upon the occurrence of a default, the City may suspend disbursement of City funds with respect to any pay-as-you-go reimbursement (but shall not suspend payment of debt service under previously issued TIF Notes and/or Bonds). Notwithstanding the foregoing, in the event of a violation of Section 12.1(l) for a transaction where the City has previously been furnished with satisfactory opinions of Owner's TIF Counsel and Bond Counsel, then, in such event the City may suspend only the disbursement of City funds with respect to pay-as-you-go obligations related to costs which no longer qualify as a Redevelopment Project Cost under the Act and the City's pay-as-you-go reimbursement

obligations shall continue to exist with regard to other TIF Eligible Expenses. Except as expressly provided in the preceding sentence, upon occurrence of an Event of Default, the City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein and/or reimbursement of all costs and expenses incurred by the City (including reasonable attorneys' fees) which are connected in any way, directly or indirectly to the default or breach or cure thereof by the City and/or confirm the termination of all of the City's obligations under this Agreement (other than the limited obligation to pay debt service under the previously issued TIF Notes and/or Bonds).

SECTION 13

MORTGAGING OF THE PROJECT

The mortgages encumbering the Property or any portion thereof as of the date hereof are listed on **Exhibit F**, as the same may be amended, extended or otherwise modified, and are referred to herein as "**Existing Mortgages**". Any mortgage which Owner may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof, as the same may be amended, extended or otherwise modified, is referred to herein as a "**New Mortgage**". The Existing Mortgages, as well as any New Mortgages which (a) are not made in favor of mortgagees who appear on any list of persons, entities and governments issued by the Office of Foreign Assets Control of the United States Department of Treasury pursuant to Executive Order 13224, and (b) are made in favor of an institutional mortgagee having a presence in the United States are referred to herein as "**Permitted Mortgages**." The holder of any such Permitted Mortgage, together with its successors and assigns, is referred to herein as a "**Permitted Mortgagee**." A Permitted Mortgagee may transfer its interest in a Permitted Mortgage without the consent of the City and without affecting the status of such mortgage as a Permitted Mortgage as long as the assignment is to an assignee permitted above. The City's approval shall be required (and shall not be unreasonably withheld, conditioned or delayed) for any mortgage which is not a Permitted Mortgage and upon such approval such mortgage shall be considered a "**Permitted Mortgage**". A Permitted Mortgagee shall be permitted to exercise its remedies upon a default under such Permitted Mortgage, including acquiring title in the Property in its name or the name of an Affiliate through foreclosure and by accepting a deed in lieu of foreclosure, without the consent of the City. Subject to the following provisions, the City consents to the Owner's collateral assignment of its interest under this Agreement to any such Permitted Mortgagee. The City shall give reasonable consideration to a collateral assignment to other than a Permitted Mortgagee as referenced in Section 9.2.

The City acknowledges and agrees that a Permitted Mortgagee will never be obligated to repay any of the monies previously paid by the City to the Owner pursuant to this Agreement or debt service previously paid by the City under this Agreement that may be subject to recapture or repayment under the terms of this Agreement.

Provided a Permitted Mortgagee has furnished the City with a notice requesting copies of any default notice to the Owner, the City agrees to provide any Permitted Mortgagee notices sent pursuant to Section 12 and to permit such Permitted Mortgagee an additional 45 days to cure any Event of Default and, if applicable, to provide the aforesaid written assurance and acceptance of

assignment of the Owner's interest. Failure to provide such notice shall not affect the City's right to exercise remedies which are binding upon the Owner. In the event that a Mortgagee or any other party shall succeed to the Owner's interest in the Property or any portion thereof pursuant to the exercise of remedies under a Mortgage, whether by foreclosure or deed in lieu of foreclosure or otherwise, the City shall not be required to recognize such party as the successor in interest to the Owner for all purposes under this Agreement and such party shall be entitled to no rights under this Agreement for further pay-as-you-go reimbursement or the issuance of additional Notes or increases thereof or the issuance of Bonds, unless the management capability and financial capacity of such party is approved by the City, which approval shall not be unreasonably withheld, and the party executes an assumption agreement acceptable to the City, but whether or not so approved and assumed, such party shall be bound by those provisions of this Agreement that constitute covenants running with the land.

SECTION 14

ENVIRONMENTAL MATTERS

The Owner hereby represents and warrants to the City that the Developer has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with all environmental laws and this Agreement, and all Exhibits attached hereto and the Redevelopment Plan.

Without limiting any other provision hereof, the Owner, and subsequent owners of respective lots, jointly and severally, agree to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any environmental laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Owner: (i) the presence of any hazardous material (as defined in any applicable environmental law) on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any hazardous material from (A) all or any portion of the Property or (B) any other real property in which the Owner or any affiliates holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust in which the beneficial interest is owned, in whole or in part, by the Owner, or (ii) any liens against the Property permitted or imposed by any environmental laws, or any actual or asserted liability or obligation of the City or the Owner or any of its affiliates under any environmental laws relating to the Property.

SECTION 15

NEW OWNER I

15.1 **Addition of New Owner I.** New Owner joins the Agreement pursuant to the Fifth Amendment and is added as a Party to the Agreement to, among other things, recognize that New Owner I will incur TIF Eligible Expenses on and related to the New Owner I Parcel substantially in accordance with the project budget set forth in **Exhibit L** attached hereto and

may incur additional TIF Eligible Expenses on and related to the New Owner I Expansion Parcel (which may be subject to an additional amendment to the Agreement) and shall be entitled to reimbursement for the same, subject to the same terms, conditions and limitations applicable to Owner under the Agreement. New Owner I is joined to the Agreement for the limited, sole and exclusive purpose of providing for the acquisition and redevelopment of the New Owner I Parcel and the New Owner I Expansion Parcel and reimbursement of TIF Eligible Expenses specified in this Agreement related thereto and being bound to the obligations under this Agreement and to the other obligations with respect to the New Owner I Parcel and New Owner I Expansion Parcel under the Agreement. Except for as provided herein, New Owner I shall have no rights or liabilities with regards to any provisions of the Agreement as they apply to any portion of the Property other than the New Owner I Parcel (and potentially the New Owner I Expansion Parcel), including, without limitation, any consent or other approval rights regarding future amendments to the Agreement, additional redevelopment agreements related to the Property, or the development of the Property other than the New Owner I Parcel. Notwithstanding the definition of Related Owner Party in the Agreement, New Owner I shall be deemed to not be a Related Owner Party based upon the control and ownership information previously supplied to the City. New Owner I represents and warrants to the City the control and ownership information furnished to the City is now and will continue to be (subject to updates with additional information furnished to the City) true, complete and correct as of the date of issuance of the New Owner I Note (defined below).

15.2 **New Owner I Covenants.** New Owner I hereby makes the following covenants instead of the Owner Covenants set forth in Section 3 of the Agreement (the existing Section 3 covenants remain unaffected and in force as to the Owner):

(i) **Development Obligations.** New Owner I shall construct the New Owner I Tenant Improvements in accordance with the general parameters set forth on **Exhibit K** in accordance with all applicable building codes of the City, applicable requirements of other governmental authorities with jurisdiction over New Owner I Parcel and New Owner I Expansion Parcel, plans and specifications approved by the City and the terms and conditions of the Agreement. New Owner I shall conduct construction of buildings and all other improvements in accordance with sound industry practices and, once commenced, shall prosecute any construction of a particular building or improvement continuously with diligence until completion, lien free. Public Improvements related to use of improvements on the New Owner I Parcel and required by the Lego Lease or by the City in order to issue a certificate of occupancy shall be completed either by or for New Owner I prior to the time their use is required and in accordance with the Annexation Agreement. New Owner I shall commence construction of the New Owner I Tenant Improvements by October 1, 2014 subject to reasonable extensions for Force Majeure and the New Owner I Tenant Improvements shall be complete and ready to operate by October 1, 2015 subject to reasonable extensions for Force Majeure. For purposes of this Section 15.2(i), the definition of “Force Majeure” under the Agreement shall be amended to include delays caused by change orders to the New Owner I Tenant Improvements and delays caused by the Tenant which are permitted pursuant to the Lego Lease. New Owner I shall use continuous and

commercially reasonable efforts, in accordance with industry standards, supported by adequate financing, to prosecute and complete the construction requirements.

(ii) **Payment of Real Estate Taxes and Assessments.** New Owner I shall promptly pay or cause payment of all general real estate taxes, assessments, charges and fees due and payable to the City or any other governmental entity with respect to the New Owner I Parcel and, if the Tenant has exercised its expansion right, the New Owner I Expansion Parcel when the same are due and payable, provided, no owner of any portion of the Property shall be precluded from appealing or otherwise challenging any determination of the assessed value of the Property by the assessor having jurisdiction over the Property.

(iii) **No Violations.** New Owner I shall construct, operate and maintain or cause to be constructed, operated and maintained New Owner I Tenant Improvements in conformance with all applicable laws, rules, ordinances and regulations. All work with respect to the New Owner I Tenant Improvements shall conform to all federal, state and local laws, regulations and ordinances to the extent the same are applicable to such work.

(iv) **Reporting.** New Owner I shall meet with the Corporate Authorities and the City's staff from time to time prior to completion of the New Owner I Tenant Improvements and make presentations as reasonably requested by the City Administrator in order to keep the City apprised of the progress of the New Owner I Tenant Improvements and demonstrate compliance with the terms of this Agreement.

(v) **Construction.** New Owner I agrees to construct the New Owner I Tenant Improvements according to the construction schedule set forth in Section 15.2(i), subject, however, to Force Majeure. New Owner I shall diligently pursue obtaining all required permits and shall cause construction of all New Owner I Tenant Improvements, once construction is commenced, to be completed pursuant to plans and specifications approved by the City, with reasonable diligence, in good faith and without delay, subject to Force Majeure.

(vi) **Payment of TIF Formation Costs.** Ridge Park and New Owner I shall cause all TIF Formation Costs incurred with respect to the New Owner I Parcel and the New Owner I Expansion Parcel, including any amendment to the Agreement dealing with the New Owner I Parcel or New Owner I Expansion Parcel, to be paid as incurred within thirty (30) days of receipt of an invoice from the City and the same shall qualify as TIF Eligible Expenses to the extent the same constitute Redevelopment Project Costs pursuant to the Act and any right to reimbursement for the same shall be deemed assigned to Ridge Park.

(vii) **Notice of Transfer of Interests in New Owner I or New Owner I Parcel.** New Owner I shall promptly advise the City of any change of control of New Owner I or of any change in ownership or the transfer of any interests of ownership in the New Owner I Parcel or the New Owner I Expansion Parcel,

provided, however, that the provisions of this Section 15.2(vii) shall not apply to transfers of non-controlling ownership interests in New Owner I, the entity owning the New Owner I Parcel or the entity owning the New Owner I Expansion Parcel.

(viii) **New Owner I Obligations Continuing.** New Owner I's obligations under this Agreement with respect to any indemnity obligation accruing during New Owner I's period of ownership of the New Owner I Parcel shall be continuing and shall not be deemed released merely by subsequent transfer or the New Owner I Parcel except as may be expressly provided in the Agreement. Other obligations of New Owner I pursuant to the Agreement shall be deemed to run with and be binding upon the New Owner I Parcel and any subsequent titleholder thereof. Payments under any pay-as-you-go obligation issued with respect to the New Owner I Parcel shall be subject to satisfaction of the covenants, terms and conditions of the Agreement. Payments under any TIF Note issued with respect to the New Owner I Parcel shall be subject to satisfaction of the covenants, terms and conditions of Section 15 and assessment of the New Owner I Tenant Improvements, payment of real estate tax obligations and such other terms as further provided by the TIF Note and any assignment thereof.

The foregoing replacement covenants shall serve as substitute covenants for New Owner I only and shall not affect or replace the covenants applicable to Owner or any other party with respect to any other portion of the Property, or with respect to the New Owner I Parcel for conditions that existed while Owner was titleholder of the New Owner I Parcel. The foregoing shall replace the covenants applicable to Owner with respect to the New Owner I Parcel as of the date of transfer of title to New Owner I and shall release Owner from any liability for losses, damages, costs, expenses or claims with respect to conditions that first exist on the New Owner I Parcel from and after the date Owner is no longer titleholder of the New Owner I Parcel.

15.3 **Assignment of a Portion of Ridge Park TIF Eligible Expenses to New Owner**

I. In addition to the TIF Eligible Expenses to be directly incurred by New Owner I as part of the project budget identified on **Exhibit L**, Park Owner's predecessor assigned to New Owner I, as titleholder to the New Owner I Parcel, TIF Eligible Expenses in the amount of approximately \$6,763,458 to support the issuance of the TIF Note referenced in Section 4.2(ii) below and New Owner I shall be entitled to reimbursement for such TIF Eligible Expenses pursuant to the New Owner I Note (defined below) notwithstanding the fact that New Owner I did not incur such TIF Eligible Expenses. It is anticipated that an additional assignment of TIF Eligible Expenses in the amount of approximately \$2,845,965 will be necessary to support the issuance of the additional TIF Note required for the New Owner I Expansion Parcel. Such assignment shall be permitted upon substantially the same terms as this Section 15. The City hereby consents to such assignments.

15.4 **New Owner I Insurance.** New Owner I shall be responsible to provide all the insurance required by, and to otherwise to satisfy all provisions of, Section 11 with respect to the development and use of the New Owner I Parcel or the New Owner I Expansion Parcel, and

Owner shall have no obligation to comply with Section 11 as to the New Owner I Parcel or the New Owner I Expansion Parcel. Owner shall be responsible to provide all the insurance required by, and to otherwise satisfy all provisions of, Section 11 with respect to the development and use of any and all of the remainder of the Property other than the New Owner I Parcel and the New Owner I Expansion Parcel, and New Owner I shall have no obligation to comply with Section 11 as to such remainder of the Property other than the New Owner I Parcel and New Owner I Expansion Parcel.

SECTION 16

NEW OWNER II

16.1 **Addition of New Owner II.** New Owner II joined the Agreement pursuant to the Eighth Amendment and is added as a Party to the Agreement to, among other things, recognize that New Owner II will incur TIF Eligible Expenses on and related to the New Owner II Parcel substantially in accordance with the project budget set forth in **Exhibit U** attached hereto and shall be entitled to reimbursement for the same, subject to the same terms, conditions and limitations applicable to Owner under the Agreement. New Owner II shall be joined to the Agreement for the limited, sole and exclusive purpose of providing for the acquisition and redevelopment of the New Owner II Parcel and reimbursement of TIF Eligible Expenses specified in this Agreement related thereto and being bound to the obligations under this Agreement and to the other obligations with respect to the New Owner II Parcel under the Agreement. Except as provided herein, New Owner II shall have no rights or liabilities with regards to any provisions of the Agreement as they apply to any portion of the Property other than the New Owner II Parcel, including, without limitation, any consent or other approval rights regarding future amendments to the Agreement, additional redevelopment agreements related to the Property, or the development of the Property other than the New Owner II Parcel. New Owner II is not a Related Owner Party based upon the control and ownership information previously supplied to the City. New Owner II represents and warrants to the City the control and ownership information furnished to the City is now and will continue to be (subject to updates with additional information furnished to the City) true, complete and correct as of the date of issuance of the New Owner II Note. For clarification, any rights which New Owner II does have under this Agreement shall be deemed appurtenant to the fee ownership of the New Owner II Parcel.

16.2 **New Owner II Covenants.** New Owner II hereby makes the following covenants instead of the Owner Covenants set forth in Section 3 of the Agreement (the existing Section 3 covenants remain unaffected and in force as to the Owner but not as to New Owner II):

- (i) **Development Obligations.** New Owner II shall construct the New Owner II Tenant Improvements in accordance with the general parameters set forth on **Exhibit T** and in accordance with all applicable building codes of the City, applicable requirements of other governmental authorities with jurisdiction over the New Owner II Parcel, plans and specifications approved by the City and the terms and conditions of the Agreement. New Owner II shall conduct construction of buildings and all other improvements in accordance with sound industry practices and, once commenced, shall prosecute any construction of a particular building or improvement continuously with diligence until

completion, lien free. Public Improvements related to use of improvements on the New Owner II Parcel and required by the CDC Lease or the City in order to issue a certificate of occupancy shall be completed either by or for New Owner II prior to the time their use is required and in accordance with the Annexation Agreement. New Owner II shall commence construction of the New Owner II Tenant Improvements by May 15, 2015 subject to reasonable extensions for Force Majeure and the New Owner II Tenant Improvements shall be complete and ready to operate by October 15, 2015, subject to reasonable extensions for Force Majeure. For purposes of this Section 16.2(i), the definition of “Force Majeure” under the Agreement shall be amended to include delays caused by change orders to the New Owner I Tenant Improvements and delays caused by the Tenant which are permitted pursuant to the CDC Lease. New Owner II shall use continuous and commercially reasonable efforts, in accordance with industry standards, supported by adequate financing, to prosecute and complete the construction requirements.

(ii) **Payment of Real Estate Taxes and Assessments.** New Owner II shall promptly pay or cause payment of all general real estate taxes, assessments, charges and fees due and payable to the City or any other governmental entity with respect to the New Owner II Parcel when the same are due and payable, provided, no owner of any portion of the New Owner II Parcel shall be precluded from appealing or otherwise challenging any determination of the assessed value of the New Owner II Parcel by the assessor having jurisdiction over the New Owner II Parcel.

(iii) **No Violations.** New Owner II shall construct, operate and maintain or cause to be constructed, operated and maintained New Owner II Tenant Improvements in conformance with all applicable laws, rules, ordinances and regulations. All work with respect to the New Owner II Tenant Improvements shall conform to all federal, state and local laws, regulations and ordinances to the extent the same are applicable to such work.

(iv) **Reporting.** New Owner II shall meet with the Corporate Authorities and the City’s staff from time to time prior to completion of the New Owner II Tenant Improvements and make presentations as reasonably requested by the City Administrator in order to keep the City apprised of the progress of the New Owner II Tenant Improvements and demonstrate compliance with the terms of this Agreement.

(v) **Construction.** New Owner II agrees to construct the New Owner II Tenant Improvements according to the construction schedule set forth in Section 16.2(i), subject, however, to Force Majeure. New Owner II shall diligently pursue obtaining all required permits and shall cause construction of all New Owner II Tenant Improvements, once construction is commenced, to be completed pursuant to plans and specifications approved by the City, with reasonable diligence, in good faith and without delay, subject to Force Majeure.

(vi) **Payment of TIF Formation Costs.** Ridge Park and New Owner II shall cause all TIF Formation Costs incurred with respect to the New Owner II Parcel, including any amendment to the Agreement dealing with the New Owner II Parcel, to be paid as incurred within thirty (30) days of receipt of an invoice from the City and the same shall

qualify as TIF Eligible Expenses to the extent the same constitute Redevelopment Project Costs pursuant to the Act and any right to reimbursement for the same shall be deemed assigned to Ridge Park.

(vii) **Notice of Transfer of Interests in New Owner II or New Owner II Parcel.** New Owner II shall promptly advise the City of any change of control of New Owner II or of any change in ownership or the transfer of any interests of ownership in the New Owner II Parcel, provided, however, that the provisions of this Section 16.2(vii) shall not apply to transfers of non-controlling ownership interests in New Owner II or the entity owning the New Owner II Parcel.

(viii) **New Owner II Obligations Continuing.** New Owner II's obligations under this Agreement with respect to any indemnity obligation accruing during New Owner II's period of ownership of the New Owner II Parcel shall be continuing and shall not be deemed released merely by subsequent transfer of the New Owner II Parcel except as may be expressly provided in the Agreement. Other obligations of New Owner II pursuant to the Agreement shall be deemed to run with and be binding upon the New Owner II Parcel and any subsequent titleholder thereof. Payments under any pay-as-you-go obligation issued with respect to the New Owner II Parcel shall be subject to satisfaction of the covenants, terms and conditions of the Agreement. Payments under any TIF Note issued with respect to the New Owner II Parcel shall be subject to satisfaction of the covenants, terms and conditions of Section 16 and assessment of the New Owner II Tenant Improvements, payment of real estate tax obligations and such other terms as further provided by the TIF Note and any assignment thereof."

The foregoing replacement covenants shall serve as substitute covenants for New Owner II only and shall not affect or replace the covenants applicable to Owner or any other party with respect to any other portion of the Property, or with respect to the New Owner II Parcel for conditions that existed while Owner was titleholder of the New Owner II Parcel. The foregoing shall replace the covenants applicable to Owner with respect to the New Owner II Parcel as of the date of transfer of title to New Owner II and shall release Owner from any liability for losses, damages, costs, expenses or claims with respect to conditions that first exist on the New Owner II Parcel from and after the date Owner is no longer titleholder of the New Owner II Parcel.

16.3 **New Owner II Insurance.** New Owner II shall be responsible to provide all the insurance required by, and to otherwise to satisfy all provisions of, Section 11 of the Agreement with respect to the development and use of the New Owner II Parcel, and Owner shall have no obligation to comply with Section 11 of the Agreement as to the New Owner II Parcel. Owner shall be responsible to provide all the insurance required by, and to otherwise satisfy all provisions of, Section 11 of the Agreement with respect to the development and use of any and all of the remainder of the Property other than the New Owner II Parcel and New Owner II shall have no obligation to comply with Section 11 of the Agreement as to such remainder of the Property other than the New Owner II Parcel.

SECTION 17

NEW OWNER III

17.1 **Addition of New Owner III.** New Owner III joins in the Agreement pursuant to the Ninth Amendment and is added as a Party to the Agreement to, among other things, recognize that New Owner III will incur TIF Eligible Expenses on and related to the New Owner III Parcel substantially in accordance with the project budget set forth in **Exhibit Y** attached hereto and may incur additional TIF Eligible Expenses on and related to the New Owner III Expansion Parcel (which may be subject to an additional amendment to the Agreement) and shall be entitled to reimbursement for the same, subject to the same terms, conditions and limitations applicable to Owner under the Agreement. New Owner III shall be joined to the Agreement for the limited, sole and exclusive purpose of providing for the acquisition and redevelopment of the New Owner III Parcel and, if applicable, the New Owner III Expansion Parcel and reimbursement of TIF Eligible Expenses specified in this Agreement related thereto and being bound to the obligations under this Agreement and to the other obligations with respect to the New Owner III Parcel and, if applicable, the New Owner III Expansion Parcel under the Agreement. Except as provided herein, New Owner III shall have no rights or liabilities with regards to any provisions of the Agreement as they apply to any portion of the Property other than the New Owner III Parcel (and the New Owner III Expansion Parcel, if applicable as provided herein and in the Lease), including, without limitation, any consent or other approval rights regarding future amendments to the Agreement, additional redevelopment agreements related to the Property, or the development of the Property other than the New Owner III Parcel and the New Owner III Expansion Parcel, if applicable. New Owner III is not a Related Owner Party based upon the control and ownership information previously supplied to the City. New Owner III represents and warrants to the City the control and ownership information furnished to the City is now and will continue to be (subject to updates with additional information furnished to the City) true, complete and correct as of the date of issuance of the New Owner III Note (defined below). For clarification, any rights which New Owner III does have under this Agreement shall be deemed appurtenant to the fee ownership of the New Owner III Parcel.

17.2 **New Owner III Covenants.** New Owner III hereby makes the following covenants instead of the Owner Covenants set forth in Section 3 of the Agreement (the existing Section 3 covenants remain unaffected and in force as to the Owner but not as to New Owner III):

- (i) **Development Obligations.** New Owner III shall construct the New Owner III Tenant Improvements in accordance with the general parameters set forth on **Exhibit W** to the Agreement and in accordance with all applicable building codes of the City, applicable requirements of other governmental authorities with jurisdiction over the New Owner III Parcel and the New Owner III Expansion Parcel, plans and specifications approved by the City and the terms and conditions of the Agreement. New Owner III shall conduct construction of buildings and all other improvements in accordance with sound industry practices and, once commenced, shall prosecute any construction of a particular building or improvement continuously with diligence until completion, lien free. Public Improvements related to use of improvements on the New Owner III Parcel and required by the Lease or the City in order to issue a certificate of occupancy shall be completed

either by or for New Owner III prior to the time their use is required and in accordance with the Annexation Agreement. New Owner III shall commence construction of the New Owner III Tenant Improvements by May 15, 2015 subject to reasonable extensions for Force Majeure and the New Owner III Tenant Improvements shall be complete and ready to operate by November 15, 2015, subject to reasonable extensions for Force Majeure. For purposes of this Section 17.2(i), the definition of “Force Majeure” under the Agreement shall be amended to include delays caused by change orders to the New Owner III Tenant Improvements and delays caused by the tenant permitted pursuant to the Lease of the New Owner III Parcel. New Owner III shall use continuous and commercially reasonable efforts, in accordance with industry standards, supported by adequate financing, to prosecute and complete the construction requirements.

(ii) **Payment of Real Estate Taxes and Assessments.** New Owner III shall promptly pay or cause payment of all general real estate taxes, assessments, charges and fees due and payable to the City or any other governmental entity with respect to the New Owner III Parcel and, if the Tenant has exercised its right to expand its Premises as provided in the Lease, the New Owner III Expansion Parcel, when the same are due and payable, provided, no owner of any portion of the New Owner III Parcel shall be precluded from appealing or otherwise challenging any determination of the assessed value of the New Owner III Parcel by the assessor having jurisdiction over the New Owner III Parcel.

(iii) **No Violations.** New Owner III shall construct, operate and maintain or cause to be constructed, operated and maintained New Owner III Tenant Improvements in conformance with all applicable laws, rules, ordinances and regulations. All work with respect to the New Owner III Tenant Improvements shall conform to all federal, state and local laws, regulations and ordinances to the extent the same are applicable to such work.

(iv) **Reporting.** New Owner III shall meet with the Corporate Authorities and the City’s staff from time to time prior to completion of the New Owner III Tenant Improvements and make presentations as reasonably requested by the City Administrator in order to keep the City apprised of the progress of the New Owner III Tenant Improvements and demonstrate compliance with the terms of this Agreement.

(v) **Construction.** New Owner III agrees to construct the New Owner III Tenant Improvements according to the construction schedule set forth in Section 17.2(i), subject, however, to Force Majeure. New Owner III shall diligently pursue obtaining all required permits and shall cause construction of all New Owner III Tenant Improvements, once construction is commenced, to be completed pursuant to plans and specifications approved by the City, with reasonable diligence, in good faith and without delay, subject to Force Majeure.

(vi) **Payment of TIF Formation Costs.** Ridge Park and New Owner III shall cause all TIF Formation Costs incurred with respect to the New Owner III Parcel (and the New Owner III Expansion Parcel if the Tenant has exercised its right to expand its Premises as provided in the Lease), including any amendment to the Agreement dealing with the New Owner III Parcel or, if applicable, the New Owner III Expansion Parcel, to be paid as incurred within thirty (30) days of receipt of an invoice from the City and the same shall

qualify as TIF Eligible Expenses to the extent the same constitute Redevelopment Project Costs pursuant to the Act and any right to reimbursement for the same shall be deemed assigned to Ridge Park.

(vii) **Notice of Transfer of Interests in New Owner III or New Owner III Parcel.**

New Owner III shall promptly advise the City of any change of control of New Owner III or of any change in ownership or the transfer of any interests of ownership in the New Owner III Parcel or the New Owner III Expansion Parcel, provided, however, that the provisions of this Section 17.2(vii) shall not apply to transfers of non-controlling ownership interests in New Owner III or the entity owning the New Owner III Parcel.

(viii) **New Owner III Obligations Continuing.** New Owner III's obligations under this Agreement with respect to any indemnity obligation accruing during New Owner III's period of ownership of the New Owner III Parcel shall be continuing and shall not be deemed released merely by subsequent transfer of the New Owner III Parcel except as may be expressly provided in the Agreement. Other obligations of New Owner III pursuant to the Agreement shall be deemed to run with and be binding upon the New Owner III Parcel and any subsequent titleholder thereof. Payments under any pay-as-you-go obligation issued with respect to the New Owner III Parcel shall be subject to satisfaction of the covenants, terms and conditions of the Agreement. Payments under any TIF Note issued with respect to the New Owner III Parcel shall be subject to satisfaction of the covenants, terms and conditions of Section 17 and assessment of the New Owner III Tenant Improvements, payment of real estate tax obligations and such other terms as further provided by the TIF Note and any assignment thereof.

The foregoing replacement covenants shall serve as substitute covenants for New Owner III only and shall not affect or replace the covenants applicable to Owner or any other party with respect to any other portion of the Property, or with respect to the New Owner III Parcel for conditions that existed while Owner was titleholder of the New Owner III Parcel. The foregoing shall replace the covenants applicable to Owner with respect to the New Owner III Parcel as of the date of transfer of title to New Owner III and shall release Owner from any liability for losses, damages, costs, expenses or claims with respect to conditions that first exist on the New Owner III Parcel from and after the date Owner is no longer titleholder of the New Owner III Parcel.

17.3 **Insurance.** New Owner III shall be responsible to provide all the insurance required by, and to otherwise to satisfy all provisions of, Section 11 of the Agreement with respect to the development and use of the New Owner III Parcel (and the New Owner III Expansion Parcel, if applicable), and Owner shall have no obligation to comply with Section 11 of the Agreement as to the New Owner III Parcel or the New Owner III Expansion Parcel. Owner shall be responsible to provide all the insurance required by, and to otherwise satisfy all provisions of, Section 11 of the Agreement with respect to the development and use of any and all of the remainder of the Property other than the New Owner III Parcel and the New Owner III Expansion Parcel and New Owner III shall have no obligation to comply with Section 11 of the Agreement as to such remainder of the Property other than the New Owner III Parcel and the New Owner III Expansion Parcel.

SECTION 18

NEW PARK OWNER

18.1 **Addition of New Park Owner.** New Park Owner hereby joins the Agreement pursuant to the Tenth Amendment (and is, as a result thereof, hereby added as a Party to the Agreement) and hereby assumes the obligations of the “Owner” with respect to the New Park Owner Parcel. Ridge Park Logistics Park I, LLC (“**Ridge Park**”) and Ridge Management Team, LLC (“**Ridge Management**”) each hereby withdraw as a Party (and “Owner” with respect to Ridge Park) under the Agreement, and each shall no longer have any rights or obligations under the Agreement other than indemnity obligations accruing prior to March 29, 2016.

18.2 **Assignment of Reimbursements to New Park Owner.** The Original Parties have assigned to New Park Owner, and the City, New Park Owner and Ridge Park consented to such assignment of, any and all rights to reimbursements from Available Incremental Property Taxes for any TIF Eligible Expenses incurred by Ridge Park prior March 29, 2016, which expenses have been previously identified to and certified as reimbursable by the City in the amount of \$29,586,848 (plus accrued interest, which as of March 29, 2016 is \$2,666,745) (a portion of which was assigned as part of TIF Note I), and any rights to reimbursement for expenses pending approval the amount of which is acknowledged by all Parties to be \$512,534 (plus accrued interest), and any rights to reimbursement for TIF Eligible Expenses incurred by Ridge Park prior to March 29, 2016 but not yet identified to and certified as reimbursable by the City. From and after March 29, 2016, New Park Owner shall be the only “Owner” under the Agreement, and all references in the Agreement to “Owner” shall be deemed references to New Park Owner.

SECTION 19

NEW OWNER IV

19.1 **Addition of New Owner IV.** New Owner IV hereby joins in the Agreement pursuant to the Eleventh Amendment and is added as a Party to the Agreement to, among other things, recognize that New Owner IV will incur TIF Eligible Expenses on and related to the New Owner IV Parcel substantially in accordance with the project budget set forth in **Exhibit GG** attached hereto and may incur additional TIF Eligible Expenses on and related to the New Owner IV Expansion Parcel under the Agreement (but shall not be entitled to reimbursement for improvements on the New Owner IV Expansion Parcel nor be entitled to reimbursement for amounts in excess of those provided for under the New Owner IV Note (as defined herein)). New Owner IV shall be joined to the Agreement for the limited, sole and exclusive purpose of providing for the acquisition and redevelopment of the New Owner IV Parcel and, if applicable, the New Owner IV Expansion Parcel and reimbursement of TIF Eligible Expenses specified in this Agreement related to the New Owner IV Parcel and being bound to the obligations under this Agreement and to the other obligations with respect to the New Owner IV Parcel and, if applicable, the New Owner IV Expansion Parcel under the Agreement. Except as provided herein, New Owner IV shall have no rights or liabilities with regards to any provisions of the Agreement as they apply to any portion of the Property other than the New Owner IV Parcel (and the New Owner IV Expansion Parcel after it is acquired), including, without limitation, any

consent or other approval rights regarding future amendments to the Agreement, additional redevelopment agreements related to the Property, or the development of the Property other than the New Owner IV Parcel and the New Owner IV Expansion Parcel (after it is acquired). New Owner IV is not a Related Owner-Party based upon the control and ownership information previously supplied to the City. New Owner IV represents and warrants to the City the control and ownership information furnished to the City is now and will continue to be (subject to updates with additional information furnished to the City) true, complete and correct as of the date of issuance of the New Owner IV Note (defined below). For clarification, any rights which New Owner IV does have under this Agreement shall be deemed appurtenant to the fee ownership of the New Owner IV Parcel. In addition, New Owner IV acknowledges that it will also be the owner of the New Owner IV Adjacent Parcel. New Owner IV shall reasonably cooperate with Park Owner to add the New Owner IV Adjacent Parcel to the Project Area to the extent that Park Owner so elects, which shall include executing such petitions and other agreements as may be required as part of such process. In the event that the New Owner IV Adjacent Parcel is subsequently added to the Project Area, Park Owner and New Owner IV shall cooperate to amend this Agreement so that the New Owner IV Adjacent Parcel shall be deemed to be part of the New Owner IV Parcel subject to all of the terms and provisions of this Agreement (except as provided herein); provided, however, in no event shall the amounts to be paid to New Owner IV be changed whether or not the New Owner IV Adjacent Parcel is subsequently added to the Project Area.

19.2 **New Owner IV Covenants.** New Owner IV hereby makes the following covenants instead of the Owner Covenants set forth in Section 3 of this Agreement (the existing Section 3 covenants remain unaffected and in force as to the Owner but not as to New Owner IV):

(i) **Development Obligations.** New Owner IV shall construct the New Owner IV Improvements in accordance with the general parameters set forth on **Exhibit EE** and in accordance with all applicable building codes of the City, applicable requirements of other governmental authorities with jurisdiction over the New Owner IV Parcel and the New Owner IV Expansion Parcel, plans and specifications approved by the City and the terms and conditions of the Agreement. New Owner IV shall conduct construction of buildings and all other improvements in accordance with sound industry practices and, once commenced, shall prosecute any construction of a particular building or improvement continuously with diligence until completion, lien free. Public Improvements related to use of improvements on the New Owner IV Parcel and required by the City in order to issue a certificate of occupancy shall be completed either by or for New Owner IV prior to the time their use is required and in accordance with the Annexation Agreement. New Owner IV shall commence construction of the New Owner IV Improvements by April 15, 2016 subject to reasonable extensions for Force Majeure and the New Owner IV Improvements shall be complete and ready to operate by July 15, 2017, subject to reasonable extensions for Force Majeure. New Owner IV shall use continuous and commercially reasonable efforts, in accordance with industry standards, supported by adequate financing, to prosecute and complete the construction requirements.

(ii) **Payment of Real Estate Taxes and Assessments.** New Owner IV shall promptly pay or cause payment of all general real estate taxes, assessments, charges and fees due and payable to the City or any other governmental entity with respect to the New Owner IV Parcel and, after New Owner IV acquires the New Owner IV Expansion Parcel, the New Owner IV Expansion Parcel, when the same are due and payable, provided, no owner of any portion of the New Owner IV Parcel or the New Owner IV Expansion Parcel shall be precluded from appealing or otherwise challenging any determination of the assessed value of the New Owner IV Parcel or the New Owner IV Expansion Parcel by the assessor having jurisdiction over the New Owner IV Parcel or the New Owner IV Expansion Parcel.

(iii) **No Violations.** New Owner IV shall construct, operate and maintain or cause to be constructed, operated and maintained New Owner IV Improvements in conformance with all applicable laws, rules, ordinances and regulations. All work with respect to the New Owner IV Improvements shall conform to all federal, state and local laws, regulations and ordinances to the extent the same are applicable to such work.

(iv) **Reporting.** New Owner IV shall meet with the Corporate Authorities and the City's staff from time to time prior to completion of the New Owner IV Improvements and make presentations as reasonably requested by the City Administrator in order to keep the City apprised of the progress of the New Owner IV Improvements and demonstrate compliance with the terms of this Agreement.

(v) **Construction.** New Owner IV agrees to construct the New Owner IV Improvements according to the construction schedule set forth in Section 19.2(i), subject, however, to Force Majeure. New Owner IV shall diligently pursue obtaining all required permits and shall cause construction of all New Owner IV Improvements, once construction is commenced, to be completed pursuant to plans and specifications approved by the City, with reasonable diligence, in good faith and without delay, subject to Force Majeure.

(vi) **Payment of TIF Formation Costs.** Park Owner and New Owner IV shall cause all TIF Formation Costs incurred with respect to the New Owner IV Parcel (and the New Owner IV Expansion Parcel after it is acquired), including any amendment to the Agreement dealing with the New Owner IV Parcel or the New Owner IV Expansion Parcel (after it is acquired), to be paid as incurred within thirty (30) days of receipt of an invoice from the City and the same shall qualify as TIF Eligible Expenses to the extent the same constitute Redevelopment Project Costs pursuant to the Act and any right to reimbursement for the same shall be deemed assigned to Park Owner.

(vii) **Notice of Transfer of Interests in New Owner IV or New Owner IV Parcel.** New Owner IV shall promptly advise the City of any change of control of New Owner IV or of any change in ownership or the transfer of any interests of

ownership in the New Owner IV Parcel or the New Owner IV Expansion Parcel, provided, however, that the provisions of this Section 19.2(vii) shall not apply to transfers of non-controlling ownership interests in New Owner IV or the entity owning the New Owner IV Parcel.

(viii) **New Owner IV Obligations Continuing.** New Owner IV's obligations under this Agreement with respect to any indemnity obligation accruing during New Owner IV's period of ownership of the New Owner IV Parcel shall be continuing and shall not be deemed released merely by subsequent transfer of the New Owner IV Parcel except as may be expressly provided in the Agreement. Other obligations of New Owner IV pursuant to the Agreement shall be deemed to run with and be binding upon the New Owner IV Parcel and any subsequent titleholder thereof. Payments under any pay-as-you-go obligation issued with respect to the New Owner IV Parcel shall be subject to satisfaction of the covenants, terms and conditions of the Agreement. Payments under any TIF Note issued with respect to the New Owner IV Parcel shall be subject to satisfaction of the covenants, terms and conditions of Section 19 and assessment of the New Owner IV Improvements, payment of real estate tax obligations and such other terms as further provided by the TIF Note and any assignment thereof.

The foregoing replacement covenants shall serve as substitute covenants for New Owner IV only and shall not affect or replace the covenants applicable to Owner or any other party with respect to any other portion of the Property, or with respect to the New Owner IV Parcel for conditions that existed while Owner was titleholder of the New Owner IV Parcel. The foregoing shall replace the covenants applicable to Owner with respect to the New Owner IV Parcel as of the date of transfer of title to New Owner IV and shall release Owner from any liability for losses, damages, costs, expenses or claims with respect to conditions that first exist on the New Owner IV Parcel from and after the date Owner is no longer titleholder of the New Owner IV Parcel.

19.3 **Insurance.** New Owner IV shall be responsible to provide all the insurance required by, and to otherwise to satisfy all provisions of, Section 11 of the Agreement with respect to the development and use of the New Owner IV Parcel (and the New Owner IV Expansion Parcel, if applicable), and Owner shall have no obligation to comply with Section 11 of the Agreement as to the New Owner IV Parcel or the New Owner IV Expansion Parcel. Owner shall be responsible to provide all the insurance required by, and to otherwise satisfy all provisions of, Section 11 of the Agreement with respect to the development and use of any and all of the remainder of the Property other than the New Owner IV Parcel and the New Owner IV Expansion Parcel and New Owner IV shall have no obligation to comply with Section 11 of the Agreement as to such remainder of the Property other than the New Owner IV Parcel and the New Owner IV Expansion Parcel.

SECTION 20

NEW OWNER V

20.1 **Addition of New Owner V.** New Owner V hereby joins in the Agreement pursuant to the Thirteenth Amendment and is added as a Party to the Agreement to, among other things, recognize that New Owner V will incur and receive an assignment of TIF Eligible Expenses with respect to the New Owner V Parcel substantially in accordance with the project budget set forth in **Exhibit JJ** attached hereto (but shall not be entitled to reimbursement for TIF Eligible Expenses assigned or incurred in excess of those provided for under the New Owner V Note or Replacement New Owner V Note (as defined herein), as applicable). New Owner V shall be joined to the Agreement for the limited, sole and exclusive purpose of providing for the acquisition and redevelopment of the New Owner V Parcel and reimbursement of TIF Eligible Expenses specified in this Agreement related to the New Owner V Parcel and being bound to the obligations under this Agreement and to the other obligations with respect to the New Owner V Parcel under the Agreement. New Owner V shall have no rights or liabilities with regards to any provisions of the Agreement as they apply to any portion of the Property other than the New Owner V Parcel, including, without limitation, any consent or other approval rights regarding future amendments to the Agreement, additional redevelopment agreements related to the Property, or the development of the Property other than the New Owner V Parcel. New Owner V is a Related Owner-Party based upon the control and ownership information previously supplied and certified to the City by Park Owner and New Owner V. New Owner V represents and warrants to the City the control and ownership information furnished to the City is now and will continue to be (subject to updates with additional information furnished to the City) true, complete and correct as of the date of issuance of the New Owner V Note and Replacement New Owner V Note (as defined below), as applicable. For clarification, any rights which New Owner V does have under this Agreement shall be deemed appurtenant to the fee ownership of the New Owner V Parcel.

20.2 **New Owner V Covenants.** New Owner V hereby makes the following covenants instead of the Owner Covenants set forth in Section 3 of the Agreement (the existing Section 3 covenants remain unaffected and in force as to the Owner but not as to New Owner V):

- (i) **Development Obligations.** New Owner V shall construct the New Owner V Improvements in accordance with the general parameters set forth on **Exhibit II** to the Agreement to Redevelopment Agreement and in accordance with all applicable building codes of the City, applicable requirements of other governmental authorities with jurisdiction over the New Owner V Parcel, plans and specifications approved by the City and the terms and conditions of the Agreement and sufficient in all respects to qualify for issuance of a certificate of occupancy for the improvements. New Owner V shall conduct construction of buildings and all other improvements in accordance with sound industry practices and, once commenced, shall prosecute any construction of a particular building or improvement continuously with diligence until completion, lien free. Public Improvements related to use of improvements on the New Owner V Parcel and required by the New Owner V Lease or by the City in order to issue a certificate of occupancy shall be completed either by or for New Owner V prior to the time their use is required and in accordance with the Annexation Agreement. New Owner V shall commence

construction of the New Owner V Improvements by October 2, 2016 subject to reasonable extensions for Force Majeure and the New Owner V Improvements shall be complete and ready to operate by December 31, 2017 (the "Building Completion Date"), subject to reasonable extensions for Force Majeure. For purposes of this Section 20.2(i), the definition of "Force Majeure" under the Agreement shall be amended to include reasonable delays caused by change order to the New Owner V Improvements which are permitted to be made by the tenant pursuant to the New Owner V Lease, provided that the City is promptly notified of the details and the length of delay and satisfactory assurances of funding and completion are furnished to the City by New Owner V. New Owner V shall use continuous and commercially reasonable efforts, in accordance with industry standards, supported by adequate financing, to prosecute and complete the construction requirements.

(ii) **Payment of Real Estate Taxes and Assessments.** New Owner V shall promptly pay or cause payment of all general real estate taxes, assessments, charges and fees due and payable to the City or any other governmental entity with respect to the New Owner V Parcel when the same are due and payable, provided, no owner of any portion of the New Owner V Parcel shall be precluded from appealing or otherwise challenging any determination of the assessed value of the New Owner V Parcel by the assessor having jurisdiction over the New Owner V Parcel.

(iii) **No Violations.** New Owner V shall construct, operate and maintain or cause to be constructed, operated and maintained New Owner V Improvements in conformance with all applicable laws, rules, ordinances and regulations. All work with respect to the New Owner V Improvements shall conform to all federal, state and local laws, regulations and ordinances to the extent the same are applicable to such work.

(iv) **Reporting.** New Owner V shall meet with the Corporate Authorities and the City's staff from time to time prior to completion of the New Owner V Improvements and make presentations as reasonably requested by the City Administrator in order to keep the City apprised of the progress of the New Owner V Improvements and demonstrate compliance with the terms of this Agreement.

(v) **Construction.** New Owner V agrees to construct the New Owner V Improvements according to the construction schedule set forth in Section 20.2(i), subject, however, to Force Majeure. New Owner V shall diligently pursue obtaining all required permits and shall cause construction of all New Owner V Improvements, once construction is commenced, to be completed pursuant to plans and specifications approved by the City, with reasonable diligence, in good faith and without delay, subject to Force Majeure.

(vi) **Payment of TIF Formation Costs.** Park Owner and New Owner V shall cause all TIF Formation Costs incurred with respect to the New Owner V Parcel, including any amendment to the Agreement dealing with the New Owner V Parcel, to be paid as incurred within thirty (30) days of receipt of an invoice from the City and the same shall qualify as TIF Eligible Expenses to the extent the same constitute Redevelopment Project

Costs pursuant to the Act and any right to reimbursement for the same shall be deemed assigned to Park Owner.

(vii) **Notice of Transfer of Interests in New Owner V or New Owner V Parcel.** New Owner V shall promptly advise the City of any change of control of New Owner V or of any change in ownership or the transfer of any interests of ownership in the New Owner V Parcel, provided, however, that the provisions of this Section 20.2(vii) shall not apply to transfers of non-controlling ownership interests in New Owner V or the entity owning the New Owner V Parcel.

(viii) **New Owner V Obligations Continuing.** New Owner V's obligations under this Agreement with respect to any indemnity obligation accruing during New Owner V's period of ownership of the New Owner V Parcel shall be continuing and shall not be deemed released merely by subsequent transfer of the New Owner V Parcel except as may be expressly provided in the Agreement. Other obligations of New Owner V pursuant to the Agreement shall be deemed to run with and be binding upon the New Owner V Parcel and any subsequent titleholder thereof. Payments under any pay-as-you-go obligation issued with respect to the New Owner V Parcel shall be subject to satisfaction of the covenants, terms and conditions of the Agreement. Payments under any TIF Note issued with respect to the New Owner V Parcel shall be subject to satisfaction of the covenants, terms and conditions of Sections 20.2(i), 20.2(iv), 20.2(v) and 20.2(vi) inclusive, and assessment of the New Owner V Improvements, payment of real estate tax obligations and such other terms as further provided by the TIF Note and any assignment thereof.

The foregoing replacement covenants shall serve as substitute covenants for New Owner V only and shall not affect or replace the covenants applicable to Owner or any other party with respect to any other portion of the Property, and shall not affect or replace the covenants applicable to Owner or any other party with respect to the New Owner V Parcel for conditions that existed while Owner was titleholder of the New Owner V Parcel. The foregoing shall replace the covenants applicable to Owner with respect to the New Owner V Parcel as of the date of transfer of title to New Owner V and shall release Owner from any liability for losses, damages, costs, expenses or claims with respect to conditions that first exist on the New Owner V Parcel from and after the date Owner is no longer titleholder of the New Owner V Parcel.

20.3 **Assignment of a Portion of Park Owner TIF Eligible Expenses to New Owner V.** In addition to the TIF Eligible Expenses to be incurred by New Owner V as part of the project budget identified on **Exhibit JJ**, Park Owner hereby assigns to New Owner V, as titleholder to the New Owner V Parcel, TIF Eligible Expenses in the amount of \$9,422,156.25 to support the issuance of the TIF Notes referenced in Section 4.2(viii) and New Owner V shall be entitled to reimbursement for such TIF Eligible Expenses pursuant to the New Owner V Note and Replacement New Owner V Note (defined in Section 4.2(viii)), as applicable, notwithstanding the fact that New Owner V did not incur such TIF Eligible Expenses; provided, that a portion of such assignment in amount equal to \$1,884,431.25 is conditioned on the future exercise of the Extension (defined in Section 4.3(vi)) by the tenant under the New Owner V Lease, and if the Extension is not exercised, then the Parties agree that such assignment to support the

Replacement New Owner V Note shall be automatically void and of no effect and New Owner V and tenant under the New Owner V Lease shall certify such fact to the City or such fact shall otherwise be demonstrated to the City's satisfaction.

20.4 **Insurance.** New Owner V shall be responsible to provide all the insurance required by, and to otherwise to satisfy all provisions of, Section 11 of the Agreement with respect to the development and use of the New Owner V Parcel, and Owner shall have no obligation to comply with Section 11 of the Agreement as to the New Owner V Parcel. Owner shall be responsible to provide all the insurance required by, and to otherwise satisfy all provisions of, Section 11 of the Agreement with respect to the development and use of any and all of the remainder of the Property other than the New Owner V Parcel and New Owner V shall have no obligation to comply with Section 11 of the Agreement as to such remainder of the Property other than the New Owner V Parcel.

SECTION 21

NOTICE

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) facsimile, provided said notice is also sent by one of the other means identified herein; (c) overnight courier; or (d) registered or certified mail, return receipt requested.

If to the Owner / New Park Owner:

Adar Ridgeport Industrial Partners, LLC
2875 NE 191st St., Ste 800
Aventura, FL 33180
Attn: Juan Roberto DeAngulo

With a copy to:

Holland & Knight LLP
131 S. Dearborn Street, 30th Floor
Chicago, IL 60603
Attention: Peter M. Friedman
Email: peter.friedman@hklaw.com

If to the City:

City of Wilmington
City Clerk
1165 South Water Street
Wilmington, IL 60481
Fax: (815) 476-2276

With a copy to:

City of Wilmington
City Mayor
1165 South Water Street
Wilmington, IL 60481
Fax: (815) 476-2276

And

Klein, Thorpe & Jenkins, Ltd.
20 N. Wacker Drive, Suite 1660
Chicago, Illinois 60606
Attention: Scott Nemanich, Esq.
Fax: (312) 984-6444

Any notice, demand, or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon confirmation of receipt. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the business day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

SECTION 22

MISCELLANEOUS

22.4 **Amendment.** This Agreement may not be amended without the prior written consent of the City and the Owner. Notwithstanding the foregoing or anything to the contrary contained herein, but to the extent not otherwise inconsistent with the terms of that certain Fifth Amendment as applied to the property thereunder, if any amendment of this Agreement by the Owner and the City materially adversely affects any then-existing obligations hereunder with respect to any other property comprising a portion of the Property (the “Remaining Property”), the written consent of the owner of the parcel within the Remaining Property so affected shall be required for the effectiveness of any such amendment to this Agreement as applied to such parcel. For purposes of clarity, New Park Owner, as the sole Owner, may unilaterally amend the Agreement at any time with the consent of the City, but without the requirement of the consent of any other Parties to the Agreement, so long as such amendment does not materially adversely affect the other Parties to the Agreement.

22.5 **Entire Agreement.** This Agreement constitutes the entire Agreement between the Parties hereto and it supersedes all prior agreements (including, without limitation the Amended Initial Agreement), negotiations and discussions between the Parties relative to the subject matter hereof. In the event that the Parties inadvertently omitted any provisions of the Amended Initial Agreement when preparing this Agreement, the Parties agree to use good faith efforts to amend this Agreement to include such provision.

22.6 **Limitation of Liability.** No member, official or employee of the City shall be personally liable to Owner or any successor in interest to such party for any amount which may become due to Owner from the City or any obligation under the terms of this Agreement.

22.7 **Effectiveness of this Agreement.** Nothing contained in this Agreement shall be deemed or construed to impose any duty or obligation upon the Owner to undertake the development and construction of the Project or any other on-site or off-site improvements or to operate the same except as described herein. A default under the Annexation Agreement shall not constitute a default under this Agreement and a default under this Agreement shall not constitute a default under the Annexation Agreement.

22.8 **Further Assurances.** Owner agrees to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may be required to carry out the terms, provisions and intent of this Agreement.

22.9 **No Waiver.** Any delay by the City in instituting or prosecuting any actions or proceedings or otherwise asserting its rights shall not operate as a waiver of such rights or operate to deprive City of or limit such rights in any way. No waiver by the City shall be effective unless specifically set forth in writing by the City. No waiver made by City with respect to any specific default by another Party shall be construed, considered or treated as a waiver of the rights of City with respect to any other default whether of a like or different kind.

22.10 **Remedies Cumulative.** The remedies of the City hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such Party unless specifically stated in writing.

22.11 **Disclaimer.** Nothing contained in this Agreement nor any act of the City or other Party shall be deemed or construed by any of the Parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the City.

22.12 **Headings.** The paragraph and section headings contained herein are for convenience only and are not intended to limit, vary, define or expand the content thereof.

22.13 **Waiver of Bidding.** The City, by a vote of not less than two-thirds (2/3) vote of the Corporate Authorities currently holding office and pursuant to the provisions of 65 ILCS 5/8-9-1 of the Illinois Municipal Code, hereby waives the requirement that the Owner bid out the contracts the Owner intends to enter into in furtherance of the construction of the Public Improvements.

22.14 **Prevailing Wage Act and Other Legal Compliance.** The Owner hereby agrees that, to the extent applicable to the Project from time to time, the Owner shall comply, and shall cause all parties it contracts with to comply, with the Prevailing Wage Act and other applicable legal requirements.

22.15 **Tax-Exempt Sales.** The City acknowledges that, pursuant to Section 5(4) of the Service Occupation Tax Act, Section 5(11) of the Retailers' Occupation Tax Act and Section 130.2075(d) of Title 86 of the Illinois Administrative Code, sales of building materials to the Owner and its contractors and subcontractors for incorporation into the Public Improvements ("Exempt Sales") are exempt from the retailers' occupation tax. The City agrees to provide the Owner with a copy of the City's exemption letter and "E" number issued by the Illinois Department of Revenue, and, subject to Department of Revenue regulations, the Corporate Authorities hereby consent to the use of such letter and number by the Owner, its contractors and subcontractors in connection with such Exempt Sales, so long as the Owner's procurement company continues to provide all non-Exempt Sales of building materials have nexus and are reported within the City, affording the City a share of the retailers' occupation tax revenue, as anticipated by the Annexation Agreement.

22.16 **Other Agreements.** Nothing in this Agreement shall be construed to terminate or modify the terms of any fee or expense reimbursement agreement otherwise existing between the City and the Owner, Ridge Property Trust or any affiliate with respect to the Project or the Property.

22.17 **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

22.18 **Severability.** If any provision in this Agreement, or any paragraph, sentence, clause, phrase, word or the application thereof; in any circumstance, is held invalid, this Agreement shall be construed as if such invalid part were never included herein and the remainder of this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

22.19 **Conflict.** In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances or the Act, such ordinances or Act shall prevail and control, as appropriate.

22.20 **Governing Law.** This Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to its conflicts of law principles.

22.21 **Approval.** Wherever this Agreement provides for the approval, consent or action by the City, or any matter is to be to the City's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the City Administrator in writing.

22.22 **Binding Effect.** This Agreement shall be binding upon the Owner and its respective permitted successors and permitted assigns. This Agreement shall inure to the benefit of the City, its successors and assigns. The rights of the Owner pursuant to this Agreement may not be assigned except as provided in Section 4.2 and Section 13. This Agreement shall be binding upon the City, its successors and assigns to the extent provided above.

22.23 **Exhibits.** All of the exhibits attached hereto are incorporated herein by reference.

22.24 **No Third Party Beneficiary.** This Agreement is for the sole and exclusive benefit of the City and the Owner, and their permitted successors and permitted assigns. No other person or entity, other than Permitted Mortgagees, is an intended third party beneficiary or shall have the right to enforce any of the provisions of this Agreement. All Permitted Mortgagees are intended beneficiaries of this Agreement.

22.25 **Force Majeure.** Neither the City nor the Owner shall be considered in breach or default of their respective obligations under this Agreement, and times for performance of obligations hereunder shall be extended in the event of any delay caused by force majeure, including without limitation, general market conditions for Will County industrial space which hinder Owner's ability to secure pre-leasing commitments, damage or destruction by fire or casualty; strike; lockout; civil disorder; war; acts or effects of act of terrorism; shortage or delay in shipment of material or fuel; acts of God; unusually adverse weather or wet soil conditions; delays caused by a failure to act by any governmental authority in the issuance of permits which is not the fault of the Owner or relevant lot owner, as the case may be, or other like causes beyond the Parties' reasonable control, including without limitation any litigation, court order or judgment resulting from any litigation affecting the validity of the Redevelopment Plan and Project, the Project, the Bonds, any Note, this Agreement, or eminent domain actions; *provided* that such event of Force Majeure shall not be deemed to exist as to any matter initiated or sustained by the City or the Owner for the purpose of hindering or delaying the performance of obligations by such party and that such Party shall use diligence to minimize any delay caused by a force majeure event, and *further provided* that the party claiming the benefits of this Section shall notify the other in writing within thirty (30) days of the commencement of such claimed event of force majeure. Notwithstanding anything to the contrary, lack of funds of the Owner or owner of any lot shall not constitute Force Majeure.

22.26 **Joint and Several.** In the event that, at any time, the titleholders of the Property shall consist of more than one person or entity, then during such period of ownership, the obligations of such persons and entities under this Agreement shall be joint and several except to the extent that an obligation expressly relates only to a titleholder of a respective subdivision lot, in which case other subdivision lot titleholders shall not be liable therefor.

22.27 **Potential Amendment to TIF Project Area.** The Parties acknowledge that the Annexation Agreement providing for annexation of the Project Area to the City anticipates the possibility that the location of an area reserved for commercial (non-industrial) development, and which is not intended to become part of the Project Area, may shift in location. In the event such shift in location shall occur, the Parties, including without limitation any titleholders of the respective areas, shall cooperate to amend the Project Area accordingly on an acre for acre basis.

22.28 **Local Job and Vendor Initiative.** Owner shall, to the extent feasible, present opportunities for training and employment of residents of the City and to the extent feasible, provide that contracts for work in connection with the construction and operating and marketing of the Project be awarded to business concerns which are located in substantial part by persons residing in the City.

WHEREFORE, the Parties herein have signed this Agreement on the date and year first above written.

[signature pages commence on following page]

CITY:

CITY OF WILMINGTON,
an Illinois municipal corporation

By: _____
City Mayor

ATTEST:

By: _____
City Clerk

OWNER:

**RIDGEPORT LOGISTICS CENTER I,
LLC, a Delaware limited liability company**

By: _____

By:

Its: _____

ACKNOWLEDGMENTS

STATE OF ILLINOIS)

) SS.

COUNTY OF WILL

)

The foregoing instrument was acknowledged before me on _____, 2017, by _____, the Mayor of the City of Wilmington, an Illinois municipal corporation, and by _____, the City Clerk of the City of Wilmington.

Signature of Notary

SEAL

My Commission expires: _____

STATE OF ILLINOIS)

) SS

COUNTY OF COOK)

I, _____, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT _____, personally known to me to be the _____ of _____ (“Corporation”), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such _____ he/she signed and delivered the said instrument, pursuant to authority given by the Board of Directors of said Corporation as his/her free and voluntary act and as the free and voluntary act and deed of said corporation for said Company and said Partnership, for the uses and purposes therein set forth.

GIVEN under my hand and official Seal this _____ day of _____, 2017.

Notary Public

STATE OF ILLINOIS)

) SS

COUNTY OF COOK)

I, _____, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT _____, personally known to me to be the _____ of _____ (“Corporation”), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such _____ he/she signed and delivered the said instrument, pursuant to authority given by the Board of Directors of said Corporation as his/her free and voluntary act and as the free and voluntary act and deed of said corporation for said Company and said Partnership, for the uses and purposes therein set forth.

GIVEN under my hand and official Seal this _____ day of _____, 2017.

Notary Public

STATE OF ILLINOIS)

) SS

COUNTY OF COOK)

I, _____, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT _____, personally known to me to be the _____ of _____ (“Corporation”), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such _____ he/she signed and delivered the said instrument, pursuant to authority given by the Board of Directors of said Corporation as his/her free and voluntary act and as the free and voluntary act and deed of said corporation for said Company and said Partnership, for the uses and purposes therein set forth.

GIVEN under my hand and official Seal this _____ day of _____, 2017.

Notary Public

Document comparison by Workshare Compare on Thursday, December 28, 2017 4:44:08 PM

Input:	
Document 1 ID	interwovenSite://HKDMS/Active/53187728/25
Description	#53187728v25<Active> - Redevelopment Agreement btw City of Wilmington and Ridgeport et al
Document 2 ID	interwovenSite://HKDMS/Active/53187728/26
Description	#53187728v26<Active> - Redevelopment Agreement btw City of Wilmington and Ridgeport et al
Rendering set	Standard

Legend:	
Insertion	
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Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	6
Deletions	6
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	12



Crowe Horwath LLP
 Independent Member Crowe Horwath International
 225 West Wacker Drive, Suite 2600
 Chicago, Illinois 60606-1224
 Tel 312.899.7000
 Fax 312.899.5300
 www.crowehorwath.com

December 29, 2017

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Mayor Roy Strong
 City of Wilmington
 1165 S. Water Street
 Wilmington, Illinois 60481

Re: Illinois Consulting Services for Tax Increment Redevelopment Matters

Dear Mayor Strong:

This letter confirms the arrangements for Crowe Horwath LLP (Crowe, us, we, or our) to provide certain tax services to the City of Wilmington, Illinois (City, you, client or our). The attached Crowe Engagement Terms are an integral part of this letter and are incorporated herein.

PROJECT SCOPE AND OBJECTIVES

Our engagement involves assisting the City by providing state and local tax consulting services regarding Illinois tax increment financing over the term of ten (10) years. Our services are intended to assist the City with regard to providing timely reporting and documentation of eligible redevelopment project costs under the Illinois Tax Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, et seq.) within the RidgePort Logistics Business Park TIF District (TIF District), to support the City in its administration of the TIF District, and for reimbursements of qualified expenditures.

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The expectations and responsibilities for Crowe and the City are outlined in the sections below.

OUR RESPONSIBILITIES

Our services will include the following:

- Review expenditures incurred by Ridgeport, as provided by Ridgeport.
- Prepare a report of all qualified expenditures under the Illinois Tax Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, et seq.) with supporting provision documentation to the City.
- Track all qualified expenditures accumulated over the course of the calendar year.
- Reconcile all previous expenditures from inception to current and assemble backup documentation from information provided by the City or RidgePort.
- Yearly forecasted revenue projections including cash flow, which will be based on data provided by Ridgeport.
- Prepare disbursement schedules, including review of payments made to Will County, monitor changing Property Identification Numbers within the TIF District, identifying the entities to be paid, and calculating the interest and principal portions of the TIF Notes and pay-as-you-go obligations.

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CITY RESPONSIBILITIES

We understand that you will work with Ridgeport to provide us with the following:

- As needed, provide any supporting documentation that is requested and necessary for Crowe to prepare a report to the City.
- Provide Crowe with copies of any and all correspondence regarding the report.
- Any additional items as may be needed, which will be communicated as the engagement progresses.

In connection with performing this service, you agree to: assume all management responsibilities including making all management decisions; oversee the service by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience; evaluate the adequacy and results of the services performed; accept responsibility for the accuracy and completeness of all information provided by you to us; accept responsibility for the timely submission to Crowe of all information necessary to perform our work and accept responsibility for the results of, and how you use the results of, our services; and establish and maintain internal controls, including monitoring of ongoing activities. Because of the importance of management's representations, you agree to release Crowe and its personnel from any liability and costs relating to our services under this letter attributable to any misrepresentations by management.

OTHER INFORMATION

The law provides various penalties that may be imposed when taxpayers understate their tax liability. If you would like information on the amount or circumstances of these penalties, please contact us.

Although some professionals assigned to the engagement may have a Juris Doctor degree or an L.L.M. degree, Crowe and its personnel do not practice law and have not been engaged to provide any legal advice. You acknowledge and agree that neither Crowe nor any of our personnel will be asked or engaged to provide any legal advice in providing any services to you.

Federal law generally prohibits us from disclosing your tax return information to third parties or from using your tax return information for non-return matters. The law provides certain exceptions including, but not limited to disclosures and uses in the normal course of rendering our services, whereby we may disclose or use your tax return information without obtaining separate consent. Crowe does utilize third-party service providers (including GoSystem Tax RS, CCH Axxess, etc.) when performing certain tax services.

PROFESSIONAL FEES

We will bill Ridgeport for the first \$25,000 of our services per year provided that the City does not change or amend the scope of services listed above. Upon written approval of the City to exceed the \$25,000 fee budget, we will bill the City for any amount above \$25,000 per year for our services, which will be an amount in our professional judgment that is fair and that takes into account all the facts and circumstances involved in our work. This includes, without limitation, factors such as: (a) the complexity of issues encountered and the degree of skill required to perform the particular assignment, (b) the amount of money involved or at risk, (c) the time constraints imposed by either you or the circumstances, and (d) the level of cooperation we receive from you. We use the amount of time required at various levels of responsibility as a guideline to determine fees. Our current hourly rates for professional staff range from \$140 to \$640. Our rates typically change annually.

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Level	Hourly Rate
Tax Partner	\$640
Tax Senior Manager	\$545
Tax Manager	\$260
Tax Senior Staff	\$160
Tax Staff	\$140

We estimate the annual professional fees in connection with this engagement will be \$25,000 for the first year of this engagement. If we anticipate the time incurred will exceed \$25,000, then we will contact you to discuss the fee budget and obtain the City's written permission before exceeding the fee budget.

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Bills that are not paid within 30 days of receipt are subject to a monthly interest charge of one percent per month or the highest interest rate allowed by law, whichever is less, which we may elect to waive at our sole discretion, plus costs of collection including reasonable attorneys' fees. If services are required that are beyond the scope of this engagement letter, we will discuss those with you when the issue arises so that we may come to a mutually agreed upon solution.

ACCOUNTANT/CLIENT PRIVILEGE

You should be aware that certain information discussed with members of Crowe who are federally authorized tax practitioners or their agents for the purpose of obtaining our advice on tax matters may be privileged from disclosure in any non-criminal tax matters before the Internal Revenue Service and in non-criminal proceedings in Federal court that stem from matters before the Internal Revenue Service, if the United States is a party to the proceedings. Because you are solely responsible for managing the recognition, establishment and maintenance of the confidentiality privilege, you must notify us if you wish to invoke the confidentiality privilege and we will cooperate with your reasonable and proper instructions relating to the confidentiality privilege. Circumstances may arise under which you may wish to divulge or have Crowe divulge privileged information to other parties. You should be aware that such disclosure might result in a waiver of the privilege. Accordingly, if you wish us to divulge such information, we will require you to provide us in advance with written authority to do so. In addition, if it is ultimately determined that a significant purpose of the tax matter was to avoid or evade any U.S. federal income tax, you should be aware that the privilege under Section 7525 of the Internal Revenue Code will not apply to any communications between you and Crowe.

In the event that we receive a request from a third-party, including the IRS, (including a subpoena, summons or discovery demand or request) calling for the production of privileged information, we will notify you and will follow your reasonable instructions regarding any third-party requests for such material before we will disclose same as may be required under applicable laws or rules. You hereby undertake to hold us harmless from and be responsible for our fees associated with compliance in conjunction with any expenses (including attorney fees, court costs, costs incurred by outside advisors and any other cost imposed whether by way of penalty or otherwise) incurred by us as a result of your assertion of the privilege or your direction to Crowe to assert the privilege on your behalf or in the event that Crowe will determine that it is required by applicable law or rules to assert the privilege without having received direction from you.

MISCELLANEOUS

Crowe will provide the services to Client under this Agreement as an independent contractor and not as Client's partner, agent, employee, or joint venturer under this Agreement. Neither Crowe nor Client will have any right, power or authority to bind the other party.

This engagement letter agreement (the "Agreement") reflects the entire agreement between the parties relating to the services (or any reports, deliverables or other work product) covered by this Agreement. The engagement letter and any attachments (including without limitation the attached Crowe Engagement Terms) are to be construed as a single document, with the provisions of each section applicable throughout. This Agreement may not be amended or varied except by a written document signed by each party. It replaces and supersedes any other proposals, correspondence, agreements and understandings, whether written or oral, relating to the services covered by this letter, and each party agrees that in entering this Agreement, it has not relied on any oral or written representations, statements or other information not contained in or incorporated into this Agreement. Any non-disclosure or other confidentiality agreement is replaced and superseded by this Agreement. The agreements of the parties contained in this Agreement will survive the completion or termination of this Agreement. If any provision (in whole or in part) of this Agreement is found unenforceable or invalid, this will not affect the remainder of the provision or any other provisions in this Agreement, all of which will continue in effect as if the stricken portion had not been included. This Agreement may be executed in two or more actual, scanned, emailed, or electronically copied counterparts, each and all of which together are one and the same instrument. Accurate transmitted copies (transmitted copies are reproduced documents that are sent via mail, delivery, scanning, email, photocopy, facsimile or other process) of the executed Agreement or signature pages only (whether handwritten or electronic signature) will be considered and accepted by each party as documents equivalent to original documents and will be deemed valid, binding and enforceable by and against all parties. This Agreement must be construed, governed, and interpreted under the laws of the State of Illinois, without regard for choice of law principles.

* * * * *

Signing and returning the enclosed acknowledgement copy to the following address indicates acceptance of the terms identified in this engagement letter:

Mr. Dean J. Uminski
Crowe Horwath LLP
225 W Wacker Dr., Suite 2600
Chicago, Illinois 60606-
Fax: +1 312-899-5300
E-mail: dean.uminski@crowehorwath.com

We are pleased to have this opportunity to serve you, and we look forward to a continuing relationship. If the terms of this letter and the attached Crowe Engagement Terms are acceptable to you, please sign below and return one copy of this letter at your earliest convenience. Please contact Dean Uminski at (312) 966-3010 or Moiz Mohammed at (312) 606-7163 with any questions or concerns.

ACCEPTANCE:

I have reviewed the arrangements outlined above and in the attached Crowe Engagement Terms, and I accept on behalf of the Client the terms and conditions as stated. By signing below, I represent and warrant that I am authorized by Client to accept the terms and conditions as stated.

IN WITNESS WHEREOF, the City of Wilmington, Illinois and Crowe have duly executed this engagement letter effective the date first written above.

City of Wilmington, Illinois

Crowe Horwath LLP

Signature

Signature

Roy Strong

Printed Name

Dean J. Uminski

Printed Name

Mayor

Title

Principal

Title

January __, 2018

Date

December __, 2017

Date

Attachment: Attachment A: Insurance Coverages to be Maintained by Crowe

cc: Ms. Dalia Pearson
Vice President of Finance
Elion Partners
2875 NE 191st St., Ste. 800
Aventura, FL 33180

Mr. Michael Stellino
Managing Director of Development
Elion Partners
2875 NE 191st St., Ste. 800
Aventura, FL 33180

Crowe Engagement Terms

Crowe wants Client to understand the terms under which Crowe provides its services to Client and the basis under which Crowe determines its fees. These terms are part of the Agreement and apply to all services described in the Agreement as well as all other services provided to Client (collectively, the ~~Services~~), unless and until a separate written agreement is executed by the parties for separate services. Any advice provided by Crowe is not intended to be, and is not, investment advice.

CLIENT ASSISTANCE . For Crowe to provide Services effectively and efficiently, Client agrees to provide Crowe timely with information requested and to make available to Crowe any personnel, systems, premises, records, or other information as reasonably requested by Crowe to perform the Services. Access to such personnel and information are key elements for Crowe's successful completion of Services and determination of fees. If for any reason this does not occur, a revised fee to reflect the additional time or resources required by Crowe will be mutually agreed upon. Client agrees Crowe will have no responsibility for any delays related to a delay in providing such information to Crowe. Such information will be accurate and complete, and Client will inform Crowe of all significant tax, accounting and financial reporting matters of which Client is aware.

PROFESSIONAL STANDARDS . As a regulated professional services firm, Crowe must follow professional standards when applicable, including the Code of Professional Conduct of the American Institute of Certified Public Accountants (~~ICPA~~). Thus, if circumstances arise that, in Crowe's professional judgment, prevent it from completing the engagement, Crowe retains the right to take any course of action permitted by professional standards, including declining to express an opinion or issue other work product or terminating the engagement.

REPRESENTATIONS . Crowe represents and certifies that its Services shall be performed in accordance with the standards of professional practice, care, and diligence practiced by recognized accounting firms in performing services of a similar nature in existence at the time of performance. The representations and certifications expressed shall be in addition to any other representations and certifications expressed in Engagement Letter, the Engagement Terms, or expressed or implied by law, which are hereby reserved unto Client.

REPORTS . Client will not rely on any memoranda, reports, deliverables, work product, presentations, or other communications Crowe provides under this Agreement (~~Reports~~) that is clearly marked as a draft. Unless required by an audit or other attestation professional standard, Crowe will not be required to update any final Report for circumstances of which we become aware or events occurring after delivery.

CONFIDENTIALITY . Except as otherwise permitted by this Agreement or as agreed in writing, neither Crowe may not disclose to third parties the contents of this Agreement or any information provided by or on behalf of the Client that ought reasonably to be treated as confidential and/or proprietary. Client use of any Crowe work product will be limited to Client business use only. However, Client agrees that Crowe may disclose such information to the extent that it: (i) is or becomes public other than through a breach of this Agreement, (ii) is subsequently received by Crowe from a third party who, to Crowe's knowledge, owes no obligation of confidentiality to Client with respect to that information, (iii) was known to Crowe at the time of disclosure or is thereafter created independently, (iv) is disclosed as necessary to enforce Crowe's rights under this Agreement, or (v) must be disclosed under applicable law, regulations, legal process or professional standards, provided however, that Crowe first provides Client reasonable written notice prior to the disclosure (to the extent not prohibited by law or government agency) so that Client has a chance to object or seek relief to prevent disclosure. Notwithstanding anything to the contrary in Crowe's engagement letter with Client and these Engagement Terms client hereby gives permission to Crowe, and Crowe agrees to, share with Adar Ridgeport Industrial Partners, LLC all work product related to the Services, including reports, calculations, and any underlying documents or information provided to or provided by Crowe, to the same extent Crowe would share this work product with the City or the City would have a right to obtain this work product from Crowe.

THIRD PARTY PROVIDER . Crowe may use a third-party provider in providing Services to Client, which may require Crowe to share Client confidential information with the provider. If Crowe uses a third-party provider, Crowe will enter into a confidentiality agreement with the provider to require the provider to protect the

confidentiality of Client's confidential information, and Crowe will be responsible to Client for maintaining its confidentiality.

CLIENT-REQUIRED CLOUD USAGE . If Client requests that Crowe access files, documents or other information in a cloud-based or web-accessed hosting service or other third-party system accessed via the internet, including, without limitation iCloud, Dropbox, Google Docs, Google Drive, a data room hosted by a third-party, or a similar service or website (collectively, "Cloud Storage"), Client will confirm with any third-parties assisting with or hosting the Cloud Storage that either such third-party or Client (and not Crowe) is responsible for complying with all applicable laws relating to the Cloud Storage and any information contained in the Cloud Storage, providing Crowe access to the information in the Cloud Storage, and protecting the information in the Cloud Storage from any unauthorized access, including without limitation unauthorized access to the information when in transit to or from the Cloud Storage. Client represents that it has authority to provide Crowe access to information in the Cloud Storage and that providing Crowe with such access complies with all applicable laws, regulations, and duties owed to third parties.

DATA PROTECTION . If Crowe holds or uses Client information that can be linked to specific individuals who are Client's customers ("Personal Data"), Crowe will treat it as confidential as described above and comply with applicable US state and federal law and professional regulations in disclosing or using such information to carry out the Services. Crowe has implemented and will maintain physical, electronic and procedural safeguards reasonably designed to (i) protect the security, confidentiality and integrity of the Personal Data, (ii) prevent unauthorized access to or use of the Personal Data, and (iii) provide proper disposal of the Personal Data (collectively, the "Safeguards"). Client warrants that it has the authority to provide the Personal Data to Crowe in connection with the Services and that Client has processed the Personal Data provided to Crowe in accordance with applicable law. To provide the Services, Client may also need to provide Crowe with access to Personal Data consisting of protected health information, financial account numbers, Social Security or other government-issued identification numbers, or other data that, if disclosed without authorization, would trigger notification requirements under applicable law ("Restricted Personal Data"). In the event Client provides Crowe access to Restricted Personal Data, Client will consult with Crowe on appropriate measures (consistent with professional standards applicable to Crowe) to protect the Restricted Personal Data, such as: deleting or masking unnecessary information before making it available to Crowe, encrypting it when transferring it to Crowe, or providing it to Crowe only during on-site review on Client's site. Client will provide Crowe with Restricted Personal Data only in accordance with mutually agreed protective measures. Otherwise, Client and Crowe agree each may use unencrypted electronic media to correspond or transmit information and such use will not in itself constitute a breach of this Agreement.

INTELLECTUAL PROPERTY . Crowe may use ideas, concepts, methodologies, data, software, designs, utilities, tools, models, techniques, data, systems, Reports, or other know-how that it develops, owns or licenses ("Materials") in performing the Services. Crowe retains all intellectual property rights in the Materials (including any improvements or knowledge developed while performing the Services), and in any working papers compiled in providing the Services, but not in the Client information reflected in them. Upon payment for Services and subject to the other terms of this Agreement, Crowe hereby grants a license to Client to use the Reports, as well as any Materials therein, only to the extent permitted under this Agreement for its business purposes.

LEGAL AND REGULATORY CHANGE . Crowe may periodically communicate to Client changes in laws, rules or regulations. However, Client has not engaged Crowe, and Crowe does not undertake an obligation, to advise Client of changes in (a) laws, rules, regulations, industry or market conditions, or (b) Client's own business practices or other circumstances (except to the extent required by professional standards). The scope of Services and the fees for Services are based on current laws and regulations. If changes in laws or regulations change Client's requirements or the scope of the Services, Crowe's fees will be modified to a mutually agreed amount to reflect the changed level of Crowe's effort.

CLIENT REFERENCE . Crowe will not use Client's name and generally describe the nature of Crowe's engagement(s) with Client in marketing to prospects, provide prospects with contact information for Client personnel familiar with Crowe's Services, or disclose to third parties that Crowe provides services to Client without Client's prior written consent.

NO PUNITIVE OR CONSEQUENTIAL DAMAGES . Any liability of Crowe will not include any consequential, indirect, special, incidental, punitive, or exemplary damages or loss, nor any lost profits, goodwill, savings, or business opportunity, even if Crowe had reason to know of the possibility of such damages.

LIMIT OF LIABILITY . Except where it is judicially determined that Crowe performed its Services with ~~gross negligence or willful misconduct,~~ Crowe's liability will not exceed an amount equal to Three Times (3Xs) the fees paid by Client to Crowe for the portion of the work giving rise to liability. A claim for a payment of such amount is the exclusive remedy for any damages. This limit of liability will apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including, without limitation, to claims based on principles of contract, negligence or other tort, fiduciary duty, warranty, indemnity, statute or common law. This limit of liability will also apply after this Agreement.

Deleted: gross negligence or willful misconduct

Deleted: negligent conduct

INSURANCE . Contemporaneous with the commencement of Crowe's Services, Crowe shall provide certificates of insurance evidencing at least the minimum insurance coverages and limits set forth in Attachment A.

INDEMNIFICATION FOR THIRD-PARTY CLAIMS . In the event of a legal proceeding or other claim brought against Crowe by a third party, except where it is judicially determined that Crowe performed Services with ~~gross negligence or willful misconduct,~~ Client agrees to indemnify and hold harmless Crowe and its personnel against all costs, fees, expenses, damages and liabilities, including attorney fees and any other fees or defense costs, associated with such third-party claim, relating to or arising from any Services performed or work product provided by Crowe that Client uses or discloses to others or this engagement generally. This indemnification is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim, liability, or damages asserted, including, without limitation, to claims, liability or damages based on principles of contract, negligence or other tort, fiduciary duty, warranty, indemnity, statute or common law. This indemnification will also apply after termination of this Agreement.

Deleted: gross negligence or willful misconduct

Deleted: negligent conduct

Crowe shall, and does hereby agree to indemnify and save harmless Client against all damages and expenses (including attorneys fees) to the extent judicially determined to be caused by Crowe's ~~grossly~~ negligent performance of the Services or any part thereof.

Deleted: defend,

Deleted: grossly

NO TRANSFER OR ASSIGNMENT OF CLAIMS . No claim against Crowe, or any recovery from or against Crowe, may be sold, assigned or otherwise transferred, in whole or in part.

TIME LIMIT ON CLAIMS . With the sole exception of a Party's indemnification obligation above, in no event will any action against Crowe, or Client, arising from or relating to this engagement letter or the Services provided by Crowe relating to this engagement, be brought by either Party after the earlier of 1) two (2) years after the date on which occurred the act or omission alleged to have been the cause of the injury alleged; or 2) the expiration of the applicable statute of limitations or repose.

RESPONSE TO LEGAL PROCESS . If either party is requested by subpoena, request for information, or through some other legal process (Requested Party) to produce documents or testimony pertaining to the other party or Crowe's Services, and the Requested Party is not named as a party in the applicable proceeding, then the other party will reimburse the Requested Party for its professional time, plus out-of-pocket expenses, as well as reasonable attorney fees, incurred in responding to such request.

MEDIATION . If a dispute arises, in whole or in part, out of or related to this engagement, or after the date of this agreement, between Client or any of Client's affiliates or principals and Crowe, and if the dispute cannot be settled through negotiation, Client and Crowe agree first to try, in good faith, to settle the dispute by mediation administered by the American Arbitration Association, under its mediation rules for professional accounting and related services disputes, before resorting to litigation or any other dispute-resolution procedure. The results of mediation will be binding only upon agreement of each party to be bound. Costs of any mediation will be shared equally by both parties. Any mediation will be held in Chicago, Illinois.

JURY TRIAL WAIVER . FOR ALL DISPUTES RELATING TO OR ARISING BETWEEN THE PARTIES, THE PARTIES AGREE TO WAIVE A TRIAL BY JURY TO FACILITATE JUDICIAL RESOLUTION AND TO SAVE TIME AND EXPENSE. EACH PARTY AGREES IT HAS HAD THE OPPORTUNITY TO HAVE ITS LEGAL COUNSEL REVIEW THIS WAIVER. THIS WAIVER IS IRREVOCABLE, MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND APPLIES TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, OR MODIFICATIONS TO THIS AGREEMENT. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS WRITTEN CONSENT TO A BENCH TRIAL WITHOUT A JURY.

HOWEVER, AND NOTWITHSTANDING THE FOREGOING, IF ANY COURT RULES OR FINDS THIS JURY TRIAL WAIVER TO BE UNENFORCEABLE AND INEFFECTIVE IN WAIVING A JURY, THEN ANY DISPUTE RELATING TO OR ARISING FROM THIS ENGAGEMENT OR THE PARTIES' RELATIONSHIP GENERALLY WILL BE RESOLVED BY ARBITRATION AS SET FORTH IN THE PARAGRAPH BELOW REGARDING ARBITRATION.

ARBITRATION. If any court rules or finds that the JURY TRIAL WAIVER section is not enforceable, then any dispute between the parties relating to or arising from this Agreement or the parties' relationship generally will be settled by binding arbitration in Chicago, Illinois (or a location agreed in writing by the parties). Any issues concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of this Section, will be governed by the Federal Arbitration Act and resolved by the arbitrator(s). The arbitration will be governed by the Federal Arbitration Act and resolved by the arbitrator(s). The parties will use the International Institute for Conflict Prevention & Resolution (the "CPR Institute") Global Rules for Accelerated Commercial Arbitration (the "Accelerated Rules") then in effect, or such other rules or procedures as the parties may agree in writing. In the event of a conflict between those rules and this Agreement, this Agreement will control. The parties may alter each of these rules by written agreement. If a party has a basis for injunctive relief, this paragraph will not preclude a party seeking and obtaining injunctive relief in a court of proper jurisdiction. The parties will agree within a reasonable period of time after notice is made of initiating the arbitration process whether to use one or three arbitrators, and if the parties cannot agree within fifteen (15) business days, the parties will use a single arbitrator. In any event the arbitrator(s) must be retired federal judges or attorneys with at least 15 years commercial law experience and no arbitrator may be appointed unless he or she has agreed to these procedures. If the parties cannot agree upon arbitrator(s) within an additional fifteen (15) business days, the arbitrator(s) will be selected by the CPR Institute. Discovery will be permitted only as authorized by the arbitrator(s), and as a rule, the arbitrator(s) will not permit discovery except upon a showing of substantial need by a party. To the extent the arbitrator(s) permit discovery as to liability, the arbitrator(s) will also permit discovery as to causation, reliance, and damages. The arbitrator(s) will not permit a party to take more than six depositions, and no depositions may exceed five hours. The arbitrator(s) will have no power to make an award inconsistent with this Agreement. The arbitrator(s) will rule on a summary basis, where possible, including without limitation on a motion to dismiss basis or on a summary judgment basis. The arbitrator(s) may enter such prehearing orders as may be appropriate to ensure a fair hearing. The hearing will be held within one year of the initiation of arbitration, or less, and the hearing must be held on continuous business days until concluded. The hearing must be concluded within ten (10) business days absent written agreement by the parties to the contrary. The time limits in this section are not jurisdictional. The arbitrator(s) will apply substantive law and may award injunctive relief or any other remedy available from a judge. The arbitrator(s) may award attorney fees and costs to the prevailing party, and in the event of a split or partial award, the arbitrator(s) may award costs or attorney fees in an equitable manner. Any award by the arbitrator(s) will be accompanied by a reasoned opinion describing the basis of the award. Any prior agreement regarding arbitration entered by the parties is replaced and superseded by this agreement. The arbitration will be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq., and judgment upon the award rendered by the arbitrator(s) may be entered by any court having jurisdiction thereof. All aspects of the arbitration will be treated by the parties and the arbitrator(s) as confidential.

NON-SOLICITATION. Client and Crowe acknowledge the importance of retaining key personnel. Accordingly, both parties agree that during the period of this agreement, and for one (1) year after its expiration or termination, neither party will solicit any personnel or subcontractors (if any) of the other party for employment without the written consent of the other party. If an individual becomes an employee of the other party, the other party agrees to pay a fee equal to the individual's compensation for the prior full twelve-month period to the original employer.

AFFILIATES. Crowe Horwath LLP is an independent member of Crowe Horwath International, a Swiss Verein. Each member firm of Crowe Horwath International is a separate and independent legal entity. Crowe Horwath LLP and its affiliates are not responsible or liable for any acts or omissions of Crowe Horwath International or any other member of Crowe Horwath International and specifically disclaim any and all responsibility or liability for acts or omissions of Crowe Horwath International or any other member of Crowe Horwath International. Crowe Horwath International does not render any professional services and does not have an ownership or partnership interest in Crowe Horwath LLP. Crowe Horwath International and its other member firms are not responsible or liable for any acts or omissions of Crowe Horwath LLP and specifically disclaim any and all responsibility or liability for acts or omissions of Crowe Horwath LLP.

**Attachment A
Insurance Coverages to be Maintained by Crowe**

- A. Workers Compensation and Employers Liability with limits not less than:
 - (1) Workers Compensation: Statutory;
 - (2) Employers Liability:
 - \$500,000 injury-per occurrence
 - \$500,000 disease-per employee
 - \$500,000 disease-policy limit

Such insurance shall evidence that coverage applies in the State of Illinois.

B. Comprehensive Motor Vehicle Liability with a combined single limit of liability for bodily injury and property damage of not less than \$1,000,000 for vehicles owned, non-owned, or rented.

C. Comprehensive General Liability with coverage written on an occurrence-basis and with limits no less than:
\$1,000,000 Bodily Injury and Property Damage combined single Limit Coverage is to be written on an "occurrence" basis.

D. Professional Liability Insurance. With a limit of liability of not less than \$1,000,000 per occurrence and covering Crowe against all sums that Crowe may be obligated to pay on account of any liability arising out of the Engagement Letter.

E. Umbrella Policy. The required coverages may be in any combination of primary, excess, and umbrella policies. Any excess or umbrella policy must provide excess coverage over underlying insurance on a following-form basis.

F. Client as Additional Insured. Client shall be named as an Additional Insured on the Comprehensive General Liability coverage.

Deleted: on a primary and non-contributory basis

Each such additional Insured endorsement shall identify Client as follows: the City of Wilmington, Illinois, including its officials, officers, employees, and agents.

December 27, 2017

VIA EMAIL ONLY

Mayor and Aldermen
City of Wilmington
1165 South Water Street
Wilmington, Illinois 60481

Re: City of Wilmington TIF Financing
Engagement Letter Agreement

Ladies and Gentlemen:

Thank you for selecting Foley & Lardner LLP (the "Firm") to represent the City of Wilmington (the "City") as bond counsel in connection with certain tax increment financing matters. The purpose of this Engagement Letter Agreement ("Agreement"), is to ensure that we have a clear understanding of our working relationship going forward. Please do not hesitate to contact us if you have any concerns.

1. Scope of Engagement

This Agreement confirms the terms of this matter. As we discussed, the scope of our engagement will be to provide advice regarding the tax increment financing Notes issued or to be issued by the City as well as any other matters with respect to which the City may wish to engage us (the "Matter"). Should the City retain the Firm for subsequent matters, the specifics of this Agreement will remain the same unless otherwise communicated.

2. Staffing

I will have primary responsibility for the Matter, but will utilize other Firm attorneys and paraprofessionals when that is appropriate and cost effective. We will keep you informed of our progress, and will utilize our best efforts to respond to you and the City as promptly as possible. In return, you and the City agree to keep us informed of any developments that affect the Matter as soon as you become aware of them, and to be available when we need to consult with the City.

3. Conflicts of Interest, Advance Waiver of Conflicts, and Client Identity

As we previously have discussed, we have determined that there is no present conflict of interest that prevents us from working on the Matter. However, as a large law firm, Foley may be asked during the course of our representation of the City to represent another current or new client in a future matter that involves the City. Or, conversely, you may in the future ask us to handle a

City of Wilmington

December 27, 2017

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matter involving another new or existing client of the Firm. In either instance, if the other client's interests and the City's interests in the matter are directly adverse, the Firm may not handle the matter without your consent. We ask that you consent now to such future instances in connection with the following types of matters:

- a. Counseling, advice, and negotiation regarding commercial agreements, rights, or obligations and preparation of commercial documents.
- b. Arbitration, litigation, or other contested proceeding.
- c. Advocacy before federal, state, and local governments and non-judicial governmental entities.
- d. Bankruptcy or insolvency proceedings in which the client may have an interest.
- e. Evaluation of intellectual property rights, such as claim scope analysis, infringement analysis, invalidity analysis, or analysis with respect to any other statutory or non-statutory requirement, participation in connection with contested and uncontested intellectual property proceedings before the USPTO, or prosecuting non-interfering IP for another client in a related technology.

As a condition of your consent, the Firm agrees that it will not handle directly adverse matters for other clients that are substantially related to any work the Firm performs for the City.

Finally, unless specifically requested by the City and agreed to by the Firm, the Firm's representation does not extend to your affiliates. Accordingly, the Firm may represent other clients in matters directly adverse to those affiliates. If the City requests and the Firm agrees to represent an affiliate, the City agrees that the affiliate is bound by the terms set forth in this Agreement.

4. Fees and Billing

The fees and costs for the Matter are not predictable. Therefore, we cannot promise what fees or expenses will be necessary to resolve or complete the Matter. Any fees and costs we might have previously discussed are estimates only. The City also understands that the payment of the Firm's fees and costs is not contingent upon the outcome of the Matter. The current hourly rates of the attorneys who will be involved in the Matter range from \$775 (Laura Bilas) to \$350 (Becky Brueckel). We typically adjust our rates on February 1 of each year.

- a. It is agreed that the City will compensate us for services, subject to the professional responsibility rules governing our practice, based on the time devoted to the Matter at the hourly rates charged by members of the Firm.

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b. We will bill the City for support services, such as photocopy and facsimile, messenger and delivery service, online research, travel, word processing, court costs, and search and filing fees. We do not bill long distance telephone charges; we will bill for conference calls using an "800" number service at \$.035 per minute per participant. If we arrange a video conference on the City's behalf, we will bill at rates established by the service provider. We currently charge \$.15 per page for photocopies, and faxes are billed at \$.50 per page. We charge for word processing or secretarial services only if done on an overtime basis and with the City's consent. Certain support services that involve equipment or staffing or that require payments to third parties may include additional charges that reflect our internal costs. It is our policy to provide the most cost effective and efficient support systems available.

c. The City agrees that we can make arrangements to have the City billed directly by third parties, or the City will pay directly invoices which we receive for costs from third parties, such as costs for consultants, appraisers, court reporters, technical support, foreign attorneys, or other parties that render billable services during the Matter. If arrangements have not been made for direct billing or direct payment by the City for third-party costs, the City agrees that we may pay these invoices on the City's behalf after we have first been paid by the City for such costs.

d. Invoices are normally sent to the City each month and reflect the services and expenses incurred the previous month. Payment is due promptly upon receipt. Subject to our rules of professional responsibility, we may cease performing services for the City until satisfactory arrangements have been made for payments of amounts outstanding in excess of 60 days and the payment of future amounts.

5. Limitations of Liability

Foley & Lardner LLP is a limited liability partnership under the laws of Wisconsin. This means the City's right to recover damages in a legal malpractice action that may exceed our insurance and Firm assets is limited to the personal assets of the attorneys whose acts or omissions gave rise to the City's claim.

6. Termination of Representation

a. Either of us may terminate this Agreement at any time for any reason by written notice. The Firm is subject to applicable rules of professional conduct when terminating a client engagement. If we terminate the engagement, the Firm will take all reasonable and practical steps to protect the City's interests in the Matter and, at its request, suggest possible new counsel. We will provide new counsel with any papers the City has given us. If permission from the court is necessary for withdrawal, we will promptly apply for it, and the City will engage new counsel to represent the City.

City of Wilmington

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b. Unless previously terminated, our representation of the City in the Matter will end when we send our final invoice. After the Matter ends, there might be changes in laws or regulations that might affect the City's future rights and liabilities, but the Firm does not have an obligation to continue to advise the City about future legal developments, unless the City engages us to do so.

7. **Disposition of Files and Records**

a. Following the conclusion of the Matter, we will maintain the confidentiality of any of the City's confidential information provided us in accordance with applicable rules of professional conduct. We will attempt to return to the City any original documents provided by the City, or provided by a third party, unless the City provides written authorization to destroy them.

b. The Firm has internal policies that determine the retention period for closed representation files, which includes all electronic or hard copy records related to the Matter. Therefore, we will retain the files pertaining to the Matter, including material prepared by or for the internal use of our attorneys, for a minimum period of ten (10) years following the conclusion of the Matter. Therefore, if the City does not request return of this file material prior to the expiration of the retention period, the Firm reserves the right to destroy it at the end of the defined retention period without further notice to the City. Upon the City's reasonable request, the Firm will provide such portions of these file materials to the City as required by the applicable rules of professional responsibility or other legal requirements. Unless applicable rules of professional responsibility require an earlier return, we may retain such file material pending receipt of payment of any outstanding fees or costs.

8. **Communication**

a. We often send to our clients information about the Firm or legal matters we think might be of interest to them. The City agrees that we may send the City this material, either by electronic mail or other means. The City also agrees that we may communicate with the City about this Matter by electronic mail on an unencrypted basis.

b. Either at the beginning or during representation, we might express opinions or beliefs concerning the Matter and the results that might be anticipated. Any such statement made by us is an expression of opinion only and is not a promise or guarantee of results.

c. The City agrees that the Firm may list the City on publicly disclosed lists and other materials as a client that the Firm represents.

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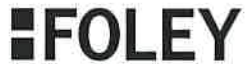
9. Arbitration

Any dispute over fees and/or costs (a "Dispute") will be submitted to and settled exclusively by binding arbitration, in accordance with the provisions of this section, subject only to any applicable requirement of law that the parties engage in a preliminary non-binding mediation or arbitration regarding fee disputes. Binding arbitration shall be conducted in accordance with the Judicial Arbitration and Mediation Service Streamlined Rules & Procedures (the "JAMS Rules"). Arbitration shall be held in the Cook County, before an arbitrator selected pursuant to the JAMS Rules who will have no personal or pecuniary interest, either directly or indirectly, from any business or family relationship with either of the parties. All decisions of the arbitrator will be final, binding, and conclusive on the parties.

The parties will equally share the costs of the arbitrator and the arbitration fee (if any). Each party will bear that party's own attorneys' fees and costs, and the prevailing party will not be entitled to reimbursement by the other party of any of its fees or costs incurred in connection with the arbitration hereunder, regardless of any rule to the contrary in the applicable arbitration rules. Either party may seek confirmation of the arbitration award in Cook County Circuit Court, and each party hereby consents to the exclusive jurisdiction and venue of the Cook County Circuit Court in any claim or action arising hereunder. By signing this Agreement containing this provision, the City agrees to waive any and all rights to a jury trial regarding any Dispute.

Before you sign this agreement you should consider consulting with another lawyer about the advisability of making an agreement with mandatory arbitration requirements. Arbitration proceedings are ways to resolve disputes without the use of the court system. By entering into agreements that require arbitration as the way to resolve fee disputes, you give up (waive) your right to go to court to resolve those disputes by a judge or jury. These are important rights that should not be given up without careful consideration.

Please confirm the City's approval of this Agreement by returning a signed copy. If the City has any questions, or if this Agreement does not accurately set forth our arrangement, please let me know.



FOLEY & LARDNER LLP

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We look forward to working with you on this Matter.

Very truly yours,

FOLEY & LARDNER LLP

Laura L. Bilas

AGREED AND ACCEPTED:

THE CITY OF WILMINGTON, ILLINOIS

By: _____

Name: _____

Title: _____

(Date)

cc: Gregory T. Smith