

Meeting Members:
Gary Pilafas, Chairperson
Anna Newell, Vice Chairperson
Michael Gaeta, Trustee
Karen Mills, Trustee
Gary Stanton, Trustee
Karen Arnet, Trustee
William McLeod, Mayor

Village of Hoffman Estates

Special

Finance Committee Meeting Agenda

October 10, 2022

Immediately Following the Planning, Building and Zoning Committee Meeting
Village Hall, 1900 Hassell Road, Hoffman Estates, IL 60169

I. Roll Call

NEW BUSINESS

1. Request approval to enter into a five-year agreement for banking services with Hoffman Estates Community Bank per the costs specified in their proposal dated July 29, 2022.
2. Request authorization to waive bidding and award a contract for the purchase of 1,235 retractable seats for the NOW Arena to Irwin Seating Company of Altamont, IL in an amount not to exceed \$459,687.33.

II. Adjournment

COMMITTEE AGENDA ITEM VILLAGE OF HOFFMAN ESTATES

SUBJECT: Banking Services Contract
MEETING DATE: October 10, 2022
COMMITTEE: Special Finance Committee
FROM: Rachel Musiala, Director of Finance

PURPOSE: Request approval to enter into a five year agreement for banking services with Hoffman Estates Community Bank per the costs specified in their proposal dated July 29, 2022.

BACKGROUND The Village has been utilizing JP Morgan Chase Bank for their banking services since 2011. The services the Village has utilized include:

- Seven checking and savings accounts, including the main Village operating account and payroll account.
- Daily deposits of Village revenues.
- ACH processing for water bill remittances.
- Direct deposit processing for payrolls.
- Remote depositing – all water remittances are scanned in the Finance Department and an electronic version of the checks are sent to the bank. No physical checks for water payments are taken to the bank.

The Village has had a positive experience with JP Morgan Chase over its history with them.

DISCUSSION In June, 2022 a Request for Proposal for Banking Services was mailed out to all banks that have a local branch in Hoffman Estates. On the due date, we had a total of three (3) banks submit proposals:

	<i>Hoffman Estates Community Bank</i>	<i>Chase</i>	<i>BMO</i>
Total Cost of Primary Services	\$47,780	\$41,422	\$37,803
Earnings Credit Rate	(\$47,780)	(\$41,422)	(\$37,803)
Net Fees	\$0	\$0	\$0
Annual Interest Earned	\$306,541	\$301,783	\$247,889

The banking proposal review team consisted of the Finance Director and the Assistant Finance Director. After reviewing the proposals, we decided to focus our review on JP Morgan Chase (Chase) and Hoffman Estates Community Bank due to the financial results. Although BMO projected to generate the lowest annual fees (offset by Earnings Credit Rating), their

proposed investment interest rates were not as aggressive as the other two proposals.

The review team was already familiar with Chase's operations, so we invited Hoffman Estates Community Bank in for a proposal interview. During the interview, the team dove deeper into the pricing structures and learned more of the details about the services offered. The Village currently works with Hoffman Estates Community Bank as the NOW Arena bank accounts are handled by them.

In terms of pricing, both Chase and Hoffman Estates Community Bank have good pricing, all of which will be offset by their Earnings Credit Rate (ECR). An ECR is similar to interest, but it is used to offset bank fees. Both banks are offering an ECR that should offset all of the Village's fees.

In addition to the ECR, some banks are offering an account structure that will earn the Village interest on our monies in excess of balances needed to cover monthly costs. Hoffman Estates Community Bank has a Money Market account that is currently earning 2.255% and Chase is earning 1.84%. These rates fluctuate similarly to the national interest rates. Given the higher interest rate, over the five-year term, the Village would earn an estimated \$1,511,710 with Hoffman Estates Community Bank, compared to \$1,493,250 earned with Chase.

FINANCIAL IMPACT: Under the agreement with Hoffman Estates Community Bank, if selected, the Village would be paying minimal, if any, monthly bank fees, which include the offsetting ECR. In addition, the Village will be earning interest on our excess funds, with the interest rate currently being at 1.00% and interest in a Money Market account of 2.225%. These fees and interest amounts are based on estimated levels of transactions with the bank and will fluctuate depending on the actual activity that takes place.

RECOMMENDATION: Request approval to enter into a five-year agreement for banking services with Hoffman Estates Community Bank per the costs specified in their proposal dated July 29, 2022.

ATTACHMENTS:

PRICING SUMMARY

PROPOSAL FROM HOFFMAN ESTATES COMMUNITY BANK

BANKING AGREEMENT FOR HOFFMAN ESTATES COMMUNITY BANK

**VILLAGE OF HOFFMAN ESTATES BANKING SERVICES
PROPOSAL FORM – EXHIBIT A**

N/C: No Charge

N/A: Not available

Bank Services	Estimated Annual Volume	Current - CHASE	Proposer - HECB	Proposer - BMO	Proposer - Chase				
Account Services:									
Account Maintenance (7 accounts)	7 accts	\$7.50 per acct	\$540.00	\$10 per	\$960.00	\$11 per	\$1,188.00	\$7.50 per acct	\$720.00
Account Maintenance - Int Adj Bal (2 accounts)	2 accts	\$7.50 per acct	\$180.00						
Audit Confirmations		\$25 per year	\$25.00					\$25 per year	\$25.00
Online website service (7 accounts)	12	\$50 per mo	\$600.00	\$75 per mo	\$900.00	\$40 per mo	\$840.00	\$50 per mo	\$600.00
Online User Fee						\$3 per mo	\$360.00		
Sweep Services - Zero Balance Accounts	2 accts	N/C	N/C						
Security Tokens	8 tokens	N/A	N/A	\$1.50/token/mo	\$180.00				
Zero Balance Master Account Maint	1			\$7.50 per mo	\$90.00				
Zero Balance Sub Account Maint	2	N/A	N/A	\$5 per mo	\$120.00	\$15 per mo	\$360.00		
Transfer to/from ZBA	22 days per mo x 2 accts					\$0.30	\$316.80		
Banking Center Services:									
Branch Credits posted (branch deposits)	120	\$2 per	\$240.00	\$1.50 per	\$180.00	\$1.25 per	\$150.00	\$2 per	\$240.00
Items Deposited (assumed 10 per deposit)	700	N/C	N/C						
Branch Order Processed (request for currency)	20	\$2 per	\$40.00						
Cash Deposited (per \$1 deposited)	\$362,000	N/C	N/C	\$0.001 per	\$362.00	\$0.0036 per \$100	\$13.03	N/C	N/C
Depository Services:									
Credits Posted (see remote deposit)	250								
Items Deposited	700	\$2 per	\$140.00	\$10 per	\$70.00	\$10 per	\$70.00	\$2 per	\$140.00
Returned Items	50	\$7.50 per	\$375.00	\$4.50 per	\$225.00	\$3.50 per	\$175.00	\$7.50 per	\$375.00
Check Image Deposited/Transaction Process	55,000	\$0.05 per	\$2,750.00	\$10 per	\$5,500.00				
Deposited images - retrieved	200					\$1.00 per	\$200.00		
Disbursement Services:									
Check/Debit Posted	4,500	\$10 per	\$450.00	\$12 per	\$540.00	\$10 per	\$450.00	\$10 per	\$450.00
Exception Review	36	\$5 per acct	\$180.00					\$5 per acct	\$180.00
Stop Payment	5	\$15 per	\$75.00	\$10 per	\$50.00				
Stop Payment Automatic Renewals	10	\$5 per	\$50.00	N/A	N/A	\$7.50 per	\$75.00	\$5 per	\$50.00
Exception Notifications	24	\$5 per	\$120.00	N/C	N/C				
Image Storage	5,200	\$0.02 per	\$104.00	N/C	N/C	Chrg per retrieval		\$0.02 per	\$104.00
Image Capture	5,200	\$0.02 per	\$104.00	N/C	N/C	Chrg per retrieval		\$0.01 per	\$52.00
Check Inquiry Maintenance	7 accts	\$1 per account	\$84.00	N/C	N/C			\$1 per account	\$84.00
Transfers between Accounts	30	N/C	N/C	N/C	N/C	\$1.00	\$30.00	N/C	N/C
Online ACH Maintenance	60	\$10 per acct	\$600.00	N/C	N/C	\$15 per acct	\$900.00	\$10 per acct	\$600.00
ACH, Debit Originated (UB)	32,500	\$0.05 per	\$1,625.00	\$10 per	\$3,250.00	\$0.05 per	\$1,625.00	\$0.05 per	\$1,625.00
ACH, Credit Originated (payroll)	12,700	\$0.05 per	\$635.00	\$10 per	\$1,270.00	\$0.05 per	\$635.00	\$0.05 per	\$635.00
ACH Debit Received	590	\$0.05 per	\$29.50	\$10 per	\$59.00	\$15 per	\$88.50	\$0.05 per	\$29.50
ACH Credit Received	5,000	\$0.05 per	\$250.00	\$10 per	\$250.00	\$15 per	\$750.00	\$0.05 per	\$250.00
Notification of ACH, Incoming (email)				N/C	N/C			\$0.05 per	
Return Item	55	\$3.50 per	\$192.50	\$4.50 per	\$247.50	\$3.50 per	\$192.50	\$3.50 per	\$192.50
Return Item Redeposit	25	\$3.50 per	\$87.50	\$2.75 per	\$68.75	\$3.50 per	\$87.50	\$3.50 per	\$87.50
Chargeback	20								
Online Check/Deposit Archiving				\$10 per mo	\$120.00				
ACH Positive Pay Maintenance (Debit Block)	8 accts	\$1 per acct	\$96.00	\$15 per acct	\$1,260.00	\$12.50 per acct	\$1,050.00	\$1 per acct	\$96.00
ACH File transmission	3	N/C	N/C	\$5 per	\$180.00	\$5 per	\$180.00		
ACH Positive Pay Suspect Item	2								
ACH Postitive Pay returned Item									
ACH Template Transaction originated	230	\$0.03 per	6.9	\$0.23 per	\$52.90	\$0.50 per	\$115.00	\$0.03 per	6.9
ACH monthly maintenance						\$15 per mo	\$180.00		

**VILLAGE OF HOFFMAN ESTATES BANKING SERVICES
PROPOSAL FORM – EXHIBIT A**

N/C: No Charge N/A: Not available

Bank Services	Estimated Annual Volume	Current - CHASE	Proposer - HECB	Proposer - BMO	Proposer - Chase				
Reconciliation Services:									
Positive Pay Monthly Maintenance (2 accts)	4 per mo	N/C	N/C	\$50 per mo	\$1,200.00	\$40 per mo	\$960.00		
Payee Name Verification	5,000	\$0.01 per	\$50.00	\$0.10 per	\$500.00	\$0.06	\$300.00	\$0.01 per	\$50.00
Positive Pay Manual Entry	400	N/C	N/C	\$1.00 per	\$400.00	\$1.00 per	\$400.00		
Positive Pay Exceptions	20	\$2.50 per	\$50.00	\$1.00 per	\$20.00	\$1.00 per	\$20.00	\$2.50 per	\$50.00
Positive Pay transmissions	60					\$1.00 per	\$60.00		
Positive Pay returned check	8	\$20 per	\$160.00			\$10 per	\$80.00		
Funds Transfer Services:									
Electronic Debit - wires	70	\$6 per	\$420.00	\$8 per	\$560.00	\$5 per	\$350.00	\$6 per	\$420.00
Electronic Credit - wires	25	\$6 per	\$150.00	\$8 per	\$200.00	\$5 per	\$125.00	\$6 per	\$150.00
Electronic Book Debit/Credit	7	\$5 per	\$35.00						
Electronic Fed Debit Repair	1	\$11.50 per	\$11.50						
Remote Deposit:									
Deposit Transmissions (See Dep. Svcs above)	250	\$2 per	\$500.00	\$1.50 per	\$375.00	\$0.80 per	\$200.00	\$2 per	\$500.00
Number of Transactions	55,000					\$0.10 per	\$5,500.00	\$0.05	\$2,750.00
Maintenance (site & scanner), Use, & Storage	12	\$7.5 per month	90			\$25 per mo	\$300.00	\$7.5 per month	90
Software Maintenance Fee	12	\$5 per month	N/C						
Remote Deposit Capture Fee				\$40 per mo	\$480.00				
Elockbox Services:									
Maintenance	12 months	\$10 per month	\$120.00	\$30 per mo	\$360.00	\$150 per mo	\$1,800.00	\$10 per month	\$120.00
Transactions submitted	45,000	\$0.10 per	\$4,500.00	\$0.12 per	\$5,400.00	\$0.08 per	\$3,600.00	\$0.10 per	\$4,500.00
Transactions reformatted		N/C	N/C	N/C	N/C	N/C	N/C	N/C	N/C
File processing	250	\$1 per file	\$250.00	\$25 per mo	\$300.00	\$0.15 per	\$37.50	\$1 per file	\$250.00
Lockbox Online Imaging/Reporting Module	12 months	N/A	N/A						
Set up Fee				\$50 one time	\$50.00				
Returned Item				\$2.50 per					

Total Annual service fees \$15,915.90 \$25,780.15 \$23,763.83 \$15,422.40

Average Monthly Cost (Total ÷ 12) \$1,326.33 \$2,148.35 \$1,980.32 \$1,285.20

Earnings Credit Rate to cover monthly service fees									
Earnings Credit Rate to cover monthly service fees	\$	3,585	0.37	\$1,326.33					
Earnings Credit Rate to cover monthly service fees	\$	143,223			1.50%	\$2,148.35			
Earnings Credit Rate to cover monthly service fees	\$	304,665					0.65%	\$1,980.32	
Earnings Credit Rate to cover monthly service fees	\$	85,680						1.50%	\$1,285.20

Deposit Assessment Fee on balances used to cover fees										
Premium Assessment Fee	\$	20,000,000	0.11%	\$22,080.00	0.11%	\$22,000.00	0.0666%	\$13,320.00	0.130%	\$26,000.00
		8900000				9790		\$5,927.40		\$ 11,570

Earnings Credit Rate to cover Premium Assessment Fee									
Earnings Credit Rate to cover Premium Assessment Fee	\$	5,967,568	0.370%	\$1,840.00					
Earnings Credit Rate to cover Premium Assessment Fee	\$	1,466,667			1.50%	\$1,833.33			
Earnings Credit Rate to cover Premium Assessment Fee	\$	2,049,231					0.65%	\$1,110.00	
Earnings Credit Rate to cover Premium Assessment Fee	\$	1,733,333						1.50%	\$2,166.67
		652,666.67				\$ 652,666.67		\$ 911,907.69	\$ 771,333.33

VILLAGE OF HOFFMAN ESTATES BANKING SERVICES
PROPOSAL FORM – EXHIBIT A

N/C: No Charge

N/A: Not available

Bank Services	Estimated Annual Volume	Current - CHASE	Proposer - HECB	Proposer - BMO	Proposer - Chase	
Interest Calculation Breakdown (assume \$19mm avg monthly balance)						
Earnings Credit Rate (current Chase)	\$ 18,900,000	0.37%	\$ 5,827.50			
Interest in MM account (HECB)	\$ 17,290,110			1.00%	\$172,901.10	
Interest in MM Account (BMO)	\$ 16,546,105			0.80%	\$132,368.84	
Net Interest in Hybrid (Chase, net of Assess Fee)	\$ 17,080,987				1.40%	\$239,133.81
Money Market/Investment Account	\$ 10,000,000		2.255%	\$ 306,541.10	1.840%	\$ 247,888.90
				1.880%	\$ 301,783.34	
Total Cost for Proposed Service	\$ 37,995.90		\$ 47,780.15	\$ 37,083.83	\$ 41,422.40	
Average Monthly Cost (Total ÷ 12)	\$ 3,166.33		\$ 3,981.68	\$ 3,090.32	\$ 3,451.87	
Average Monthly Net Cost (Cost - Earnings Credit)	\$ (2,661.18)		\$ -	\$ -	\$ -	
Total Annual Interest Earned on Accounts	\$ -		\$306,541.10	\$ 247,888.90	\$ 301,783.34	

HOFFMAN ESTATES COMMUNITY BANK

VIA ELECTRONIC DELIVERY

July 29, 2022

Ms. Rachel Musiala
Finance Director
rachel.musiala@hoffmanestates.org

RE: Request for Proposal for Banking Services

Dear Ms. Musiala:

Hoffman Estates Community Bank is pleased to respond to your Request for Proposal and we appreciate the opportunity to expand our relationship with the Village of Hoffman Estates. We have reviewed the RFP dated June 17, 2022 and have responded to the requirements therein. Our response is included in the accompanying documents.

We would like to mention a few highlights that we believe distinguish Hoffman Estates Community Bank from our competitors and provide substantial benefit to the Village. Hoffman Estates Community Bank truly is a “community bank;” we have a local management team and employees who offer the best level of customer service, quick decision-making and are immersed in community involvement; in addition, our board is comprised of local residents, community leaders, and business owners.

As you are aware, Hoffman Estates Community Bank is part of Barrington Bank & Trust Company, N.A., one of the 15 bank groups owned by Wintrust Financial Corporation. Wintrust Financial Corporation now has assets in excess of \$50 billion and over 170 locations throughout Chicagoland, Northwest Indiana and Wisconsin and is the second largest Illinois-based bank group in the Chicago area.

We are deeply committed to keeping deposits local and reinvested back into Hoffman Estates and the surrounding communities through loans to local businesses and consumers, as well as monetary donations. Notably, during 2020 and 2021 the Wintrust Community Banks, including Hoffman Estates Community Bank assisted over 15,000 businesses with Paycheck Protection Program loans totaling approximately \$4.9 billion in much needed financial relief. Barrington Bank & Trust Company, N. A. contributed to that number with over 1,100 loans made for over \$209 million.

The range of our Government Banking services includes comprehensive banking, depository and treasury management services. We also offer municipal financing, investment management, custody and pension services. We are dedicated to all sectors of the government market; we are active members in IGFOA, IASBO, and IPRA and consistently serve and support the needs of the members each represents.

**HOFFMAN ESTATES
COMMUNITY BANK**
ADVENTURE IN COMMUNITY BANK

It is the culture and the custom of the Hoffman Estates Community Bank team to put the customer first, with an emphasis on clear, two-way communications, rapid response and going the extra mile to achieve the best outcome for every customer. We achieve this through the people we have and the policies and procedures we have in place to facilitate a close and effective professional relationship. We are focused on innovative ideas that truly benefit our customers, offering products that are every bit as sophisticated as our big bank competitors at a competitive price while providing the most attentive customer service you will ever hope to find. We certainly hope that this has been the Village's experience with Hoffman Estates Community Bank during our long-standing relationship.

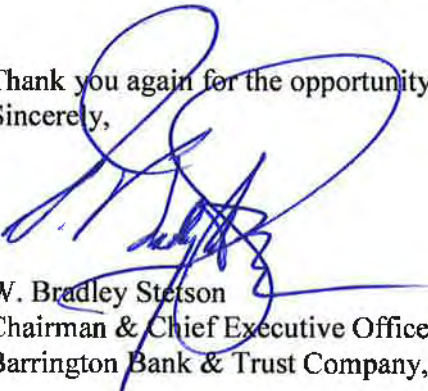
We hope that you will be pleased with what you see in this proposal. The proposal and costs shall be valid and binding for ninety (90) calendar days following the proposal due date; this offer will not be withdrawn or modified during this time.

If you are looking for a relationship that provides quality, reliability, and best in class service at a competitive cost, we are confident that you will agree Hoffman Estates Community Bank will continue to be the best fit for the Village. Any questions regarding this proposal can be directed to:

Shannon Devinger, Assistant Vice President
Wintrust Treasury Management
Phone: (847) 842-2606
E-mail: sdevinger@wintrust.com

Aimee Briles, Senior Vice President
Wintrust Government Funds
Phone: (630) 560-2120
E-mail: abriles@wintrust.com

Thank you again for the opportunity. We look forward to hearing from you soon.
Sincerely,



W. Bradley Stetson
Chairman & Chief Executive Officer
Barrington Bank & Trust Company, N.A.

Proposal for Banking Services



Presented by:

HOFFMAN ESTATES

COMMUNITY BANK®
A WINTHROP COMMUNITY BANK

2200 W. HIGGINS ROAD
HOFFMAN ESTATES, IL 60169

July 29, 2022

TABLE OF CONTENTS

<u>Principal Officers, Statement of Staff Experience and Bank Background</u>	Pages 3-9
<u>Scope of Required Services</u>	Pages 10-16
Cost Proposal	Exhibit A
<u>Proposal Exceptions</u>	Page 17
<u>Online Banking Description</u>	Pages 18-19
<u>Additional Recommended Services</u>	Pages 20-23
<u>Proposed Schedule of Implementation</u>	Page 24-25
<u>References</u>	Page 26

PRINCIPAL OFFICERS, STATEMENT OF STAFF EXPERIENCE & BANK BACKGROUND

Hoffman Estates Community Bank is pleased to present this proposal to the Village of Hoffman Estates. We appreciate the opportunity to respond to your request for banking services and look forward to continuing and expanding our relationship with the Village.

Hoffman Estates Community Bank is a full-service, locally managed community bank with three locations in the Village of Hoffman Estates at 2200 W. Higgins Road, 1375 Palatine Road and 2497 W. Golf Road. Hoffman Estates Community Bank is a branch of Barrington Bank & Trust Company, N.A. which is headquartered at 201 South Hough Street in Barrington. Barrington Bank & Trust Company, N.A. was incorporated in the State of Illinois and opened its doors in December of 1996; the Bank currently maintains approximately \$3.35 billion in total assets. We provide community-oriented personal and commercial banking services at eight banking facilities in the communities of Barrington, Hoffman Estates, Palatine and Hoffman Estates. The Bank retains a Board of Directors comprised largely of local residents and business owners. Barrington Bank & Trust Company, N.A. is a member bank of the FDIC and is covered by FDIC insurance; the FDIC Certificate Number is 34395. The Bank is a national bank, and as such it is permitted to accept deposits of federal, state and local governments and give security for such deposits, pursuant to 12 USC Sections 90 and 265.

Hoffman Estates Community Bank uses a successful formula of empowering local management and stressing community engagement. The Bank is run by an entrepreneurial management team with the authority to make decisions locally and react to market competition. There is on-site control over all services and the local leadership determines product, pricing, interest rates, personnel, loan approvals and new locations. As a result, we are able to offer superior customer service, customized products, sharper pricing, quicker decisions, and unmatched community involvement.

Barrington Bank & Trust Company, N.A. was the fifth bank opened by Wintrust Financial Corporation, a financial services holding company headquartered in Rosemont with a common stock traded on the Nasdaq Global Select Market (Nasdaq: WTFC). Wintrust was founded as a de novo banking organization in 1991 when a group of experienced bankers and local business people identified an unfilled niche in the Chicago metropolitan area banking market. As large banks acquired smaller ones and personal service was subjected to consolidation strategies, the need for locally controlled and managed, highly personal service-oriented banks became clear.

Wintrust now has assets of over \$51 billion, 5000+ employees and more than 170 locations in and around Chicago, northern Illinois, southern Wisconsin, and northwest Indiana through its 15 community bank subsidiaries. The Company also operates various non-bank subsidiaries which all provide services available at each Wintrust Community Bank® location.

Wintrust Financial is the second largest Illinois-based bank group in the Chicago area and expects to add new banks and branches in the Chicagoland market, either on a de novo basis or by acquisition.

The range of our banking services include, but are not limited to the following:

- Depository and Treasury Management services
- Financing resources (taxable and tax exempt, short term and long term)

- Investment management, custody and pension services
- 401k and 403b advisory services
- Leasing
- Merchant Processing
- Purchasing Cards
- Employee account services and financial educational seminars

The latest Capital Ratios for Wintrust Financial Corporation are as follows: 8.1% Leverage Ratio, 9.5% Tier 1 Capital to Risk Weighted Assets, 11.6% Total Capital to Risk Weighted Assets (3/31/22). Barrington Bank & Trust Company, N. A. ratios for the same time period are: 11.2% Leverage Ratio, 11.3% Tier 1 Capital to Risk Weighted Assets, 11.6% Total Capital to Risk Weighted Assets. The required ratios to be considered “well capitalized” by regulatory guidelines are: Tier 1 Leverage - 5%, Tier 1 Capital to Risk Weighted Assets - 6% and Total Capital to Risk Weighted Assets - 10%.

Wintrust Financial Corporation maintains a BBB+ rating from Fitch, which covers all Wintrust Community Banks®, including Barrington Bank & Trust Company, N. A.

2020 and 2021 Annual Financial Statements for Wintrust Financial Corporation and year end Call Reports for Barrington Bank & Trust Company, N. A. are available upon request.

RELATIONSHIP TEAM

The Village has a team of dedicated resources including a Relationship Manager (John Haniotes) and a dedicated Treasury Management Manager (Shannon Devinger). John is the “quarter-back” for the Village’s relationship by serving as the relationship manager and brings in appropriate specialists for different aspects of the overall banking relationship. Shannon is responsible for the Village’s Treasury Management services and strategies, and managing the implementation of new products.

The Village also has access to our treasury experts in Rosemont, IL who are available from 7:30 a.m. to 6:00 p.m. CST Monday through Friday to assist with password resets, online banking questions, ACH file concerns, etc. Your daily point of contact is John, who can assist with all inquiries, but you have access to a number of local individuals who can assist if needed – **never a 1-800 number.**

Providing a high-level of customer service on a consistent basis is built into Hoffman Estates Community Bank’s philosophy; our team is thoroughly invested in each client relationship and is dedicated to providing ongoing, everyday support across all banking capacities. The Village’s relationship team is equipped to create specific solutions for any situations that may arise with the accounts, provide rapid and relevant answers to all questions regarding accounts and operations, and work together to exceed your service expectations. We have worked with the Village with the NOW Arena accounts since 2002 and we sincerely hope this has been the experience of the Village thus far in our relationship. The officers assigned to the Village relationship are as follows and are empowered to make timely decisions regarding the Village accounts.

W. Bradley Stetson, Chairman/Chief Executive Officer, Barrington Bank & Trust, Company, N.A.

Telephone: (847) 842-4672

E-mail: bstetson@barringtonbank.com

Brad Stetson, along with James Bishop (now retired) started Barrington Bank & Trust Company, N.A., a Wintrust Community Bank, in December of 1996. Brad began his banking career in 1980 with Citizens Bank & Trust Company, which through numerous mergers is today a Chase Bank Branch located in downtown Park Ridge. Brad's career began as a credit analyst in the commercial lending department; he eventually became the senior commercial lender in 1995 managing the commercial banking department and the automobile floor plan group. Today, as Chairman and CEO, Brad, with his team, has opened eight full-service banking offices including two in Barrington, three in Hoffman Estates, two in Palatine and one in Hoffman Estates.

Brad received his BS undergraduate degree from Florida State University with a major in management and his Master's degree from DePaul University with a major in Finance.

Throughout his tenure with the Bank, Brad has supported the Hoffman Estates and surrounding communities through his involvement with the following organizations:

- Harper College Education Foundation Board of Directors (2020 to present)
- Good Shepherd Hospital Governing Council (2009 to 2020), Vice-Chairman (2012 to 2105), Chairman (2016 to 2018); remaining as member of the Community Health Council Committee
- Good Shepherd Hospital Development Committee (2007 to 2012)
- JourneyCare f/k/a Hospice of Northeastern Illinois, Board Member (2006 to Present), Chairman (2012-2015) assisted in raising \$18.0 million to construct a planned 42,000 square feet Hospice Home Facility in Barrington; and part of team that negotiated the merger of JourneyCare with Midwest Hospice and Horizon Hospice
- Barrington Area Chamber of Commerce, Board Member (2004-2010), Chairman (2009-2010)
- Barrington 220 Referendum Advisory Committee, CO-Chair (October 2018 to March 2019), a committee designed to provide perspective from the Barrington 220 Community to determine which components of the Blueprint 220 Master Facility Plan should be included in the referendum question (April 2019)

Jon Stickney, President, Barrington Bank & Trust Company, N.A.

Telephone: (847) 842-4673

E-mail: jstickney@barringtonbank.com

Jon Stickney joined Barrington Bank & Trust Company, N.A. in 2000; he began his banking career in 1992 with Harris Bank. Jon is responsible for the overall direction and administration of programs, products, and services provided by the Bank, including the Bank's financial performance, credit quality, business development, operations, regulatory compliance, and risk management. He ensures that the Bank provides the highest level of customer relations and service while maintaining compliance with Bank policies, procedures and processes.

In addition to being a Director of Barrington Bank & Trust, Jon has been engaged in the following local organizations:

- 2005-present Executive Advisory Committee, Wintrust Mortgage
- 2005-present Commissioner, Barrington Park District (BPD)
- 2019-present Board of Directors, Barrington Area Chamber of Commerce
- 2019-present Board of Directors, Friends of Hoffman Estates Park District Foundation

- 2014-2017 Board of Directors, Samaritan Counseling Center Northwest
- 2014-2017 Board of Directors, Home of the Sparrow
- 2004-2012 Board of Directors, District 220 Educational Foundation
 - Chairman 2007-2009. Nominating Committee Chairman
- Past Board Director, Family Services of South Lake County
- Past Board Director, Barrington Area United Way
- 2004-2008 Board of Directors, Our Town Barrington Volunteers
- 2007-present Co-Founder of Friends of the Stadium Committee
- 2004-2008 Member of Barrington Economic Partnership
- 1992-1997 Volunteer Firefighter, Barrington Fire Department, Inc.
- 1998-2009 Juvenile Diabetes Research Foundation-Team Leader for Annual Walk To Cure Diabetes fundraiser
- Past Barrington Youth Football and Barrington Youth Baseball coach
- Member Barrington Masonic Lodge #522
- Member Medinah Shriners

Jon received his BS undergraduate degree from the University of Iowa with a major in business administration and finance and his Master's degree from DePaul University with a major in Finance. Additionally Jon received honors from the Graduate School of Banking at the Bank Administration Institute at the University of Wisconsin-Madison, WI.

John D. Haniotes, Senior Vice President, Barrington Bank & Trust Company, N.A.

Telephone: (847) 842-7981

E-mail: jhaniotes@barringtonbank.com

John Haniotes has been part of the Business Banking Group at Barrington Bank & Trust Company, N.A. since July 1999. John's expertise and primary focus is managing municipal and non-profit related relationships for the Bank, along with working with the local small businesses in the community.

John has a number of years of experience working with municipal accounts dating back to his prior banking affiliation with First Chicago/American National Bank. As part of a community based banking organization affiliated with and supported by Wintrust Financial Corporation, John provides excellent, professional and personalized customer service with products and services designed to meet the specific needs of the municipality or non-profit organization.

John is a member of the Barrington Area, Hoffman Estates and Lake Zurich Area Chamber of Commerce and also serves on their Government Relations Committees. John has been a member of Arlington Heights and Barrington Breakfast Rotary Clubs since 1983. John recently became a member of the Palatine Public Library Foundation Board and Northwest Community Hospital Foundation Fund Raising Committee. John attended Valparaiso and Lewis Universities receiving a degree in Business Management and Marketing.

Daniel Rogoz, Vice President, Branch Manager, Hoffman Estates Community Bank

Telephone: (847) 882-1045

E-mail: acortes@hecommunitybank.com

Daniel Rogoz has over twenty-three years of banking experience and manages the Hoffman Estates Community Bank locations at 1375 Palatine Rd. and 2200 Higgins Rd. Daniel began his career as a teller in

2000 and moved up through retail banking. He also spent two years as a Commercial Credit Analyst as he was completing his Bachelor's in Finance.

Daniel has been with Hoffman Estates Community Bank for the past three years. During this time, he and his team have been involved with the Hoffman Estates Park District, Hoffman Estates Chamber, Fellowship Housing, POC, Schaumburg Township, Leyden Family Services and Wings, among other organizations and are a proud sponsor for many events in the community.

Shannon L. Devinger, Assistant Vice President Treasury Management, Wintrust Financial Corporation

Telephone: (847) 842-2606

E-mail: sdevinger@wintrust.com

Shannon Devinger joined Wintrust Financial in 2015 as an Assistant Vice President of Treasury Management. Prior to joining Wintrust, Shannon worked for twenty years BMO Harris Bank with the last ten years in Treasury Management Sales, Service and Support. Shannon has over twenty-five years of banking experience in client servicing, business banking and Treasury Management. She specializes in providing customized cash management and premier customer service to corporations, public entities and non-profit organizations. Shannon's consultative, relationship-focused approach has established her as a trusted advisor in the areas of cash management.

Shannon volunteers for Credit Counselling Services as a Board Member and at CASA as an advocate. Shannon also participates in several community events. Shannon graduated from Columbia College with Bachelor of Science in Business Accounting.

Aimee Briles, Senior Vice President, Wintrust Government Funds

Office Phone: (630) 560-2120

Mobile Phone: (630) 632-6329

E-mail: abriles@wintrust.com

Aimee Briles oversees Wintrust Government Funds and has over twenty-five years of banking experience. For the past nineteen years Aimee has focused on government banking, specializing in the needs of public entities. Aimee joined Wintrust in 2007 and works with the family of Wintrust Community Banks® to deliver innovative products, tailored processes and exceptional customer service specifically to meet the needs of local governmental units in our communities.

Aimee has been an active member of the Illinois Government Finance Officer Association and the Illinois Association of School Business Officials, as well as the Illinois Park and Recreation Association since 2003. She presents seminars to the respective members of each several times a year providing information on industry updates, Treasury Management product enhancements and the current rate environment. She has served on the IGFOA Professional Education Committee and the IGFOA Association Forum.

COMMUNITY INVOLVEMENT

Hoffman Estates Community Bank's focus and philosophy lends itself to extensive community involvement and support of its public sector and mission oriented clients in many ways. Village funds on deposit with the Bank remain and are re-invested within the communities we service through consumer loans and other banking services. We are active supporters financially of local organizations, and we are extremely engaged in the communities of our clients.

The most recent CRA report of examination for Barrington Bank & Trust Company, N. A., which includes Hoffman Estates Community Bank was June 7, 2021; the Bank received an overall rating of “Outstanding” including a rating of “Outstanding” on all three performance tests for this exam period. The evaluation period was January 1, 2018 through December 31, 2020. A copy of the report is included with this proposal submission.

We support many organizations that serve the Hoffman Estates community and we are continuously seeking ways to make more loans within our assessment area. The Bank is highly involved in and supportive of Hoffman Estates and the surrounding communities. Some examples of our community involvement include:

- Sponsoring multiple food drives throughout the year for the local food pantries. Our Palatine Road branch has a year round donation box.
- Providing Valentine’s Day and St. Patrick’s Day pick me ups for the seniors at Alden
- Participating in HE Parks Trunk or Treat events
- Sponsorship and support of Hoffman Estates annual Bon Appetite
- Annual sponsorship of the Brew Garden
- Annual sponsorship of the Fishing Derby
- Annual sponsorship of the HE Golf Outing
- Volunteering at Habitat for Humanity
- Partnership with the Hoffman Estates Chamber to run a collection for Ukraine
- Annual sponsorship of Leyden Family Services and Mental Health, including the Gala
- Annual sponsorship and support of Fellowship Housing, including the Gala, school back pack stuffer donations, and holiday stocking stuffer donations
- Joint participation with Palatine Bank & Trust to support the POC and their events
- Hosting Money Smart classes in English/Spanish for the POC, Hoffman Estates Chamber, Schaumburg Township and Wings
- Supporting the Wings Gala
- Participating in both the Women’s and Men’s Wellness Fair at Village Hall
- Currently coordinating financial wellness classes (FDIC Money Smart Classes) for the Village of Hoffman residents for the fall with Cathy Dagian

Wintrust Community Impact:

The mindset at Wintrust is that we are built on values of commitment and service to our communities, so giving back and getting involved is part of our responsibility. Our Wintrust Community Impact (CI) team builds and strengthens our partnerships across the area, which enables us to maximize our efforts and focus on supporting goals and causes that make the greatest impact. The primary areas of focus of this initiative are as follows:

- Community Engagement
- Economic Development
- Employee Involvement

We hold ourselves accountable by measuring and reporting the impact our work has had in the communities we serve. Our 2021 Corporate Responsibility Report is included with this submission. The report describes our impact in the following areas:

- Highlights
- Sustainability
- Diversity, Equity and Inclusion
- Empowering Small Business “PPP - Our Service Project”
- Community Outreach
- Governance and Corporate Ethics

GOVERNMENT EXPERIENCE

Hoffman Estates Community Bank believes that serving the banking needs of local government entities is a natural extension of our mission as a community bank. We have a devoted Government Banking group made up of individuals with multiple years of banking and public sector experience dedicated to serving the needs of our government clients. This includes Illinois municipalities, school districts, and park districts, as well as other taxing bodies. These individuals are committed exclusively to our public sector clients and understand the market needs, including the Illinois Public Funds Act, collateral requirements, Treasury Management service needs and debt structure options.

We are dedicated to all areas of the government market and are active members in IGFOA, IPRA, IAPD and IASBO. We consistently serve and support the needs of the members each represents and often present seminars providing information and solutions on how to manage financial issues affecting local government entities.

The Wintrust Community Banks® provide comprehensive banking, depository and Treasury Management services to over **250** public entities in Illinois, including over **60** municipalities; we attribute this success to several factors including:

- Our “community banking” philosophy; we actively support the communities we serve both through volunteer efforts and monetary donations
- Our consistent dedication to the public sector markets; we strongly believe that a local government entity benefits from banking with an organization which keeps its funds local and reinvests those funds in our communities
- We have dedicated individuals who understand the unique needs of our public sector clients including the Illinois Public Funds Act, collateral requirements, FDIC coverage and debt structure options
- We have created innovative products designed specifically to meet the needs of local governmental entities in our communities which streamline daily processes, maximize interest earnings and minimize banking fees

We are very familiar with the unique Treasury Management product and service needs of local governments. We also offer municipal financing, investment management, custody and pension services for our public sector clients.

Additionally, because Hoffman Estates Community Bank. is a part of the Wintrust Financial Corporation family of Wintrust Community Banks®, we can offer up to \$7.25 million in FDIC protection for public funds by spreading funds across Wintrust’s 15 separate bank charters.

SCOPE OF REQUIRED SERVICES

A. General

Hoffman Estates Community Bank has reviewed the requirements of the Village's Request for Proposal and is able to provide the requested services. The Bank has three full-service locations in Hoffman Estates, all of which have an after-hours drop box depository available.

The fees quoted by Hoffman Estates Community Bank within this proposal will remain fixed for the initial five year period. Any price adjustments made for the optional annual renewal will be agreed upon in writing between both parties.

B. Collateralization of Account Balances

Hoffman Estates Community Bank is committed to collateralizing funds in excess of those covered by FDIC insurance and provides several options to protect those funds. The Bank can pledge securities in accordance with the Village's collateral requirements in safekeeping at a third party custodian. Wintrust provides a daily mark to market of pledged securities. We accomplish this by utilizing collateral monitoring software which provides the exact percentage of collateral coverage required on balances each business day.

We also offer Public Unit Deposit Letters of Credit (PUD LOCs) issued by the Federal Home Loan Bank of Chicago as a means to secure public deposits. With this option, the FHLBC PUD LOC is issued directly to the Village as beneficiary to guarantee withdrawal of deposit of funds from the Bank.

Additionally, as you are aware, Hoffman Estates Community Bank offers a unique solution to public fund depositors through our **MaxSafe™ Public Funds Accounts** which provide up to fifteen times the FDIC insurance coverage of typical public deposits. The **MaxSafe™** accounts will be described in more detail below.

Hoffman Estates Community Bank provides a monthly report of pledged collateral which will include the type, amount, maturity dates and CUSIP numbers of all securities, any FHLB PUD LOC account numbers and detail all FDIC coverage. This report is provided on the first business day of each month.

C. Accounts Included

Hoffman Estates Community Bank is able to accommodate the requested account structure as well as any additional accounts should they be needed. As requested, the payroll and clearing accounts will have a peg balance of zero.

D. Account Structure

In order to minimize idle balances, maximize interest earnings, and streamline the reconciliation process, it is our recommendation that the Village utilize Hoffman Estates Community Bank's **MaxSafe™ Public Funds Hybrid Checking**. With this account structure:

- Balances in the account will earn an Earnings Credit Rate of 1.00% used to offset monthly service charges
- All balances in excess of those needed to offset fees will earn interest at a rate of 0.50%
- If account balances do not cover the monthly activity charges, the account will be debited according to the account analysis schedule
- Proposed Earnings Credit Rate and interest rates will be reviewed quarterly and adjusted as appropriate based on the short-term rate environment
- Funds are FDIC insured up to \$3.75 million; excess funds will be collateralized

The benefits of this account type include:

- Competitive ECR and interest rate assures maximum earning potential
- All monthly banking fees will be offset with the earnings credit rate
- Eliminates idle balances and the need to monitor a “target balance”
- Maximizes interest earning potential
- Provides one point of interest earnings
- Ensures safety and security of taxpayer funds

With the proposed account structure of the **MaxSafe™ Public Funds Hybrid Checking**, the account analysis system calculates the compensating balance each month to the exact penny, eliminating any excess earnings credit or the need to set a peg balance. All balances in excess of the compensating balance will earn interest that will be posted to the account. With the hybrid account structure, interest is calculated based on the calendar month, but posted according to the analysis schedule (middle of the following month).

If the Village prefers, the ECR can be set to 0% and all balances will earn interest. Earnings credit and interest earnings are calculated using the average daily collected balance.

Any accounts with minimal monthly account activity including the State and Federal Asset Seizure Accounts and the Police and Fire Pension Accounts can be invested in a **MaxSafe™ Public Funds Money Market Account**.

The interest rate on the **MaxSafe™ Public Funds Money Market Account** is tiered and based on the average daily balance in the account. **MaxSafe™ Public Funds Money Market Account** rates are adjusted daily based on the Illinois Funds published rate. Balances over \$2.5 million receive 5 basis points over the daily IL Funds Rate. Average **MaxSafe™ Public Funds Money Market Account** rates for June 2022 were:

- < \$2.5 million = 1.119%
- > \$2.5 million = 1.169%

As you are aware, the **MaxSafe™ Public Funds Accounts** are innovative and unmatched depository accounts that provide up to 15 times the FDIC insurance coverage of typical municipal deposits. Village funds are spread across the 15 separately chartered, affiliated Wintrust banks, all of which are FDIC insured and deemed “well capitalized” by regulatory agencies. This allows for FDIC coverage of \$250,000 at each of the banks, ultimately providing up to \$3.5 million in coverage for transaction account balances, plus an additional \$3.75 million in FDIC insurance on interest bearing balances. The **MaxSafe™ Public Funds Accounts** offer competitive returns as they eliminate the need for, and cost of traditional collateral.

At any time, the Bank can provide a report detailing the breakdown of the amount of funds on deposit at each charter. Funds in excess of those covered by FDIC Insurance are collateralized.

E. Bank Statements

Banking activity statements for all accounts are generated at month-end; online statements are available by the second business day of the month. Images of any account adjustments will be included with the monthly statement. Banking statements include all items that have cleared the account during the month. The Village can access sixteen months of bank statements, and at least 90 days of paid items and miscellaneous bank advice tickets through i-BusinessBanking™.

F. Monthly Fees and Charges

An account analysis statement will be mailed or available online through i-BusinessBanking™ by the fifteenth business day of the month; the statement will itemize all monthly transactions and related service charges by type and volume. Costs shall reflect those listed on the Cost Proposal Form unless additional services beyond those originally agreed upon have been requested by the Village to be provided by the Bank, and such additional services and costs associated have been agreed upon in writing.

If the Village chooses not to use earnings credit allowance to offset monthly service charges, the General Account will be debited around the fifteenth business day of the month. Any corrections or adjustments needed would be promptly addressed and credited to the account as necessary.

G. Automated Clearinghouse

Hoffman Estates Community Bank is both a “sending” and “receiving” bank for Automated Clearing House (ACH) transactions through the Federal Reserve Bank. We can accept and originate NACHA formatted files for purposes such as direct deposit, cash concentration, disbursement, and vendor payments. Using i-BusinessBanking™, the Village can upload any NACHA formatted file for processing. i-BusinessBanking™ also provides the Village the ability to create, review and edit ACH batches using the integrated ACH feature.

It is recommended that payroll files be transmitted two days prior to settlement but must be sent no later than 6:00 p.m. one day prior to settlement. If the file deadline is missed, we have the ability to process same day ACH transactions until 1:00 p.m. for settlement in the next processing window. ACH debit transactions must be originated no later than 6:00 p.m. for next day settlement.

Hoffman Estates Community Bank offers ACH Positive Pay which provides blocks and filters as determined by the Village’s parameters.

H. Online Banking Services

Hoffman Estates Community Bank offers a wide selection of services through our online banking product, i-BusinessBanking™. Details regarding the functionality, reports and security features available via i-BusinessBanking™ are detailed on pages 20-21.

Costs for the services detailed above are included on Exhibit A.

I. Payee Positive Pay

Hoffman Estates Community Bank recommends the Village utilize fraud prevention services on all accounts, including Payee Check and ACH Positive Pay. Using Payee Check Positive Pay, each check that is presented for payment against the Village's account is compared to your issue file sent to the Bank via i-BusinessBanking™. Positive Pay files are active at the time of receipt. During the daily check clearing process, if a payee, dollar amount or check number differs, the Village receives an alert through i-BusinessBanking™ by 8:30 a.m. each morning. A "pay" or "return" decision must be made on exception items by 1:00 p.m.; if a decision is not made by this time, the item will be returned. Payee Positive Pay services are integrated in real time with bank teller lines.

Manual items or voids are also submitted electronically to the Bank via i-BusinessBanking™. Hoffman Estates Community Bank recommends that the Village void checks through the Positive Pay module instead of submitting a stop payment, as a voided item does not have an expiration date.

For any accounts on which checks are not issued, we recommend to set those accounts with a "Post No Checks" status. Any checks that are presented for payment will automatically be returned to the bank of first deposit.

J. Debit Block

Hoffman Estates Community Bank offers ACH Positive Pay which allows the Village to make a "pay" or "return" decision on ACH debits posting to its accounts. Criteria can be set at the time of the posting to prevent future unauthorized ACH debits. Blocks can be set to prevent future unauthorized ACH debits based on SEC codes and dollar amounts; filters can be established to allow for future authorized debits and can include parameters based upon dollar amount limits and time frame. The Village will have until 2:00 p.m. to provide a decision on incoming ACH debits.

K. Transfers Between Accounts

Transfers between accounts can be performed on-line; there is no charge for this service. Credit for transfers between accounts will be given on the same day they are initiated, regardless of time. If needed, pre-authorized individuals from the Village will be able to initiate transfers via a phone call to Hoffman Estates Community Bank.

L. Remote Deposit

Our remote deposit image capture service, i-BusinessCapture Pro™ provides the Village with an easy, fast and convenient way to deliver deposits to the bank electronically. The program is web based and can be used with Windows 7, 8, 8.1, 10 and Internet Explorer 9-11. There is no set up fee or contract required for i-BusinessCapture Pro™. The Village can continue to use its current scanner at a cost of \$40.00 per month.

The imaging scanners allow you to scan up to 50 checks per minute and transmit the images directly to the Bank for deposit. Batches can be saved throughout the business day and transmitted as one complete deposit if preferred. Items may be transmitted up until 6:00 p.m. for same day ledger credit.

The Village will appoint a Security Administrator who will in turn appoint Authorized Representatives. i-BusinessCapture Pro™ will be accessed through the use of a User ID and Password by Authorized

Representatives. Multiple reporting and image search features include the ability to print check images, deposit slips and deposit transmission reports for safekeeping and account reconciliation. Retention of activity history is available for a rolling 45 days. Users can search for specific items, including deposit tickets, deposit items or rejected items, or items across deposits. Search fields include date, amount, serial number, account number and routing number. For security purposes each scanner user will have a unique user ID and the Scanner Administrator will have the ability to set security limitations for each individual user. After transmission, users can search for specific items, including deposit tickets, deposited items or rejected items across deposits. Search fields include date, amount, serial number, account number and routing number. Numerous reports are also available.

Wintrust also offers Remote Deposit Capture Direct Transmission (ICL) services, which moves paper deposits to electronic format. With RDC ICL services, the Village would have the ability to process large volume of check images into a structured X9.37 file format that is transmitted to the Bank in the form of a deposit. The file is sent via File Transfer Protocol (FTP).

M. Lockbox/In-office payment processing

- **Lockbox Services**

Wintrust Financial operates a central lockbox processing center for all its banks; the lockbox processes both wholesale and retail payments, including municipal utility bills.

Payments are picked up eight times a day, seven days a week at an established Carol Stream P.O. Box daily and delivered to the lockbox processing area. Payments are processed 24 x 7 x 363. The lockbox department opens and sorts the payments into batches according to the specifications of the Village; checks are examined for date, signature and payee. Single and multi-check payments as well as full or partial payment amounts can be processed. Deposit slips show deposit date, batch type and number and total number of items.

Electronic transmission files for the previous day work will be available to the Village daily by 10:00 a.m. online through **i-Business Lockbox**; this file can be uploaded directly to Tyler – Munis. Through **i-Business Lockbox**, the Village can upload daily payment files and review images of processed checks and coupons. All entries to the account will be included on the monthly bank statement.

Through **i-Business Lockbox**, the Village will have online access to detailed reports of daily items processed, as well as images of all check and remittance coupons. The Village will have the ability to save common searches, as well as the capability to set payment notifications and alerts via email. Images are maintained for online viewing through **i-Business Lockbox** for at least ninety days; the Village will have the option to have access to online images for up to ten years. Images of deposit tickets are available via **i-BusinessBanking™**. Correspondence and other non-financial data received can be returned to the Village either electronically or physically.

In an ongoing effort to provide services that will help streamline the processing of online bill payment checks received at the lockbox, Wintrust Financial offers **Exception Depot**, an online decisioning module within **i-Business Lockbox**. Checks received at the lockbox without a corresponding coupon can be manually processed and included in the daily upload file, if an account number is included on the check. If a check is received without a coupon or a discernible account number, the Village can access the image of the check within **Exception Depot** and then consult your software for the corresponding resident account details. The Village can enter account number details into the

Exception Depot module for transmission to the Lockbox department. The corresponding account information will be included in the daily upload file, allowing for same day processing through the lockbox instead of being returned to the Village for manual processing. Lockbox processing costs include:

Service Description	Cost
Lockbox Maintenance	\$75.00 per month
Item Processed (with stub)	\$0.21 per item
Item Processed (without stub)	\$0.43 per item
Unmatched Payment	\$0.22 per item
Multiple Payment	\$0.23 per item
Exception Item	\$0.30 per item
Images of manual items processed	\$0.12 per item
Non-processable Item	\$0.40 per item
Lockbox Deposit	\$1.50 per deposit
i-Business Lockbox™ Maintenance ¹	\$50.00 per month
PO Box Maintenance	\$35.00 per month
Postage ²	Pass Thru

1. **i-Business Lockbox™** Maintenance includes access to ninety days of lockbox activity, images of items processed (check and coupon), daily upload files, and the ability to provide processing instructions for exception items received without a coupon or account number.
2. Postage fees (if required) assessed at a pass thru cost.

- **In-Office payment processing**

Hoffman Estates Community Bank offers Lockbox Remote Capture services that could be used by the Village to process any payments received at Village Hall and transmit that information to the Lockbox department for inclusion in the daily payment upload file. The Bank would provide a scanner that works with a web based application. The lockbox processing fees listed above would apply in addition to a monthly scanner fee of \$40.00

This service allows the Village to streamline the deposit collection process as all items scanned are merged with the existing Lockbox activity workflow and included in the daily upload file, providing the consolidated source of info.

N. Payments received via online banking

E-Lockbox Services

Hoffman Estates Community Bank also provides a service that consolidates and converts payments made through a consumer online banking or bill pay systems to electronic payments, streamlining both the reconciliation process and the slower payment posting times of paper checks. The Village would have the ability to define the payee names of the items to be captured. Corrections can be made to inaccurate account information, which is then stored for future routing of a similar item, and payments can also be rejected if the Village prefers. The Village would receive a daily upload file of all items that were captured and ACH settlement of all funds collected.

E-Lockbox Services costs include:

Service Description	Cost
Electronic Payment Consolidation Services Set Up Fee	\$50.00 (one time)
Monthly Maintenance	\$30.00 per month
Electronic Bill Payment Received	\$0.12 per item
Electronic Bill Payment Returned	\$2.50 per item
Electronic Bill Payment SFTP	\$25.00 per month

PROPOSAL EXCEPTION FORM

Hoffman Estates Community Bank wishes to note exceptions to the following items in the Request for Proposal:

1. The following are monthly Service Charges listed under "Optional Services" on Exhibit A. These charges are not optional and will be included in the monthly service charge total:

Deposit Administration Fee	11% of annual average balance
Payee Positive Pay Monthly Maintenance	\$50.00 per account x 2 accounts
Positive Pay Manual Entry or Voided Item	\$1.00 per item
ACH Positive Pay Monthly Maintenance	\$15.00 per account x 3 accounts
ACH Positive Pay Suspect Item	\$0.50 per item
ACH Positive Pay Returned Item	\$0.50 per item
ACH File Transmission	\$5.00 per file x approximately 3 files per month
i-BusinessBanking™ Stop Payment	\$10.00 per item
i-BusinessBanking™ ACH Template Transactions	\$0.25 per item
Remote Deposit Deletion	\$5.00 per correction
Token for online access	\$1.50 per month per user
Cash Deposited	\$0.001 per \$1.00 deposited
Zero Balance Master Account	\$7.50 per month
Zero Balance Sub Account	\$5.00 x 2 accounts per month

2. The standard retention for online transaction details, images and reporting is 90 days plus 16 months of bank statements. The Village can extend this history to 18 months for \$10.00 per month, or implement Hoffman Estates Community Bank's Long Term Image Archive (seven years) for \$25.00 per month.
3. Online account analysis statements are available by the fifteenth business day of the month.

ONLINE BANKING SERVICES DESCRIPTION

i-BusinessBanking™ is Hoffman Estates Community Bank's internet banking service; i-BusinessBanking™ provides the following capabilities required by the Village:

- Access to daily balances, including ledger, available and collected
- Access to detailed debit and credit posting (cleared checks, deposits, returned checks, wire transfers in and out, ACH transfers in and out)
- Access to paid Check Images and other bank documents – front and back
- Account transactions searchable by transaction type, amount, date and check number
- Downloadable account activity data – file formats include BAI2, CSV, PDF, HTML
- Access to sixteen months of statements
- Initiation of transfers between accounts within the Bank
- Initiation of ACH transfers – both debit and credit, with the ability to create and access templates for recurring transactions
- Initiation of Stop Payment orders
- Initiation of Wire Transfers, including the ability to create and access templates for recurring wire transfer transactions
- ACH File Upload
- Transmission of files to/from the Bank for Account Reconciliation & Positive Pay
- Positive Pay exception viewing and submission of voided or manual items
- Multiple Alert Settings which can be customized by user, including: NSF, low balance, incoming wires & ACH
- Access to detailed reports including: cleared check history, stop payment history, detailed wire transfer history and ACH debit & credit history
- Access to EDI reports
- Controlled disbursement reporting

i-BusinessBanking™ provides a landing page dashboard that can be customized by user providing configuration options to support differing user perspectives. The dashboard provides immediate access to balance information and actionable features such as Approvals, Exceptions, and Other Accounts, and optimizes performance for users with many accounts. There is no limit to the number of accounts that can be displayed on the Welcome page.

Multiple report types are available through i-BusinessBanking™ including:

- Current account activity
- Balance reports
 - Ledger Balance
 - Available Balance
 - Total Debits
 - Total Credits
 - One Day Float
 - Two Day Float
- Specific transaction searches
- ACH, wire transfer and internal transfer history
- Pending ACH, wire and internal transfer transactions

- Stop payment history
- Positive Pay decisions, issued, outstanding and stale items
- Account Reconciliation reports
- User activity reports

Reports are available by 7:00 a.m. The Village will have access to intra-day reporting for all incoming electronic transactions. Real-time reporting is available for any incoming transactions and will reflect real-time account balances.

A PC with an internet connection is the only hardware required. Using i-BusinessBanking™, the Village can download data into PDF, CSV, BAI2 or HTML file formats to assist in the timely reconciliation of accounts and the detection of any possible fraudulent activity.

i-BusinessBanking™ provides the Village a high level of fraud prevention measures. The Village's online system administrator(s) can assign different user entitlements, resulting in the ability to segregate duties involving monetary transactions and implement multi-level security for Village staff. This includes both account level and transaction type entitlements, as well as monetary limits by transaction type. The standard security settings within i-BusinessBanking™ require Dual Administration and Dual Control (separate entry from approval) on all ACH and Wire transactions to mitigate any fraudulent activity. Those with Administrator profiles will be able to pull comprehensive audit logs that detail all individual user activity. All online users including system administrators will participate in a live training session with your Treasury Management implementation specialist.

Additionally, i-BusinessBanking™ utilizes Security Tokens, a service to protect the Village from fraudulent online activity. Any online banking user will have a token for log-in that will be used in conjunction with a company log-in and user specific log-in and password. Users will have the option of either a hard token fob or a software token available via a smartphone app. While a company can have both hardware and software token services enabled, a user cannot use both types of tokens concurrently.

Hard tokens randomly generate a new eight-digit code every 30 seconds, which is incorporated into the user log-in information. Software tokens provide two-factor authentication by using a user's login credentials with the dynamic code created by the RSA SecurID Software Token App. With either option, the log-in information is continually changing, which assists in the prevention of unauthorized users from gaining access to log-in information. Tokens also help the Bank ensure that only authorized individuals can access financial information online. In addition to requiring a token generated password for initial access to the online system, Hoffman Estates Community Bank requires a second password input prior to the release of any funds via wire transfer or ACH transfer.

Online banking sessions will timeout after twenty minutes of user inactivity. Unused user IDs will be deactivated after 90 days of inactivity.

i-BusinessBanking™ uses the most advanced Transport Layer Security (TLS 1.2) with 256-bit Advanced Encryption Standard and authentication protocols to protect all communications and account transmissions against snooping, counterfeiting, or other interference on the internet. A sturdy firewall protects our server from internet hackers, while a powerful filtering router further isolates our host computers.

Costs for the services detailed above are included on Exhibit A.

ADDITIONAL RECOMMENDED SERVICES

Post No Checks Fraud Prevention

As mentioned above, for those accounts on which checks are not written, Hoffman Estates Community Bank recommends that the Village place a “Post No Checks” status to mitigate any attempts of external check fraud. The monthly maintenance for this service is \$5.00 per account.

Returned Deposited Items Reporting

This web-based service would enable the Village to view incoming information and images of returned items. In addition to viewing chargeback items, the Village would be able to research and decision returned items. Information is retained for seven years. The Returned Deposit Items Reporting service is \$20.00 per month.

Long Term Image Archive

For long-term check image and statement access, Hoffman Estates Community Bank offers a web-based Long Term Image Archive application that provides a seven year archive of account history, paid and deposited items, and monthly account statements. The monthly maintenance for this service is \$25.00.

SFTP – File Transmission Services

Hoffman Estates Community Bank supports the receipt of direct transfer of data files via a remote transmission connection. The Village can receive files from the Bank via a secure transmission protocol using the SFTP File Transfer Protocol using SSH Secure Shell (SSH), which ensures that data is securely transferred using a private and safe data stream.

Outbound transmissions include:

- A daily file of prior day account balances and transactions in BAI2 format
- ACH Returns
- Daily Lockbox Files
- Daily Check Image File (X9.37 format)

Inbound transmissions include:

- ACH Credit and Debit Origination
- Positive Pay Check Issue Files

The monthly maintenance fee for File Transmission Services is \$100.00. This includes transmission of ACH, Positive Pay and Account Recon (Activity) files. Transmission of Account Recon files would be an additional \$25.00 per account per month.

Wealth Management Services

Wintrust Wealth Management is comprised of Great Lakes Advisors, Wayne Hummer Investments and The Chicago Trust Company. Together they provide investment expertise from over 140 financial service professionals in Illinois and Wisconsin and manage or administer nearly \$15 billion in assets for 25,000 clients. Great Lakes Advisors provides customized institutional investment solutions and specializes in professional discretionary portfolio management, customized balanced portfolios and single strategy portfolios for public and non-profit entities. They deliver superior performance while maintaining a conservative risk profile. Great Lakes Advisors is an ideal solution for surplus cash or bond proceeds management.

Wintrust Investments is one of the oldest and largest Chicago based wealth management firms providing comprehensive brokerage services, non-proprietary advisory management and insurance planning and advice. The Village would be able to purchase brokered CDs and securities through Wintrust Investments.

The Chicago Trust Company offers custody services including the safekeeping of securities, collection of interest, dividends and cash proceeds from maturities and called bonds, and consolidated reporting of assets, transactions and interest. The Chicago Trust Company accepts delivery of securities through its omnibus account at Bank of New York and through DTC.

Municipal Lending

Wintrust Government Funds assists the Wintrust Community Banks in making loans to, and purchasing bonds issued by municipalities, school districts, park districts and other units of local government and provide financing for various purposes, including capital improvements, economic development, debt refinancing and working capital. Financing structures include:

- General Obligation Limited and Unlimited Tax Bonds
- Debt Certificates
- Installment Contracts
- Revenue, Alternate Revenue & Working Cash Bonds
- Special Assessment and Special Service Area Bonds
- Tax Increment Financing
- Tax Anticipation Warrants and Notes
- 501(c)(3) Bonds and Industrial Development Revenue Bonds
- Operating leases (FASB 13)
- Capital or “\$1” out financings
- Purchase Leasebacks
- Lease Lines
- Technology Upgrades
- Equipment Disposal

Health Savings Accounts

Hoffman Estates Community Bank offers Health Saving Accounts (HSA's), a tax-advantaged personal savings account that can be used to pay medical, dental and vision expenses. This account can be offered to your employees in conjunction with a high deductible health plan as part of your benefits offering, which could result in lower insurance premiums for the Village.

Integrated Payables

Integrated Payables allows organizations to consolidate all payments into a single file that is sent to the Bank for processing. An integrated payable file can connect to an ERP through an API (Application Programming Interface), direct connect, or secure file exchange. Payments can be made via check, ACH, wire and Virtual Card. Once received, the Bank will send out the payments in the manner indicated by the Village.

Integrated Receivables

Integrated Receivables captures and aggregates all payments and images from any paper or electronic sources, regardless of location, type or channel and automates receivables processing by bringing all payments information, images and data into one central repository. This service uses advanced payment

association and invoice matching capabilities to electronically match the payment with the invoice remittance, as well as machine learning and sophisticated algorithms, causing greater straight-through processing rates and cost reductions. Hoffman Estates Community Bank anticipates having Integrated Receivables available in Q3 2022.

Other Electronic Payments Capabilities

New payment capabilities include Real Time Payments which provide 24 x 7 x 365 access to process the transfer of funds (send and receive) instantaneously to a bank account, improving control over payment timing and liquidity management. Zelle for business enables businesses to send and receive payments via the Zelle platform. B2C Disbursements provides business customers the ability to send payments to consumers using an email address or mobile phone number.

Merchant Processing Services

Wintrust partners with Elavon Merchant Services to provide merchant processing services to our customers. Elavon has been a global leader in processing payments since being founded in 1991 and is in the top five processors for the public sector and education market.

Elavon provides solutions geared toward the needs of a public sector entity, including ACH and eCheck for online payments, phone center solutions for pay-by-phone transactions and wireless/cellular terminals for events and ticket sales (sporting events, performances, etc.).

Corporate Credit Cards

Hoffman Estates Community Bank is pleased to offer several corporate credit card options for the Village's purchasing needs. Wintrust has partnered with First Bankcard (a division of First National Bank of Omaha), to provide companies with exceptional commercial card services. With nearly \$20 billion in managed assets, FNBO has grown into the largest privately owned bank holding company in the United States and has been issuing corporate and purchasing cards for over 25 years. First Bankcard currently services over 103,000 small businesses and corporate credit card clients and is committed to providing customers with the best personal, technical and financial resources necessary for their success.

First Bankcard issues Visa® and MasterCard® commercial and purchasing card products. First Bankcard is a self-processor utilizing our own proprietary system. First Bankcard handles all primary processing and reporting functions for the card program. All program implementations, customer service, credit underwriting, card embossing and client servicing functions are in-house. There is no annual fee for the programs.

Employee Enhancements

Wintrust@Work – Hoffman Estates Community Bank will provide free checking account services to Village employees. Wintrust@Work's Total Access Checking Account provides:

- Use of any ATM nationwide with a refund of any transaction fees
- No minimum balance
- No monthly service charges
- Cubs® or White Sox® branded debit cards
- Online banking access with free bill pay service and mobile banking
- Complimentary payroll checking cashing at our banking locations with valid identification

In addition, Village employees can transact business at any of our more than 170 Wintrust Community Bank locations. Hoffman Estates Community Bank. will offer on-site account sign up sessions for the employees at pre-arranged times.

Hoffman Estates Community Bank also periodically has deposit promotions for money market, savings, and certificate of deposit accounts.

Money Smart Financial Education – Hoffman Estates Community Bank can offer financial education seminars to Village employees or residents on many topics. A complete list of seminar modules can be provided upon request.

Additional programs include:

- Credit Building and Repair services such as Money Smart Savings, Checking, CD Loan, Everyday Loan and Secured MasterCard accounts
- Financial education seminars
- Platinum Adventures Club: social and travel club for adults over the age of 50
- Junior Savers Clubs: Designed for children and young adults under the age of 22

Free coin counting, safe deposit boxes, and gift cards are also available at our branch locations.

PROPOSED SCHEDULE OF IMPLEMENTATION

We understand that changing banks is not your daily business, so from the beginning of the relationship through the complete transition from your existing bank you can count on your relationship team to stand by your side. We consider it best practices to set-up a weekly check-in call with the Bank to review the status of the transition, implementation and eventual training to guarantee that the Village is 100% comfortable with the Bank and our online banking platform.

The account opening phase for new relationships typically takes 1-2 weeks dependent on the receipt of the required documentation for the authorized signers of the Village. Once signer information is obtained, the Bank can typically provide the Village the required signature cards and resolution(s) within forty-eight hours. Treasury Management agreements will then be drafted and delivered.

Please see below for a sample implementation schedule. A specific implementation plan including target dates based on this example will be created with the Village's team. Hoffman Estates Community Bank anticipates full implementation of all services for the Village to take approximately ninety days.

John Haniotes and Shannon Devinger will be the primary contacts for the account transition process. John will be responsible for preparing and delivering new account documentation and opening the accounts. Shannon will coordinate the drafting of treasury management agreements and will work with Wintrust's Treasury Management implementation team to assist in the testing of ACH origination and positive pay files and training of Village employees. Village responsibilities are detailed below.

A Treasury Management implementation specialist will be assigned to help the Village through the entire process. The implementation specialist will provide thorough training to Village staff on all treasury management services, including all modules within the online banking portal. Hoffman Estates Community Bank can also provide new user training guides to refer to after training.

ACTIVITIES	RESPONSIBLE PARTY	TARGET DATE
GENERAL		
• Meet the team	Village / HECB	Week 1
• Gather account and signer information	Village / HECB	Week 1
• Determine account structure & services used	Village / HECB	Week 1
• Open depository accounts	HECB	Week 2

TREASURY MANAGEMENT		
• Deliver treasury management agreements & account documentation	HECB	Week 2

• Collect signed agreements & submit for processing	Village / HECB	Week 2-3
• Provide test files	Village	Week 3-4
• Set up/establish treasury management services	HECB	Week 3-8
• Conduct training / train personnel on treasury management services	Village / HECB	Week 5-8

TRANSITION ACTIVITY		
• Notify any parties crediting or debiting the account	Village	Week 3
• Provide official bank letter communicating bank name, account, and routing number	HECB	Week 3

REFERENCES

As previously mentioned, The Wintrust Community Banks® provide comprehensive banking, depository and treasury management services to over **250** public entities in Illinois, including over **60** municipalities. Below is a sampling of government accounts similar in the services required by the Village, for which the Bank has served over the past two years. Additional references are available upon request.

Village of Barrington

Katrina Hanna
Director of Financial Services and Treasurer
khanna@barrington-il.gov
(847) 304-3433

Hoffman Estates Park District

Craig Talsma
Deputy Director, Director of Administration and Finance
847-301-3607
ctalsma@heparks.com

Village of Hanover Park

Remy Navarrete
Finance Director
630-823-5788
rnavarrete@hpil.org

Village of Schaumburg

Lisa Peterson
Director of Finance
(847) 923-4530
lpeterson@schaumburg.com

Village of Carol Stream

Jon Batek, Finance Director
(630) 871-6290
jbatek@carolstream.org

Village of Lombard

Tim Sexton, Finance Director
(630) 620-5902
tims@villageoflombard.org

VILLAGE OF HOFFMAN ESTATES BANKING SERVICES

PROPOSAL FORM – EXHIBIT A

BANK: HOFFMAN ESTATES COMMUNITY BANK

Bank Services	Estimated Annual Volume	Charge Per Item	Annual Service Charge
<i>Account Services:</i>			
Account Maintenance (7 accounts)	84	10.00	840.00
Online website service (7 accounts)	12	75.00	900.00
<i>Banking Center Services:</i>			
Branch Credits posted	110	1.50	165.00
<i>Depository Services:</i>			
Credits Posted	250	No Charge	No Charge
Items Deposited	700	0.10	70.00
Returned Items	50	4.50	225.00
Check Image Deposited	55,000	0.10	5,500.00
<i>Disbursement Services:</i>			
Check/Debit Posted	4,500	0.12	540.00
Stop Payment Automatic Renewals	10	N/A	N/A
Exception Notifications	50	No Charge	No Charge
Image Storage	5,200	No Charge	No Charge
Image Capture	5,200	No Charge	No Charge
Transfers between Accounts	30	No Charge	No Charge
Online ACH Maintenance	60	No Charge	No Charge
ACH, Debit Originated	32,500	0.10	3,250.00
ACH, Credit Originated	12,700	0.10	1,270.00
ACH Debit Received	590	0.10	59.00
ACH Credit Received	5,000	0.10	500.00
Return Item	55	4.50	247.50
Return Item Redeposit	25	2.75	68.75
Online Check/Deposit Archiving	12	10.00	120.00
Check Inquiry Maintenance		No Charge	No Charge
Notification of ACH, Incoming (email)		No Charge	No Charge
<i>Reconciliation Services:</i>			
Payee Name Verification	5,000	0.10	500.00
Exception item	20	1.00	20.00
<i>Funds Transfer Services:</i>			
Electronic Debit	70	8.00	560.00
Electronic Credit	25	8.00	200.00
<i>Elockbox Services:</i>			

Maintenance	12	30.00	360.00
Transactions submitted	45,000	0.12	5,400.00
Transactions reformatted	45,000	No Charge	No Charge
File processing	250	N/A	N/A
<i>Remote Deposit:</i>			
Deposit Transmissions	250	1.50	375.00
Number of Transactions	55,000	0.00	0.00
Remote Deposit capture fee	12	40.00	480.00
File Storage/Viewing Capabilities		No Charge	No Charge

Total Cost for Proposed Service **21,650.25**

Average Monthly Cost (Total ÷ 12) **1,804.19**

BANKING SERVICES AGREEMENT

This Agreement, made and entered into this 17th day of October, 2022, by and between Hoffman Estates Community Bank a Wintrust Community Bank (“Bank”) with a principal place of business located at 2200 W. Higgins Road in Hoffman Estates, Illinois, and the Village of Hoffman Estates, (“Village”) an Illinois municipal corporation, hereinafter collectively referred to as “the Parties” :

1. SERVICES

Bank has submitted a Proposal for Banking Services dated July 29, 2022 (“Proposal”) which is attached hereto as Exhibit 1 and incorporated herein, outlining the services to be provided by Bank. Bank shall provide said banking services (“Services”) as specified in the Proposal.

Other than what is provided in Paragraph 3 below, Village shall not be responsible for the cost of materials and equipment necessary for the performance of the Services.

No claim for services furnished by Bank, not specifically provided for in the Proposal, shall be allowed by the Village nor shall Bank perform any services or furnish any material not covered by this Agreement without prior written approval by Village. Such approval shall be considered a modification of this Agreement.

Where provisions contained in the Proposal should be found to be in conflict with provisions contained in other agreements between the Bank and the Village, the provisions of the Banking Services Proposal shall take precedence.

2. TERM AND TERMINATION

This Agreement shall be effective and binding from the date of its execution for an initial term of five (5) years (the “Initial Term”) unless terminated earlier pursuant to the terms hereof. After the initial term, the Village may choose to renew the terms of this agreement for additional terms of three (3) years (the “Renewal Term”).

The Agreement may be terminated by either party by giving written notice to the other party no later than ninety (90) calendar days before the proposed termination date. This provision may be exercised only after the contract has been in effect for six (6) calendar months. The Bank shall be entitled to just and equitable compensation for any satisfactory work completed to the termination date. Under no circumstances will any damages be paid as a result of the termination of this contract. If the Bank exercises the right to terminate the contract early, they cannot bid on future proposals for a period of seven (7) years

3. FEES AND PAYMENT TERMS

The fees for Services shall be as outlined in Exhibit A of the Proposal No modification to the cost and fee structure outlined in the Proposal may be made unless agreed to in writing by the Village.

Bank shall not incur any expenses or costs on behalf of the Village or in performing the Services, other than what is provided for in the Proposal, unless Village specifically authorizes in advance such expenses or costs in writing.

4. RELATIONSHIP OF THE PARTIES

In performing Services hereunder, Bank shall at all times act as an independent contractor and not as an agent or employee of Village. The Services shall be completed to the satisfaction of Village; however the actual details of the Services shall be under the Bank's control. The Bank agrees to comply with all applicable state and federal statutes and the Municipal Code of the Village. The Bank further agrees to indemnify and hold Village harmless for any and all claims made arising out of the Bank's breach of the obligations contained in this paragraph.

5. ASSIGNMENT AND SUBCONTRACTING

This Agreement shall not be assigned by the Bank without prior written approval of the Village, subject to such conditions and provisions as the Village may deem necessary in its sole and absolute discretion. No such approval by the Village of any assignment shall be deemed in any event or in any manner to provide for the incurrence of any obligation of the Village in addition to the total agreed upon price. Approval by the Village of an assignment shall not be deemed a waiver of any right accrued or accruing against the Bank. No assignee of the Bank shall assign this Agreement without prior written approval of the Village. This Agreement shall be binding upon the parties and their respective heirs, successors, and assigns.

6. NOTICE

All notices and other communications required to be given under the Agreement shall be in writing and shall be deemed to have been given (i) when personally delivered; (ii) three (3) business days after sending certified mail, or (iii) sending via email to the addresses below.

If to Village: Village of Hoffman Estates
Eric Palm, Village Manager
1900 Hassel Rd.
Hoffman Estates, IL 60169

If to Bank: Hoffman Estates Community Bank
2200 W. Higgins Road
Hoffman Estates, IL 60169

7. INDEMNIFICATION

Each party (in such capacity the "Indemnifying Party") hereby agrees to defend, indemnify and hold harmless the other party (in such capacity the "Indemnified Party") from and against all claims, demands, liabilities, losses, damages, suits, judgments, costs and expenses (including reasonable attorney's fees and costs of defense) in any manner arising out of or resulting from

performance of the Services contemplated herein, provided that any such claim, demand, liability, loss, damage, suit, judgment, cost or expense (1) is attributed to bodily injury, sickness, disease or death of any person, or to damage to or destruction of tangible property, including the loss of use resulting therefrom, and (2) is caused by any act or omission of the Indemnifying Party, its employees or agents, any approved subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable.

Furthermore, Bank agrees to defend, indemnify and hold Village harmless from and against all claims, demands, liabilities, losses, damages, suits, judgments, costs and expenses (including reasonable attorney's fees and costs of defense) in any manner arising out of the infringement or alleged infringement of any United States patent, trademark, trade dress, copyright or other intellectual property arising out of the Services provided by the Bank to Village.

8. GOVERNING LAW AND VENUE

The parties agree this Agreement has been executed and delivered in Illinois and that their relationship and any and all disputes, controversies or claims arising under this Agreement shall be governed by the laws of the State of Illinois, without regard to conflicts of laws principles. The parties further agree that the exclusive venue for all such disputes shall be the Circuit Court for the State of Illinois located in Cook County, Illinois, and the parties hereby consent to the personal jurisdiction thereof.

9. COMPLIANCE WITH LAWS

Each party hereto covenants and agrees to comply with all applicable federal, state, and local laws, codes, ordinances, rules and regulations.

10. INTELLECTUAL PROPERTY

Bank agrees to defend, indemnify and hold Village harmless from and against all claims, demands, liabilities, losses, damages, suits, judgments, costs and expenses (including reasonable attorney's fees and costs of defense) in any manner arising out of the infringement or alleged infringement of any United States patent, trademark, trade dress, copyright or other intellectual property arising out of the Services provided by the Contractor to Village.

11. WAIVER

Either Party's failure to insist upon strict compliance with any provision hereof or its failure to enforce any rights or remedy in any instance shall not constitute or be deemed to be a waiver of any provision, right or remedy.

12. ENTIRE AGREEMENT

This Agreement and the attached Proposal constitute the entire agreement and understanding of the parties with regard to the subject matter contained herein and supersedes all

prior agreements and understandings between the parties dealing with such subject matter, whether written or oral.

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

The Village of Hoffman Estates

Hoffman Estates Community Bank

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Village Clerk

**COMMITTEE AGENDA ITEM
VILLAGE OF HOFFMAN ESTATES**

SUBJECT: Request authorization to waive bidding and award a contract for the purchase of 1,235 retractable seats for the NOW Arena to Irwin Seating Company of Altamont, IL, in an amount not to exceed \$459,687.33.

MEETING DATE: October 10, 2022

COMMITTEE: Special Finance Committee

FROM: Daniel P. O'Malley, Deputy Village Manager/Owner's Rep
Ben Gibbs, General Manager NOW Arena

REQUEST: Request authorization to waive bidding and award a contract for the purchase of 1,235 retractable seats for the NOW Arena to Irwin Seating Company of Altamont, IL, in an amount not to exceed \$459,687.33.

BACKGROUND: In 2006, the arena was constructed with all new seating provided by Irwin Seating Company (ISC). ISC installed the seats, seat backs, hardware and mounting brackets for the upper bowl seating (about 3,300), lower bowl seating (about 5,100), and the retractable seating that is closest to the event floor (1097). The retractable seats are mounted on a deck that retracts when the arena floor is in the hockey/ice configuration. For other events, the deck and seating are extend toward the floor adding 1,097 prime seats along the event floor. Sixteen years later, the retractable seats are wearing and need to be replaced.

DISCUSSION: The retractable seats in the lower bowl are the most utilized seating at the NOW Arena. As a result, these seats are worn, at the end of useful life and in need of replacement. ISC furnished and installed all of the original seating at the arena in 2006 and in order for the replacement seating to be compatible, ISC is the only vendor able to perform this work. They are a sole source vendor which requires the waiving of bids. ISC's quote to replace the retractable seating includes design, engineering, shop drawings, removal and disposal of old seats, installation of new seats and training. It also includes 138 additional seats, of which 55 are attic stock and 83 are added seats due to extra space from removal of cup holders. See the attached contract and proposal from ISC.

ISC has provided a nine (9) month project timeline from notice to proceed through project completion. Based on this, the ideal time for removal and installation of the new seating is in June as the arena schedule is lighter and can accommodate this work after spring graduations and prior to the next arena event in early August.

Accordingly, this request is being presented now to allow for the work to occur in June, 2023.

The contract has been reviewed by legal and the majority has been approved. However, there are details still being finalized as of the writing of this memorandum and staff suggests that Committee recommend approval pending final review by legal. It is anticipated that the final, approved contract will be completed for consideration by the Village Board on October 17.

FINANCIAL IMPACT: In 2021, the Village was awarded grant monies through the Shuttered Venues Operators Grant (SVOG) from the U.S. Small Business Administration. The Village allocated a portion of these grant funds to capital projects. There are available funds for this project due to the SVOG grant. A 25% down payment is required with this project which would be funded from FY22 with the balance being funded in FY23.

RECOMMENDATION: Request authorization to waive bidding and award a contract for purchase of 1,235 retractable seats for the NOW Arena to Irwin Seating Company of Altamont, IL, in an amount not to exceed \$459,687.33 pending Corporation Counsel's approval of the contract.

Attachments



Purchased Scope
Valid for 60 Days

Date: Friday, October 7, 2022
To: Eliel Cardenas Director of Operations

Reference: Now Arena
Hoffman Estates, IL 60192

Project Number: QT211902 - P168054



We are pleased to offer the following proposal for Irwin Seating Company standard product

Release A	Telescopic Seating Platform System	
Chair Type	1180	Integra Chairs Semi-Auto Foot Release Operation w/Black Std Arms & Black Dust Covers
Chair Plastic		Pricing Includes Irwin Standard Plastic Color
Chair Fabric		Vinyl Grade 3 Fabric Seats & Backs
Attic Stock	55	Complete Integra Chairs

TELESCOPIC SEATING SYSTEMS
Now Arena Hoffman Estates, IL

Pricing Summary

TELESCOPIC SEATING SYSTEMS

QTY	Description	List Price	Extended
1	Telescopic Seating System - as Per Above:	\$ 357,307.47	\$ 357,307.47
1	Telescopic Seating System Freight	\$ 3,529.41	\$ 3,529.41
1	Removal and Disposal of the Existing Seats, Backs and mechanism on the telescopic platform	\$ 28,964.71	\$ 28,964.71
1	Complete installation of new telescopic seating system as described above.	\$ 66,917.65	\$ 66,917.65
1	Payment and Performance Bond	\$ 2,968.09	\$ 2,968.09
Total Delivered and Installed Telescopic Seating Price:			\$ 459,687.33
25% down. Balance Net 45 at completion			

Other important information noted below:

- Pricing is based on shipment in 2nd. Qtr. 2023
- Pricing is based Prevailing Wage on site labor requirements
- Pricing is valid for 60 days from date of issue.
- Above pricing is based on Irwin Standard warranty.
- All applicable taxes have not been included in the above price
- A 3D Field Check Scan has been included in the above pricing
- Seat Counts may vary after field dimensions have been applied
- Includes hardware to plug holes from previous chair beam installation (Installation by others)

IRWIN SEATING COMPANY

Stacy Ghast
Irwin Seating Company
Customer Support Specialist
618-483-2330
stacy.ghast@irwinseating.com

NOW Arena, Hoffman Estates IL 60192

Irwin Seating Company - Telescopic Division

Project Start: Fri, 10/7/2022

QT211902 (Seat Replacement ONLY)

Display Week: 10

Dec 5, 2022					Dec 12, 2022					Dec 19, 2022									
98	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23

TASK	ASSIGNED TO	PROGRESS	START	END	Dec 5, 2022							Dec 12, 2022							Dec 19, 2022						
					M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S
Order Procurement																									
Revised Proposal for seating replacement	Irwin	100%	10/7/22	10/7/22																					
Executed Contract	Customer	0%	10/28/22	10/28/22																					
Field measurement (Tentative Irwin has existing seating layout)	Irwin	0%	11/1/22	11/3/22																					
Shop Drawings	Irwin	0%	11/1/22	11/11/22																					
Customer Approvals	Customer	0%	11/14/22	11/23/22																					
Final Shop Drawing Revisions	Irwin	0%	11/28/22	12/1/22																					
Project Execution																									
Design and Engineering	Irwin	0%	2/20/23	2/24/23																					
Material Procurement	Irwin	0%	2/13/23	2/24/23																					
Manufacturing	Irwin	0%	5/1/23	6/2/23																					
Product Removal	Irwin	0%	5/30/23	6/2/23																					
Shipping	Irwin	0%	6/5/23	6/6/23																					
Installation	Irwin	0%	6/6/23	6/20/23																					
Pre-Punch	Irwin	0%	6/19/23	6/23/23																					
Project Closeout																									
Substantial Completion	Irwin	0%	6/20/23	6/20/23																					
Training	Irwin	0%	6/19/23	6/20/23																					

CONTRACT FOR TELESCOPIC SEATING CHAIRS

THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES; CONSULTATION WITH AN ATTORNEY IS ENCOURAGED WITH RESPECT TO ITS' COMPLETION OR MODIFICATION.

AGREEMENT made as of the 18th day of October in the year of 2022.

BETWEEN Irwin Seating Company (hereafter referred to as ISC). P.O. Box 320, Altamont, IL 62411 and the **Buyer**:

Now Arena
Hoffman Estates, IL

The Project is: **Chair Replacement on Existing Telescopic Platforms**

ISC and **Buyer** agree as set forth below:

Article 1

THE CONTRACT DOCUMENTS

- 1.1 This Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations, or agreements, either written or oral.

Article 2

THE WORK OF THIS CONTRACT

- 2.1 ISC shall perform all work and shall furnish all supervision, labor, materials, tools, equipment, supplies, and all necessary for the complete work as described below.

See attached proposal. project # QT211902 Dated October 3, 2022.

Article 3

SCHEDULE

- 3.1 The ability to procure materials and produce seating is a joint process between ISC and the Buyer. The mutual adherence to the following schedule will allow for project completion, as follows:**

See attached Schedule

Failure to adhere to this schedule will cause this order to be rescheduled, based on available manufacturing capacity at the time of the delay.

- 3.2 Buyer understands that failure to comply with these deadlines releases ISC from any liability resulting from ISC's inability to meet the desired delivery date due to the Buyer's failure to comply with the deadlines.

Article 4

CONTRACT AMOUNT

- 4.1 The Buyer shall pay ISC in current funds for ISC's performance of the Contract the Contract Sum of _____ Dollars (\$ _____), Subject to additions and deductions as provided in the Contract Documents.
- 4.2 The Contract Sum is based upon the following unit prices and alternates, if any, which are described below:

(State the numbers or other identification of accepted alternates. If decisions on other alternates are to be made by the Buyer subsequent to the execution of the Agreement, attach a schedule of such other alternates showing the amount for each and the date until which that amount is valid.)

Article 5

PROGRESS PAYMENTS

- 5.1 **STANDARD TERMS:** 25% due with executed contract. Payments are due in full, 45 days from date of invoice. All past due amounts are subject to a 1 ½% per month service charge, or 18% per annum.

Article 6

FINAL PAYMENT

- 6.1 **Final Payment**, constituting the entire unpaid balance of the Contract Sum, shall be due when the work described in this contract is fully completed and performed in accordance with the contract documents, and shall not be contingent upon any retainage terms of any master contract. ISC cannot agree to be bound by other

contingencies. Final Payment shall not be unreasonably withheld. Should "Punch List" items remain to be completed, an amount equal to no more than two (2) times the value of the punch list may be used as retainage, until such time as the work under this Contract is completed. At that time, Final Payment is due in full.

Article 7 **WARRANTY**

- 7.1 ISC (Seller) warrants any and all of its products including its fixed seating against defects in material and workmanship for one (1) year period from the date of substantial completion. Seller will repair or replace any product, which fails under normal and reasonable use for which the product is intended. Damage or repairs arising from abuse, accident, vandalism, improper installation, or alteration of the product subsequent to sale shall not be considered to be a defect in material or workmanship.

Purchaser is responsible for regular maintenance and inspection of the products. "Regular maintenance" shall include tightening of any loose assembly and attaching hardware, replacement of damaged components, cleaning of upholstery and other finishes, and removal of dirt on the powder-coated steel. This work shall be performed at reasonable intervals based on frequency of use, but at least every six (6) months. Regular inspection of product components, including assembly hardware, moving parts, and anchoring devices is also part of required maintenance. Strenuous use requires weekly inspection. All hazards are to be corrected prior to further use. Failure to comply with these maintenance requirements shall void this warranty.

THIS WARRANTY SHALL BE IN LIEU OF ANY OTHER WARRANTY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

The parties agree that purchaser's sole and exclusive remedy against Seller shall be for the repair or replacement of defective parts as provided herein. Purchaser agrees that no other remedy (including, but not limited to, incidental or consequential damages for lost profits, lost sales, injury to person or property, or any other incidental or consequential loss) shall be available to purchaser. The sole purpose of this stipulated exclusive remedy shall be to provide purchaser with free repair and replacement of defective parts in the manner provided herein. This exclusive remedy shall not be deemed to have failed in its essential purpose so long as Seller is willing and able to repair or replace defective parts in the prescribed manner.

Seller's entire warranty is embodied in this writing, irrespective of any statements made by Seller's salesmen, employees, or agents about Seller's products. Any such statements do not constitute warranties, shall not be relied upon by purchaser, and are not part of this warranty. This writing is a complete and exclusive statement of the terms of Seller's warranty and may not be modified, altered, or amended except in writing and signed by an Officer of Seller.

Article 8

INSURANCE

- 8.1 ISC shall maintain the following insurance:
- a. If ISC has contracted for the installation of such Products, workmen's compensation coverage in the amount required by the state or states in which the Products are to be installed.
 - b. Comprehensive Public Liability Insurance covering all ISC's operations pursuant to this Contract with limits of no less than \$1,000,000 for bodily injury or death in any one occurrence, \$2,000,000 in the aggregate and \$1,000,000 for property damage in any one occurrence and in the aggregate.

ISC shall give Buyer such evidence of insurance as Buyer may reasonably request.

Article 9

MISCELLANEOUS PROVISIONS

- 9.1 **Field Checks:** The area that will require a field check for the installation of seating must be free from all obstructions pertaining to seating, as per approved shop drawing, and as follows:
- a. Concrete or floor material 100% in place.
 - b. Scaffolding, standing water, debris, machinery, or anything that would inhibit 100% clear access of entire floor, balconies, risers, platforms, wall-to-wall dimensions, etc.
 - c. All interior finishes 100% in place.
 - d. All electrical 100% in place as it would pertain to the work under this contract.
 - e. Space must be free of work by other trades that would interfere with ISC's ability to take all necessary measurements at one time.

Failure to comply with the above conditions will result in delay of shipment and/or added fees to the contract for return trips by the installer for the purpose of completing field measurements.

- 9.2 **Storage:** In the event the manufactured materials cannot be delivered to the installation site on the above schedule due to site readiness. Storage charges will be calculated and sent to the buyer for change order. Delivery dates and scheduling must be IN WRITING by the Buyer. It is also the Buyer's responsibility to inform ISC of any scheduling changes that may occur as the job progresses. It shall further be the Buyer's responsibility for on-site storage should schedule changes be affected, but not put in writing and forwarded in a timely manner to ISC.

- 9.3 **Installation of Product:** As noted above, Buyer is responsible for informing ISC regarding requested delivery and installation dates in writing. Should the installer arrive to install the seating, and the area in which the product is to be installed is not ready to accept the installation, there will be a charge of \$500 per day for each day the installer arrives to install and is unable to do so because of adverse site conditions. The Contract price is structured so that the installer and crew unload the product and proceed to install immediately after unloading. Should the installer be required by adverse site conditions to unload and then return at a later date to install, there will be an up charge to the Buyer. Additionally, an adequate amount of time must be allowed for the installation of the product per Article 3, Paragraph 3.1 ISC cannot be bound by deadlines created by the failure of other trades to perform their work in a timely fashion.
- 9.4 **Facilities at Installation Site:** Buyer shall supply, at no expense to ISC, electric power of 110 – 125 volts alternating (25-60 cycles) necessary to operate installation tools and equipment, and electric power outlets shall be accessible by extension cords no longer than 100 feet. In addition, Buyer will also provide at its expense, heat, light, drinking water and normal sanitary facilities. Buyer will also provide at its expense manned elevators or hoists as needed to lift products to balcony or upper building levels.
- 9.5 **Project Conditions:** Do not install seating until the following environmental conditions are met: Space is enclosed and weatherproof, wet-work in space is complete and nominally dry, installation of finishes including painting is complete, work above ceiling is complete, and ambient temperature and humidity conditions in spaces where chairs will be installed are continuously maintained at values near those indicated for final occupancy for at least two weeks.
- 9.6 **Concrete Floors:** In the case of concrete floor composition, ISC makes no warranty promise or representation, and shall not be responsible for any inadequacy or failure, with respect to the permanency of the fastening of the chair standards to the floor, unless the floor is at least 3” thick and free of reinforcing rods, radiant heating pipes, conduits, or other obstructions for the top 1-1/2”. If riser mounted chairs are to be used, the risers must be at least 4-1/2” thick and free of reinforcing rods, conduits, beams, or other obstructions for a depth of 2-1/2” from the surface. The concrete must contain a compressive strength of at least 3,000 P.S.I. when a regular mix is used and 5,000 P.S.I. when a lightweight mix is used. Extra cost resulting from obstructions in the concrete shall be charged to the Buyer.
- 9.7 **Other Floors:** In the case of wood or other composition floors which require fastening of chair standards with wood screws, ISC makes no warranty, promise or representation, and shall not be responsible for any inadequacy or failure, with respect to the permanency of the fastening of the chair standards to the floor or damage to the floor, in the event the floor is fabricated wood (e.g. assembled blocks, plywood, short strips laid in herringbone pattern) or any floor composition other than regular tongue and groove strip hard wood flooring, which may dictate other methods of installation to enhance the permanency of floor attachments. Buyer agrees to pay ISC a sum equal

to the additional installation costs incurred by ISC by reason of such extraordinary installation method.

- 9.8 **Punchlist Requirements:** Contract price includes one trip to job site by the installer for the purpose of completing punchlist items. Should the installer be required to make more than one trip due to the failure of the Buyer to give complete information at one time regarding punchlist items, there will be an up charge for repeat trips to complete punchlist items.
- 9.9 **Work by Other Trades:** ISC cannot be responsible for the protection of the chairs from damage caused by the work of other trades. ISC will not be held liable for acts caused by other parties.
- 9.10 **Approved Seating Plan:** The approved seating plan shall govern, in all respects, the number, size and arrangement of the seating units. If auxiliary equipment, such as aisle lighting, is to be supplied by ISC, ISC shall govern the type of such equipment. ISC shall not be responsible for securing approval of the seating plan from any governmental authority, or otherwise communicating with any governmental authority with respect to the seating plan. Buyer's approval of the seating plan shall constitute Buyer's warranty and representation that the seating plan complies with all legal and/or administrative requirements and codes, including, but not limited to, width of aisles, arrangement of aisles and chairs, and type of auxiliary equipment, if any. Extra costs incurred by ISC as a result of changes in the approved seating plan or as a result of failure of the seating plan to conform to all legal and/or administrative requirement and codes will be charged to the Buyer.
- 9.11 **Use of Shop Drawings:** ISC shop drawings are for the use of ISC and the Buyer only. ISC will not be responsible for the work of other trades that is based upon ISC's shop drawings.
- 9.12 Seating may not be put into use until it has been completely paid. Seating that is put into use it to be construed as accepted and final payment is immediately due and payable.
- 9.13 In order to secure Buyer's payment and performance of this contract, Buyer hereby grants ISC a security interest in all of the above described products and every part thereof which are the subject of this Contract (the Collateral").

At the request of ISC, Buyer shall join with ISC in executing one or more financing statements and such other documents as may be deemed necessary by ISC to preserve its security interest in the Collateral as a first and fully perfected lien on the Collateral. Buyer shall insure the Collateral to the full amount of the purchase price against fire, water, tornado, and other casualties and shall at ISC's request name ISC as an additional insured under said policies. Buyer shall be in default under this contract upon the happening of any of the following events or conditions:

- a. Default in payment for the purchase price, or any installment thereof, or of a note evidencing the purchase price, or default in any obligation contained or referred to in this Contract or in any other obligation of Buyer to ISC of any kind whatsoever, and
- b. Dissolution of Buyer, appointment of receiver for Buyer, assignment by Buyer for the benefit of creditors or commencement of any proceeding under any bankruptcy or insolvency laws by or against the Buyer.

Upon any such default, and any time thereafter, ISC may declare the entire balance of the purchase price due and payable, and may proceed to enforce payment of the same and exercise any and all rights and remedies under the Uniform Commercial code as well as all other rights and remedies afforded ISC at law or equity. In the event of such default, ISC shall be entitled to receive, in addition to any obligations owed by Buyer to it, expenses of retaking, holding, preparing for sale, and/or selling the Collateral, which expenses shall include ISC's reasonable attorneys' fees and other legal expenses.

- 9.14 **Limitation of Liability:** Except for the warranty coverage referenced above, neither ISC nor its suppliers will have any liability or obligation to the Buyer or any other person for any claim, loss, damage, or expense caused in whole or in part, directly or indirectly, by the inadequacy of any products for any purpose, by any deficiency or defect in any product (whether or not covered by any warranty), by the use or performance of any products or by any failure or delay in ISC's performance hereunder, or for any special direct, indirect, incidental, consequential, exemplary or punitive damages, however caused, including, without limitation, personal injury or loss of business or profit, whether or not the Buyer will have informed ISC of the possibility or likelihood of any such damages.
- 9.15 These terms and conditions herein shall be governed by and construed in accordance with the laws of the State of Illinois. Both parties hereby consent and submit to the exclusive jurisdiction and the courts of the State of Illinois, in and for the County of Effingham, in any action brought by either party in connection with terms and conditions herein.
- 9.16 **Changes:** At any time after the date of the Contract, the Buyer may file a written request with ISC to modify the seating plan and/or Product specifications or quantities. The written request for modification shall specify in detail the extent and nature of the changes requested. ISC shall promptly analyze the request and notify the Buyer in writing of the feasibility of the modification and the changes in price, time for performance, or other terms or conditions of the contract which may be required to accomplish the requested changes. Promptly thereafter, the Buyer shall advise ISC in writing of its decision to accept or reject ISC's proposal.
- 9.17 **ITSC Delayed by Suppliers:** ISC shall schedule its work and place orders for material and services so as to meet the scheduled dates for its performance, provided, however, ISC shall not be liable for or deemed in breach of the Contract by reason of any delay occasioned by a default or failure of timely performance by suppliers of

good and/or services to ISC which was not the direct result of a default by ISC in its contracts with such suppliers.

- 9.18 **Other Excused Delays:** ISC shall not be liable for or deemed in breach of this Contract by reason of any delay, loss, or failure to perform all or any part of this Contract where such delay, loss, or failure is the proximate result of any act of any governmental authority or subdivision thereof, revolution, riot, civil disorder or disturbance, act of enemies, delay or default in transportation, strike, dispute among or between labor unions or other labor disputes, fire, flood, act of God, or any cause not within the reasonable control of ISC, whether of the class of causes enumerated or otherwise.
- 9.19 **Cancellation:** Orders may be cancelled or deliveries deferred only upon the condition that the Buyer immediately make payment to ISC for (1) all work completed, at the unit price, (2) work in process, on the basis of the percentage of completion thereof times the order unit price, and (3) raw material, unauthorized tooling, engineering and other cancellation charges incurred on the basis of cost to ISC plus handling and overhead charges, plus the reasonable costs and expenses incurred by ISC in making settlement thereunder and in protecting property in which the Buyer has an interest and/or the increased costs incurred by ISC by reason of a revision in the delivery schedule. All cancellation charges to be determined at the time of cancellation or deferment.
- 9.20 **Seller's Technical Assistance:** At Buyer's request, ISC may furnish such technical assistance and information as it has available with respect to the use of products (or materials) covered by this Contract. Unless otherwise agreed in writing, all such technical assistance and information will be provided without further charge, and Buyer assumes sole responsibility for all results obtained in reliance thereon.
- 9.21 **Entire Agreement:** No terms or conditions, other than those stated herein, and no agreement or understanding, oral or written, in any way purporting to modify these terms and conditions whether contained in Buyer's purchase order, ISC's acknowledgement, shipping forms, or elsewhere, shall be binding on ISC unless made in writing and signed by an officer of the company. Trade usage shall neither be applicable nor relevant to this Contract, nor be used in any manner whatsoever to explain, qualify, or supplement any of the provisions herein.
- 9.22 **Invalid Provision:** The invalidity or unenforceability of any particular provision of this Contract shall not affect the other provisions hereof, and this Contract shall be construed in all respects as if such invalid or unenforceable provision were omitted.
- 9.23 Other documents, if any, forming part of the Contract Documents are as follows:
1. Proposal, project # QT211902 Dated October 3, 2022.
 2. Project Schedule

This Contract is entered into as of the day and year first written above.

BUYER: _____

IRWIN SEATING COMPANY

(Signature)

(Signature)

(Printed Name & Title)

(Printed Name & Title)