

VILLAGE OF GRAYSLAKE
CONTRACT FOR THE CONSTRUCTION OF
NORDIC PARK IMPROVEMENTS
CONTRACT 131022.40

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CONTRACT AGREEMENT BETWEEN
VILLAGE OF GRAYSLAKE
AND
ELANAR CONSTRUCTION
FOR THE CONSTRUCTION OF
NORDIC PARK IMPROVEMENTS
CONTRACT 131022.40

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**CONTRACT AGREEMENT BETWEEN
VILLAGE OF GRAYSLAKE**

AND

[NAME OF SUCCESSFUL BIDDER]

FOR THE CONSTRUCTION OF

NORDIC PARK IMPROVEMENTS

CONTRACT 131022.40

THIS CONTRACT AGREEMENT, made as of this 21st day of March, 2014, by and between the Village of Grayslake, 10 South Seymour Avenue, Grayslake, Illinois 60030, a municipal corporation, and Elanar Construction, 6620 West Belmont Avenue, Chicago, Illinois 60634, a S Corporation *[FORM OF ORGANIZATION]*,

WITNESSETH:

In consideration of the mutual promises contained in this Contract Agreement, it is agreed by and between Owner and Contractor as follows:

ARTICLE I
THE WORK

1.1 Performance of the Work

Contractor shall, at its sole cost and expense:

1. Labor, Equipment, Materials, and Supplies. Provide, perform, and complete at the Work Site and in the manner described and specified in this Contract all necessary work, labor, services, transportation, equipment, materials, apparatus, machinery, tools, fuels, gas, electric, water, waste disposal, information, data, and other means and items necessary for the design, if any, construction, and installation of the **NORDIC PARK IMPROVEMENTS**, together with related attachments, equipment, and appurtenances thereto.

2. Permits. Unless otherwise stated in the Special Conditions of Contract, procure and furnish all permits, licenses, and other governmental approvals and authorizations necessary in connection therewith.

3. Bonds and Insurance. Procure and furnish all Bonds and all certificates and policies of insurance specified in this Contract.

4. Taxes. Pay all applicable federal, state, and local taxes.

5. Miscellaneous. Do all other things required of Contractor by this Contract.

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6. Quality. Provide, perform, and complete all of the foregoing in a proper and workmanlike manner, consistent with the highest standards of professional and construction practices and in full compliance with, and as required by or pursuant to, this Contract, and with the greatest economy, efficiency, and expedition consistent therewith.

1.2 Contract Documents

The Contract Documents consist of the following component parts, all of which are attached to this Contract Agreement and are, by this reference, made a part of this Contract Agreement as though fully set forth herein:

1. Contractor's Certification;
2. Schedule of Prices;
3. General Conditions of Contract;
4. Special Conditions of Contract;
5. Contract Drawings;
6. Specifications;
7. Form of Performance Bond;
8. Form of Labor and Material Payment Bond;
9. Prevailing Wage Ordinance; and
10. Addenda Nos. 1.

Engineer may, during construction, furnish to Contractor such additional Contract Drawings and Specifications or such other explanations as Engineer may consider necessary to illustrate or explain the Work in further detail. Contractor shall comply with the requirements of all such additional Contract Drawings and Specifications or other explanations, all of which shall be considered part of the Contract Documents and shall not be considered as indicating additional Work.

1.3 Interpretation of Contract Documents

A. Definitions. Whenever used in this Contract Agreement or in the Contract Documents:

1. General Definitions. Except for the terms specially defined in Paragraph 1.3A2 below, all capitalized terms shall have the meanings given to them in Article VII of the General Conditions of Contract.

2. Special Definitions. The following capitalized terms shall have the following meanings:

a. Contractor. The Person first identified above with whom Owner has executed this Contract Agreement and its duly authorized officers, employees, agents, and representatives.

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b. Engineer. Baxter & Woodman, Inc., 31 South Seymour Avenue, Grayslake, Illinois 60030, or such additional or different Person as Owner may from time to time designate in writing to perform any or all of the functions of the Engineer under this Contract as well as the duly authorized officers, employees, agents, and representatives of any such Person.

c. Owner. The Village of Grayslake and its duly authorized officers, employees, agents, and representatives.

d. Work. All matters described, exhibited, contemplated, implied, or embraced in this Article I of this Contract Agreement and in Article I of the General Conditions of Contract, including all risks and changes in the Work that Contractor is responsible for dealing with under this Contract without any equitable adjustment in the Contract Price or Contract Time, and all matters described, exhibited, contemplated, implied, or embraced in any Change Order issued pursuant to Section 2.1 of the General Conditions of Contract.

e. Work Site. *Nordic Park on the northwest corner of Lake Street and IL-120 (Belvidere Road).*

B. Rules of Interpretation. This Contract shall be interpreted so that:

1. Requirements Cumulative. Each requirement imposed on Contractor shall be cumulative of every other requirement imposed on Contractor, and any Work required to be performed by any one component part of this Contract shall be performed to the same extent as if required by all component parts of this Contract.

2. Details to be Assumed. The Work shall be provided, performed, and completed in every detail whether or not every item of detail is particularly set forth in the Contract Documents.

3. Priority of Contract Provisions. In the event of a discrepancy, error, omission, ambiguity, or conflict in the application or interpretation of any of the provisions of this Contract, the terms of this Contract Agreement and of the General Conditions of Contract shall govern over the terms and provisions of all other Contract Documents.

4. Engineer's Interpretation. Subject to Paragraphs 1.3B1, B2, and B3 above, Engineer shall determine which provision or provisions of this Contract Agreement and the Contract Documents best promotes or promote the overall objectives, and best fulfill the intents and purposes, of this Contract, and such provision or provisions shall govern. Such determination of Engineer shall be final.

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C. Contractor's Duty to Report Discrepancies. Contractor shall carefully review this Contract Agreement and each of the Contract Documents before performing the Work, and each part thereof, and shall promptly call to the attention of Engineer any discrepancy, error, omission, ambiguity, or conflict that may exist among any of the component parts of this Contract or among any of the provisions of any one of such component parts before proceeding with any part of the Work affected by such discrepancy, error, omission, ambiguity, or conflict. Contractor shall be responsible for all corrective Work required resulting from Contractor's failure to give such notice and shall bear all damages and costs associated therewith, arising therefrom, or resulting from such matters first discovered during the progress of the Work, including, but not limited to, damages or costs resulting from, arising out of, or in any way related to, increases in time-related costs; increases in costs of labor, equipment, materials, or supplies; costs of additional personnel; costs of additional equipment; costs of additional premium time for personnel or equipment; lower labor productivity; lost profits or alternative income; effects on other contracts; and costs of demobilization and remobilization. Information pertaining to subsurface, underground or other concealed conditions or obstructions, soils analysis, borings, test pits, buried structures, utility locations or conditions, conditions of existing structures, and similar site information or data and other investigations shown or indicated on the Contract Drawings, provided by Owner or Engineer, or otherwise made available to Contractor is not part of this Contract and, therefore, any discrepancy, error, omission, ambiguity, or conflict in such site information or data does not constitute a discrepancy, error, omission, ambiguity, or conflict in this Contract.

ARTICLE II CONTRACT TIME

2.1 Commencement Date

Contractor shall commence the Work immediately upon execution of this Contract Agreement by Owner.

2.2 Completion Date

Contractor shall diligently and continuously prosecute the Work from the Commencement Date at such a rate as will allow the Work to be fully provided, performed, and completed in full compliance with, and as required by or pursuant to, this Contract, and the Work shall be fully provided, performed, and completed in full compliance with this Contract, not later than May 31, 2014.

2.3 Time of the Essence

The time of commencement, rate of progress, and time of completion are of the essence of this Contract.

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ARTICLE III CONTRACTOR'S WARRANTIES AND REPRESENTATIONS

3.1 Warranties and Representations

In order to induce Owner to enter into this Contract, Contractor hereby warrants and represents to Owner as follows:

A. Review of Contract. Contractor has carefully examined, reviewed, and accepted this Contract Agreement and all of the Contract Documents prior to submission of its Bidder's Proposal and execution of this Contract and there are no discrepancies, errors, omissions, ambiguities, or conflicts in this Contract that are material to Contractor's provision, performance, or completion of the Work, the Contract Price or the Contract Time that have not already been clarified in writing by Owner to the satisfaction of Contractor. For claims based upon discrepancies, errors, omissions, ambiguities, or conflicts in this Contract, Contractor shall hereafter have no claim for payment or compensation in excess of the Contract Price based upon discrepancies, errors, omissions, ambiguities, or conflicts in this Contract. Contractor shall be entitled only to a possible extension of the Contract Time, if applicable, as provided in this Contract and then only in those cases where Contractor can show that such discrepancies, errors, omissions, ambiguities, or conflicts (1) could not have been discovered by Contractor prior to execution of this Contract or prior to the performance of any of the Work affected by such discrepancy, error, omission, ambiguity, or conflict and (2) has caused an unavoidable delay. Information pertaining to subsurface, underground or other concealed conditions or obstructions, soils analysis, borings, test pits, buried structures, utility locations or conditions, conditions of existing structures, and similar site information or data and other investigations shown or indicated on the Contract Drawings, provided by Owner or Engineer, or otherwise made available to Contractor is not part of this Contract and, therefore, shall not constitute the basis for claims based upon discrepancies, errors, omissions, ambiguities, or conflicts in this Contract.

B. Investigation of Work Site. Contractor has had a sufficient opportunity to conduct a thorough inspection and investigation of the Work Site and the surrounding area and has completed such inspection and investigation to its satisfaction. Contractor has included in the Contract Price allowances and contingency amounts for difficulties or obstructions that may arise or be encountered in the performance of the Work, including without limitation adverse weather conditions, equipment breakdowns, subsurface, underground or other concealed conditions or obstructions, buried structures, utility locations or conditions, adverse soil conditions, and changed site conditions due to work by other contractors, and Contractor hereby waives all claims for, and hereafter shall have no claim for, payment or compensation in excess of the Contract Price based upon such difficulties or obstructions, or conditions at the Work Site or in the surrounding area except as expressly provided, and only to the limited extent set forth, in Sections 2.1 through 2.3 of the General Conditions of Contract. Contractor is responsible for dealing with conditions found at, and in the vicinity of, the Work Site, including subsurface, underground or other concealed conditions or obstructions, buried structures, utility locations or conditions, adverse soil conditions, changed conditions due to work by other contractors, and similar site conditions without any equitable adjustment in the Contract Price except as expressly

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provided, and only to the limited extent set forth, in Sections 2.1 through 2.3 of the General Conditions of Contract.

C. Authorization; Enforceable Obligations. This Contract constitutes the legal, valid, and binding obligation of Contractor, is fully enforceable against Contractor in accordance with its terms, will not violate any judgment, Law, or organizational or operating document and will not cause or constitute a default under any contractual obligation of Contractor or any lien, charge, encumbrance, or security interest upon any assets of Contractor.

D. Contractor's Certification. All the facts and information submitted by Contractor in connection with this Contract and its procurement are true and correct in all respects and, in particular, the statements contained in Contractor's Certification are true and correct.

E. Technical Ability to Perform. Contractor is sufficiently experienced and competent, and has the necessary capital, facilities, plant, organization, and staff, to provide, perform, and complete the Work in full compliance with, and as required by or pursuant to, this Contract.

F. Financial Ability to Perform. Contractor is financially solvent, and Contractor has the financial resources necessary to provide, perform, and complete the Work in full compliance with, and as required by or pursuant to, this Contract.

G. Subcontractors and Suppliers. Contractor shall be responsible for all Subcontractors and Suppliers and shall supervise and control all Subcontractors and Suppliers. All of Contractor's agreements with Subcontractors and Suppliers shall be subject to the applicable terms and conditions of this Contract, including, without limitation, Section 1.4, 1.9 and 3.5 of the General Conditions of Contract.

H. Time. Contractor is ready, willing, able, and prepared to begin the Work on the Commencement Date and the Contract Time is sufficient time to permit completion of the Work in full compliance with, and as required by or pursuant to, this Contract for the Contract Price, all with due regard to all natural and man-made conditions that may affect the Work or the Work Site and all difficulties, hindrances, and delays that may be incident to the Work.

I. Acceptance of Allocation of Risks and Changes. Contractor acknowledges and agrees that risks are inherent in the Work of this Contract and changes are to be expected. Contractor acknowledges that this Contract contains specific allocations of responsibility for such risks and changes. Contractor acknowledges, agrees to, and accepts such risks and changes that are allocated to it and that Contractor is responsible for dealing with such risks and changes under this Contract without any equitable adjustment in the Contract Price or Contract Time.

J. No Collusion. The only Persons interested in this Contract as principals are those disclosed as such in the Bidder's Sworn Acknowledgment submitted to Owner by Contractor, and this Contract is made without collusion with any other Person.

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K. No Default. Contractor is not in arrears to Owner upon any debt or contract and is not a defaulter as surety, contractor, or otherwise to any Person.

L. Not Barred. Contractor is not barred by law from contracting with Owner or with any unit of state or local government, and neither Contractor nor any Person affiliated with Contractor or that has an economic interest in Contractor or that has or will have an interest in the Work or will participate, in any manner whatsoever, in the Work is acting, directly or indirectly, for or on behalf of any Person, group, entity or nation named by the United States Treasury Department as a Specially Designated National and Blocked Person, or for or on behalf of any Person, group, entity or nation designated in Presidential Executive Order 13224 as a person who commits, threatens to commit, or supports terrorism, and neither Contractor nor any Person affiliated with Contractor or that has an economic interest in Contractor or that has or will have an interest in the Work or will participate, in any manner whatsoever, in the Work is, directly or indirectly, engaged in, or facilitating, the Work on behalf of any such Person, group, entity or nation.

M. Taxes and Benefits. Contractor has excluded from the Contract Price all state and local sales, use, and excise taxes. Contractor has included in the Contract Price, and has or will pay or cause to be paid out of the Contract Price, all other applicable federal, state, and local taxes of every kind and nature applicable to the Work as well as all taxes, contributions, and premiums for unemployment insurance, old age or retirement benefits, pensions, annuities, or other similar benefits for Contractor's and its Subcontractors' employees.

N. Patent Costs. Contractor has included in the Contract Price, and has or will pay or cause to be paid out of the Contract Price, all costs, royalties, and fees arising from the use on, or the incorporation into, the Work of patented equipment, materials, supplies, tools, appliances, devices, processes, or inventions.

O. Conflicts of Interest. Contractor represents and certifies that, to the best of its knowledge: (1) no elected or appointed official, employee or agent of Owner has a personal financial interest in the business of Contractor or in this Contract, or has personally received payment or other consideration for this Contract; (2) as of the date of this Contract, neither Contractor nor any person employed or associated with Contractor has any interest that would conflict in any manner or degree with the performance of the obligations under this Contract; and (3) neither Contractor nor any person employed by or associated with Contractor shall at any time during the term of this Contract obtain or acquire any interest that would conflict in any manner or degree with the performance of the obligations under this Contract.

3.2 Affirmation of Other Warranties and Representations

In addition to the foregoing warranties and representations, Contractor hereby acknowledges that Contractor has carefully read, reviewed, and understood, and hereby agrees to honor, the Warranty of the Work contained in Article III of the General Conditions of Contract as well as all other warranties and representations set forth in the Contract Documents.

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3.3 Patriot Act

Contractor represents and warrants that they are not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by the United States Treasury Department as a Specially Designated National and Blocked Person, or for or on behalf of any person, group, entity, or nation designated in Presidential Executive Order 13224 as a person who commits, threatens to commit, or supports terrorism; and that they are not engaged in this transaction directly or indirectly on behalf of, any such person, group, entity, or nation. Contractor hereby agrees to defend, indemnify, and hold harmless the Owner from and against any claims, damages, losses, risks, liabilities, and expenses (including reasonable attorney's fees and costs) arising from or related to any breach of the foregoing representation and warranty.

ARTICLE IV FINANCIAL ASSURANCES

4.1 Bonds

A. Bonds Required. Contemporaneous with Contractor's execution of this Contract Agreement, Contractor shall provide a Performance Bond and a Labor and Material Payment Bond, in the forms included in the Contract Documents, from a surety company licensed to do business in the State of Illinois with a general rating of A minus and a financial size category of Class X or better in Best's Insurance Guide, each in the penal sum of the Contract Price, and such other bonds as and when required by Owner. Contractor shall, at all times while providing, performing, or completing the Work, including, without limitation, at all times while repairing, correcting, or replacing all or any part of the Work that is defective, damaged, flawed, unsuitable, nonconforming, or that fails to meet warranty subject to correction by Contractor pursuant to Section 3.1 or Section 3.2 of the General Conditions of Contract, maintain and keep in force, at Contractor's expense, the Bonds required hereunder.

B. No Release of Bond Obligations. No changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances on the part of either Owner or Contractor to the other in or to the terms of this Contract, in or to the Contract Drawings or Specifications, in or to the schedules, methods, or manner of performance of the Work, in or to Owner-furnished facilities, equipment, materials, services, or sites, or in or to the mode or manner of payment therefor, shall operate in any way to release Contractor or any surety or affect the obligation of either of them under any Bond required to be provided by Contractor. All notice of any and all of the foregoing changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances, and all notice of any and all defaults by Contractor, and all notice of Owner's termination of Contractor shall be waived by every surety under every Bond provided pursuant to this Contract.

4.2 Insurance

A. Insurance Required. Contemporaneous with Contractor's execution of this Contract Agreement, Contractor shall provide certificates and policies of insurance evidencing the insurance coverages set forth in Article IV of the General Conditions of Contract

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and Section 4 of the Special Conditions of Contract. For good cause shown, Owner may extend the time for submission of the required policies of insurance upon such terms, and with such assurances of complete and prompt performance, as Owner may impose in the exercise of its sole discretion.

B. Additional Insureds. The insurance coverages required pursuant to this Contract shall name the Persons identified in Article IV of the Special Conditions of Contract as additional insured parties (the "Additional Insureds"). The coverage afforded the Additional Insureds shall be primary and non-contributory insurance for the Additional Insureds with respect to claims arising out of operations performed by or on behalf of Contractor. If the Additional Insureds have other insurance which is applicable to the loss, such other insurance shall be on an excess or contingent basis. The amount of the insurance companies' liability under the insurance policies Contractor maintains shall not be reduced by the existence of such other insurance.

4.3 Indemnification

Contractor shall indemnify, save harmless, and defend Owner, Engineer, and the Additional Insureds against any and all lawsuits, claims, demands, liabilities, losses, and expenses, including attorneys' fees and administrative expenses, that may arise, or be alleged to have arisen, out of or in connection with Contractor's, or its Subcontractors' or Suppliers', performance of, or failure to perform, the Work or any part thereof, whether or not due or claimed to be due in whole or in part to the active, passive, or concurrent negligence or fault of Contractor, except to the extent caused by the sole negligence of Owner, Engineer, or the Additional Insureds, as the case may be, including, without limitation lawsuits, claims, demands, liabilities, losses, and expenses for or on account of:

1. Any delays or interference or damage to other contractors; and
2. Labor, equipment, materials, or supplies furnished under this Contract, including all liens or notices of liens on account thereof or Contractor's failure to remove or discharge same; and
3. Contractor's failure to obtain, or take such action as may be necessary pursuant to, any required permits, licenses, approvals, or authorizations; and
4. Bodily injury, sickness, disease, or death sustained by any Person or Persons or injury or damage to, or loss or destruction of, any property; and
5. Any act or omission of Contractor or any of its Subcontractors or Suppliers, including but not limited to

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any failure to fulfill the terms of, or comply with, any Laws or to pay any taxes, contributions, or premiums; and

6. Infringement, alleged infringement, or use of patent rights in connection with the Work and the use by Owner of any equipment, materials, supplies, processes, or inventions furnished under this Contract.

The indemnification obligations of Contractor under this Section 4.3 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Contractor or any such Subcontractor or Supplier under workers' compensation acts, disability benefit acts or other employee benefit acts.

4.4 Penalties

Contractor shall be solely liable for any fines or civil penalties that are imposed by any governmental or quasi-governmental agency or body that may arise, or be alleged to have arisen, out of or in connection with Contractor's, or its Subcontractors' or Suppliers', performance of, or failure to perform, the Work or any part thereof. Contractor may contest any such fines or penalties in administrative or court proceedings; provided, however, that Contractor shall pay such fines or civil penalties prior to such protest if payment is required prior to making such protest. Contractor shall be solely responsible for all costs, including attorneys' fees and administrative expenses, of protesting any such fines or civil penalties.

ARTICLE V CONTRACT PRICE AND PAYMENT

5.1 Contract Price

Owner shall pay to Contractor, in full satisfaction for providing, performing, and completing the Work, including such risks and changes in the Work that Contractor is responsible for dealing with under this Contract without any equitable adjustment in the Contract Price, subject to any additions or deductions provided for in this Contract, in current funds, the lump sum amount or amounts, if any, stated in the Schedule of Prices and, for each acceptable unit of each Unit Price Item, if any, installed and complete in place, measured on the basis provided in the Contract Drawings and Specifications, the Unit Price for such Unit Price Item stated in the Schedule of Prices.

5.2 Acceptance as Full Payment and Satisfaction

Contractor shall accept the Contract Price in full satisfaction and payment for well and faithfully providing, performing, and completing within the Contract Time all the Work in compliance with, and as required by or pursuant to, this Contract, including such risks and changes in the Work that Contractor is responsible for dealing with under this Contract without any equitable adjustment in the Contract Price or Contract Time. The acceptance by Contractor of Final Payment shall operate as a full and complete release of Owner and Engineer of and from any and all lawsuits, claims, demands, damages, liabilities, losses, and expenses of, by, or to

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Contractor for anything done, furnished for, arising out of, relating to, or in connection with the Work or for or on account of any act or neglect of Owner or Engineer arising out of, relating to, or in connection with the Work, except the claim against Owner for the unpaid balance, if any, of any amounts retained by Owner pursuant to this Contract.

5.3 Method of Payment

Progress and Final Payments shall be made to Contractor in accordance with, and subject to the terms and conditions set forth in, Article V of the General Conditions of Contract.

ARTICLE VI LEGAL RELATIONSHIPS AND REQUIREMENTS

6.1 Binding Effect

This Contract shall be binding upon Owner and Contractor and upon their respective heirs, executors, administrators, personal representatives, and permitted successors and assigns.

Contractor agrees that if Contractor is a joint venture, then each Person participating in such joint venture shall be individually, personally, severally, and jointly responsible and liable, financially, legally, and in all other respects, for the full and proper performance of each and every provision and requirement of this Contract, notwithstanding any arrangement, understanding, or agreement to the contrary, if any, whether disclosed to Owner or not, entered into by, between or among the Persons participating in such joint venture.

6.2 Relationship of the Parties

Contractor, and its Subcontractors and Suppliers, shall act as independent contractors in providing, performing, and completing the Work. No right of supervision, requirement of approval, or other provision of this Contract and no subsequent conduct of Owner or Contractor shall be construed (1) to create the relationship of principal and agent, partners, or joint venturers between Owner and Contractor, or (2) except as provided in Paragraph 6.6B6 of the General Conditions of Contract, to create any relationship between Owner and any Subcontractor or Supplier of Contractor. The rights of Owner under this Contract, either directly or through Engineer, in the control of the quality and completeness of the Work shall not make Contractor, or any Subcontractor or Supplier of Contractor, an agent of Owner, and the liability of Contractor, and of all Subcontractors and Suppliers of Contractor, for all damages to persons or to public or private property arising from the provision, performance, or completion of the Work by Contractor, or any Subcontractor or Supplier of Contractor, shall not be lessened because of the existence, exercise, or the non-exercise of such rights.

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6.3 Assignment

A. Assignment by Contractor. Contractor shall not (1) assign this Contract in whole or in part, (2) assign any of Contractor's rights or obligations under this Contract, or (3) assign any payment due or to become due under this Contract, without the prior express written consent of Owner, which consent may be withheld in the sole and unfettered discretion of Owner; provided, however, that Owner's prior written consent shall not be required for assignments of accounts, as defined in the Illinois Commercial Code, if to do so would violate Section 9-318 of the Illinois Commercial Code, 810 ILCS 5/9-318. Any attempted or purported assignment made by Contractor without the required written consent of Owner shall be void and of no force or effect and shall constitute a default under this Contract for which Owner shall have the right to invoke any of its remedies under Section 6.6 of the General Conditions of Contract. In no event shall Owner's consent to any assignment of this Contract or of any of Contractor's rights under this Contract, whether in whole or in part, operate as a release or satisfaction of Contractor's responsibility and liability for the provision, performance, and completion of the Work in full compliance with the requirements of this Contract on or before the Completion Date, or for the proper performance of all other obligations of Contractor under this Contract, or for Contractor's liability on all representations and warranties made in or pursuant to this Contract. Contractor shall remain as fully responsible and liable for the acts, omissions, and performance of Contractor's assignee as Contractor is for its own acts, omissions, and performance.

B. Assignment by Owner. Owner may assign this Contract, in whole or in part, or any or all of its rights or obligations under this Contract, without the consent of Contractor. In the event of an assignment by Owner of any or all of its rights or obligations under this Contract, Owner shall be released from all liability with respect to the rights or obligations so assigned.

6.4 Confidential Information

All information supplied by Owner or Engineer to Contractor for or in connection with this Contract or the Work shall be held confidential by Contractor and shall not, without the prior express written consent of Owner, be used for any purpose other than performance of the Work. Neither Contractor nor any Subcontractor or Supplier shall own or be entitled to claim a copyright in the Contract or other documents prepared by Owner or Engineer.

Contractor shall identify any information supplied by it in providing, performing and completing the Work that is considered by it to be confidential or proprietary. Owner and Engineer shall not disclose any such designated confidential or proprietary information, unless such disclosure will not cause competitive harm, or such information was actually known to Owner or Engineer prior to its submission by Contractor, or such information was properly obtained or developed independently by Owner or Engineer, or Contractor consents to such disclosure. Notwithstanding the foregoing, Contractor acknowledges that Owner is subject to the Illinois Freedom of Information Act, 5 ILCS 140/1 et seq., and that no disclosure made in good faith by Owner pursuant to such Act shall be deemed to violate this Section.

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6.5 Publicity

Owner's name or insignia, photographs of the Work or the Work Site, or any other publicity pertaining to the Work shall not be used in any magazine, trade paper, newspaper, or other medium without the express written consent of Owner.

6.6 No Waivers

No examination, inspection, investigation, test, measurement, review, determination, decision, certificate or approval by Owner or Engineer, nor any order by Owner for the payment of money, nor any payment for, or use, occupancy, possession, or acceptance of, the whole or any part of the Work by Owner, nor any extension of time granted by Owner, nor any delay by Owner in exercising any right under this Contract, nor any other act or omission of Owner or Engineer shall constitute or be deemed to be an acceptance of any defective, damaged, flawed, unsuitable, nonconforming or incomplete Work, equipment, materials, or supplies, nor operate to waive or otherwise diminish the effect of any warranty or representation made by Contractor; or of any requirement or provision of this Contract; or of any remedy, power, or right of Owner.

No notices required to be given to Owner under this Contract are intended to be waived by Owner, and no action or inaction by Owner or Engineer shall be construed as waiving any such notice.

6.7 No Third Party Beneficiaries

No claim as a third party beneficiary under this Contract by any Person other than Contractor shall be made or be valid against Owner and Owner shall not be liable for or be held to pay any money to any such Person.

6.8 Notices

All notices required or permitted to be given under this Contract shall be in writing and shall be deemed received by the addressee thereof when delivered in person on a business day at the address set forth below or on the third business day after being deposited in any main or branch United States post office, for delivery at the address set forth below by properly addressed, postage prepaid, certified or registered mail, return receipt requested.

Notices and communications to Owner shall be addressed to, and delivered at, the following address:

Village of Grayslake
10 South Seymour Avenue
Grayslake, Illinois 60030
Attention: _____

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Notices and communications to Contractor shall be addressed to, and delivered at, the following address:

Elanar Construction
6620 West Belmont Avenue
Chicago, Illinois 60634

Attention: Scott Morrison *NAME OF CONTACT PERSON*

The foregoing shall not be deemed to preclude the use of other non-oral means of notification or to invalidate any notice properly given by any such other non-oral means.

By notice complying with the requirements of this Section, Owner and Contractor each shall have the right to change the address or addressee or both for all future notices to it, but no notice of a change of address shall be effective until actually received.

6.9 Governing Laws

This Contract and the rights of Owner and Contractor under this Contract shall be interpreted according to the internal Laws, but not the conflict of Laws rules, of the State of Illinois.

6.10 Changes in Laws

Unless otherwise explicitly provided in this Contract, any reference to Laws shall include such Laws as they may be amended or modified from time to time.

6.11 Compliance with Laws and Grants

A. Compliance with Laws. Contractor shall give all notices, pay all fees, and take all other action that may be necessary to ensure that the Work is provided, performed, and completed in accordance with the requirements of all governmental permits, licenses, or other approvals or authorizations that may be required in connection with providing, performing, and completing the Work and with all applicable Laws, including, without limitation, the Prevailing Wage Act, 820 ILCS 130/0.01 et seq. (in furtherance of which, a copy of Owner's ordinance ascertaining the prevailing rate of wages, in effect as of the date of this Contract, is included in the Contract Documents; if the Illinois Department of Labor revises the prevailing rate of hourly wages to be paid, the revised rate shall apply to this Contract); any other prevailing wages Laws; the Fair Labor Standards Act; any Laws regarding qualification to do business; any Laws requiring preference to laborers of specified classes; the Illinois Steel Products Procurement Act, 30 ILCS 565/1 et seq.; the Illinois Substance Abuse Prevention on Public Works Projects Act, 820 ILCS 265.1 et seq.; the Employment of Illinois Workers on Public Works Act, 30 ILCS 570/0.01 et seq.; any Laws prohibiting discrimination because of, or requiring affirmative action based on, race, creed, color, national origin, age, sex, or other prohibited classification, including, without limitation, the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq., the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. and the Public Works

CONTRACT AGREEMENT

Employment Discrimination Act, 775 ILCS 10/0.01 et seq.; any Laws respecting the assumption of liability for taxes, contributions, and premiums for unemployment insurance, old age or retirement benefits, pensions, annuities, or other similar benefits for Contractor's and Subcontractors' employees; and any Laws regarding safety or the performance of the Work, including the Illinois Structural Work Act, the Illinois Underground Utility Facilities Damage Prevention Act, and the Occupational Safety and Health Act. Contractor shall keep itself fully informed of all Laws affecting this Contract; affecting those engaged or employed on the Work; affecting the equipment, materials, and supplies used in the Work; affecting the conduct of the Work; and affecting the rights, duties, powers, or obligations of Owner or of Contractor; and shall also keep itself fully informed of all orders, decrees, and other requirements of bodies or tribunals having any jurisdiction or authority over any of the foregoing. Contractor shall display all permits, licenses, and other approvals and authorizations as required by Law.

To the extent that the Prevailing Wage Act applies to this Contract, it is the Contractor's obligation to pay (and require every Subcontractor to pay) prevailing wages as established by the Illinois Department of Labor for each craft or type of work needed to execute the Contract in accordance with the Act. The established prevailing wage rates are available at www.state.il.us/agency/idol/rates/rates.HTM. If the contractor determines the Prevailing Wage Act is applicable to a project, they shall post or provide notice of the prevailing wage rates in accordance with the Act. Any increases in costs to the Contractor due to changes in the prevailing rate of wages during the terms of this Contract shall be at the expense of the Contractor and not at the expense of the Owner. Any change order shall be computed using the prevailing wage rates applicable at the time the change order work is scheduled to be performed. The Contractor shall be solely responsible to maintain and file accurate records in the manner set forth in, and as required by the Act. The Contractor shall be solely liable for any violation of the Act and shall be required to (i) pay the difference between prevailing wages and any wages actually received by laborers, workmen and/or mechanics engaged in the Work and (ii) defend and indemnify the Owner against any and all claims arising under or related to the Act, including any damages, attorneys' fees, and penalties or fines.

B. Compliance by Subcontractors and Suppliers. Contractor shall, at all times, cause all of its Subcontractors and Suppliers to observe and comply with all such Laws.

C. Noncompliance of Contract Documents. Contractor shall promptly examine the Contract Drawings and Specifications and other Contract Documents and report to Owner any respects in which it appears that any of them may fail to conform to any applicable Laws.

D. Verification of Compliance. At or before the time of Owner's Final Acceptance of the Work, Contractor shall deliver to Owner all certificates, receipts, or other evidences of approval, acceptance, or payment of fees that may be required to establish the compliance of the Work with all applicable Laws, permits, licenses, approvals, authorizations, or other requirements.

CONTRACT AGREEMENT

E. Provisions Deemed Inserted. Each and every provision required by Law to be inserted in this Contract shall be deemed to be inserted herein, and this Contract shall be read and enforced as though all such provisions were set out in full in this Contract. If through mistake or otherwise any such provision is not set out in this Contract, or is not correctly set out in this Contract, then upon the application of either Owner or Contractor, this Contract shall forthwith be physically amended to correctly set out such provision.

F. Compliance With Grant Conditions. Contractor shall comply with all conditions of, and all Laws applicable to, and all policies, practices, and procedures of Owner applicable to, any federal, state, or local grant received by Owner or by Contractor at any time with respect to this Contract or with respect to the provision, performance, or completion of the Work.

G. Regulatory Authority. Nothing in this Contract shall be construed to waive or limit any aspect of Owner's lawful authority to regulate the activities of Contractor, its Subcontractors, or any other Person or to regulate the Work, the Work Site, or any other matter falling within its lawful regulatory jurisdiction and powers. No review, inspection, test, audit, measurement, order, determination, decision, disapproval, approval, payment for, or use or acceptance of, the Work, or any other act or omission of Owner shall imply, create any interest in, be deemed to be the issuance of, or require Owner to issue any license or permit to Contractor or any Subcontractor.

H. Certified Payrolls. Contractor shall, in accordance with Section 5 of the Illinois Prevailing Wage Act, 820 ILCS 130/5, submit to Owner, on a monthly basis, a certified payroll. The certified payroll shall consist of a complete copy of those records required to be made and kept by the Prevailing Wage Act. The certified payroll shall be accompanied by a statement signed by Contractor or Subcontractor which certifies that: (1) such records are true and accurate; (2) the hourly rate paid is not less than the general prevailing rate of hourly wages required by the Prevailing Wage Act; and (3) Contractor or subcontractor is aware that filing a certified payroll that he or she knows to be false is a Class B misdemeanor. Contractor may rely upon the certification of a Subcontractor, provided that the Contractor does not knowingly rely upon a Subcontractor's false certification. Upon seven business days' notice, Contractor and each subcontractor shall make available for inspection the records required to be made and kept by the Act: (i) to Owner, its officers and agents, and to the Director of the Illinois Department of Labor and his or hers deputies and agents; and (ii) at all reasonable hours at a location within the State of Illinois.

6.12 Compliance with Patents

A. Patent Rights. Contractor shall do all things necessary to obtain such rights and licenses as may be necessary in connection with all costs, royalties, and fees arising from the use on, or the incorporation into, the Work of patented equipment, materials, supplies, tools, appliances, devices, processes, or inventions.

B. Effect of Contractor Being Enjoined. Should Contractor be enjoined from furnishing or using any equipment, materials, supplies, tools, appliances, devices, processes, or

CONTRACT AGREEMENT

inventions supplied or required to be supplied or used under this Contract, Contractor shall promptly offer substitute equipment, materials, supplies, tools, appliances, devices, processes, or inventions in lieu thereof, of equal efficiency, quality, suitability, and market value, for review by Owner. If Owner should disapprove the offered substitutes and should elect, in lieu of a substitution, to have supplied, and to retain and use, any such equipment, materials, supplies, tools, appliances, devices, processes, or inventions as may by this Contract be required to be supplied, Contractor shall pay such royalties and secure such valid licenses as may be requisite and necessary for Owner to use such equipment, materials, supplies, tools, appliances, devices, processes, or inventions without being disturbed or in any way interfered with by any proceeding in law or equity on account thereof. Should Contractor neglect or refuse to make any approved substitution promptly, or to pay such royalties and secure such licenses as may be necessary, then Owner shall have the right to make such substitution, or Owner may pay such royalties and secure such licenses and charge the cost thereof against any money due Contractor from Owner or recover the amount thereof from Contractor and its surety or sureties notwithstanding that Final Payment may have been made.

6.13 Severability

The provisions of this Contract shall be interpreted when possible to sustain their legality and enforceability as a whole. In the event any provision of this Contract shall be held invalid, illegal, or unenforceable by a court of competent jurisdiction, in whole or in part, neither the validity of the remaining part of such provision, nor the validity of any other provisions of this Contract, shall be in any way affected thereby. The unenforceability of any provision of this Contract in a specific situation shall not affect the enforceability of that provision in any other situation.

6.14 Entire Agreement

This Contract sets forth the entire agreement of Owner and Contractor with respect to the accomplishment of the Work and the payment of the Contract Price therefor, and there are no other understandings or agreements, oral or written, between Owner and Contractor with respect to the Work and the compensation therefor, nor was the making and execution of this Contract induced by any representation, statement, warranty, agreement, or action other than those expressed or explicitly referenced herein.

6.15 Amendments

No modification, addition, deletion, revision, alteration or other change to this Contract shall be effective unless and until such change is reduced to writing and executed and delivered by Owner and Contractor.

CONTRACT AGREEMENT

6.16 Counterparts

This Contract is being executed in five original counterparts, each of which shall be deemed to be an original.

IN WITNESS WHEREOF, Owner and Contractor have caused this Contract Agreement to be executed as of the day and year first written above.

Attest/Witness:

By:  _____
VILLAGE OF GRAYSLAKE
CORPORATE SEAL

VILLAGE OF GRAYSLAKE

By:  _____
Michael J. Ellis

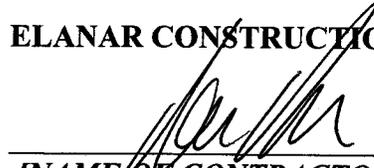
Title: Deputy Village Clerk

Title: Village Manager

Attest/Witness:

By:  _____

ELANAR CONSTRUCTION

By:  _____
[NAME OF CONTRACTOR'S EXECUTING OFFICER]

Title: SUPERINTENDENT

Title: President _____
TITLE OF CONTRACTOR'S EXECUTING OFFICER]

**SEE GENERAL INSTRUCTIONS TO BIDDERS, SECTION 8,
FOR SIGNATURE REQUIREMENTS**

STATE OF ILLINOIS)
) SS
COUNTY OF Lake)

CONTRACTOR'S CERTIFICATION

[CONTRACTOR'S EXECUTING OFFICER], being first duly sworn on oath, deposes and states that all statements made herein are made on behalf of Contractor, that this deponent is authorized to make them, and that the statements contained herein are true and correct.

Contractor deposes, states, and certifies that Contractor is not barred from contracting with a unit of state or local government as a result of (i) a violation of either Section 33E-3 or Section 33E-4 of Article 33 of the Criminal Code of 1961, 720 ILCS 5/33E-1 et seq.; (ii) a delinquency in the payment of any tax administered by the Illinois Department of Revenue unless Contractor is contesting, in accordance with the procedures established by the appropriate revenue Act, its liability for the tax or the amount of the tax, as set forth in Section 11-41.1-1 of the Illinois Municipal Code, 65 ILCS 5/11-42.1-1; or (iii) a violation of the USA Patriot Act of 2001, 107 Public Law 56 (October 26, 2001) (the "Patriot Act") or other statutes, orders, rules, and regulations of the United States government and its various executive departments, agencies and offices related to the subject matter of the Patriot Act, including, but not limited to, Executive Order 13224 effective September 24, 2001.

DATED this [] day of [MONTH], 2014.

Attest/Witness:

By: [Signature]

Title: SUPERINTENDENT

ELANAR CONSTRUCTION

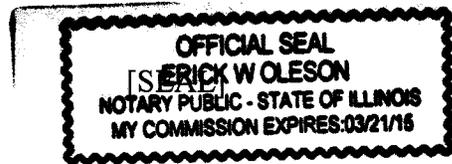
By: [Signature]
[NAME OF CONTRACTOR'S EXECUTING OFFICER]

Title: [Signature]
[TITLE OF CONTRACTOR'S EXECUTING OFFICER]

Subscribed and Sworn to before me this 24 day of MARCH, 2014.

[Signature]
Notary Public

My Commission Expires: 3/21/15



**SEE GENERAL INSTRUCTIONS TO BIDDERS, SECTION 8,
FOR SIGNATURE REQUIREMENTS**

VILLAGE OF GRAYSLAKE
CONTRACT FOR THE CONSTRUCTION OF
NORDIC PARK IMPROVEMENTS
CONTRACT 131022.40

SCHEDULE OF PRICES

*[TO BE INSERTED FROM THE BIDDER'S PROPOSAL
OF THE SUCCESSFUL BIDDER TO WHOM THIS
CONTRACT IS AWARDED]*

VILLAGE OF GRAYSLAKE
CONTRACT FOR THE CONSTRUCTION OF
NORDIC PARK IMPROVEMENTS
CONTRACT 131022.40

BIDDER'S PROPOSAL

Full Name of Bidder Elanar Construction Co ("Bidder")
Principal Office Address 6620 W. Belmont Ave Chicago, IL 60634
Local Office Address 6620 W. Belmont Ave Chicago, IL 60634
Contact Person Ross Burns Telephone 773-428-7011

TO: Village of Grayslake
10 South Seymour Avenue
Grayslake, IL 60030
Attention:

Bidder acknowledges and agrees that all capitalized terms in this Bidder's Proposal shall have the meaning given to them in the Bidding Documents and the Contract.

Bidder warrants and represents that Bidder has carefully examined the Work Site described below and its environs and has reviewed and understood all documents included, referred to, or mentioned in this bound Bid Package, including Addenda Nos. 1, [if none, write "NONE"], which are securely stapled to the end of this Bidder's Proposal.

1. Work Proposal

A. Contract and Work. If this Bidder's Proposal is accepted, Bidder proposes, and agrees, that Bidder will contract with Owner, in the form of the Contract Agreement included in this Bid Package: (1) to provide, perform, and complete at the site or sites described in this Bid Package ("Work Site") and in the manner described and specified in this Bid Package all necessary work, labor, services, transportation, equipment, materials, apparatus, machinery, tools, fuels, gas, electric, water, waste disposal, information, data, and other means and items necessary for the design, if any, construction and installation of the **NORDIC PARK IMPROVEMENTS**, together with related attachments, equipment and appurtenances thereto; (2) to procure and furnish all permits, licenses, and other governmental approvals and authorizations necessary in connection therewith except as otherwise expressly provided in the Special Conditions of Contract included in this Bid Package; (3) to procure and furnish all Bonds and all certificates and policies of insurance specified in this Bid Package; (4) to pay all applicable federal, state, and local taxes; (5) to do all other things required of Contractor by the Contract; and (6) to provide, perform, and complete all of the foregoing in a

PROPOSAL

proper and workmanlike manner and in full compliance with, and as required by or pursuant to, the Contract; all of which is herein referred to as the "Work."

B. Manner and Time of Performance. If this Bidder's Proposal is accepted, Bidder proposes, and agrees, that Bidder will perform the Work in the manner and time prescribed in this Bid Package and according to the requirements of Owner pursuant thereto.

C. General. If this Bidder's Proposal is accepted, Bidder proposes, and agrees, that Bidder will do all other things required of Bidder or Contractor, as the case may be, by this Bid Package.

2. Contract Price Proposal

If this Bidder's Proposal is accepted, Bidder will, except as otherwise provided in Article II of the General Conditions of Contract included in this Bid Package, take in full payment for the Work and all other matters set forth under Section 1 of this Bidder's Proposal, including overhead and profit; taxes, contributions, and premiums; compensation to all Subcontractors and Suppliers; and such risks and changes in the Work as Bidder or Contractor, as the case may be, is responsible for dealing with under the Contract without any equitable adjustment in the Contract Price, the compensation set forth on the following "Schedule of Prices" ("Price Proposal"), which Schedule of Prices Bidder understands and agrees will be made a part of the Contract Documents:

PROPOSAL

SCHEDULE OF PRICES

A. UNIT PRICE CONTRACT

For providing, performing, and completing all Work, the sum of the products resulting from multiplying the actual number of acceptable units of Unit Price Items listed below incorporated in the Work by the Unit Price set forth below for such Unit Price Item:

COMPLETE TABLE AS INDICATED

<u>Unit Price Item</u>	<u>Unit</u>	<u>Approximate Number of Units</u>	<u>Price Per Unit</u>	<u>Extension</u>
1 SUBGRADE REMOVAL AND REPLACEMENT	CU YD	56	\$ 150-	\$ 8,400-
2 SODDING	SQ YD	1,280	\$ 7.50	\$ 9,600-
3 SEEDING CLASS 1	ACRE	0.27	\$ 10,000	\$ 2,700-
4 MULCH, METHOD 2	ACRE	0.27	\$ 7,500	\$ 2,025-
5 TEMPORARY EROSION CONTROL SEEDING	POUND	27	\$ 100	\$ 2,700-
6 EROSION CONTROL BLANKET	SQ YD	1,280	\$ 3.50	\$ 4,480-
7 PERIMETER EROSION BARRIER	FOOT	475	\$ 2.50	\$ 1,187.50
8 SUPPLEMENTAL WATERING	UNIT	21	\$ 50	\$ 1,050-
9 SITE GRADING	L SUM	1	33,580	33,580-
10 AGGREGATE BASE COURSE, TYPE B-4"	SQ YD	332	\$ 17-	\$ 5,644-
11 PORTLAND CEMENT CONCRETE SIDEWALK 5 INCH	SQ FT	1,186	\$ 6.50	\$ 7,709.00
12 PAVEMENT REMOVAL	SQ YD	1,456	\$ 5.00	\$ 7,280-
13 NON-SPECIAL WASTE DISPOSAL	CU YD	150	\$ 150	\$ 22,500-
14 SOIL DISPOSAL ANALYSIS (SPECIAL)	L SUM	1	\$ 2,500	\$ 2,500-
15 BUILDING DEMOLITION INCLUDING ASBESTOS SURVEY AND FOUNDATION REMOVAL	L SUM	1	34,500	34,500
16 SUBSURFACE IMPERVIOUS BARRIER	SQ FT	3,850	\$ 2.25	\$ 8,662.50
17 TRAFFIC CONTROL AND PROTECTION	L SUM	1	5,300	5,300
18 CONSTRUCTION LAYOUT	L SUM	1	5,300	5,300

PROPOSAL

<u>Unit Price Item</u>	<u>Unit</u>	<u>Approximate Number of Units</u>	<u>Price Per Unit</u>	<u>Extension</u>
19 TREE, GLEDITSIA TRIACANTHOS INERMIS SKYLINE (SKYLINE THORNLESS COMMON HONEYLOCUST), 2" CALIPER, BALLED AND BURLAPPED	EACH	2	\$ <u>450</u>	\$ <u>900-</u>
20 TREE, QUERCUS BICOLOR (SWAMP WHITE OAK), 2" CALIPER, BALLED AND BURLAPPED	EACH	3	\$ <u>450</u>	\$ <u>1,350-</u>
21 TREE, PRUNUS VIRGINIANA SCHUBERT (SCHUBERT CHOKEBERRY), 2" CALIPER, TREE FORM, BALLED AND BURLAPPED	SQ YD	2	\$ <u>450</u>	\$ <u>900-</u>
22 TREE, SYRINGA PEKINENSIS MORTON (CHINA SNOW PEKING LILAC), 2" CALIPER, TREE FORM, BALLED AND BURLAPPED	SQ YD	2	\$ <u>450</u>	\$ <u>900-</u>
23 ELECTRIC SERVICE INSTALLATION	EACH	1	\$ 2,500 ^{7,000} _{sm}	\$ 2,500- ^{7,000} _{sm}
24 ELECTRIC UTILITY SERVICE CONNECTION	L SUM	1	\$ <u>2,500</u>	\$ <u>2,500-</u>
25 LIGHTING CONTROLLER, BASE MOUNTED, 240VOLT, 60AMP	EACH	1	\$ 5,000 ^{10,000} _{sm}	\$ 5,000 ^{10,000} _{sm}
26 LIGHT POLE FOUNDATION, 24" DIAMETER	FOOT	30	\$ <u>750</u>	\$ <u>7,500-</u>
27 LIGHTING UNIT, INSTALL ONLY	EACH	5	\$ 700 ⁷⁰⁰ _{sm}	\$ 3,500 ^{3,500} _{sm}
28 UNDERGROUND CONDUIT, GALVANIZED STEEL, 2 1/2" DIA.	FOOT	30	\$ 21- ²¹⁻ _{sm}	\$ 630- ⁶³⁰⁻ _{sm}
29 UNIT DUCT, 600V, 4-1C NO.10, 1/C NO.10 GROUND, (XLP-TYPE USE), 3/4" DIA. POLYETHYLENE	FOOT	270	\$ 38.50 ^{38.50} _{sm}	\$ 10,395- ^{10,395-} _{sm}

Two hundred ten thousand seven hundred seventy-three
 TOTAL CONTRACT PRICE: dollars & zero cents

~~one hundred ninety four thousand six hundred~~ SM Dollars and ~~zero~~ SM Cents
 (in writing) ~~seventy eight~~ (in writing)

~~194,600~~ SM Dollars and ~~00~~ SM Cents
 (in figures) (in figures)

\$ 210,773 - 00

B. BASIS FOR DETERMINING PRICES

It is expressly understood and agreed that:

1. ***The approximate quantities set forth in this Schedule of Prices for each Unit Price Item are Engineer's estimate only, that Owner reserves the right to increase or decrease such quantities, and that payment for each Unit Price Item shall be made only on the actual number of acceptable units of such Unit Price Item installed complete in place, measured on the basis defined in the Contract;***
2. The Price Proposal includes allowances for contingencies as Bidder deems appropriate with respect to such risks and changes in the Work that Bidder or Contractor, as the case may be, is responsible for dealing with under the Contract without any equitable adjustment in the Contract Price;
3. Bidder or Contractor, as the case may be, shall be compensated only in accordance with the Contract and shall not be entitled to equitable adjustments in the Contract Price as a result of any claims by Subcontractors or Suppliers arising only under their Subcontracts and not provided for in the Contract;
4. Owner is not subject to state or local sales, use and excise taxes and no such taxes are included in this Schedule of Prices;
5. All other applicable federal, state, and local taxes of every kind and nature applicable to the Work as well as all taxes, contributions, and premiums for unemployment insurance, old age or retirement benefits, pensions, annuities, or other similar benefits are included in this Schedule of Prices; and
6. All costs, royalties, and fees arising from the use on, or the incorporation into, the Work of patented equipment, materials, supplies, tools, appliances, devices, processes, or inventions are included in this Schedule of Prices.

All claim or right to *dispute or complain of any such estimated quantity, or to assert that there was any misunderstanding in regard to the nature or amount of any Unit Price Item to be provided or performed, or to claim any additional compensation by reason of such risks, changes, and Subcontractor or Supplier claims, or payment of any such tax, contribution, or premium or any such cost, royalty or fee is hereby waived and released.*

PROPOSAL

3. Contract Time Proposal

If this Contract/Proposal is accepted, Bidder proposes and agrees, that Bidder shall commence the Work within 10 days following the Village's accepted of this Contract/Proposal provided Bidder shall have furnished to Owner all bonds and all insurance certificates [and policies of insurance] specified in this Contract/Proposal (the "Commencement Date"). If this Contract/Proposal is accepted, Bidder proposes, and agrees, that the Bidder shall perform the Work diligently and continuously and shall complete the Work *not later than May 31, 2014*

4. Firm Proposal

All prices and other terms stated in this Bidder's Proposal are firm and shall not be subject to withdrawal, escalation, or change for a period of 60 Days after the date on which any Bidder's Proposal is opened or such extended acceptance date for Bidder's Proposals as may be established pursuant to Sections 12 and 16 of the General Instructions to Bidders.

5. Bidder Representations

A. No Collusion. Bidder warrants and represents that the only Persons interested in this Bidder's Proposal as principals are those named in the Bidder's Sworn Acknowledgment attached hereto and that this Bidder's Proposal is made without collusion with any other Person.

B. Not Barred. Bidder warrants, represents and certifies that it is not barred by law from contracting with Owner or with any unit of state or local government.

C. Qualified. Bidder warrants and represents that it has the requisite experience, ability, capital, facilities, plant, organization and staff to enable Bidder to perform the Work successfully and promptly and to commence and complete the Work within the Contract Price and Contract Time Proposals set forth above. In support thereof, Bidder submits the attached Sworn Work History Statement. In the event Bidder is preliminarily deemed to be one of the Most Favorable Bidders, Bidder hereby agrees to furnish upon request, within two business days or such longer period as may be set forth in the request, such additional information as may be necessary to satisfy Owner that Bidder is adequately prepared to fulfill the Contract.

D. Owner's Reliance. Bidder acknowledges that Owner is relying on all warranties, representations and statements made by Bidder in this Bidder's Proposal.

6. Surety and Insurance

Bidder herewith tenders surety and insurance commitment letters as specified in Section 7 of the Invitation for Bidder's Proposals included in this Bid Package.

PROPOSAL

7. **Bid Security**

Bidder herewith tenders a Cashier's Check, Certified Check, or Bid Bond as specified in Section 7 of the Invitation for Bidder's Proposals included in this Bid Package for the sum of _____ dollars (\$ _____), which is equal to at least ten percent of Bidder's Price Proposal ("Bid Security").

8. **Owner's Remedies**

Bidder acknowledges and agrees that should Bidder fail to timely submit all additional information that is requested of it; or should Bidder, if Owner awards Bidder the Contract, fail to timely submit all the Bonds and all the certificates and policies of insurance required of it; or should Bidder, if Owner awards Bidder the Contract, fail to timely execute the Contract Agreement, the Contractor's Certification and all other required documentation related to the Contract, it will be difficult and impracticable to ascertain and determine the amount of damage that Owner will sustain by reason of any such failure and, for such reason, Owner shall have the right, at its option in the event of any such default by Bidder, to retain or recover as reasonably estimated liquidated damages, and not as a penalty, the entire amount of the Bid Security or ten percent of Bidder's Price Proposal, whichever is greater, or to exercise any and all equitable remedies it may have against Bidder.

9. **Owner's Rights**

Bidder acknowledges and agrees that Owner reserves the right to reject any and all Bidder's Proposals, reserves the right to accept or reject any item of any Bidder's Proposal and reserves such other rights as are set forth in Section 16 of the General Instructions to Bidders and Section 1 of the Special Instructions to Bidders included in this Bid Package.

10. **Bidder's Obligations**

In submitting this Bidder's Proposal, Bidder acknowledges and agrees that all information provided by it is true and correct and that Bidder understands and agrees that it shall be bound by each and every term, condition or provision contained in the Bidding Documents and the Contract, which are by this reference incorporated herein and made a part hereof.

DATED this 24 day of February, 2014.

Attest/Witness

Elomar Construction Co.

Bidder

By: AG

By: [Signature]

Title: Admin

Title: President

**SEE GENERAL INSTRUCTIONS TO BIDDERS, SECTION 8,
FOR SIGNATURE REQUIREMENTS**

8678 Ridgefield Road
Crystal Lake, IL 60012
815.459.1260
815.455.0450
www.baxterwoodman.com
info@baxterwoodman.com



Fax

To: All Planholders	From: Baxter & Woodman, Inc.
Fax:	Pages: 3
Phone:	Date: 2/24/2014
Re: Village of Grayslake Nordic Park Improvements Addendum 1	Project No.: 131022
Copy:	

MESSAGE

1. Remove the existing section 4.3 Minimum Coverages from the General Conditions of Contract and replace it with attached section 4.3 Minimum Coverages
 - a. This changes the minimum insurance coverages in this contract.

*******ALL PLANHOLDERS PLEASE NOTE*******

Upon receipt of this Addendum, please **sign the requested confirmation below regardless of whether you plan to bid or not and FAX to:**

Baxter & Woodman, Inc. 815.455.0450.

RECEIVED DATE:	2/24/14
COMPANY NAME:	Elanar Construction Co
SIGNATURE:	

If you do not receive all of the pages indicated above, please call the above number. This facsimile contains privileged information intended for the use of the individual named above. If the reader of the facsimile is not the intended recipient or the employee responsible for delivering it, you are hereby notified that any dissemination or copying of this facsimile is strictly prohibited. If you have received this transmission in error, please notify us immediately by telephone and return the original to us at the address above. Thank you.

VILLAGE OF GRAYSLAKE
CONTRACT FOR THE CONSTRUCTION OF
NORDIC PARK IMPROVEMENTS
CONTRACT 131022.40

BIDDER'S SWORN ACKNOWLEDGMENT

Ross Burns ("Deponent"), being first duly sworn on oath, deposes and states that the undersigned Bidder is organized as indicated below and that all statements herein made are made on behalf of such Bidder in support of its Bidder's Proposal for the above Contract and that Deponent is authorized to make them.

Deponent also deposes and states that Bidder has carefully prepared, reviewed and checked its Bidder's Proposal and that the statements and all submittals and information contained in or included with its Bidder's Proposal and in this Acknowledgment are true, correct, and complete.

COMPLETE APPLICABLE SECTION ONLY

1. **Corporation**

Bidder is a corporation that is organized and existing under the laws of the State of Illinois, that is qualified to do business in the State of Illinois, and that is operating under the legal name of Elexar Construction Co.

Pursuant to a Resolution of the corporation's Board of Directors taken on N/A, a certified copy of which is hereto attached, N/A, who is the N/A of the corporation, is authorized to sign this Bidder's Proposal, the Contract and all documents related thereto.

The officers of the corporation are as follows:

<u>TITLE</u>	<u>NAME</u>	<u>ADDRESS</u>
President	<u>Ross Burns</u>	<u>701 Surney Ln Glenview, IL 60025</u>
Vice President	_____	_____
Secretary	_____	_____
Treasurer	_____	_____

ACKNOWLEDGMENT

The stockholders of the corporation who own 10 percent or more of its stock of any class are as follows:

<u>NAME</u>	<u>ADDRESS</u>	<u>PERCENTAGE OWNERSHIP</u>
Ross Burns	701 Surrey Ln Glenview, IL	100%
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

2. Partnership

Bidder is a partnership that is organized, existing and registered under the laws of the State of N/A pursuant to that certain Partnership Agreement dated as of N/A, that is qualified to do business in the State of Illinois, and that is operating under the legal name of N/A.

The general partners of the partnership are as follows:

<u>NAME</u>	<u>ADDRESS</u>	<u>PERCENTAGE OWNERSHIP</u>
<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Pursuant to a power of attorney executed by all of the General Partners on N/A, a certified copy of which is hereto attached, N/A is the attorney-in-fact for the partnership and is authorized to sign this Bidder's Proposal, the Contract and all documents related thereto for the partnership. **[Strike out this paragraph if not applicable]**

ACKNOWLEDGMENT

3. Individual

Bidder is an individual whose full name is N/A,
 whose residence address is _____ and
 whose business address is N/A. If operating under a trade or
 assumed name, said trade or assumed name is as follows:
N/A

Pursuant to a power of attorney executed by Bidder on N/A,
 a certified copy of which is hereto attached, N/A is the attorney-
 in-fact for Bidder and is authorized to sign this Bidder's Proposal, the Contract and all
 documents related thereto for Bidder. [Strike out this paragraph if not applicable]

4. Joint Venture

Bidder is a joint venture that is organized and existing under the laws of the
 State of N/A pursuant to that certain Joint Venture Agreement dated as of
N/A, that is qualified to do business in the State of Illinois, and that is operating
 under the legal name of N/A.

The signatories to the aforesaid Joint Venture Agreement are as follows:

<u>NAME</u>	<u>ADDRESS</u>	<u>PERCENTAGE OWNERSHIP</u>
<u>N/A</u> ()	<u>N/A</u>	<u>N/A</u>
_____ ()	_____	_____
_____ ()	_____	_____
_____ ()	_____	_____
_____ ()	_____	_____

[For each signatory indicate the type of entity (Corporation = "C"; Partnership = "P"; and Individual = "I") and provide, on separate sheets, the information required in Paragraph 1, 2, or 3 above, as applicable]

ACKNOWLEDGMENT

Pursuant to a power of attorney executed by all signatories to the aforesaid Joint Venture Agreement on N/A, a certified copy of which is hereto attached, N/A is the attorney-in-fact for Bidder and is authorized to sign this Bidder's Proposal, the Contract and all documents related thereto for Bidder. [Strike out this paragraph if not applicable]

5. **Organizational Structure.**

Provide a brief history of the Bidder's organization. Include an organizational chart or similar document indicating the organizational structure of Bidder, including, without limitation, all apparent and subsidiary organizations of Bidder.

DATED this 24 day of February, 2014.

Attest/Witness

Elanar Construction Co
Bidder

By: [Signature]

By: [Signature]

Title: Admin

Title: President

Subscribed and Sworn to before me this 24 day of February, 2014.

My Commission Expires: 3/21/15

[Signature]
Notary Public



**SEE GENERAL INSTRUCTIONS TO BIDDERS, SECTION 8,
FOR SIGNATURE REQUIREMENTS**

VILLAGE OF GRAYSLAKE
CONTRACT FOR THE CONSTRUCTION OF
NORDIC PARK IMPROVEMENTS
CONTRACT 131022.40

BIDDER'S SWORN WORK HISTORY STATEMENT

Ross Burns ("Deponent"), being first duly sworn on oath, deposes and states that all statements made in this Sworn Work History Statement are made on behalf of the undersigned Bidder in support of its Bidder's Proposal for the above Contract and that Deponent is authorized to make them.

Deponent also deposes and states that Bidder has carefully prepared, reviewed and checked this Sworn Work History Statement and that the statements contained in this Sworn Work History Statement are true and correct.

IF NECESSARY FOR FULL DISCLOSURE, ADD SEPARATE SHEETS

**JOINT VENTURES MUST SUBMIT SEPARATE SWORN WORK
HISTORY STATEMENTS FOR THE JOINT VENTURE
AND FOR EACH SIGNATORY TO THE JOINT VENTURE AGREEMENT**

1. **Nature of Business**

State the nature of Bidder's business: Illinois

2. **Composition of Work**

During the past three years, Bidder's work has consisted of:

<u>5</u> % Federal	<u>80</u> % As Contractor	<u>60</u> % Bidder's Forces
<u>90</u> % Other Public	<u>20</u> % As Subcontractor	<u>30</u> % Subcontractors
<u>5</u> % Private		<u>10</u> % Materials

3. **Years in Business**

State the number of years that Bidder, under its current name and organization, has been continuously engaged in the aforesaid business: 11 years

WORK HISTORY STATEMENT

4. Predecessor Organizations

If Bidder has been in business under its current name and organization for less than five years, list any predecessor organizations:

<u>NAME</u>	<u>ADDRESS</u>	<u>YEARS</u>
N/A	N/A	N/A

5. Business Licenses

List all business licenses currently held by Bidder:

<u>ISSUING AGENCY</u>	<u>TYPE</u>	<u>NUMBER</u>	<u>EXPIRATION</u>
City of Chicago	GC		
City of Chicago	Sewer Const		

6. Related Experience

List three projects most comparable to the Work completed by Bidder, or its predecessors, in the past five years:

	<u>PROJECT ONE</u>	<u>PROJECT TWO</u>	<u>PROJECT THREE</u>
Owner Name	Chicago Park Dist	Glenview Park Dist	Arlington Heights Park District
Owner Address	541 N Fairbanks	1930 Prairie Ave	1010 Melas Dr
	Chicago, IL	Glenview, IL	Arlington Heights, IL
Reference	Randy DuRussell	Ken Wexler	Stephanie Stevens
Telephone Number	312.742.4694	224.521.2064	847.506.7143
Type of Work	Park	Park	Park

WORK HISTORY STATEMENT

	<u>PROJECT ONE</u>	<u>PROJECT TWO</u>	<u>PROJECT THREE</u>
Contractor (If Bidder was (Subcontractor)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Amount of Contract	_____	_____	_____
Date Commenced	_____	_____	_____
Date Completed	_____	_____	_____

DATED this 24 day of February, 2014.

Attest/Witness

Elanar Construction Co
Bidder

By: [Signature]

By: [Signature]

Title: Admin

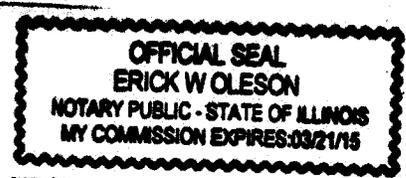
Title: President

Subscribed and Sworn to
before me this 24 day
of February, 2014.

My Commission Expires: 3/21/15

[Signature]
Notary Public

[SEAL]



SEE GENERAL INSTRUCTIONS TO BIDDERS, SECTION 8,
FOR SIGNATURE REQUIREMENTS

THE AMERICAN INSTITUTE OF ARCHITECTS



AIA Document A310 Bid Bond

BOND # **ELA022514B**

KNOW ALL MEN BY THESE PRESENTS, that we **ELANAR CONSTRUCTION CO.**
6620 W. Belmont Ave. Chicago, IL 60634-3934

(Here insert full name, and address or legal title of Contractor)

as Principal, hereinafter called the Principal, and **Employers Mutual Casualty Company**
1815 S. Meyers Rd., Suite 500 Oakbrook Terrace, IL 60181-5001

(Here insert full name, and address or legal title of Surety)

a corporation duly organized under the laws of the State of **IA**

as Surety, hereinafter called the Surety, are held and firmly bound unto
Village Of Grayslake
10 S. Seymour Ave. Grayslake, IL 60030

(Here insert full name, and address or legal title of Owner)

as Obligee, hereinafter called the Obligee, in the sum of

Ten Percent of Amount Bid----- Dollars (**\$ 10.00%**),

for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

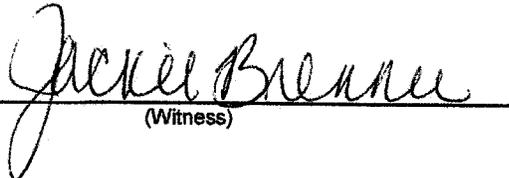
WHEREAS, the Principal has submitted a bid for
Nordic Park Improvements, Contract #131022.40.

(Here insert full name, address and description of project)

NOW, THEREFORE, if the Obligee shall accept the bid of the Principal and the Principal shall enter into a Contract with the Obligee in accordance with the terms of such bid and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligee may in good faith contract with another party to perform the Work covered by said bid then this obligation shall be null and void, otherwise to remain in full force and effect.

Signed and sealed this **25th** day of **February 2014**


(Witness)


(Witness)

ELANAR CONSTRUCTION CO.

(Principal)

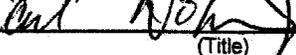
(Seal)


(Title)

Employers Mutual Casualty Company

(Surety)

(Seal)


(Title)

Carl Dohn Jr., Attorney-in-Fact

EMC Insurance Companies® No. A47482

P.O. Box 712 • Des Moines, IA 50306-0712

CERTIFICATE OF AUTHORITY INDIVIDUAL ATTORNEY-IN-FACT

KNOW ALL MEN BY THESE PRESENTS, that:

1. Employers Mutual Casualty Company, an Iowa Corporation
2. EMCASCO Insurance Company, an Iowa Corporation
3. Union Insurance Company of Providence, an Iowa Corporation
4. Illinois EMCASCO Insurance Company, an Iowa Corporation
5. Dakota Fire Insurance Company, a North Dakota Corporation
6. EMC Property & Casualty Company, an Iowa Corporation
7. Hamilton Mutual Insurance Company, an Iowa Corporation

hereinafter referred to severally as "Company" and collectively as "Companies", each does, by these presents, make, constitute and appoint: CARL DOHN JR, KAREN DOHN, WILLIAM P. MAHER, JEFFREY S. MOORE, JACQUELINE BRENNER, SUSAN MURRAY, VICKI L. BROADDUS, ELISE SIEGEL

its true and lawful attorney-in-fact, with full power and authority conferred to sign, seal, and execute its lawful bonds, undertakings, and other obligatory instruments of a similar nature as follows:

ANY AND ALL BONDS

and to bind each Company thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of each such Company, and all of the acts of said attorney pursuant to the authority hereby given are hereby ratified and confirmed.

The authority hereby granted shall expire APRIL 1, 2016 unless sooner revoked.

AUTHORITY FOR POWER OF ATTORNEY

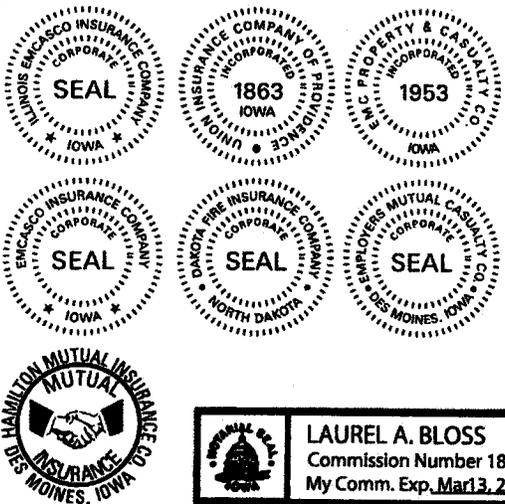
This Power-of-Attorney is made and executed pursuant to and by the authority of the following resolution of the Boards of Directors of each of the Companies at a regularly scheduled meeting of each company duly called and held in 1999:

RESOLVED: The President and Chief Executive Officer, any Vice President, the Treasurer and the Secretary of Employers Mutual Casualty Company shall have power and authority to (1) appoint attorneys-in-fact and authorize them to execute on behalf of each Company and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof; and (2) to remove any such attorney-in-fact at any time and revoke the power and authority given to him or her. Attorneys-in-fact shall have power and authority, subject to the terms and limitations of the power-of-attorney issued to them, to execute and deliver on behalf of the Company, and to attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and any such instrument executed by any such attorney-in-fact shall be fully and in all respects binding upon the Company. Certification as to the validity of any power-of-attorney authorized herein made by an officer of Employers Mutual Casualty Company shall be fully and in all respects binding upon this Company. The facsimile or mechanically reproduced signature of such officer, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power-of-attorney of the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS THEREOF, the Companies have caused these presents to be signed for each by their officers as shown, and the Corporate seals to be hereto affixed this

26th day of JUNE, 2013

Seals



Bruce G. Kelley
 Bruce G. Kelley, Chairman
 of Companies 2, 3, 4, 5 & 6; President
 of Company 1; Vice Chairman and
 CEO of Company 7

Michael Freel
 Michael Freel
 Assistant Vice President/
 Assistant Secretary

On this 26th day of JUNE AD 2013 before me a Notary Public in and for the State of Iowa, personally appeared Bruce G. Kelley and Michael Freel, who, being by me duly sworn, did say that they are, and are known to me to be the Chairman, President, Vice Chairman and CEO, and/or Assistant Vice President/Assistant Secretary, respectively, of each of The Companies above; that the seals affixed to this instrument are the seals of said corporations; that said instrument was signed and sealed on behalf of each of the Companies by authority of their respective Boards of Directors; and that the said Bruce G. Kelley and Michael Freel, as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of each of the Companies.
 My Commission Expires March 13, 2014.

Laurel A. Bloss
 Notary Public in and for the State of Iowa

CERTIFICATE

I, James D. Clough, Vice President of the Companies, do hereby certify that the foregoing resolution of the Boards of Directors by each of the Companies, and this Power of Attorney issued pursuant thereto on JUNE 26, 2013 on behalf of:
 CARL DOHN JR, KAREN DOHN, WILLIAM P. MAHER, JEFFREY S. MOORE, JACQUELINE BRENNER, SUSAN MURRAY, VICKI L. BROADDUS, ELISE SIEGEL

are true and correct and are still in full force and effect.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 25th day of February, 2014.

J. D. Clough
 Vice President

VILLAGE OF GRAYSLAKE
CONTRACT FOR THE CONSTRUCTION OF
NORDIC PARK IMPROVEMENTS
CONTRACT 131022.40

GENERAL CONDITIONS OF CONTRACT

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VILLAGE OF GRAYSLAKE
CONTRACT FOR THE CONSTRUCTION OF
NORDIC PARK IMPROVEMENTS
CONTRACT 131022.40

GENERAL CONDITIONS OF CONTRACT

ARTICLE I
PERFORMANCE OF THE WORK

1.1 Performance Standards and Obligations

A. Quality of Work.

1. General Standard. All Work shall be provided, performed, and completed in a proper and workmanlike manner, consistent with the highest standards of professional and construction practices and in full compliance with, and as required by or pursuant to, this Contract, and with the greatest economy, efficiency, and expedition consistent therewith. All equipment, materials, and supplies incorporated into the Work shall be new and undamaged and shall be the best of their respective kinds for their intended use.

2. Referenced Standards. References to standards, specifications, manuals, or codes of any technical society, organization, or association, or to codes of local, state or federal authorities, shall mean the latest standard, specification, manual or code adopted and published at the date of the Bidder's Proposal, unless specifically stated otherwise. However, no provision of any referenced standard, specification, manual or code shall change the duties and responsibilities of Owner, Engineer, or Contractor from those set forth in this Contract.

3. Proprietary Standards and Equivalency. Whenever any equipment, materials or supplies are specified or described in this Contract by using the name or other identifying feature of a proprietary product or the name or other identifying feature of a particular manufacturer or vendor, the specific item mentioned shall be understood as establishing the type, function and quality desired. Other manufacturers' or vendors' products may be accepted, provided sufficient information is submitted to allow Owner and Engineer to determine that the products proposed are equivalent in substance and function to those named. The equivalency of any product proposed shall be determined by Owner and Engineer, in their sole and absolute discretion, and no such product shall be purchased, fabricated or installed until equivalency shall have been determined, in writing, by Engineer and approved by Owner. Engineer and Owner's written decision with respect to equivalency shall be final.

B. Timeliness of Work.

1. Time is of the Essence. The time of beginning, rate of progress, and time of completion of the Work is of the essence of this Contract. Contractor shall be solely responsible for completing the Work in a timely fashion. Contractor shall promptly,

GENERAL CONDITIONS

continuously, diligently, vigorously, and systematically provide and perform the Work, and all component parts of the Work, within such time or times as may be set forth in this Contract or in the Approved Schedule and to the ends that, and at a rate, with due allowances and contingencies for difficulties or obstructions that may arise out of, or be encountered as a result of, adverse weather conditions, equipment breakdowns, subsurface, underground or other concealed conditions or obstructions, buried structures, utility locations or conditions, adverse soil conditions, and changed site conditions due to work by other contractors, that assures that, all Work, and all component parts of the Work, will be completed and ready for inspection and testing when required pursuant to this Contract and that all Work will be completed in full compliance with, and as required by or pursuant to, this Contract within the Contract Time. Contractor shall cooperate with Owner and Engineer to assure maximum coordination and efficiency in the progress of the Work.

2. Approved Schedule. Unless otherwise provided in the Special Conditions of Contract, Contractor shall submit to Engineer and Owner, within 10 Days after the execution of this Contract, a detailed schedule of the Work showing the time of beginning and completion for at least every major component of the Work. Such schedule shall be presented in graphical form in a method approved by the Village, which method may include the bar graph method, time-sequence method, critical path method, or such other method as provided in the Special Conditions. Such schedule shall logically and realistically relate the performance of each component of the Work to each other component of the Work and to the whole of the Work so as to demonstrate that sufficient time has been allowed for the completion of each component without interference or delay from or to any other component and with due allowances and contingencies for difficulties or obstructions that may arise out of, or be encountered as a result of, adverse weather conditions, equipment breakdowns, subsurface, underground or other concealed conditions or obstructions, buried structures, utility locations or conditions, adverse soil conditions, and changed site conditions due to work by other contractors. The schedule shall demonstrate Contractor's ability to comply with the requirements of Paragraph 1.1B1 above. Engineer shall return a copy of the schedule to Contractor with such exceptions noted as Engineer may deem appropriate and Contractor shall submit a revised schedule to Engineer within two business days. If acceptable, Engineer shall return a copy of the schedule to Contractor with no exceptions noted ("Approved Schedule"). Engineer and Owner may require the Approved Schedule to be revised or updated as frequently as Engineer or Owner may deem necessary prior to Final Acceptance of the Work. Contractor shall submit to Owner and Engineer an affidavit detailing Contractor's progress toward completion of the Work in accordance with the Approved Schedule within seven days after receipt by Contractor of a request therefor.

3. No Liability. Review and stamping of any Approved Schedule by Engineer shall not constitute approval or acceptance of the schedule or an extension or waiver of the Contract Time and no review by Engineer or Owner, no noting of an exception by Engineer, and no failure to note an exception by Engineer shall relieve Contractor of the entire responsibility for the performance of the Work in full compliance with the requirements of this Contract within the Contract Time. Engineer and Owner's review and stamping, with or without exceptions noted, of any Approved Schedule shall not be regarded as any assumption of risk or liability by Owner or Engineer. Contractor shall have no claim under this Contract on account of any error, omission, or defect in, or revealed by, any Approved Schedule so reviewed and

GENERAL CONDITIONS

stamped or any failure, partial failure, or inefficiency of any Approved Schedule so reviewed and stamped. Engineer's stamping of any Approved Schedule with no exception noted shall be considered to mean merely that Engineer has no objection to Contractor proceeding, upon its own full responsibility and liability, with the schedule or schedules proposed.

4. Acceleration. If, at any time, the Work, or any component part of the Work, is behind the Approved Schedule, Contractor shall initiate immediate and definite procedures for accelerating the Work as required to bring the Work, and all component parts of the Work, into compliance with the Approved Schedule. Owner shall not be subject to any claims, demands, or liability for Contractor's acceleration damages or costs incurred to keep the Work in compliance with the Approved Schedule, including, but not limited to, damages or costs resulting from, arising out of, or in any way related to increases in time-related costs; increases in costs of labor, equipment, materials, or supplies; costs of additional personnel; costs of additional equipment; costs of additional premium time for personnel or equipment; increase in costs for Bond or insurance premiums; lower labor productivity; lost profits or alternative income; effects on other contracts; and costs of demobilization and remobilization. Failure of Owner or Engineer to inform Contractor that Contractor is behind the Approved Schedule or to direct and enforce procedures to ensure compliance with the Approved Schedule shall not relieve Contractor of the entire responsibility for the performance of the Work in full compliance with the requirements of this Contract within the Contract Time.

5. Owner's Right to Perform Work. Any failure of Contractor to comply with this Subsection 1.1B shall entitle Owner to perform or have performed all Work necessary for compliance with this Subsection and to withhold or recover from Contractor the cost of such Work.

C. Completeness of Work. Except for such items as are expressly and specifically required by this Contract to be furnished by Owner, Contractor shall provide at the Work Site, and at no charge to Owner other than the Contract Price, all personnel, equipment, materials, supplies, and other things required to provide, perform and complete the Work described, shown, or reasonably implied, or inferred from prevailing custom or trade usage as being required to produce the results intended, in this Contract. If any personnel, equipment, materials, or supplies that are not directly or indirectly set forth in this Contract are nevertheless necessary to the proper provision, performance, and completion of the whole of the Work in accordance with the intent of this Contract, Contractor shall understand such personnel, equipment, materials, or supplies to be implied and shall provide such personnel, equipment, materials, or supplies as fully as if it were particularly described. Without limiting the foregoing, Contractor, at its sole cost and expense, shall: (1) arrange for a supply of water, heat, light, power, telecommunications, and other services needed for the Work and for testing, including the installation of temporary utility lines, wiring, switches, fixtures, hoses, connections, and meters; (2) provide and maintain sanitary conveniences of sufficient number to accommodate all workers and all personnel of Owner and Engineer engaged in or about the Work; and (3) provide and maintain a clean, weather-tight office, temporary in character, at a central location at the Work Site, with telephone facilities and service, for use as a field office by Contractor, for storage of Contract Drawings and Specifications, for storage of permits and Required Submittals reviewed with no exception noted, and for shelter of workers.

GENERAL CONDITIONS

D. Conformity of Work. Contractor shall, at no increase in the Contract Price, provide workmanship, equipment, materials, and supplies that fully conform to this Contract, notwithstanding the fact that Contractor may have based its Bidder's Proposal on workmanship, equipment, materials, or supplies that do not so conform. When the equipment, materials, or supplies furnished by Contractor cannot be installed as specified in the Contract Drawings or Specifications, Contractor shall, without any increase in the Contract Price, make all modifications required to properly install the equipment, materials, or supplies. Any such modification shall be subject to the prior review and consent of Engineer and Owner.

1.2 Engineer's Authority

Engineer has been employed as an independent contractor to represent Owner during the term of this Contract and to observe the Work in progress on behalf of Owner. To prevent delays and disputes and to discourage litigation, it is agreed by Owner and Contractor that Engineer shall, in all cases, determine the amount, quality, acceptability, and fitness of the several kinds of Work that are to be paid for under this Contract; determine all disputes in relation to the true construction, meaning, and intent of the Contract Drawings and Specifications; and determine all disputes in relation to the execution of the Work, the classifications and measurements of quantities and materials, the suitability of equipment, materials, and supplies, and the fulfillment of this Contract. In interpreting this Contract, Engineer shall be subject to Section 1.3 of the Contract Agreement.

Engineer shall have the power to reject or condemn all Work that is defective, flawed, unsuitable, or nonconforming to the terms of this Contract.

Engineer's determination in all matters shall be a condition precedent to an appeal by Contractor to Owner, to the right of Contractor to receive, demand, or claim any money or other compensation under this Contract, and to any liability on the part of Owner to Contractor on account of this Contract.

1.3 Required Submittals

A. Submittals Required. Contractor shall submit to Engineer all documents, reports, data, and information specifically required to be submitted by Contractor under this Contract and shall, in addition, submit to Engineer all such drawings, specifications, descriptive information, samples, and engineering documents, data, and information as may be required, or as may be requested by Engineer, to show the details of the Work, including a complete description of all equipment, materials, and supplies to be provided under this Contract ("Required Submittals"). Such details shall include, but shall not be limited to, the kind, size, arrangement and operations of component materials and devices; the external connections, anchorages, and supports required; performance characteristics; test data; concrete reinforcement; structural details; dimensions needed for installation and correlation with other equipment, materials, and supplies; principal dimensions, weight, structural and operating features; space required; clearances; utility connections; wiring and control diagrams; type and/or brand of finish or shop coat; adequate operation and maintenance information for all equipment requiring maintenance or other attention; and all similar matters, for all components

GENERAL CONDITIONS

of the Work. When it is customary to do so, when the dimensions are of particular importance, or for equipment and materials, the Required Submittals shall be certified by the Supplier as correct for, and in full compliance with, this Contract and meeting intended functions.

B. Number and Format. Contractor shall provide complete sets for each Required Submittal with suitable identification as required in the Specifications.. All Required Submittals, except drawings, shall be prepared on white 8-1/2 inch by 11 inch paper. . All prints of drawings shall be folded to 8-1/2 inches by 11 inches, or less. All drawings shall be clearly marked in the lower right-hand corner with the names of Owner, Engineer, and Contractor.

C. Verification by Contractor. Contractor shall be responsible for obtaining Required Submittals complying with the foregoing from its Subcontractors and Suppliers and returning reviewed documents to them. Contractor shall check and approve all Required Submittals before submitting them to Engineer for review. Contractor shall check and verify, or resubmit for correction, all Required Submittals prepared by a Subcontractor or Supplier, before submitting them to Engineer. Verification and submission of Required Submittals by Contractor shall be deemed to mean that Contractor has, in fact, reviewed and coordinated the information in the Required Submittals with the requirements of the Work and this Contract. Any Required Submittals submitted to Engineer which have not been checked, reviewed, and stamped "Verified by Contractor," will be returned unprocessed.

D. Time of Submission. All Required Submittals shall be provided to Engineer no later than the time, if any, specified in this Contract for their submission or, if no time for submission is specified, in sufficient time, in Engineer's sole opinion, to permit Engineer to review the same prior to the commencement of the part of the Work to which they relate and prior to the purchase of any equipment, materials, or supplies that they describe.

E. Engineer's Review. Engineer shall review all Required Submittals as soon as reasonably possible after their submission and shall have the right to require resubmittal of, and such corrections in and additions to, any or all Required Submittals as may be necessary to make the Required Submittals conform to this Contract.

F. Responsibility for Delay and Costs of Additional Review. Contractor shall be responsible for any delay in the Work due to delay in providing Required Submittals conforming to this Contract. In the event more than two re-submittals of any Required Submittal is necessary to make such Required Submittal conform to this Contract, Contractor shall be charged the total cost incurred by Engineer for all subsequent reviews of Required Submittals. If the amount due Contractor is not sufficient to cover such costs, Contractor shall reimburse Owner for such costs upon demand.

G. Condition Precedent to Performance of Work. No Work with respect to which any Required Submittal is required or has been requested, and no Work dependent on any such Work, shall be provided or performed unless and until the Required Submittal for such Work has been reviewed and stamped by Engineer with no exception noted. No equipment, materials, or supplies shall be purchased, fabricated, or installed until all Required Submittals pertaining thereto have been reviewed and stamped by Engineer with no exception noted. Where

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samples are required, the samples reviewed and stamped by Engineer with no exception noted shall be kept at the Work Site for comparison with, and to establish the standards of acceptance for, equipment, materials or supplies proposed for incorporation into the Work.

H. Incorporation After Review With No Exception Noted. Every Required Submittal that is reviewed and stamped by Engineer with no exception noted shall immediately thereupon become a part of the Contract Documents, and the Work shown or described thereby shall be performed in conformity therewith unless otherwise required by Engineer.

I. No Liability. Review and stamping of any Required Submittal by Engineer shall be for the sole purpose of examining the general arrangement, design, and details of the proposed Work, and no review by Engineer, no noting of an exception by Engineer, and no failure to note an exception by Engineer shall relieve Contractor of the entire responsibility for the performance of the Work in full compliance with the requirements of this Contract. Engineer's review and stamping, with or without exceptions noted, of any Required Submittal shall not constitute an approval of any part of the Work shown in such Required Submittal and shall not be regarded as any assumption of risk or liability by Owner or Engineer. Contractor shall have no claim under this Contract on account of any error, omission or defect in, or revealed by, any Required Submittal so reviewed and stamped. Engineer's stamping of any Required Submittal with no exception noted shall be considered to mean merely that Engineer has no objection to Contractor proceeding, upon its own full responsibility and liability, with the Work as shown on such Required Submittal.

1.4 Administration of the Work

A. Contractor's Duty to Administer the Work. Contractor shall have full and sole responsibility for administration of the Work. Contractor's field organization shall include fully qualified and adequate management, supervisory and technical personnel to insure competent and expeditious handling of all matters related to the Work. Contractor shall have full and sole responsibility for keeping all personnel, equipment, materials, supplies, and other things required to provide, perform, and complete the Work within the designated construction area limits of the Work Site and out of areas not designated for Contractor's use. On all other lands, Contractor shall have no rights unless it obtains them from the proper parties.

Owner shall have the authority to order Contractor to remove from the Work Site any of Contractor's employees or any Subcontractors' employees who fail to discharge responsibilities, refuse to obey instructions, who are incompetent, abusive, threatening, or disorderly in their conduct, or who otherwise fail to perform that part of the Work undertaken in a manner satisfactory to Owner. Any such Person so removed shall not be employed again on the Work. No adjustment in the Contract Price or Contract Time shall be made as a result of such removal.

All Subcontractors and Suppliers shall be directly responsible to Contractor and shall be subject to Contractor's supervision and control. Contractor shall have the duty to coordinate all Subcontractors and Suppliers so as to avoid hindrance or interference among them

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and to ensure that the Work will be completed in full compliance with, and as required by or pursuant to, this Contract and within the Contract Time.

Contractor shall perform the Work with its own personnel and under the management, supervision, and control of its own organization unless otherwise approved by Owner in writing. All subcontractors, suppliers, and subcontracts used by Contractor shall be acceptable to, and approved in advance by, Owner. Owner's approval of any subcontractor, supplier, and subcontract shall not relieve Contractor of full responsibility and liability for the provision, performance, and completion of the Work in full compliance with, and as required by or pursuant to, this Contract. All Work performed under any subcontract shall be subject to all of the provisions of this Contract in the same manner as if performed by employees of Contractor. Every reference in this Contract to "Contractor" shall be deemed also to refer to all subcontractors and suppliers of Contractor. Every subcontract shall include a provision binding the subcontractor or supplier to all provisions of this Contract.

Contractor shall attend, and shall cause any Subcontractor or Suppliers whose attendance is requested to attend, any pre-construction meetings or construction progress meetings as may be necessary for the orderly performance of the Work, as determined by Owner or Engineer.

B. Contractor's Superintendent. Contractor shall appoint and employ throughout the performance of the Work a competent superintendent who shall be approved by Owner in writing and who shall have complete charge of the Work on behalf of Contractor. Contractor's superintendent shall be at the Work Site at all times during performance of the Work. Contractor shall, before beginning the Work, and at all times during the performance of the Work, keep Owner advised in writing of such superintendent's name and address, and of telephone numbers where such superintendent may be reached at all times. Such superintendent shall not be changed without the consent of Owner unless the individual serving in that capacity leaves Contractor's employ or becomes unable to serve due to circumstances beyond the control of Contractor, which shall in no event be construed to include the necessity of employing such Person on any other contract or work. Any substitute superintendent proposed by Contractor shall be approved by Owner in writing. In any case where Owner determines the performance of Contractor's superintendent is unsatisfactory or unacceptable to Owner, Owner shall have the right to require Contractor to remove such superintendent and to replace such superintendent with a new superintendent satisfactory to Owner. No adjustment in the Contract Price or Contract Time shall be made as a result of such removal.

1.5 Conditions at the Work Site; Record Drawings

Contractor shall be fully responsible for conditions found at, and in the vicinity of, the Work Site. Contractor shall have no claim for damages, for compensation in excess of the Contract Price except as expressly provided, and only to the limited extent set forth, in Sections 2.1 through 2.3 of these General Conditions of Contract, or for a delay or extension of the Contract Time based upon conditions found at, or in the vicinity of, the Work Site. When information pertaining to subsurface, underground or other concealed conditions or obstructions,

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soils analysis, borings, test pits, buried structures, utility locations or conditions, conditions of existing structures, and similar site information or data and other investigations is or has been shown or indicated on the Contract Drawings, is or has been provided by Owner or Engineer, or is or has been otherwise made available to Contractor by Owner or Engineer, such information is or has been shown, indicated, provided, or made available solely for the convenience of Contractor and is not part of this Contract. Owner assumes no responsibility whatever in respect to the sufficiency or accuracy of such information, and there is no guaranty or warranty, either expressed or implied, that the conditions indicated are representative of those existing throughout the Work or the Work Site, or that the conditions indicated are representative of those existing at any particular location, or that contractors working on other projects may not change the conditions indicated at, and in the vicinity of, the Work Site, or that unanticipated conditions may not be present.

Contractor shall be solely responsible for locating all existing underground installations by prospecting no later than two workdays prior to any scheduled excavation or trenching or 200 lineal feet in advance of such excavation or trenching, whichever is earlier. Contractor shall, prior to any excavation, notify the Joint Utility Locating Information for Excavators (J.U.L.I.E.), (1-800-892-0123), and, with respect to owners or operators of underground utility facilities who are not members of J.U.L.I.E., shall directly notify such non-member owners or operators and shall otherwise fully comply with the Illinois Underground Utility Facilities Damage Prevention Act, 220 ILCS 50/1 et seq. Contractor shall check all dimensions, elevations, and quantities shown on the Contract Drawings and Specifications within the same time period as set forth above for prospecting underground installations. Contractor shall lay out the Work in accordance with the Contract Drawings and Specifications and shall establish and maintain such locations, lines and levels, except that wherever pre-existing work is encountered, Contractor shall verify and be responsible for dimensions and locations of such pre-existing work. Contractor shall notify Engineer of any discrepancy between the dimensions, elevations and quantities shown on the Contract Drawings and Specifications and the conditions of the Work Site or any other discrepancies which Contractor may discover during such inspections. Contractor shall make any necessary adjustments in the alignment or grade of the Work, subject to Engineer's approval, to pass around, over, or under any obstruction discovered without any equitable adjustment in the Contract Time or, except as expressly provided, and only to the limited extent set forth, in Sections 2.1 through 2.3 of these General Conditions of Contract, the Contract Price.

Contractor shall maintain, during the progress of the Work, up-to-date copies of all Contract Drawings and Specifications and a continuous record of all field deviations from the Contract Drawings. Before Final Acceptance of the Work, Contractor shall submit to Owner two printed sets of Drawings of Record, unless a greater number is specified elsewhere in this Contract, indicating all necessary additions and corrections to the Contract Drawings to show record conditions for verification of Engineer's drawings of record. Upon acceptance of Contractor's printed Drawings of Record, Contractor shall also submit to Owner electronic Drawings of Record in an electronic file format acceptable to Owner. Each such drawing and electronic drawing file shall be plainly marked "Drawing of Record" near the title block and shall be certified as to correctness by Contractor.

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1.6 Safety of the Work Site

A. Contractor's Responsibility. Contractor shall be solely and completely responsible for providing and maintaining safe conditions at the Work Site, including the safety of all Persons and property during performance of the Work. This requirement shall apply continuously and shall not be limited to normal working hours. Contractor shall take all safety precautions as shall be necessary to comply with all applicable Laws, regulations, and guidelines, including without limitation OSHA, and to prevent injury to Persons and damage to property. Contractor shall employ or hire a competent safety representative or Subcontractor, who is capable of identifying predictable and existing conditions that are unsanitary, hazardous, or dangerous to Persons or property, to devise, supervise and ensure compliance with all safety precautions and programs as shall be necessary to comply with all applicable Laws, regulations, and guidelines, including without limitation OSHA, and to prevent injury to Persons and damage to property. Contractor shall advise Owner, in writing, of such safety representative's name, address, and telephone number or numbers where such safety representative may be reached at all times, 24 hours per Day, and such safety representative shall have full and complete authority to promptly correct or eliminate any such unsanitary, hazardous, or dangerous conditions. Neither Owner nor Engineer shall be responsible for conditions at the Work Site, nor for the safety of Persons or property, during the performance of the Work.

Contractor is advised that potentially hazardous conditions described in the Illinois Health and Safety Act, federal OSHA Regulations and Guidelines, ANSI Standard B30.5-1968 as amended, ANSI Standard Z117.1-1995 as amended, and Illinois Department of Labor Rules and Regulations, could be encountered during the performance of the Work, including without limitation energized electrical facilities and overhead wires; cranes, derricks, and other hoisting machinery with operational and use limitations, special hazard warnings and instructions, and revolving superstructures requiring proper barricading; underground utility facilities requiring protection, support, or removal to safeguard employees; excavations requiring, among other things, safe means of egress and protection from cave-ins, fall-ins, hazardous atmospheres, hazardous substances, and other hazardous conditions; and confined or enclosed spaces that are subject to the accumulation of hazardous substances or toxic or flammable contaminants or that have oxygen deficient or other hazardous atmospheres, requiring, among other things, independent fall protection, respiratory equipment, ventilation, two-way communication with the outside, and safe means of egress. Contractor should take special notice of the potentially hazardous conditions identified in this paragraph and take all necessary precautions to guard against such potential hazards, including without limitation conducting employee safety training and education, posting warnings and instructions, testing and inspecting, and utilizing adequate protective and emergency systems, equipment, and devices, in as much safety remains Contractor's sole responsibility under this Contract. Contractor is directed to the Illinois Health and Safety Act, federal OSHA Regulations and Guidelines, including without limitation Construction Industry Safety & Health Regulations as outlined in Part 1926 of US Dept. of Labor Chapter XVII - Occupational Safety and Health Administration, Title 29, and US Dept. of Labor Document OSHA 2202 "OSHA Safety and Health Standards Digest," ANSI Standard B30.5-1968 as amended, ANSI Standard Z117.1-1995 as amended, and Illinois Department of Labor Rules and Regulations for a further description of these potentially hazardous conditions and the regulations applicable thereto.

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Contractor is being notified of these potentially hazardous conditions so that Contractor may independently assess the potentially hazardous conditions and take the necessary precautions to ensure a safe workplace pursuant to this Contract and Contractor's legal obligations. Owner's notification of these potentially hazardous conditions should not be construed to be, nor interpreted as, an exclusive listing of the potentially hazardous conditions that could be encountered during the performance of the Work but, rather, such notice shall be construed to be, and interpreted as, exemplary only. Owner's notification of these potentially hazardous conditions should not be construed or interpreted as waiving Contractor's sole and complete responsibility for conditions at the Work Site or for providing and maintaining safe conditions at the Work Site, including the safety of all Persons and property during performance of the Work. Owner will not make independent observations of conditions at any time or advise contractor in or direct contractor on these matters. This notification of potentially hazardous conditions is provided solely to assist Contractor in the performance of these duties, in the interest of maximum safety.

B. Traffic. Contractor shall conduct all of its operations without interruption of or interference with vehicular and pedestrian traffic on public and private rights-of-way, unless it has obtained permits therefor from the proper authorities. All public and private rights-of-way not closed by permission of the proper authorities shall be maintained passable and safe by Contractor, who shall assume and have full responsibility for the adequacy and safety or provisions made therefor. If any public or private right-of-way shall be rendered unsafe by Contractor's operations, Contractor shall make such repairs or provide such temporary ways or guards as shall be acceptable to the proper authorities.

Contractor shall, at least 48 hours in advance, notify the proper authorities in writing, with a copy to Engineer, if the closure of any public or private right-of-way is necessary. Contractor shall cooperate with the proper authorities in the establishment of alternate routes and shall provide adequate detour signs, plainly marked and well lighted, in order to minimize confusion.

C. Fire Protection. Access to sources of water for fire protection shall be identified and be available at all times. Fire hydrants and stop valves adjacent to the Work shall be kept clear and readily accessible to fire apparatus and no materials or other obstruction shall be placed, parked or stored within 15 feet of any hydrant or stop valve except by special permission of the proper authorities.

Only construction procedures that minimize fire hazards to the extent practicable shall be used. There shall be no open burning or confined trash fires. Combustible debris and waste materials shall be collected or removed from the Work Site each workday. Fuels, solvents, and other volatile or flammable materials shall be stored away from construction and storage areas in well-marked, safe containers. Good housekeeping, essential to fire prevention, shall be practiced by Contractor throughout the Work.

Contractor shall provide complete and safe access to the Work Site by personnel of Owner's Fire Department at all times and upon demand.

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D. Accident Records; Insurance Adjusters. Contractor shall maintain an accurate record of all accidents and other incidents resulting in death, injury, or occupational disease to any Person or in damage to, or loss of, any property and shall promptly report any such accident or incident to Owner and shall provide Owner with copies of all correspondence and pleadings related thereto, including insurance claims and settlements. Contractor shall arrange for Contractor's insurance adjuster to meet with any Person affected by any such accident or other incident promptly and, in all events, within 48 hours after Contractor's receipt of notice from such Person, and a report of the insurance adjuster's findings shall be delivered to such Person within 10 days thereafter, copies of which shall be provided to Owner and Engineer.

1.7 Cleanliness of the Work Site and Environs

Contractor shall keep the Work Site and adjacent areas clean at all times during performance of the Work and shall remove and properly dispose of all waste and surplus materials from the Work Site each workday in such a manner as may be necessary to conform to Law. Contractor shall sweep and clean the Work Site, and shall remove from the Work Site all hoses, cables, extension cords and similar materials, as may be necessary to leave the Work Site and adjacent areas in a clean and orderly condition at the end of each workday. If Contractor fails to comply with its obligations under this Section, Owner shall have the right to perform, or to have performed, such obligations and to withhold or recover the cost thereof from Contractor.

1.8 Damage to the Work, the Work Site, and Other Property

The Work and everything pertaining thereto shall be provided, performed, completed, and maintained at the sole risk and cost of Contractor from the Commencement Date until Final Payment. Contractor shall be responsible and liable for any damages, losses, and injuries resulting from its operations. Contractor shall be fully responsible for the protection of all public and private property and all Persons. Without limiting the foregoing, Contractor shall, at its own cost and expense, (1) provide temporary heating, covering and enclosures, to the satisfaction of Engineer, as necessary to protect the Work against damage by dampness and cold, to dry out the Work, and to facilitate the completion of the Work; (2) provide all permanent and temporary shoring, anchoring and bracing required by the nature of the Work, in order to make all parts absolutely stable and rigid, even when such shoring, anchoring and bracing is not explicitly specified; and (3) support and protect all buildings, bridges, roadways, conduits, wires, water pipes, gas pipes, sewers, pavements, curbs, sidewalks, fixtures and landscaping of all kinds and all other public or private property that may be encountered or endangered in providing, performing and completing the Work.

Contractor shall have no claim against Owner because of any damage or loss to the Work or to Contractor's equipment, materials, or supplies from any cause whatever, including damage or loss due to simultaneous work by others.

Contractor shall, promptly and without charge to Owner, repair or replace, to the satisfaction of Owner, any damage done to, and any loss suffered by, the Owner, the Work and any damage done to, and any loss suffered by, the Work Site or other property as a result of the Work.

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No specific provision of this Contract to the effect that Contractor shall be responsible and liable at its sole risk and cost for the Work or any part thereof or for damage, loss, or injury caused by Contractor shall be construed to be an exclusive listing of the circumstances in which Contractor bears such responsibility and liability, but, rather, all such provisions shall be construed to be exemplary only.

Notwithstanding any other provision of this Contract, Contractor's obligations under this Section shall exist without regard to, and shall not be construed to be waived by, the availability or unavailability of any insurance, either of Owner or Contractor, to indemnify, hold harmless, or reimburse Contractor for the cost of any repair or replacement work required by this Section.

1.9 Subcontractors and Suppliers

A. Approval and Use of Subcontractors and Suppliers. Contractor shall perform the Work with its own personnel and under the management, supervision, and control of its own organization unless otherwise approved by Owner in writing, which approval Owner may exercise and revoke in its sole discretion. All Subcontractors, Suppliers, and Subcontracts used by Contractor shall be acceptable to, and approved in advance by, Owner. All Persons engaged in the Work, whether or not as approved Subcontractors, shall be deemed to be employees of Contractor for all purposes and Contractor hereby assumes, in addition to any liability imposed by law upon Contractor for its Subcontractors, full responsibility and liability for such Subcontractors as if they were the employees of Contractor. Nothing in this Contract shall be construed to create any contractual relationship between Owner and any Subcontractor or Supplier. All relations with approved Subcontractors and Suppliers shall be the responsibility of Contractor, and Owner shall not be responsible or obligated to deal directly with any Subcontractor or Supplier.

Contractor is responsible for providing, performing, and completing all Work that meets or exceeds specified requirements notwithstanding specific references in the Contract Drawings or Specifications to duties and obligations of other contractors, Subcontractors, Suppliers, manufacturers, trades, etc., all at no extra cost to Owner other than the Contract Price. All such duties and obligations specifically imposed upon such other contractors, Subcontractors, Suppliers, manufacturers, trades, etc., shall be deemed to be imposed upon Contractor.

Owner's approval of any subcontractor, supplier, and subcontract shall not relieve Contractor of full responsibility and liability for the provision, performance, and completion of the Work in full compliance with, and as required by or pursuant to, this Contract. All Work performed under any subcontract shall be subject to all of the provisions of this Contract in the same manner as if performed by employees of Contractor. Every reference in this Contract to "Contractor" shall be deemed also to refer to all subcontractors and suppliers of Contractor. Every subcontract shall include a provision binding the subcontractor or supplier to all provisions of this Contract.

If Owner refuses to approve any Subcontractor or Supplier, or, having once approved a Subcontractor or Supplier, thereafter advises Contractor that such Subcontractor or

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Supplier is no longer acceptable to Owner, then Contractor shall undertake the Work itself or propose another Subcontractor or Supplier for Owner's approval. No adjustment of the Contract Price or Contract Time shall be made as a result of Owner's refusal to approve, or Owner's revocation of any approval of, any Subcontractor or Supplier.

This Section shall not be construed to prohibit Owner, if and when it exercises any of its rights under Section 6.6 of these General Conditions of Contract, from entering into an independent contractual relation with any Subcontractor or Supplier employed by Contractor, and no such relation shall be construed as interfering with any Subcontract or other relation Contractor may have with such Subcontractors and Suppliers.

B. Subcontractor and Supplier Requirements. In addition to any and all conditions and other requirements that may be imposed by Owner in its approval of any Subcontractor or Supplier, all Work performed under any Subcontract shall be subject to the same provisions set forth in this Contract for the Work performed by Contractor. Furthermore, every Subcontract shall include at least the following provisions:

1. Flow-down. A statement that this Contract has been reviewed by the Subcontractor or Supplier; that Subcontractor or Supplier agrees to be bound by the terms, provisions, and conditions of this Contract so far as they are applicable to the Work under its Subcontract; that Subcontractor or Supplier agrees to assume all obligations and responsibilities of Contractor under this Contract; and that Subcontractor or Supplier agrees to be bound by and governed by any change or alteration in this Contract.
2. Discrimination. The provisions of the Public Works Employment Discrimination Act, 775 ILCS 10/1 et seq., shall be printed or otherwise inscribed on the face of the Subcontract.
3. Laws. A statement substantially identical to Section 6.11 of the Contract Agreement requiring Subcontractor or Supplier to comply with all Laws.
4. Application of Payments. A statement that Subcontractor or Supplier agrees that all funds received directly or indirectly from Owner shall be applied to the payment or reimbursement of the costs for which they were paid and not to any preexisting or unrelated debt between Contractor and Subcontractor or Supplier.
5. No Compensation for Delay. A statement substantially identical to Subsection 2.3D of these General Conditions of Contract to the effect that there shall be no payment, compensation, damages, or adjustment of any kind, other than an extension of time, because of hindrances or delays, whether avoidable or unavoidable, from any

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cause in the commencement, provision, performance, or completion of the Work under the Subcontract.

6. Termination for Convenience of Contractor. A statement that the Subcontract may be terminated for the convenience of Contractor, if this Contract is terminated for any reason by Owner or if Owner exercises its right to require termination of the Subcontract; provided, however, that no such termination shall defeat Owner's rights under Paragraph 1.9B7 below.
7. Conditional Assignment. A statement that Subcontractor or Supplier agrees to the assignment of the Subcontract to Owner, at Owner's option exercised by written notice to Subcontractor or Supplier and without further action, if this Contract is terminated by Owner and that no such assignment shall be construed as interfering with Subcontractor's or Supplier's Subcontract with Contractor.
8. Dispute Resolution. A statement that in case of any dispute or claim between Subcontractor or Supplier and Contractor involving Owner, or between Contractor and Owner involving Subcontractor or Supplier, Subcontractor or Supplier agrees to be bound by the provisions in this Contract pertaining to the resolution of disputes to the same extent that Contractor is bound to Owner by the terms of this Contract; and that Subcontractor or Supplier agrees to be bound by any and all decisions or determinations made thereunder as authorized in this Contract; and that Subcontractor or Supplier agrees to join in, or consolidate any claim it may have with, any related pending dispute resolution proceeding or to allow such joinder or consolidation of other related claims with its claim; and that Subcontractor or Supplier agrees that, pending the final disposition of any dispute or claim under or in any way relating to the Subcontract, Subcontractor or Supplier shall proceed diligently with all Work to be performed by it under its Subcontract.
9. Representations and Warranties. A statement of representations and warranties substantially identical to Article III of the Contract Agreement.

1.10 Simultaneous Work By Others

A. By Owner. Owner shall have the right to perform or have performed such other work as Owner may desire in, about, or near the Work Site during the performance of the Work by Contractor.

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B. Coordination. Contractor shall make every reasonable effort to perform the Work in such manner as to enable both the Work and such other work to be completed without hindrance or interference from each other. Contractor shall keep itself informed of the progress and the detail of such other work; shall afford Owner and other contractors reasonable opportunity for the execution of such other work; shall properly connect and coordinate the Work with such other work; and shall notify Engineer immediately of lack of progress or defective workmanship in the provision, performance, or completion of such other work in any case where such lack of progress or defective workmanship will or may interfere with the Work or the operations of Contractor or its Subcontractors. Whenever there is a conflict between the Work and such other work, Engineer shall, upon request of Contractor or the Person performing such other work, determine the manner in which such conflict shall be resolved or accommodated. Contractor shall proceed at its own risk in the event Contractor fails to request such determination from Engineer.

C. By Others. Contractor acknowledges that other contractors not under the direction or control of Owner may be encountered in the performance of the Work by Contractor. Contractor shall perform the Work in such a manner as to enable both the Work and the work of such other contractors to be completed without hindrance or interference from each other.

D. Changes. If other contractors, regardless of whether such contractors are under the direction or control of Owner or are not under the direction or control of Owner, change the conditions found at, or in the vicinity of, the Work Site, both Contractor and Owner shall treat the new conditions as if they were previously existing conditions. Owner shall not be entitled to any credits and Contractor shall not be entitled to any equitable adjustment in the Contract Price as a result of such changes except as expressly provided, and only to the limited extent set forth, in Sections 2.1 through 2.3 of these General Conditions of Contract.

E. Claims. If the Work or any of Contractor's operations or property is damaged by any other Person, Contractor shall make its claim directly against such Person. If a dispute develops between Contractor and any such other Person concerning the responsibility for any such damage, the dispute shall be resolved with such other Person by whatever method may be available and appropriate, but such dispute shall not be cause for delay in the restoration of the damaged Work, and Contractor shall restore the Work immediately. Failure of Contractor to comply with this Subsection shall entitle Owner to perform, or to have performed, all Work necessary for compliance with this Subsection 1.10E and to withhold or recover from Contractor the cost of such Work.

1.11 Occupancy Prior to Final Acceptance

Owner shall have the right, at its election, to occupy, use, or place in service any part of the Work prior to Final Acceptance of the Work. Such occupancy, use, or placement in service shall be conducted in such manner as not to damage any of the Work or to unreasonably interfere with the progress of the Work. No such occupancy, use, or placement in service shall be construed as an acceptance of any of the Work or a release or satisfaction of Contractor's duty to insure and protect the Work, nor shall it be considered as an interference with Contractor's provision, performance, or completion of the Work.

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1.12 Suspension or Termination of Work for Convenience

A. Suspension for Convenience. Owner shall have the right at any time, by Change Order, for its convenience, to suspend, for such period of time as may be determined by Owner to be necessary or desirable for the convenience of Owner, and thereafter to require resumption of, the whole or any part of the Work, without invalidating the provisions of this Contract. Contractor shall not be entitled to any equitable adjustment in the Contract Price as a result of any such suspension for convenience of Owner.

B. Termination for Convenience. Owner shall have the right at any time, by Change Order, for its convenience, to terminate the Work in whole or in part.

C. Owner's and Contractor's Obligations. Every Change Order issued pursuant to Subsection 1.12A or Subsection 1.12B shall state the extent and effective date of such termination or suspension. On such effective date, Contractor shall, as and to the extent directed, stop Work under this Contract, cease all placement of further orders or Subcontracts, terminate or suspend Work under existing orders and Subcontracts, cancel any outstanding orders or Subcontracts that can be canceled, and take any action necessary to protect any property in its possession in which Owner has or may acquire any interest and to dispose of such property in such manner as may be directed by Owner.

D. Payments for Completed Work. In the event of any termination pursuant to Subsection 1.12B above, Owner shall pay Contractor (1) such direct costs, determined in accordance with generally accepted accounting practices in the construction industry, consistently applied, and excluding overhead, as Contractor shall have paid or incurred for all Work done in compliance with, or as required by or pursuant to, this Contract up to the effective date of termination, together with ten percent of such costs for overhead and profit; and (2) such other costs pertaining to the Work, exclusive of overhead and profit, as Contractor may have reasonably and necessarily incurred as the result of any such termination. The total payment to be made to Contractor by reason of such termination shall not in any event exceed a percentage of this Contract equal to the proportion that the Work completed prior to the effective date of termination bears to the total Work required by this Contract. Any such payment shall be offset by any prior payment or payments and shall be subject to Owner's rights to withhold or deduct as provided in this Contract.

1.13 Charge for Overtime Engineering

Owner shall have the right to charge Contractor for engineering and inspection services in connection with any Overtime Work. ***Such charge shall be equal to the total cost incurred by Engineer for the number of Engineer's personnel reasonably required to be present during such Overtime Work.*** If the amount due Contractor is not sufficient to cover such charge, Contractor shall reimburse Owner upon demand. For purposes of this provision, Overtime work shall mean any Work conducted beyond the ***regular eight-hour workday, or at any time on Saturdays, Sundays, or federal, state or local holidays.***

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Reimbursement for Engineering Services beyond the Contract Completion Date

Owner shall have the right to charge Contractor for engineering and inspection services in connection with any Work beyond the approved contract completion date. Such charge shall be at the Engineer's standard hourly rate applied to the hours worked during the regular eight hour workday. Any hours beyond the regular eight hour workday shall be charged in accordance with Section 1.13 of Article I of the General Conditions. Each pay request submitted shall be reduced by the amount owed for reimbursement for engineering services beyond the contract completion date. If the amount due Contractor is not sufficient to cover such charge, Contractor shall reimburse Owner upon demand.

ARTICLE II CHANGES AND DELAYS

2.1 Changes

A. Field Adjustments. No equitable adjustment shall be made in the Contract Price, and no Change Order, other than a possible Balancing Change Order pursuant to Paragraph 5.1C2 of these General Conditions of Contract, shall be issued, for field adjustments in the Work ordered by Owner or resulting from, arising out of, or in any way related to, conditions found at, or in the vicinity of, the Work Site, including subsurface, underground or other concealed conditions or obstructions, buried structures, utility locations or conditions, adverse soil conditions, changed site conditions due to work by other contractors, and similar site conditions, that, in combination with all Change Orders and all other field adjustments, increase the quantity of any Unit Price Item by 25 percent or less of the approximate quantity for that Unit Price Item set forth in the Schedule of Prices, or increase the quantity of discrete units comprising any lump sum component part of the Work by 25 percent or less of the quantity of discrete units comprising that lump sum component part of the Work set forth in the Breakdown Schedule, as the case may be. Contractor shall be solely responsible for dealing with such field adjustments and Owner shall not be entitled to any credits and Contractor shall not be entitled to any equitable adjustments in the Contract Price as a result of such field adjustments. For Work to be paid on a Unit Price basis, any such increases in the quantity of any Unit Price Item shall be paid for at the respective Unit Price for each such Unit Price Item set forth in the Schedule of Prices. For lump sum Unit Prices, the percentage of increase, and the amount to be paid for such field adjustments, shall be determined on the basis of the number of discrete units comprising such lump sum Unit Price Item set forth in the Breakdown Schedule for that lump sum Unit Price Item. For Work to be paid on a lump sum basis, no amounts shall be paid for such increases in any lump sum component part of the Work other than the lump sum amount included in the Breakdown Schedule for that lump sum component part of the Work.

B. Change Orders. Owner shall have the right to issue Change Orders to Contractor without the consent of Contractor and without notice to any surety of Contractor. Owner shall also issue Change Orders making an equitable adjustment in the Contract Price for any field adjustment as set forth in Subsection 2.1A above that, in combination with all Change Orders and all other field adjustments pursuant to Subsection 2.1A above, increase the quantity of any Unit Price Item by more than 25 percent of the approximate quantity for that Unit Price

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Item set forth in the Schedule of Prices, or increase the quantity of discrete units comprising any lump sum component part of the Work by more than 25 percent of the quantity of discrete units comprising that lump sum component part of the Work set forth in the Breakdown Schedule, as the case may be, but only for that portion of Work that exceeds 120 percent of said quantity or discrete units comprising a lump sum component part of the Work. For lump sum Unit Prices, the percentage of increase shall be determined on the basis of the number of discrete units comprising such lump sum Unit Price Item set forth in the Breakdown Schedule for that lump sum Unit Price Item.

Contractor shall promptly comply with every Change Order, notwithstanding any disputes or objections concerning such Change Order. No Change Order shall be construed to invalidate this Contract not to entitle Contractor to additional compensation except and only to the extent provided in Sections 2.2 and 2.3 below.

No Balancing Change Order issued pursuant to Paragraph 5.1C2 of these General Conditions of Contract shall constitute, be deemed to be, or operate as, an equitable adjustment in the Contract Price.

C. Classification. For purposes of Subsections 2.1A and 2.1B above, in determining whether an equitable adjustment in the Contract Price shall be made based upon any field adjustment, any increase in any component part of the Work included or subsumed within a Unit Price Item as defined in the Contract Drawings and Specifications, or included or subsumed within a discrete unit comprising a lump sum component part of the Work set forth in the Breakdown Schedule, as the case may be, shall be classified under such Unit Price Item or discrete unit, and the fact that Contractor uses a different method of providing, performing, and completing such field adjustment than originally contemplated shall not be a basis for not classifying such Work under one or more of the Unit Price Items set forth in the Schedule of Prices, or under one or more of such discrete units set forth in the Breakdown Schedule, as the case may be.

2.2 Equitable Adjustments

Subject to the limitations set forth in this Article II, if any Change Order causes an increase or decrease in the amount of the Work or if a Change Order is required to be issued for certain field adjustments as set forth in Subsection 2.1B above, an equitable adjustment in the Contract Price or Contract Time may, upon the request of either Owner or Contractor, be made pursuant to Section 2.3 or Section 2.4 of these General Conditions of Contract.

Any Change Order issued that does not include an equitable adjustment in the Contract Price or Contract Time shall be construed to be a determination by Owner that Contractor is not entitled to any equitable adjustment by reason of such Change Order. All claims by Contractor for an equitable adjustment in either the Contract Price or the Contract Time based on a Change Order shall be made, whenever feasible, before Contractor proceeds with any Work pursuant to such Change Order and shall, in all events, be made no later than two business days after receipt of such Change Order. All such claims shall, if not made prior to such time, be conclusively deemed to have been waived. Any claims by Contractor for an

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equitable adjustment in the Contract Price or Contract Time that have not been included, or fully included, in a Change Order shall not relieve Contractor of its responsibility to proceed without delay to perform the Work in compliance with the Change Order.

No equitable adjustment shall be made in the Contract Price or Contract Time on the basis that the Work is, or has become, more difficult than Contractor's Price Proposal would reflect or because of any risk or change in the Work that Contractor is responsible for dealing with under this Contract without any equitable adjustment in the Contract Price or Contract Time as set forth in Subsection 2.1A above and in Subsection 2.4A below.

2.3 Contract Price Adjustments

A. **Increased Work.** If any Change Order causes an increase in the amount of the Work or if a Change Order is required to be issued for certain field adjustments as set forth in Subsection 2.1B above ("Increased Work"), then Engineer shall determine, and include in such Change Order, subject to the limitations of Sections 2.1 and 2.2 above, the amount of the equitable adjustment in Contract Price, if any, to be allowed. Such determination shall be made as follows:

1. **Unit Prices.** If the Schedule of Prices provides Unit Prices and if the Increased Work or any part thereof that can be classified under one or more of the Unit Price Items set forth in the Schedule of Prices, then such Increased Work or part thereof classified under such Unit Price Item shall be paid for at the Unit Price listed in the Schedule of Prices for such Unit Price Item unless, for good cause shown, Contractor and Owner agree upon either a greater or lesser Unit Price for such Increased Work or part thereof or unless Owner, in its sole discretion, elects not to pay for the Increased Work or part thereof on the basis of Unit Prices, in which event, such Increased Work shall be paid for as set forth in either Paragraph 2.3A2 or Paragraph 2.3A3 below.
2. **Agreed Prices.** If the Schedule of Prices does not provide Unit Prices or if the Increased Work or any part thereof cannot be classified under one or more of the Unit Price Items set forth in the Schedule of Prices or if Owner elects, pursuant to Paragraph 2.3A1 above, not to pay for the Increased Work or part thereof on the basis of Unit Prices, then such Increased Work or part thereof shall be paid for on the basis of such lump sum price or such time and material prices as Owner and Contractor may agree prior to the commencement of such Increased Work unless Owner elects, in its sole discretion, to pay for such Increased Work or part thereof as set forth in Paragraph 2.3A3 below.
3. **Reasonable Cost Plus.** Any Increased Work or part thereof not paid for pursuant to Paragraphs 2.3A1 or 2.3A2 above shall, to the

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extent entitled to be paid for pursuant to this Contract, be paid for at the reasonable cost of such Increased Work or part thereof, as determined by Engineer, in the manner provided in this Paragraph.

Except as hereinafter limited, the reasonable cost of Increased Work shall include the reasonable cost, as determined by Engineer, to Contractor of all personnel employed and all equipment, materials, and supplies used, on the Increased Work for the period of such employment or use.

The reasonable cost of Increased Work shall include amounts paid, if any, for Social Security, insurance such as workers' compensation, other direct assessments upon Contractor's payroll by authorized public agencies, and other approved assessments such as union benefits not normally included in payments made directly to employees but customarily recognized as part of the payroll cost of doing the Work.

The reasonable cost of Increased Work shall not include insurance not directly related to payroll expenses such as liability insurance or property damage insurance.

The reasonable cost of Increased Work shall not include the cost of any purchase or rental of any buildings or small tools.

The reasonable cost of Increased Work shall not include the cost of any personnel above the level of foreman or the cost of Contractor's office and engineering staff.

The reasonable cost of all equipment used on the Increased Work shall be based upon the monthly rental rates set forth in the most recent edition of RENTAL RATE BLUEBOOK FOR CONSTRUCTION EQUIPMENT published by Neilson/DATAQUEST or a similar publication approved by Engineer (the "Approved Rate"). The reasonable hourly cost of equipment shall be calculated by multiplying the Approved Rate (without consideration of overtime charges or charges for fuel and oil) by 12 and dividing the product by 2,080. If the Increased Work requires the use of equipment not already on the Work Site, or not already required to be provided at the Work Site under the terms of this Contract, the cost of transportation, not exceeding a distance of 100 miles, of such equipment to and from the Work Site shall be considered part of the reasonable cost of the Increased Work.

Contractor may add a maximum of fifteen percent of the reasonable costs set forth above to cover the costs of use of capital,

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overhead, and profit, including premiums on any Bonds or insurance on account of the Increased Work (except as hereinbefore permitted for direct reimbursement, and profit and overhead of any and all Subcontractors and Suppliers performing all or any part of the Increased Work.

Contractor shall keep a daily record of all Increased Work provided, performed, or completed by Contractor or any Subcontractor or Supplier. The daily record shall include the nature of the Increased Work performed, the names of all personnel employed and the hours worked by each, the equipment, materials and supplies used, including, where appropriate, the quantities used and the hours of use. To constitute verification that Increased Work was provided, performed, or completed, the daily record for each Day must be signed by both Contractor and Engineer not later than the end of the following business day. Contractor's failure to so keep and so verify such a daily record shall constitute a waiver of any claim for compensation for Increased Work.

In the event of any dispute as to the reasonableness of the method or manner of performing any Increased Work, or the cost thereof, including, but not limited to, personnel or equipment requirements to perform the Increased Work, Contractor shall provide all supporting documentation, including cancelled checks, payroll documentation, and any relevant union requirements or regulations. In the absence of such supporting documentation, Engineer's determination of the reasonableness of the chosen method or manner of performing the Increased Work, of the cost thereof, and, if unreasonable, of the reasonable cost of providing, performing, and completing the Increased Work if a reasonable method or manner or cost had been chosen, shall be conclusive and binding on Contractor.

4. For purposes of Paragraphs 2.3A1 and 2.3A2, in determining whether the Increased Work or any part thereof can be classified under one or more of the Unit Price Items set forth in the Schedule of Prices, any increase in any component part of the Work included or subsumed within a Unit Price Item as defined in the Contract Drawings and Specifications shall be classified under such Unit Price Item and the fact that Contractor uses a different method of providing, performing, and completing Increased Work than Contractor originally contemplated shall not be a basis for not classifying Increased Work under one or more of the Unit Price Items set forth in the Schedule of Prices.

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5. Except as set forth above, no claim for compensation in excess of the Contract Price shall be made or allowed on account of Increased Work.

B. Decreased Work. If any Change Order causes a decrease in the amount of the Work ("Decreased Work"), then Engineer shall determine, and include in such Change Order, (1) the amount of the equitable adjustment in the Contract Price to be credited to Owner based on the value of the Decreased Work determined in accordance with Subsection 5.1C of these General Conditions of Contract and (2) the allowance, if any, due Contractor for any actual loss incurred in connection with the purchase, delivery, and subsequent disposal of equipment, materials, or supplies that would have been used on the Work but for the Change Order and that could not be returned to their source for credit or used in any part of the Work as actually provided, performed and completed. In no event shall any Decreased Work entitle Contractor to make a claim for damages, anticipated profits, or any other compensation except the aforesaid allowance for actual loss incurred for such unused and unreturned equipment, materials, or supplies. Ownership of any such unused equipment, materials, or supplies paid for by Owner shall, at Owner's option, be conveyed to Owner.

C. Netting of Price Adjustments. When both Increased Work and Decreased Work result from a single Change Order, the allowance for overhead and profit pursuant to the reasonable cost method of Paragraph 2.3A3 above, if utilized, shall be figured on the basis of the net increase, if any, in the Work.

D. No Compensation for Delays. Contractor shall not claim or be entitled to any payment, compensation, damages, or adjustment of any kind, other than a possible extension of the Contract Time, if applicable, as provided for in Subsection 2.4C below, because of hindrances or delays, whether avoidable or unavoidable, from any cause in the commencement, provision, performance, or completion of the Work, including but not limited to:

1. Any act, error, omission or interference of Owner, Engineer, or any other Person, including, without limitation, late, changed, or erroneous Bidding Documents or Contract Documents, or changes affecting the Approved Schedule; changes in sequence, suspensions, accelerations, or de-accelerations of the Work; lack of access, rights-of-way, or easements for the Work; lack of approvals, decisions, or payments; issuance of Change Orders; or occupancy, use, or placement into service of the Work prior to Final Acceptance;
2. Differing or unanticipated conditions at, or in the vicinity of, the Work Site;
3. The simultaneous presence and operations of other contractors;
4. Strikes, lockouts, or labor or material shortages;
5. Fires or other casualties;

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6. Delays in transportation; and
7. Acts of God or natural phenomena, whether or not such phenomena are unusual or unusually severe considering the time of year and the particular locality involved.

Contractor expressly agrees that it will accept in full satisfaction for all such delays and hindrances a possible extension of the Contract Time, if applicable, as provided in Subsection 2.4C below and that it will make no claim for, nor be entitled to, equitable adjustment of the Contract Price; or any compensatory, acceleration, or disruption damages; or any other damages or costs of any kind or nature for any such delays or hindrances, including, but not limited to, damages or costs resulting from, arising out of, or in any way related to increases in time-related costs; increases in costs of labor, equipment, materials, or supplies; costs of additional personnel; costs of additional equipment; costs of additional premium time for personnel or equipment; increase in costs for Bond or insurance premiums; lower labor productivity; lost profits or alternative income; effects on other contracts; and costs of demobilization and remobilization.

2.4 Extensions of Contract Time

A. Anticipated Delays. Difficulties or obstructions that may arise out of, or be encountered as a result of, adverse weather conditions, equipment breakdowns, subsurface, underground or other concealed conditions or obstructions, buried structures, utility locations or conditions, adverse soil conditions, and changed site conditions due to work by other contractors are inherent in the nature of the Work of this Contract. Allowances and contingencies for dealing with such difficulties or obstructions are to be allowed for in Contractor's schedule and shall not be treated as unavoidable delays pursuant to Subsection 2.4C below. Changes in the sequence in which the Work is provided, performed, and completed resulting from delays or hindrances that affect only part of the Work but not the provision, performance, or completion of other parts of the Work, nor completion of the whole of the Work, are also inherent in the nature of the Work of this Contract. Allowances and contingencies for such changes are to be allowed for in Contractor's schedule and shall not be treated as unavoidable delays pursuant to Subsection 2.4C below.

B. Extensions for Increased Work. Subject to Subsection 2.4A above, when a Change Order causes an increase in the time required to complete the Work, an extension of the Contract Time shall be granted as part of such Change Order for a period of time equal to the additional time required to complete the Work.

C. Extensions for Unavoidable Delays. Subject to Subsection 2.4A above, for any delay or hindrance in completing the Work that may result from causes that could not be avoided or controlled by Contractor, as determined by Owner, Contractor shall upon timely written application, immediately upon the occurrence of any event giving rise to such unavoidable delay and, in any event, no later than two business days thereafter, be entitled to issuance of a Change Order providing for an extension of the Contract Time for a period of time equal to the delay resulting from such unavoidable cause.

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D. Extensions for Suspensions. If Owner orders Contractor to suspend the whole of the Work or to suspend a part of the Work that increases the time required to complete the Work, Owner shall, unless such suspension was due to Contractor's failure to perform in accordance with the requirements of this Contract, extend the Contract Time for a period of time equal to the delay caused by such suspension.

2.5 Constructive Change Orders

Sections 2.2 through 2.4 set forth the sole means by which an equitable adjustment in the Contract Price or Contract Time shall be allowed. No claims for equitable adjustments in the Contract Price or Contract Time shall be made or allowed unless embodied in a Change Order initiated by Owner pursuant to Section 2.1 or requested by Contractor, and approved by Owner, pursuant to this Section 2.5. If Owner fails to issue a Change Order including, or fully including, an equitable adjustment in the Contract Price or Contract Time to which Contractor claims it is entitled under Sections 2.2 through 2.4, Contractor may assert a claim that it is entitled to a constructive change order for, but only for, the equitable adjustment due under said Sections pursuant to the procedures of this Section 2.5. If Contractor believes that any requirement, direction, instruction, interpretation, determination, or decision of Owner or Engineer entitles Contractor to an equitable adjustment in the Contract Price or Contract Time under Sections 2.2 through 2.4 that has not been included, or fully included, in a Change Order, then Contractor shall submit to Engineer, with a copy to Owner, a written request for the issuance of, or revision of, a Change Order, including the equitable adjustment, or the additional equitable adjustment, in the Contract Price or Contract Time that Contractor claims has not been included, or fully included, in a Change Order. Such request shall, whenever feasible, be submitted before Contractor proceeds with any Work for which Contractor claims an equitable adjustment is due and shall, in all events, be submitted no later than two business days after receipt of notice of such requirement, direction, instruction, interpretation, determination, or decision. Upon receipt by Engineer of any such request, the parties shall proceed as provided in Article VI of these General Conditions of Contract pertaining to disputes and remedies. Notwithstanding the submission of any such request, Contractor shall proceed without delay to perform the Work as required, directed, instructed, interpreted, or decided by Owner or Engineer and shall, pending a final resolution of the issue, keep a daily record of such Work in the manner provided in Paragraph 2.3A3 above. Unless Contractor submits such a request within two business days after receipt of notice of such requirement, direction, instruction, interpretation, determination, or decision, Contractor shall be conclusively deemed (1) to have agreed that such requirement, direction, instruction, interpretation, determination, or decision does not entitle Contractor to an equitable adjustment in the Contract Price or Contract Time and (2) to have waived all claims based on such requirement, direction, instruction, interpretation, determination, or decision.

2.6 No Waiver and Release

Except to the extent embodied in a Change Order, neither the provisions of this Article II nor any communication between or among Owner, Engineer, and Contractor shall operate to relieve Contractor of its duty to perform the Work in full compliance with, and as

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required by or pursuant to, this Contract, within the Contract Time, and for the Contract Price, or to release or discharge Contractor from any duty arising under this Contract.

2.7 No Other Compensation

No payments, compensation, damages, reimbursements, or monetary consideration of any kind shall be paid or owing to Contractor in connection with, or arising out of, this Contract other than, and subject to deduction as provided for in this Contract, the lump sum amount or amounts stated in the Schedule of Prices, for Work to be paid on a lump basis, the Unit Price stated in the Schedule of Prices for each acceptable unit of each Unit Price Item installed and complete in place, measured on the basis defined in the Contract Drawings and Specifications or, in the absence of such definition, on the basis determined by Engineer, for Work to be paid on a Unit Price basis, the equitable adjustment in the Contract Price included in any Change Order, and any bonuses provided for, and only to the extent provided in, the Special Conditions of Contract. Contractor shall not claim or be entitled to any other payment, compensation, damage, reimbursement, or monetary consideration of any kind for the provision, performance, or completion of the Work.

2.8 Specific References Exemplary

No specific provision of this Contract to the effect that there shall be no change or adjustment in the Contract Price or Contract Time shall be construed to be an exclusive listing of the circumstances in which there shall be no adjustment in Contract Price or Contract Time, but, rather, all such provisions shall be construed to be exemplary only.

ARTICLE III

CONTRACTOR'S RESPONSIBILITY FOR DEFECTIVE WORK

3.1 Inspection; Testing; Correction of Defects

A. Inspection. Until Final Payment, all parts of the Work shall be subject to inspection and testing by Owner, by Engineer, by any public authority having jurisdiction, and by any other Person designated by Owner. Contractor shall furnish, at its own expense, all reasonable access, assistance, and safe and proper facilities required by such Persons for such inspection and testing, both at the Work Site and at any Subcontractor's or Supplier's plant or other source of supply, with full permission to take samples of any materials or supplies that may or might be used in the Work, at Contractor's own expense. Contractor shall notify Owner and Engineer of the readiness of any part of the Work for any inspection or test that may be required by or pursuant to this Contract or applicable Laws. Owner and Engineer shall perform all of their inspections and tests so as not to delay the Work unduly, but Contractor shall schedule the Work in light of the need for time to perform such inspections and tests. No part of the Work as to which any specific inspection or test is required shall be covered or closed until such inspection or test has been completed. If such Work is covered or closed, then it shall be uncovered or opened and, after the inspection or test, recovered or reclosed, by Contractor, all at Contractor's expense. The quality, technical accuracy, completeness, and coordination of all reports, documents, data, information, and other items and services under this Contract that are

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prepared, submitted, or delivered by Contractor or its subcontractors to Owner or Engineer are included as part of the Work that is subject to this Article III.

B. Additional Inspections. If any Work for which an inspection or test is not required by this Contract has been covered or closed so as to prevent inspection or testing, Owner shall nevertheless have the right to order such Work to be inspected or tested and, if so ordered, such Work shall be uncovered or opened by Contractor. If the Work thus uncovered or opened is found to be free from defects, damage, and flaws and to be suitable for its intended purpose and to be otherwise in conformity with this Contract, then Owner shall pay the cost of uncovering, opening, re-inspecting, re-testing, covering, or closing, as the case may be. If the Work uncovered or opened is not free from defects, damage, and flaws or is not suitable for its intended purpose or is otherwise not in conformity with this Contract, then Contractor shall pay all such costs.

C. Re-Inspections. Re-inspection and re-testing of any Work may be ordered by Owner at any time, and, if so ordered, any covered or closed Work shall be uncovered or opened by Contractor. If the Work thus uncovered or opened is found to be free from defects, damage, and flaws and to be suitable for its intended purpose and to be otherwise in conformity with this Contract, then Owner shall pay the cost of uncovering, opening, re-inspecting, re-testing, covering, or closing, as the case may be. If the Work uncovered or opened is not free from defects, damage, and flaws or is not suitable for its intended purpose or is otherwise not in conformity with this Contract, then Contractor shall pay all such costs.

D. Correction. Until Final Payment, Contractor shall, promptly and without charge, repair, correct, or replace all or any part of the Work that is defective, damaged, flawed, or unsuitable or that in any way fails to conform strictly to the requirements of this Contract and shall pay to Owner all resulting costs, expenses, losses, or damages suffered by Owner as a result of any such defect, damage, flaw, unsuitability or nonconformity.

E. No Waiver. No inspection or test, failure to inspect or test, or waiver of inspection or testing by Owner or Engineer shall relieve Contractor of its duty to complete the Work in full compliance with, and as required by or pursuant to, this Contract. Failure or neglect on the part of Engineer to condemn Work that is defective, damaged, flawed, unsuitable, or nonconforming shall not be construed as acceptance of such Work nor as a waiver of compliance with the requirements of this Contract.

3.2 Warranty of Work

A. Scope of Warranty. Contractor warrants that the Work and all of its components shall be free from defects and flaws in design, workmanship, and materials; shall strictly conform to the requirements of this Contract; shall be fit, sufficient, and suitable for the purposes expressed in, or reasonably inferred from, this Contract, and shall be in strict compliance with all applicable codes, ordinances, and regulations of the Owner and all other applicable Laws. Contractor further warrants that the strength of all parts of all equipment, materials, and supplies incorporated into the Work shall be adequate and as specified and sufficient to meet the performance requirements of this Contract. The warranties herein

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expressed shall not be the sole and exclusive warranties but, rather, shall be in addition to any other warranties expressed in this Contract, or expressed or implied by Law, which are hereby reserved unto Owner.

B. Repairs; Extension of Warranty. Contractor shall, promptly and without charge, correct any failure to fulfill the above warranties that may be discovered or develop at any time within one year after Final Payment or such longer period as may be prescribed in the Contract Drawings and Specifications, in the Special Conditions of Contract, or by Law. The above warranty shall be extended automatically to cover all repaired and replacement parts and labor provided or performed under such warranty and Contractor's obligation to correct Work shall be extended for a period of one year from the date of such repair or replacement, or such longer period as may be prescribed in the Contract Drawings and Specifications, in the Special Conditions of Contract, or by Law. Nothing contained in this Subsection 3.2B shall be construed to establish a period of limitation with respect to other obligations that Contractor has under this Contract. The time period established in this Subsection 3.2B relates only to the specific obligation of Contractor to correct Work and has no relationship to the time within which the obligations to comply with this Contract may be sought to be enforced, nor to the time within which proceedings may be commenced to establish Contractor's liability with respect to Contractor's obligations other than specifically to correct the Work.

3.3 Contractor Duty to Correct Without Delay

In the event of any claim by Owner pursuant to Section 3.1 or Section 3.2 above that the Work is defective, damaged, flawed, unsuitable, nonconforming, or that the Work fails to fulfill the above warranty, Contractor shall be given a reasonable opportunity to confirm the validity of such claim, but Contractor shall not, unless authorized in writing by Owner, delay correction of the claimed defect, damage, flaw, unsuitability, nonconformity, or failure while making such determination. In the event any such claim is shown to be invalid following such correction by Contractor, Owner shall pay the cost of such correction.

3.4 Owner's Right to Correct

If, within two business days after Owner gives Contractor notice of any defect, damage, flaw, unsuitability, nonconformity, or failure to meet warranty subject to correction by Contractor pursuant to Section 3.1 or Section 3.2 above, Contractor fails, refuses, or neglects to make, or to undertake with due diligence to make, the necessary corrections, then Owner shall be entitled to make, either with its own forces or with contract forces, the corrections and to recover from Contractor all resulting costs, expenses, losses, or damages, including attorneys' fees and administrative expenses.

If in the judgment of Owner, the delay required to give Contractor the aforesaid two business days notice would cause serious damage or loss that could be avoided by immediate action, Owner shall have the right, without giving prior notice to Contractor, to perform, or to have performed, all work necessary to make the corrections and to recover from Contractor the cost of such corrections. In such event, Contractor shall be notified as promptly as possible and shall assist, whenever possible, in making the necessary corrections.

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3.5 Subcontractor and Supplier Warranties

Whenever the Special Conditions of Contract or the Specifications require a Subcontractor or Supplier to provide a guaranty or warranty, Contractor shall be solely responsible for obtaining said guaranty or warranty in form satisfactory to Owner and assigning said warranty or guaranty to Owner. Acceptance of any assigned warranties or guaranties by Owner shall be a precondition to Final Payment and shall not relieve Contractor of any of its guaranty or warranty obligations under this Contract.

Whenever the Special Conditions of Contract or the Specifications require a Subcontractor or Supplier to provide a guaranty or warranty, Contractor shall be solely responsible to obtain from the guarantying or warranting Person a written certification, in form satisfactory to Owner, that (1) all things required for the successful operation of the warranted item in accordance with the Specifications have been designed, manufactured and installed in accordance with all requirements of the guarantying or warranting Person; (2) all requirements and conditions necessary to validate the guaranty or warranty, whether specified in this Contract or not, have been complied with; and (3) all procedures necessary to maintain the guaranty or warranty in full force and effect during the applicable guaranty or warranty period, including but not limited to maintenance obligations and storage conditions, have been provided to Owner in writing and written acknowledgments of all such disclosed procedures have been provided by Owner to the warranting or guarantying Person. Acceptance of any such certification by Owner shall be a precondition to Final Payment and shall not relieve Contractor of any of its obligations under this Contract to provide additional or other certifications.

ARTICLE IV **INSURANCE**

4.1 Required Coverages

Contractor shall, prior to and at all times while providing, performing, or completing the Work, including, without limitation, at all times while repairing, correcting, or replacing all or any part of the Work that is defective, damaged, flawed, unsuitable, nonconforming, or that fails to meet warranty subject to correction by Contractor pursuant to Section 3.1 or Section 3.2 of these General Conditions of Contract, procure, maintain, and keep in force, at Contractor's expense, all insurance necessary to protect and save harmless Owner, the Work, the Work Site, and all property located at or about the Work Site, including but not limited to the insurance coverages specified in Section 4.3 below and in Section 4 of the Special Conditions of Contract ("Required Coverages").

4.2 Insurance Companies and Policies

All Required Coverages shall be provided by insurance companies rated A minus or better in Best's Insurance Guide and otherwise acceptable to, and approved by, Owner. Required Coverages may be in any combination of primary, excess, and umbrella policies. Any excess or umbrella policy must provide excess coverage over underlying insurance on a following-form basis such that when any loss covered by the primary policy exceeds the limits

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under the primary policy, the excess or umbrella policy becomes effective to cover such loss. No policy may have a deductible or self-insured retention of more than one percent of the policy limit. Contractor shall furnish to Owner two copies of a certificate of insurance and one copy of an insurance policy for each Required Coverage. Each such certificate and policy shall be in a form satisfactory to Owner and shall provide that no change, modification in, or cancellation of the insurance represented by it shall become effective until the expiration of 30 Days after written notice thereof shall have been given by the insurance company to Owner and any Additional Insured.

4.3 Minimum Coverages

Unless otherwise provided in the Special Conditions of Contract, Contractor shall, prior to and at all times while, providing, performing, or completing the Work, procure, maintain, and keep in force, at Contractor's expense, at least the following minimum insurance coverages:

1. Workers' Compensation and Employer's Liability with limits not less than:

- (a) Workers' Compensation: Statutory;

- (b) Employer's Liability:

\$500,000 injury-per occurrence

\$500,000 disease-per employee

\$500,000 disease-policy limit

Such insurance shall evidence that coverage applies to the State of Illinois and contain an "all States" endorsement, and provide a waiver of subrogation in favor of Owner.

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

All employees must be included as insureds.

3. Commercial General Liability with coverage written on an "occurrence" basis and with limits no less than:

- (a) Each Occurrence: \$2,000,000

- (b) General Aggregate: \$2,000,000

Coverages shall include:

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- Premises Operations
- Products/Completed Operations (to be maintained for two years following Final Payment)
- Independent Contractors
- Personal Injury (with Employment Exclusion deleted)
- Broad Form Property Damage Endorsement
- Blanket Contractual Liability (must expressly cover the indemnity provisions contained in the Contract Agreement)
- Bodily injury and property damage

“X”, “C”, and “U” exclusions shall be deleted.

Blasting exclusions shall be deleted if Work involves blasting.

Railroad exclusions shall be deleted if Work Site is within 50 feet of any railroad track.

All employees shall be included as insureds.

4. Builders Risk Insurance. This insurance shall be written in completed value form, shall protect Contractor, Owner, and Engineer against “all risks” of direct physical loss to buildings, structures, equipment, and materials to be used in providing, performing, and completing the Work, including without limitation fire, extended coverage, vandalism and malicious mischief, sprinkler, leakage, flood, earth movement and collapse, and shall be designed for the circumstances that may affect the Work.

This insurance shall be written with limits not less than the insurable value of the Work at completion. The insurable value shall include the aggregate value of all Owner-furnished equipment and materials to be constructed or installed by Contractor.

This insurance shall include coverage while equipment or materials are in warehouses or storage areas, during installation, during testing, and after the Work is completed, but prior to Final Payment. This insurance shall include coverage while Owner is occupying or using all or any part of the Work prior to Final Payment without the need for the insurance company’s consent.

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This insurance coverage requirement shall not be construed as a waiver of Contractor's duties stated in Section 1.8 of these General Conditions of Contract.

5. Owner's and Contractor's Protective Liability Insurance. Contractor, at its sole cost and expense, shall purchase this insurance in the names of Owner and Engineer for the period between the Commencement Date and Final Payment, with a combined single limit of liability for bodily injury and property damage of \$5,000,000 per occurrence and in the aggregate.

The named insureds for this insurance shall be the Village of Grayslake and Baxter & Woodman, Inc. (the "Named OCP Insureds"). The coverage afforded the Named OCP Insureds by this insurance shall be primary insurance for the Named OCP Insureds. If the Named OCP Insureds have other insurance which is applicable to the loss, such other insurance shall be on an excess or contingent basis. The amount of the insurance company's liability under this policy of insurance shall not be reduced by the existence of such other insurance. This policy of insurance shall be specifically endorsed to provide such primary coverage for Owner and Engineer. In addition to the submittal requirements of Section 4.2 above, Contractor shall furnish to Engineer one copy of a certificate of insurance for this Required Coverage.

4.4 Additional Coverages

The insurance coverages and limits required by Section 4.3 above shall be deemed to be minimum coverages and limits and shall not be construed in any way as a limitation on Contractor's duty to carry adequate insurance as required by Section 4.1 above or on Contractor's liability for losses and damages under this Contract. Contractor shall at all times carry such additional coverages and limits as may be necessary to fully comply with this Contract.

4.5 Subcontractor Insurance

Unless otherwise provided in the Special Conditions of Contract or unless otherwise approved by Owner in a Change Order, Contractor shall not allow any Subcontractor to commence or continue any part of the Work until and unless such Subcontractor provides and has in force Comprehensive General Liability insurance coverage equal to \$2,000,000 or the amount of its Subcontract, whichever is greater, and Workers' Compensation and Employer's Liability and Comprehensive Motor Vehicle Liability insurance coverages equal to those required of Contractor by this Article.

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ARTICLE V PAYMENT

5.1 Progress Payments

A. General. Owner shall pay to Contractor in monthly installments, subject to any additions, deductions, or withholdings provided for in this Contract, 90 percent of the Value of the Work, determined in the manner set forth in Subsection 5.1C below, installed and complete up to the Day before the Pay Request, less the aggregate of all previous Progress Payments. The total amount of Progress Payments made prior to Final Acceptance by Owner shall not exceed 90 percent of the Contract Price, except as provided in Section 3 of the Special Conditions of Contract..

B. Pay Requests. Contractor shall, as a condition precedent to its right to receive each Progress Payment, submit to Engineer four originally executed copies of a request for payment in the form provided by Owner and accompanied by such supporting data and documentation as may be required by this Contract or by Owner or Engineer ("Pay Request"). The first Pay Request shall be submitted not sooner than 30 Days following the Commencement of the Work. Owner may, by written notice to Contractor, designate a specific Day of each month on or before which Pay Requests must be submitted.

Pay Requests shall include the following minimum data and documentation, all of which shall be on forms supplied by, or otherwise acceptable to, Owner:

- (i) Contractor's certification of the Value of the Work for which payment is then requested. If such certification is accepted by Engineer, it shall constitute the Value of the Work for the purpose of determining the amount of the current Progress Payment. If such certification is not accepted by Engineer, and if Engineer and Contractor are unable to agree as to the Value of the Work in question, such value shall, for the purpose of determining the amount of the current Progress Payment, be determined by Engineer in accordance with Subsection 5.1C below.
- (ii) Contractor's certification that all prior Progress Payments have been properly applied to the payment or reimbursement of the costs with respect to which they were paid.
- (iii) Contractor's Sworn Statement.
- (iv) Contractor's partial or final waiver of lien.
- (v) Contractor's certified payrolls, as required by Subsection 6.11H of the Contract Agreement;
- (vi) Subcontractors' and Suppliers' Sworn Statements.
- (vii) Subcontractors' and Suppliers' partial or final waivers of lien.

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- (viii) Subcontractors' and Suppliers' certified payrolls, as required by Subsection 6.11H of the Contract Agreement;
- (ix) Such other receipts, releases, affidavits, certificates, and other evidence as may be necessary to establish, to Owner's satisfaction, Contractor's, and its Subcontractors' and Suppliers', entitlement to the Progress Payment being requested, prior payment for all labor, equipment, materials, supplies, and other things covered by the Pay Request; and the absence of any interest, whether in the nature of a Lien or otherwise, of any Person in the Work, the Work Site, or any other property belonging to, or being held by, Owner.

C. Value of Work. The Value of the Work shall be determined as follows:

1. Lump Sum Items. For all Work to be paid on a lump sum basis, Contractor shall, not later than 10 days after execution of the Contract Agreement and before submitting its first Pay Request, submit to Engineer a schedule showing the value of each component part of such Work, and the quantity of discrete units comprising such component part of the Work, in form and with substantiating data and documentation acceptable to Engineer ("Breakdown Schedule"). The sum of the items listed in the Breakdown Schedule shall equal the amount or amounts set forth in the Schedule of Prices for lump sum Work. Overhead and profit shall not be listed as separate items in the Breakdown Schedule. An unbalanced Breakdown Schedule providing for overpayment of Contractor on component parts of the Work to be performed first will not be accepted. The Breakdown Schedule shall be revised and resubmitted until acceptable to Engineer. No payment shall be made for any lump sum Work until Contractor has submitted, and Engineer has approved, an acceptable Breakdown Schedule.

Engineer may require that the approved Breakdown Schedule be revised based on developments occurring during the provision and performance of the Work. If Contractor fails to submit a revised Breakdown Schedule that is acceptable to Engineer, Owner shall have the right either to suspend Progress and Final Payments for lump sum Work or to make such Payments based on Engineer's determination of the value of the Work completed.

2. Unit Price Items. For all Work to be paid on a Unit Price basis, the value of such Work shall be determined by Engineer on the basis of the actual number of acceptable units of Unit Price Items installed and complete in place, multiplied by the applicable unit price set forth in the Schedule of Prices. The actual number of acceptable units installed and complete in place shall be measured on the basis defined in the Contract Drawings and Specifications or, in the absence of such definition, on the basis determined by Engineer. For lump sum Unit Prices, Contractor shall submit, as and when required pursuant to Paragraph 5.1C1 above, a Breakdown Schedule for such lump sum Unit Price Items.

The number of units of Unit Price Items stated in the Schedule of Prices are Engineer's estimate only and shall not be used in establishing the Progress and Final Payments due Contractor. The Contract Price shall be adjusted, by a Balancing Change Order, to reflect

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the actual number of acceptable units of Unit Price Items installed and complete in place upon Final Acceptance.

D. Date of Payment. Contractor shall be paid no later than 45 Days following Owner's approval of each Pay Request, and the amount of the Progress Payment requested, at a meeting of Owner's governing body. Owner shall have no obligation to approve any Pay Request that is not in full compliance with the requirements of this Contract.

5.2 Final Acceptance and Final Payment

A. Notice of Completion. When the Work has been completed and is ready in all respects for acceptance by Owner, Contractor shall notify Engineer, with a copy to Owner, and request a final inspection ("Notice of Completion"). Contractor's Notice of Completion shall be given sufficiently in advance of the Completion Date to allow for scheduling of the final inspection and for completion or correction before the Completion Date of any items identified by such inspection as being defective, damaged, flawed, unsuitable, nonconforming, incomplete, or otherwise not in full compliance with the requirements of this Contract ("Punch List Work"). Before giving its Notice of Completion, Contractor shall satisfy itself that the whole Work, and every part thereof, has been completed in full compliance with, and as required by or pursuant to, this Contract, that all defects, damage, flaws, and non-conformities have been corrected, and that the Work Site and adjacent areas are fully restored, clean, and in good order.

B. Punch List and Final Acceptance. The Work shall be finally accepted when, and only when, the whole and all parts thereof shall have been completed to the satisfaction of Owner in full compliance with, and as required by or pursuant to, this Contract and the Work Site and adjacent areas shall have been fully restored, cleaned, and placed in good order and in at least the same condition as immediately prior to commencement of the Work. Upon receipt of Contractor's Notice of Completion and at a time mutually agreeable to Owner, Engineer, and Contractor, Engineer shall make a review of the Work and shall either notify Contractor in writing of all Punch List Work, if any, to be completed or corrected ("Punch List") and of the time, not later than the Completion Date, by which Contractor shall complete or correct all Punch List Work or, if the Work is complete in full compliance with, and as required by or pursuant to, this Contract and the Work Site and adjacent areas are fully restored, clean, and in good order and in at least the same condition as immediately prior to commencement of the Work, prepare and deliver to Owner a written recommendation that the Work be finally accepted. Following Contractor's completion or correction of all Punch List Work, Engineer shall make another review of the Work and shall either prepare and deliver to Contractor another Punch List or, if the Work is complete in full compliance with, and as required by or pursuant to, this Contract and the Work Site and adjacent areas are fully restored, clean, and in good order and in at least the same condition as immediately prior to commencement of the Work, prepare and deliver to Owner a written recommendation that the Work be finally accepted.

The failure of Engineer to list any item on a Punch List shall not relieve Contractor of its obligation to provide, perform and complete the Work in full compliance with, and as required by or pursuant to, this Contract.

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Whenever any permit, license, site agreement, or other approval or authorization that may be required in connection with the Work requires that the Work within public or private property not owned by Owner be installed, and the property restored, to a condition satisfactory to such approving or authorizing Person, Contractor shall be responsible for obtaining a written acknowledgment of the acceptance of such Person in form satisfactory to Owner. Acceptance of any such acknowledgment by Owner shall be a precondition to Owner's final acceptance of the Work and shall not relieve Contractor of any of its obligations under this Contract to provide additional or other acknowledgments.

In the event more than two inspections and Punch Lists are required before Engineer is prepared to deliver to Owner its written recommendation that the Work be finally accepted, Contractor shall be charged the total cost incurred by Engineer for all subsequent inspections and the preparation of such additional Punch Lists. If the amount due Contractor is not sufficient to cover such costs, Contractor shall reimburse Owner for such costs upon demand.

Upon being satisfied that the Work and Work Site are ready for final acceptance pursuant to the requirements of this Contract, Owner shall issue its written notice of final acceptance of the Work to Contractor ("Final Acceptance").

C. Final Payment. As soon as practicable, but not more than 60 days after Final Acceptance, Contractor shall submit to Engineer four originally executed copies of a Pay Request requesting Final Payment ("Final Pay Request") for Engineer's review and recommendation of appropriate payment. Owner shall pay to Contractor the balance of the Contract Price, as determined by Engineer, after deducting therefrom all charges against Contractor as provided for in this Contract and all amounts, if any, to be retained under the Special Conditions of Contract ("Final Payment"). Final Payment shall be made not later than 15 Days after the expiration of the time within which claims for labor performed or equipment, materials, or supplies provided must be filed under any applicable Law pertaining to Liens, or the expiration of 30 Days after Owner approves the Final Pay Request, whichever is later; provided, however, that Owner shall not be obligated to make Final Payment unless and until Contractor has submitted and has caused its Subcontractors and Suppliers to submit all required data and documentation to Owner and all such data and documentation is complete and in proper form.

5.3 Title to Work and Liens

A. Title. Nothing in this Contract shall be construed as vesting in Contractor any right of property in any equipment, materials, supplies and other items provided under this Contract after they have been installed in, incorporated into, attached to, or affixed to, the Work or the Work Site. All such equipment, materials, supplies and other items shall, upon being so installed, incorporated, attached or affixed, become the property of Owner, but such title shall not release Contractor from its duty to insure and protect the Work in accordance with the requirements of this Contract.

B. Waivers of Lien. Contractor shall, from time to time, at Owner's request and in any event prior to Final Payment, furnish to Owner such receipts, releases, affidavits,

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certificates, and other evidence as may be necessary to establish, to the reasonable satisfaction of Owner, that no liens against the Work or the public funds held by Owner exist in favor of any Person whatsoever for or by reason of any equipment, material, supplies, or other item furnished, labor performed, or other thing done in connection with the Work or this Contract ("Lien") and that no right to file any Lien exists in favor of any Person whatsoever.

C. Removal of Liens. If at any time any notice of any Lien is filed for or by reason of any equipment, materials, supplies, or other item furnished, labor performed, or other thing done in connection with the Work or this Contract, then Contractor shall, promptly and without charge, discharge, remove, or otherwise dispose of such Lien, or, if permitted by Owner, furnish a Bond or other collateral satisfactory to Owner to indemnify Owner against such Lien. Until such discharge, removal or disposition, or furnishing of any permitted Bond or other collateral, Owner shall have the right to retain from any money payable under this Contract an amount that Owner, in its sole judgment, deems necessary to satisfy such Lien and to pay the costs and expenses, including attorneys' fees and administrative expenses, of any actions brought in connection therewith or by reason thereof.

D. Protection of Owner Only. This Section 5.3 shall not operate to relieve Contractor's surety or sureties from any of their obligations under the Bonds, nor shall it be deemed to vest any right, interest or entitlement in any Subcontractor or Supplier. Owner's retention of funds pursuant to this Section shall be deemed solely for the protection of its own interests pending removal of such Liens by Contractor, and Owner shall have no obligation to apply such funds to such removal but may, nevertheless, do so where Owner's interests would thereby be served.

5.4 Deductions

A. Owner's Right to Withhold. Notwithstanding any other provision of this Contract and without prejudice to any of Owner's other rights or remedies, Owner shall have the right at any time or times, whether before or after approval of any Pay Request, to deduct and withhold from any Progress or Final Payment that may be or become due under this Contract such amount as may reasonably appear necessary to compensate Owner for any actual or prospective loss due to: (1) Work that is defective, damaged, flawed, unsuitable, nonconforming, or incomplete; (2) damage for which Contractor is liable under this Contract; (3) state or local sales, use, or excise taxes from which Owner is exempt; (4) Liens or claims of Lien regardless of merit; (5) claims of Subcontractors, Suppliers, or other Persons regardless of merit; (6) delay in the progress or completion of the Work; (7) inability of Contractor to complete the Work; (8) reasonable doubt that this Contract can be completed for the balance of the Contract Price then unpaid; (9) reasonable doubt that the balance of the Contract Price then unpaid is not adequate to cover actual or liquidated damages, if any; (10) failure of Contractor to properly complete or document any Pay Request; (11) any other failure of Contractor to perform any of its obligations under this Contract; (12) the cost to Owner, including attorneys' fees and administrative expenses, of correcting any of the aforesaid matters or exercising any one or more of Owner's remedies set forth in Section 6.6 of these General Conditions of Contract; or (13) engineering and inspection charges imposed pursuant to Subsection 1.3F, Section 1.13, or Subsection 5.2B of these General Conditions of Contract.

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B. Use of Withheld Funds. Owner shall be entitled to retain any and all amounts withheld pursuant to Subsection 5.4A above until Contractor shall have either performed the obligation or obligations in question or furnished security for such performance satisfactory to Owner. Owner shall be entitled to apply any money withheld or any other money due Contractor under this Contract to reimburse itself for any and all costs, expenses, losses, damages, liabilities, suits, judgments, awards, attorneys' fees, and administrative expenses incurred, suffered, or sustained by Owner and chargeable to Contractor under this Contract.

5.5 Application of Payments

All Progress and Final Payments made by Owner to Contractor shall be applied to the payment or reimbursement of the costs with respect to which they were paid and not to any preexisting or unrelated debt between Contractor and Owner or between Contractor and any other Person.

5.6 Work Entire

This Contract and the Work are entire and the Work as a whole is of the essence of this Contract. Notwithstanding any other provision of this Contract, each and every part of this Contract and of the Work are interdependent and common to one another and to Owner's obligation to pay all or any part of the Contract Price or any other consideration for the Work. Any and all Progress Payments made pursuant to this Article are provided merely for the convenience of Contractor and for no other purpose.

ARTICLE VI DISPUTES AND REMEDIES

6.1 Notice of Dispute

If Contractor disputes or objects to any requirement, direction, instruction, interpretation, determination, or decision of Owner or Engineer ("Disputed Decision"), Contractor may, immediately upon receiving any such Disputed Decision, notify Engineer in writing, with a copy to Owner, of its dispute or objection and of the amount of any equitable adjustment to the Contract Price or Contract Time to which Contractor claims it will be entitled as a result thereof ("Notice of Dispute"); provided, however, that Contractor shall, nevertheless proceed without delay to perform the Work as required, directed, instructed, interpreted, determined, or decided by Owner or Engineer without regard to such dispute or objection and such Notice of Dispute. Unless Contractor so notifies Engineer not later than two business days after receipt of such Disputed Decision, and, whenever feasible, prior to taking any action based upon such Disputed Decision, Contractor shall be conclusively deemed (1) to have agreed to and accepted such Disputed Decision as being fair, reasonable, and finally determinative of Contractor's obligations and rights under this Contract; (2) to have waived all grounds for dispute of or objection to such Disputed Decision; and (3) to have waived all claims for damages and equitable adjustments to the Contract Price and Contract Time based on such Disputed Decision.

6.2 Negotiation of Disputed Decisions

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To avoid and settle without litigation any Disputed Decision, Owner and Contractor agree to engage in good faith negotiations as provided in this Section. Within three business days after Engineer's receipt of any Notice of Dispute, Engineer shall deliver to Contractor, with a copy to Owner, Engineer's preliminary written response either rejecting Contractor's claim, recommending to Owner approval of Contractor's claim, suggesting a compromise of Contractor's claim, or requesting additional information. Within three business days after Contractor's receipt of Engineer's preliminary written response, Contractor shall deliver to Engineer any additional information requested and notify Engineer whether Contractor is withdrawing, modifying or reaffirming its Notice of Dispute. Within three business days after Engineer's receipt of Contractor's reply, a conference among Owner, Engineer, and Contractor shall be held to resolve the dispute.

6.3 Owner's Final Decision

Within three business days after the end of the conference required pursuant to Section 6.2 above, Engineer shall deliver to Contractor Owner's final written decision.

6.4 Contractor's Final Demand

If Contractor objects to Owner's final decision, Contractor shall, within three business days of the receipt thereof, give Owner written notice of such objection and shall, in such notice, state its final demand for settlement of the Disputed Decision. Unless Contractor so notifies Owner, Contractor shall be conclusively deemed (1) to have agreed to and accepted Owner's final decision and (2) to have waived all claims based on such final decision.

6.5 Contractor's Remedies

If Owner fails or refuses to satisfy a final demand made by Contractor pursuant to Section 6.4 above, or to otherwise resolve the Disputed Decision which is the subject of such demand to the satisfaction of Contractor, within 15 Days following receipt of such demand, Contractor shall be entitled to pursue such remedies, not inconsistent with the provisions of this Contract, as it may have in law or equity; provided, however, that Contractor agrees that its compliance with the dispute resolution procedures set out in Sections 6.1 through 6.4 above shall be a condition precedent to the initiation of any legal action concerning any matter subject to the provisions of said Sections; and provided further, however, that Contractor agrees that any claim for an equitable adjustment in the Contract Price or Contract Time or both, as the case may be, shall be conditioned upon Contractor having first complied with the procedures set out in Article II of these General Conditions of Contract and shall in no event exceed, and shall be further limited to, the amount of equitable adjustment in the Contract Price or Contract Time or both, as the case may be, included in Contractor's written request submitted in accordance with Article II of these General Conditions of Contract.

6.6 Owner's Remedies

A. Events of Default. Each of the following acts or omissions of Contractor shall be a default by Contractor of its obligations under this Contract ("Event of Default") and

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the occurrence or existence of any such Event of Default shall entitle Owner to invoke any or all of the remedies set forth in Subsection 6.6B below:

1. Contractor's initiation of, acquiescence in, or failure to have withdrawn any voluntary or involuntary petition in bankruptcy or for reorganization or for relief from its creditors or for any similar relief.
2. Contractor's initiation of, acquiescence in, or failure to have withdrawn any action or agreement for the appointment of a receiver for its business or any of its property.
3. Contractor being or becoming insolvent, making a general assignment for the benefit of creditors, or assigning its right to any or all payments due under this Contract or to any part of the Work.
4. Contractor's failure or refusal to pay any of its debts as they come due, including failure to pay when due any money owed to any Subcontractor or Supplier.
5. Contractor's failure, refusal, or delay to prosecute the Work, or any part thereof, diligently at a rate that assures completion of the Work in full compliance with, and as required by or pursuant to, this Contract on or before the Completion Date.
6. Contractor's failure, refusal, or delay to provide, perform, and complete the Work, or any part thereof, free from defects, damage, and flaws; in strict conformity to the requirements of this Contract; and in a manner suitable for its intended purposes.
7. Contractor falsely making, or being found to have falsely made, any representation or warranty in any Bidding Document or in or pursuant to this Contract.
8. Contractor executing the Work in bad faith.
9. Contractor's failure, refusal, or delay to perform, to satisfy, or to be in full compliance with, any other requirement of this Contract.

B. Owner's Remedies for Contractor's Default. If it should appear at any time prior to Final Payment, whether as a result of any inspection or test or otherwise, that an Event of Default has occurred or is in existence, and if Contractor should fail to cure and eliminate such Event of Default within five business days after Contractor's receipt of Owner's written notice of such Event of Default, then Owner shall have the right, at its election and without prejudice to any other remedies provided by law or equity, to pursue any one or more of the following remedies:

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1. Owner may require Contractor, within such reasonable time as may be fixed by Owner, to complete or correct all or any part of the Work that is defective, damaged, flawed, unsuitable, nonconforming, or incomplete; to remove from the Work Site any such Work; to accelerate all or any part of the Work; and to take any or all other action necessary to bring Contractor and the Work into strict compliance with this Contract.
2. Owner may perform or have performed all Work necessary for the accomplishment of the results stated in Paragraph 6.6B1 above and withhold or recover from Contractor all the cost and expense, including attorneys' fees and administrative costs, incurred by Owner in connection therewith.
3. Owner may accept the defective, damaged, flawed, unsuitable, nonconforming, incomplete, or dilatory Work or part thereof and make an equitable reduction in the Contract Price.
4. Owner may terminate this Contract without liability for further payment of amounts due or to become due under this Contract.
5. Owner may, without terminating this Contract, terminate Contractor's rights under this Contract and, for the purpose of completing or correcting the Work, evict Contractor and take possession of all equipment, materials, supplies, tools, appliances, plans, specifications, schedules, manuals, drawings, and other papers relating to the Work, whether at the Work Site or elsewhere, and either complete or correct the Work with its own forces or contracted forces, all at Contractor's expense.
6. Upon any termination of this Contract or of Contractor's rights under this Contract, and at Owner's option exercised in writing, any or all Subcontracts of Contractor shall be deemed to be assigned to Owner without any further action being required, but Owner shall not thereby assume any obligation for payments due under such Subcontracts for any Work provided or performed prior to such assignment.
7. Owner may withhold from any Progress Payment or Final Payment, whether or not previously approved, or may recover from Contractor, any and all costs, including attorneys' fees and administrative expenses, incurred by Owner as the result of any Event of Default or as a result of actions taken by Owner in response to any Event of Default.
8. Owner may recover any damages suffered by Owner.

C. Owner's Special Remedy for Delay. If the Work is not completed by Contractor, in full compliance with, and as required by or pursuant to, this Contract, within the Contract Time as such time may be extended by Change Order, then Owner may invoke its remedies under Subsection 6.6B above or may, in the exercise of its sole and absolute discretion,

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permit Contractor to complete the Work but charge to Contractor, and deduct from any Progress or Final Payments, whether or not previously approved, *a per diem charge for each Day completion of the Work is delayed beyond the Completion Date computed on the basis of \$550 per Day, as liquidated damages and not as a penalty; it being understood that it will be difficult and impracticable to ascertain and determine the amount of damage that Owner will sustain by reason of such failure.* Notwithstanding an election made pursuant to this Subsection, Owner may thereafter exercise any of its remedies under Subsection 6.6B above if Owner at any time is not, in Owner's opinion, adequately assured of prompt completion of the Work.

D. Remedies Cumulative. Each of the remedies listed in this Section shall be deemed to be cumulative of all other remedies listed in this Section or elsewhere in this Contract and to exist in addition to every other such remedy and in addition to all other remedies provided by law or equity.

E. Provisions Exemplary. Any reference in this Contract to Owner's right to invoke the remedies of this Section are not intended to be, nor shall they be construed to be, an exclusive listing of the circumstances under which these remedies may be exercised, but rather they are intended to be only exemplary.

F. Termination or Suspension Deemed for Convenience. Any termination or suspension of Contractor's rights under this Section 6.6 for an alleged Event of Default that is ultimately held unjustified shall be deemed a termination or suspension for the convenience of Owner under Section 1.12 of these General Conditions of Contract.

ARTICLE VII DEFINITIONS

7.1 Defined Terms

A. Addendum. Any written or graphic instrument issued prior to the execution of this Contract, dated and signed by Owner or Engineer, that modifies, interprets, or corrects the Bidding Documents or this Contract.

B. Additional Insureds. The Persons identified in Section 4 of the Special Conditions of Contract.

C. Approved Rate. See Paragraph 2.3A3 of these General Conditions of Contract.

D. Approved Schedule. See Paragraph 1.1B2 of these General Conditions of Contract.

E. Balancing Change Order. See Paragraph 5.1C2 of these General Conditions of Contract.

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F. Bid Package. The bound set of documents based upon which Owner solicited proposals for this Contract, consisting of the Bidding Documents and this Contract.

G. Bidder's Proposal. The proposal to enter into this Contract, completed and executed by Contractor, and based upon which this Contract was awarded by Owner to Contractor.

H. Bidding Documents. The documents incorporated by reference in Section 3 of the Invitation for Bidder's Proposals and included in the Bid Package.

I. Bond. Performance Bond, Labor and Material Payment Bond, and any other instrument of security, furnished, or required by this Contract to be furnished, by Contractor or its surety or sureties.

J. Breakdown Schedule. See Paragraph 5.1C1 of these General Conditions of Contract.

K. Change Order. A written order to Contractor executed by Owner authorizing or directing a change in this Contract; an addition to, deletion from, or revision in the Work or the Work Site; or an equitable adjustment in the Contract Price or the Contract Time.

L. Commencement Date. The date set forth in Section 2.1 of the Contract Agreement.

M. Completion Date. The date set forth in Section 2.2 of the Contract Agreement.

N. Contract. The Contract Agreement and all Contract Documents.

O. Contract Agreement. The contract agreement executed by Owner and Contractor.

P. Contract Documents. The documents listed in Section 1.2 of the Contract Agreement.

Q. Contract Drawings. All (i) drawings furnished with the Invitation for Bidder's Proposals, (ii) supplementary drawings furnished to clarify and to define in greater detail the intent of the drawings and specifications furnished with the Invitation for Bidder's Proposals, (iii) drawings submitted by Contractor to Engineer pursuant to this Contract and reviewed and stamped by Engineer with no exception noted, and (iv) drawings submitted to Contractor by Engineer during the progress of the Work as provided for in this Contract.

R. Contract Price. The lump sum amount or amounts, if any, stated in the Schedule of Prices and, for each acceptable unit of each Unit Price Item, if any, installed and complete in place, measured on the basis provided for in the Contract Drawings and Specifications, the Unit Price for such Unit Price Item stated in the Schedule of Prices, subject to any additions or deductions provided for in this Contract.

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- S. Contract Time. The period of time allowed, including the Commencement Date and Completion Date, pursuant to Article II of the Contract Agreement for Contractor to provide, perform, and complete the Work, as such period of time may be modified by Change Order.
- T. Contractor. See Subparagraph 1.3A2(a) of the Contract Agreement.
- U. Day. Except where otherwise expressly defined, a calendar day of 24 hours, measured from midnight to the next midnight.
- V. Decreased Work. See Subsection 2.3B of these General Conditions of Contract.
- W. Disputed Decision. See Section 6.1 of these General Conditions of Contract.
- X. Engineer. See Subparagraph 1.3A2(b) of the Contract Agreement.
- Y. Event of Default. See Section 6.6 of these General Conditions of Contract.
- Z. Final Acceptance. See Subsection 5.2B of these General Conditions of Contract.
- AA. Final Pay Request. See Subsection 5.2C of these General Conditions of Contract.
- BB. Final Payment. See Subsection 5.2C of these General Conditions of Contract.
- CC. General Instructions to Bidders. The instructions to bidders included in the Bid Package.
- DD. Increased Work. See Subsection 2.3A of these General Conditions of Contract.
- EE. Invitation for Bidder's Proposal. The invitation for bidder's proposals included in the Bid Package and by which Owner invited proposals to enter into this Contract.
- FF. Laws. All laws, statutes, ordinances, regulations, orders, decrees and other legal requirements, whether federal, state or local existing on or after the date of execution of this Contract.
- GG. Lien. See Subsection 5.3B of these General Conditions of Contract.
- HH. Notice of Completion. See Subsection 5.2A of these General Conditions of Contract.

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II. Notice of Dispute. See Section 6.1 of these General Conditions of Contract.

JJ. Overtime Work. See Section 1.13 of these General Conditions of Contract.

KK. Owner. See Subparagraph 1.3A2(c) of the Contract Agreement.

LL. Pay Request. See Subsection 5.1B of these General Conditions of Contract.

MM. Person. Any corporation, partnership, individual, joint venture, trust, estate, association, business, enterprise, proprietorship or other legal entity of any kind, either public or private, and any legal successor, agent, representative or authorized assign of the above.

NN. Price Proposal. The total compensation proposed to be accepted by Contractor for the Work in the Bidder's Proposal and from which the Contract Price is derived.

OO. Progress Payment. The installment payments to be made by Owner to Contractor in accordance with, and subject to the terms and conditions set forth in, Article V of these General Conditions of Contract.

PP. Punch List. See Subsection 5.2B of these General Conditions of Contract.

QQ. Punch List Work. See Subsection 5.2A of these General Conditions of Contract.

RR. Required Coverages. See Section 4.1 of these General Conditions of Contract.

SS. Required Submittals. See Subsection 1.3A of these General Conditions of Contract.

TT. Specifications. All (i) specifications furnished with the Invitation for Bidder's Proposals, (ii) supplementary specifications furnished to clarify and to define in greater detail the intent of the drawings and specifications furnished with the Invitation for Bidder's Proposals, (iii) specifications submitted pursuant to this Contract by Contractor to Engineer and reviewed and stamped by Engineer with no exception noted, and (iv) specifications submitted to Contractor during the progress of the Work as provided for in this Contract. Unless otherwise noted, the term "Specifications" as used in this Contract shall not refer to any other standard specifications.

UU. Subcontract. Any written or oral contract between Contractor and a Subcontractor or Supplier.

GENERAL CONDITIONS

VV. Subcontractor. Any Person, other than Contractor, that provides, performs or completes any part of the Work at the Work Site, and the duly authorized officers, employees, agents, and representatives of any such Person.

WW. Supplier. Any Person, other than Contractor, that supplies equipment, materials or supplies for the Work, including that fabricated to a special design, but that does not provide or perform labor at the Work Site, and the duly authorized officers, employees, agents, and representatives of any such Person.

XX. Unit Price. The price set forth in the Schedule to be paid for each acceptable unit of each Unit Price Item, if any, installed and complete in place, measured on the basis provided for in the Contract Drawings and Specifications.

YY. Unit Price Items. The items set forth in the Schedule of Prices, if any, to be paid for on a Unit Price basis.

ZZ. Value of the Work. The value of the Work, determined in accordance with Subsection 5.1C of these General Conditions of Contract, for purposes of determining the then current amount of any Progress Payment to be made by Owner under this Contract.

AAA. Work. See Subparagraph 1.3A2(d) of the Contract Agreement.

BBB. Work Site. See Subparagraph 1.3A2(e) of the Contract Agreement.

7.2 Word Usage

A. Tense and Form. Words used or defined in one tense or form shall include other tenses and derivative forms.

B. Number. Words in the singular number shall include the plural number, and words in the plural number shall include the singular number.

C. Shall and May. The word "shall" is mandatory. The word "may" is permissive.

D. Subjective Standards. Whenever in this Contract the terms "as ordered," "as directed," "as required," "as allowed," "as approved," or terms of like effect or import, or the adjectives "reasonable," "suitable," "acceptable," "proper," or "satisfactory," or adjectives of like effect or import, are used to describe a requirement, direction, review, or judgment of Owner or Engineer as to the Work, it is intended that such requirement, direction, review, or judgment shall be solely to evaluate the Work for compliance with this Contract, shall not relieve Contractor of the entire responsibility for the performance of the Work in full compliance with the requirements of this Contract, and shall not be regarded as any assumption of risk or liability by Owner or Engineer.

GENERAL CONDITIONS

E. Headings. In case of any difference of meaning or implication between any provision of this Contract and any heading, the Contract provision shall control and no heading shall be construed to limit the scope or intent of any provision of this Contract.

VILLAGE OF GRAYSLAKE
CONTRACT FOR THE CONSTRUCTION OF
NORDIC PARK IMPROVEMENTS
CONTRACT 131022.40

SPECIAL CONDITIONS OF CONTRACT

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VILLAGE OF GRAYSLAKE
CONTRACT FOR THE CONSTRUCTION OF
NORDIC PARK IMPROVEMENTS
CONTRACT 131022.40

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS: that Elanar Construction, 6620 West Belmont Avenue, Chicago, Illinois 60634, as Principal, hereinafter called Contractor, and Employers Mutual Casualty Company, 1815 S. Meyers Rd., Suite 500, Oakbrook Terrace, IL 60181

, as Surety, a corporation organized and existing under the laws of the State of Iowa, hereinafter called Surety, are held and firmly bound unto the Village of Grayslake, 10 South Seymour Avenue, Grayslake, Illinois 60030, as Obligee, hereinafter called Owner, in the full and just sum of Two Hundred Ten Thousand Seven Hundred Seventy-Three Dollars (\$210,773), for the payment of which sum of money well and truly to be made, Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents, said amount to include payment of actual costs and damages and for attorneys' fees, architectural fees, design fees, engineering fees, accounting fees, testing fees, consulting fees, administrative costs, court costs, interest and any other fees and expenses resulting from or incurred by reason of Contractor's failure to promptly and faithfully perform its contract with Owner, said contract being more fully described below, and to include attorneys' fees, court costs and administrative and other expenses necessarily paid or incurred in successfully enforcing performance of the obligation of Surety under this bond.

WHEREAS, Contractor has entered into a written agreement dated March 21, 2014, with Owner entitled "Contract Agreement Between Village of Grayslake and Elanar Construction for the Construction of **NORDIC PARK IMPROVEMENTS** - Contract 131022.40" (the "Contract"), the terms and conditions of which are by this reference incorporated herein as though fully set forth herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT if Contractor shall well, truly, and promptly perform all the undertakings, covenants, terms, conditions, and agreements of said Contractor under the Contract, including, but not limited to, Contractor's obligations under the Contract: (1) to provide, perform and complete at the Work Site and in the manner specified in the Contract all necessary work, labor, services, transportation, equipment, materials, apparatus, machinery, tools, fuels, gas, electric, water, waste disposal, information, data, and other means and items necessary for the design, if any, construction, and installation of the **NORDIC PARK IMPROVEMENTS**, together with related attachments, equipment, and appurtenances thereto; (2) to procure and furnish all permits, licenses, and other governmental approvals and authorizations necessary in connection therewith except as otherwise expressly provided in the Special Conditions of Contract; (3) to procure and furnish all bonds and certificates and policies of insurance specified in the Contract; (4) to pay all applicable federal, state, and local taxes; (5) to do all other things required of Contractor by the Contract; and (6) to provide, perform, and complete all of the foregoing in a proper and

PERFORMANCE BOND

workmanlike manner and in full compliance with, and as required by and pursuant to, the Contract; all of which is herein referred to as the "Work," whether or not any of said Work enter into and become component parts of the improvement contemplated, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

Surety, for value received, hereby stipulates and agrees that no changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances on the part of either Owner or Contractor to the other in or to the terms of said Contract; in or to the schedules, plans, drawings, or specifications; in or to the method or manner of performance of the Work; in or to Owner-furnished facilities, equipment, materials, services, or sites; or in or to the mode or manner of payment therefor, shall in any way release Contractor and Surety or either or any of them, or any of their heirs, executors, administrators, successors, or assigns, or affect the obligations of Surety on this bond, all notice of any and all of the foregoing changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances, and notice of any and all defaults by Contractor or of Owner's termination of Contractor being hereby waived by Surety.

Notwithstanding anything to the contrary in the foregoing paragraph, in no event shall the obligations of Surety under this bond in the event of Contractor's default be greater than the obligations of Contractor under the Contract in the absence of such Contractor default.

In the event of a default or defaults by Contractor, Owner shall have the right to take over and complete the Contract upon 30 calendar days' written notice to Surety, in which event Surety shall pay Owner all costs incurred by Owner in taking over and completing the Contract.

At its option, Owner may instead request that Surety take over and complete the Contract, in which event Surety shall take reasonable steps to proceed promptly with completion no later than 30 calendar days from the date on which Owner notifies Surety that Owner wants Surety to take over and complete the Contract.

Owner shall have no obligation to actually incur any expense or correct any deficient performance of Contractor in order to be entitled to receive the proceeds of this bond.

No right of action shall accrue on this bond to or for the use of any person or corporation other than Owner or the heirs, executors, administrators, or successors of Owner.

PERFORMANCE BOND

Signed and sealed this 26th day of March, 2014.

Attest/Witness:

PRINCIPAL: ELANAR CONSTRUCTION

By: [Signature]

By: [Signature]
[NAME OF CONTRACTOR'S
EXECUTING OFFICER]

Title: SUPERINTENDENT

Title: President
[TITLE OF CONTRACTOR'S
EXECUTING OFFICER]

Attest/Witness:

SURETY: Employers Mutual Casualty Company
[NAME OF SURETY]

By: [Signature]

By: [Signature]
William P. Maher

Title: CSR

Title: Attorney-In-Fact

Telephone: 630-615-1015

SEE GENERAL INSTRUCTIONS TO BIDDERS, SECTION 8,
FOR SIGNATURE REQUIREMENTS

VILLAGE OF GRAYSLAKE
CONTRACT FOR THE CONSTRUCTION OF
NORDIC PARK IMPROVEMENTS
CONTRACT 131022.40

LABOR AND MATERIAL PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS: that Elanar Construction, 6620 West Belmont Avenue, Chicago, Illinois 60634, as Principal, hereinafter called Contractor, and Employers Mutual Casualty Company, as Surety, a corporation organized and existing under the laws of the State of Iowa [INCORPORATION], hereinafter called Surety, are held and firmly bound unto the Village of Grayslake, 10 South Seymour Avenue, Grayslake, Illinois 60030, as Obligee, hereinafter called Owner, for the use and benefit of itself and of claimants as hereinafter defined, in the full and just sum of Two Hundred Ten Thousand Seven Hundred Seventy-Three Dollars (\$210,773), to be paid to it or the said claimants or its or their assigns, to which payment well and truly to be made Contractor and Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents, said amount to include attorney's fees, court costs, and administrative and other expenses necessarily paid or incurred in successfully enforcing performance of the obligation of Surety under this bond.

WHEREAS, Contractor has entered into a written agreement dated March 21, 2014, with Owner entitled "Contract Agreement Between Village of Grayslake and Elanar Construction for the Construction of *NORDIC PARK IMPROVEMENTS* - Contract 131022.40" (the "Contract"), the terms and conditions of which are by this reference incorporated herein as though fully set forth herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT if Contractor shall promptly pay or cause to be paid all sums of money that may be due to any claimant with respect to Contractor's obligations under the Contract: (1) to provide, perform, and complete at the Work Site and in the manner specified in the Contract all necessary work, labor, services, transportation, equipment, materials, apparatus, machinery, tools, fuels, gas, electric, water, waste disposal, information, data, and other means and items necessary for the design, if any, construction, and installation of the *NORDIC PARK IMPROVEMENTS*, together with related attachments, equipment, and appurtenances thereto; (2) to procure and furnish all permits, licenses, and other governmental approvals and authorizations necessary in connection therewith except as otherwise expressly provided in the Special Conditions of Contract; (3) to procure and furnish all bonds and certificates and policies of insurance specified in the Contract; (4) to pay all applicable federal, state, and local taxes; (5) to do all other things required of Contractor by the Contract; and (6) to provide, perform, and complete all of the foregoing in a proper and workmanlike manner and in full compliance with, and as required by and pursuant to, the Contract; all of which is herein referred to as the "Work," whether or not any of said Work enter into and become component parts of the improvement contemplated, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

PAYMENT BOND

For purpose of this bond, a claimant is defined as one having a direct contract with Contractor or with a subcontractor of Contractor to provide, perform or complete any part of the Work.

Contractor and Surety hereby jointly and severally agree that every claimant who has not had all just claims for the furnishing of any part of the Work paid in full, including, without limitation, all claims for amounts due for materials, lubricants, oil, gasoline, rentals of, or service or repairs on, machinery, equipment, and tools consumed or used in connection with the furnishing of any part of the Work, may sue on this bond for the use of such claimant, may prosecute the suit to final judgment for such sum or sums as may be justly due such claimant, and may have execution therein; provided, however, that Owner shall not be liable for the payment of any costs or expenses of any such suit. The provisions of 30 ILCS 550/1 and 30 ILCS 550/2 shall be deemed inserted herein, including the time limits within which notices of claim must be filed and actions brought under this bond.

Contractor and Surety hereby jointly agree that Owner may sue on this bond if Owner is held liable to, or voluntarily agrees to pay, any claimant directly, but nothing in this bond shall create any duty on the part of Owner to pay any claimant.

Surety, for value received, hereby stipulates and agrees that no changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances on the part of Owner or Contractor to the other in or to the terms of said Contract; in or to the schedules, plans, drawings, or specifications; in or to the method or manner of performance of the Work; in or to Owner-furnished facilities, equipment, materials, services, or sites; or in or to the mode or manner of payment therefor shall in any way release Contractor and Surety or either or any of them, or any of their heirs, executors, administrators, successors, or assigns, or affect the obligations of said Surety on this bond, all notice of any and all of the foregoing changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances and notice of any and all defaults by Contractor or of Owner's termination of Contractor being hereby waived by Surety.

PAYMENT BOND

Signed and sealed this 26th day of March, 2014.

Attest/Witness:

PRINCIPAL: ELANAR CONSTRUCTION

By: [Signature]

By: [Signature]
[NAME OF CONTRACTOR'S
EXECUTING OFFICER]

Title: SUPERINTENDENT

Title: President
[TITLE OF CONTRACTOR'S
EXECUTING OFFICER]

Attest/Witness:

SURETY: Employers Mutual Casualty Company

[NAME OF SURETY]

By: Vicki L. Bowald

By: [Signature]
William P. Maher

Title: CSR

Title: Attorney-In-Fact

Telephone: 630-613-1100

SEE GENERAL INSTRUCTIONS TO BIDDERS, SECTION 8,
FOR SIGNATURE REQUIREMENTS

STATE OF Illinois
COUNTY OF Cook

On this 26th day of March 2014, before me came William P. Maher, who executed the preceding instrument, to me personally known, and being by me duly sworn, said that he/she is the therein described and authorized Attorney-in-Fact Employers Mutual Casualty Company at the seal affixed to said instrument is the Corporate Seal of said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.

Notary Public

Vicki L Broadus



CERTIFICATE OF AUTHORITY INDIVIDUAL ATTORNEY-IN-FACT

KNOW ALL MEN BY THESE PRESENTS, that:

- 1. Employers Mutual Casualty Company, an Iowa Corporation
- 2. EMCASCO Insurance Company, an Iowa Corporation
- 3. Union Insurance Company of Providence, an Iowa Corporation
- 4. Illinois EMCASCO Insurance Company, an Iowa Corporation
- 5. Dakota Fire Insurance Company, a North Dakota Corporation
- 6. EMC Property & Casualty Company, an Iowa Corporation
- 7. Hamilton Mutual Insurance Company, an Iowa Corporation

hereinafter referred to severally as "Company" and collectively as "Companies", each does, by these presents, make, constitute and appoint: CARL DOHN JR, KAREN DOHN, WILLIAM P. MAHER, JEFFREY S. MOORE, JACQUELINE BRENNER, SUSAN MURRAY, VICKI L. BROADDUS, ELISE SIEGEL

its true and lawful attorney-in-fact, with full power and authority conferred to sign, seal, and execute its lawful bonds, undertakings, and other obligatory instruments of a similar nature as follows:

ANY AND ALL BONDS

and to bind each Company thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of each such Company, and all of the acts of said attorney pursuant to the authority hereby given are hereby ratified and confirmed.

The authority hereby granted shall expire APRIL 1, 2016 unless sooner revoked.

AUTHORITY FOR POWER OF ATTORNEY

This Power-of-Attorney is made and executed pursuant to and by the authority of the following resolution of the Boards of Directors of each of the Companies at a regularly scheduled meeting of each company duly called and held in 1999:

RESOLVED: The President and Chief Executive Officer, any Vice President, the Treasurer and the Secretary of Employers Mutual Casualty Company shall have power and authority to (1) appoint attorneys-in-fact and authorize them to execute on behalf of each Company and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof; and (2) to remove any such attorney-in-fact at any time and revoke the power and authority given to him or her. Attorneys-in-fact shall have power and authority, subject to the terms and limitations of the power-of-attorney issued to them, to execute and deliver on behalf of the Company, and to attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and any such instrument executed by any such attorney-in-fact shall be fully and in all respects binding upon the Company. Certification as to the validity of any power-of-attorney authorized herein made by an officer of Employers Mutual Casualty Company shall be fully and in all respects binding upon this Company. The facsimile or mechanically reproduced signature of such officer, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power-of-attorney of the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS THEREOF, the Companies have caused these presents to be signed for each by their officers as shown, and the Corporate seals to be hereto affixed this 26th day of JUNE, 2013.

Seals



Bruce G. Kelley

 Bruce G. Kelley, Chairman
 of Companies 2, 3, 4, 5 & 6; President
 of Company 1; Vice Chairman and
 CEO of Company 7

Michael Freel

 Michael Freel
 Assistant Vice President

On this 26th day of JUNE AD 2013 before me a Notary Public in and for the State of Iowa, personally appeared Bruce G. Kelley and Michael Freel, who, being by me duly sworn, did say that they are, and are known to me to be the Chairman, President, Vice Chairman and CEO, and/or Assistant Vice President/Assistant Secretary, respectively, of each of The Companies above; that the seals affixed to this instrument are the seals of said corporations; that said instrument was signed and sealed on behalf of each of the Companies by authority of their respective Boards of Directors; and that the said Bruce G. Kelley and Michael Freel, as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of each of the Companies. My Commission Expires October 10, 2016.

Kathy Lynn Loveridge

 Notary Public in and for the State of Iowa

CERTIFICATE

I, James D. Clough, Vice President of the Companies, do hereby certify that the foregoing resolution of the Boards of Directors by each of the Companies, and this Power of Attorney issued pursuant thereto on JUNE 26, 2013 on behalf of: CARL DOHN JR, KAREN DOHN, WILLIAM P. MAHER, JEFFREY S. MOORE, JACQUELINE BRENNER, SUSAN MURRAY, VICKI L. BROADDUS, ELISE SIEGEL

are true and correct and are still in full force and effect.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 26th day of March 2014.

[Signature]

 Vice President

**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

03/31/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER BGS Insurance Agency, Inc 3295 N. Arlington Hts. Rd.#111 Arlington Heights, IL 60004 Brian J. Burda	CONTACT NAME:	
	PHONE (A/C, No, Ext):	FAX (A/C, No):
	E-MAIL ADDRESS: JFuentes@BGSins.com	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A : Ohio Security Insurance Co	NAIC # 24082
	INSURER B : Netherlands Insurance Company	24171
INSURED Elanar Construction Co. 6620 W. Belmont Avenue Chicago, IL 60634	INSURER C : Indiana Insurance Company	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES**CERTIFICATE NUMBER: 44****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY	X		BKS 55029143	10/07/2013	10/07/2014	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$ 5,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 2,000,000
							PRODUCTS - COMP/OP AGG \$ 2,000,000
							\$
B	AUTOMOBILE LIABILITY			BA9735277	10/07/2013	10/07/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS						PROPERTY DAMAGE (PER ACCIDENT) \$
							\$
							\$
A	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR			US055029143	10/07/2013	10/07/2014	EACH OCCURRENCE \$ 5,000,000
	EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE \$ 5,000,000
	DED <input checked="" type="checkbox"/> RETENTION \$ 0						\$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			WC8579086	10/07/2013	10/07/2014	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in Nh)						E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Property			BKS 55029143	10/07/2013	10/07/2014	Contents 124,965 Equipment 211,475

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Additional Insured where required per written contract: Village of Grayslake; Baxter & Woodman, Inc.;

CERTIFICATE HOLDER**CANCELLATION**

GRAYSLA Village of Grayslake 10 S. Seymour Ave Grayslake, IL 60030	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Brian J Burda</i>

© 1988-2010 ACORD CORPORATION. All rights reserved.

**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

03/31/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER BGS Insurance Agency, Inc 3295 N. Arlington Hts. Rd.#111 Arlington Heights, IL 60004 Brian J. Burda	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL ADDRESS: JFuentes@BGSIns.com		FAX (A/C, No):
	INSURER(S) AFFORDING COVERAGE		
INSURED Elanar Construction Co. 6620 W. Belmont Avenue Chicago, IL 60634	INSURER A : Ohio Security Insurance Co		NAIC # 24082
	INSURER B : Netherlands Insurance Company		24171
	INSURER C : Indiana Insurance Company		22659
	INSURER D :		
	INSURER E :		
	INSURER F :		

COVERAGES**CERTIFICATE NUMBER: 44****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY	X		BKS 55029143	10/07/2013	10/07/2014	EACH OCCURRENCE	\$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 50,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person)	\$ 5,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 2,000,000
							PRODUCTS - COMP/OP AGG	\$ 2,000,000
								\$
B	AUTOMOBILE LIABILITY			BA9735277	10/07/2013	10/07/2014	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per accident)	\$
	<input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS						PROPERTY DAMAGE (PER ACCIDENT)	\$
								\$
A	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR			US055029143	10/07/2013	10/07/2014	EACH OCCURRENCE	\$ 5,000,000
	EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE	\$ 5,000,000
	DED <input checked="" type="checkbox"/> RETENTION \$ 0							\$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			WC8579086	10/07/2013	10/07/2014	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)						E.L. EACH ACCIDENT	\$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
A	Property			BKS 55029143	10/07/2013	10/07/2014	Contents	124,965
							Equipment	211,475

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Additional Insured where required per written contract: Village of Grayslake; Baxter & Woodman, Inc.;

CERTIFICATE HOLDER**CANCELLATION**

GRAYSLA

Village of Grayslake
 10 S. Seymour Ave
 Grayslake, IL 60030

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO EXTENSION ENDORSEMENT

COVERAGE INDEX

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The following modifies insurance under the:
BUSINESS AUTO COVERAGE FORM

1. TEMPORARY SUBSTITUTE AUTO PHYSICAL DAMAGE

SECTION I - COVERED AUTOS, paragraph C. is changed by adding the following:

If Physical Damage Coverage is provided under the Business Auto Coverage Form for an "auto" you own, the Physical Damage coverages provided for that owned "auto" are extended to any "auto" you do not own while used with the permission of its owner as a temporary substitute for the covered "auto" you own that is out of service because of its breakdown, repair, servicing, "loss", or destruction.

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2. BROAD FORM INSURED

SECTION II - LIABILITY COVERAGE - WHO IS AN INSURED is amended to include as an insured:

1. Any legally incorporated entity of which you own more than 50 percent of the voting stock during the period for which this endorsement is effective, if there is no similar insurance available to that organization. However, the Named Insured does not include any organization:
 - a. that is a partnership or joint venture, or
 - b. that is an insured under any other policy, or has exhausted its Limit of Insurance under any other policy.
2. Paragraph 1. b. above does not apply to a policy written to apply specifically in excess of this policy.
3. Coverage for newly acquired or formed organizations is afforded only for 180 days from the date of acquisition or formation.
4. Coverage does not apply to "bodily injury" or "property damage" that results from an "accident" that occurred before you formed or acquired that organization.

3. EMPLOYEES AS INSURED

SECTION II - LIABILITY COVERAGE - WHO IS AN INSURED is amended to include as an insured:

Any employee of yours while using a covered "auto" you do not own, hire or borrow in your business or your personal affairs.

4. ADDITIONAL INSURED BY CONTRACT, AGREEMENT OR PERMIT

SECTION II - LIABILITY COVERAGE - WHO IS AN INSURED is amended to include as an insured any person or organization with whom you have agreed in writing in a contract, agreement or permit, to provide insurance such as is afforded under this policy.

This provision 4. does not apply unless the written contract or agreement has been executed, or permit has been issued, prior to the "bodily injury" or "property damage."

5. SUPPLEMENTARY PAYMENTS

SECTION II - LIABILITY COVERAGE, 2.a. Supplementary Payments, items (2) and (4) are replaced by the following:

- (2) Up to \$2500 for cost of bail bonds (including bonds for related traffic violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (4) All reasonable expenses incurred by the insured at our request, including actual loss of earnings up to \$300 a day because of time off from work.

6. AMENDED FELLOW EMPLOYEE EXCLUSION

SECTION II - LIABILITY, exclusion 5. FELLOW EMPLOYEE does not apply if the "bodily injury" results from the use of a covered "auto" you own or hire.

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The insurance provided under this provision 6. is excess over any other collectible insurance.

7. HIRED AUTO PHYSICAL DAMAGE

SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE, is amended by adding the following:

If hired "autos" are covered "autos" for Liability Coverage, and if Comprehensive, Specified Causes of Loss, or Collision coverage are provided under the Business Auto Coverage Form for any "auto" you own, then the Physical Damage coverages provided are extended to "autos" you hire, subject to the following limit and deductible:

The most we will pay for "loss" to any hired "auto" is \$50,000 or Actual Cash Value or Cost of Repair, whichever is smallest, minus a deductible.

The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage. No deductible applies to "loss" caused by fire or lightning.

Subject to the above limit, deductible and excess provisions, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

Subject to a maximum of \$500 per "accident", we will also cover loss of use of the hired "auto" if it results from an "accident", you are legally liable, and the lessor incurs an actual financial loss.

The insurance provided under this provision 7. is excess over any other collectible insurance.

8. TOWING AND LABOR

SECTION III - PHYSICAL DAMAGE COVERAGE, A.2.Towing, is replaced by the following:

We will pay towing and labor costs incurred, up to the limits shown below, each time a covered "auto" classified and rated as a private passenger type, "light truck" or "medium truck" is disabled:

- a. For private passenger type vehicles or "light trucks" we will pay up to \$50 per disablement. "Light trucks" are trucks that have a gross vehicle weight (GVW) of 10,000 pounds or less.
- b. For "medium trucks" we will pay up to \$150 per disablement. "Medium trucks" are trucks that have a gross vehicle weight (GVW) of 10,001 - 20,000 pounds.

However, the labor must be performed at the place of disablement.

9. PHYSICAL DAMAGE- ADDITIONAL TRANSPORTATION EXPENSE COVERAGE

SECTION III - PHYSICAL DAMAGE COVERAGE, A.4. Coverage Extension, is amended to provide a limit of \$50 per day and a maximum limit of \$1000.

10. RENTAL REIMBURSEMENT

SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE, is amended by adding the following:

We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of

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"accident" or "loss", other than theft, to a covered "auto". We will pay only for those expenses incurred after the first 24 hours following the "accident" or "loss" to the covered "auto."

The most we will pay for any one "accident" or "loss" is \$1000. No deductible applies to this coverage.

11. EXTRA EXPENSE - BROADENED COVERAGE

Under SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE, we will pay for the expense of returning a stolen covered "auto" to you.

12. PERSONAL EFFECTS COVERAGE

A. SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE, is amended by adding the following:

If you have purchased Comprehensive Coverage on this policy for an "auto" you own and that "auto" is stolen, we will pay, without application of a deductible, up to \$600 for "personal effects" stolen with the "auto."

The insurance provided under this provision 12. is excess over any other collectible insurance.

B. SECTION V - DEFINITIONS is amended by adding the following:

"Personal effects" means tangible property that is worn or carried by an "insured". "Personal effects" does not include tools, jewelry, money or securities.

13. AIRBAG COVERAGE

SECTION III - PHYSICAL DAMAGE COVERAGE, B. EXCLUSIONS is amended by adding the following:

If you have purchased Comprehensive or Collision Coverage under this policy, the exclusion relating to mechanical breakdown does not apply to the accidental discharge of an air bag.

14. SOUND RECEIVING AND REPRODUCING EQUIPMENT - BROADENED COVERAGE

SECTION III - PHYSICAL DAMAGE COVERAGE, B. EXCLUSIONS is amended by adding the following:

The exclusion as it relates to sound receiving or reproducing equipment does not apply to sound receiving or reproducing equipment that is permanently installed in a covered "auto."

15. LEASE GAP

- A. SECTION III - PHYSICAL DAMAGE COVERAGE - LIMIT OF INSURANCE is amended by adding the following:

The most we will pay for a "total loss" in any one "accident" is the greater of the:

1. Balance due under the terms of the loan or lease to which the damaged covered "auto" is subject at the time of the "loss" less the amount of:
 - a. Overdue payments and financial penalties associated with those payments as of the date of the "loss",
 - b. Financial penalties imposed under a lease due to high mileage, excessive use or abnormal wear and tear,
 - c. Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease,
 - d. Transfer or rollover balances from previous loans or leases,
 - e. Final payment due under a "Balloon Loan",
 - f. The dollar amount of any unrepaired damage which occurred prior to the "total loss" of a covered "auto",
 - g. Security deposits not refunded by a lessor,
 - h. All refunds payable or paid to you as a result of the early termination of a lease agreement or as a result of the early termination of any warranty or extended service agreement on a covered "auto",
 - i. Any amount representing taxes,
 - j. Loan or lease termination fees, or;
2. The actual cash value of the damaged or stolen property as of the time of the "loss".

An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of the "loss".

B. ADDITIONAL CONDITIONS

This coverage applies only to the original loan or lease written on a covered "auto".

- C. SECTION V - DEFINITIONS is changed by adding the following:

As used in this endorsement, "total loss" means a "loss" in which the cost of repairs plus the salvage value exceeds the actual cash value.

A "balloon loan" is one with periodic payments that are insufficient to repay the balance over the term of the loan, thereby requiring a large final payment.

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16. GLASS REPAIR - WAIVER OF DEDUCTIBLE

SECTION III - PHYSICAL DAMAGE COVERAGE is amended by adding the following to D. DEDUCTIBLE :

No deductible applies to glass damage if the glass is repaired rather than replaced.

17. DRIVE OTHER CAR FOR EXECUTIVE OFFICERS

A. This provision 17. changes only those coverages where a limit and premium is shown in the Declarations.

B. CHANGES IN LIABILITY COVERAGE:

Any "auto" you do not own, hire or borrow is a covered "auto" for Liability Coverage while being used by any of your "executive officers", except:

Any "auto" owned by that "executive officer" or a member of that person's household, or

Any "auto" used by that "executive officer" while working in a business of selling, servicing, repairing or parking "autos".

C. CHANGES IN AUTO MEDICAL PAYMENTS AND UNINSURED MOTORISTS AND UNDERINSURED MOTORISTS COVERAGE

The following is added to WHO IS AN INSURED:

Any individual "insured" and his or her "family members" are "insured" while "occupying" or while a pedestrian when being struck by any "auto" you do not own except:

Any "auto" owned by that individual or by any "family member".

D. CHANGES IN PHYSICAL DAMAGE COVERAGE:

Any private passenger type "auto" you do not own, hire or borrow is a covered "auto" while in the care, custody or control of any of your "executive officers" except:

Any "auto" owned by that individual or by any member of his or her household.

Any "auto" owned by that individual or his or her spouse while working in a business of selling, servicing, repairing or parking "autos".

E. ADDITIONAL DEFINITIONS:

As used in this endorsement:

"Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document, and that person's spouse, while a resident of the same household.

"Family member" means a person related to an "executive officer" by blood, marriage or adoption who is a resident of the individual's household, including a ward or foster child.

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F. The insurance provided under this provision 17. will be:

Equal to the broadest of those coverages afforded any covered "auto", and

Excess over any other collectible insurance.

18. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

SECTION IV - BUSINESS AUTO CONDITIONS is amended by adding the following:

If you unintentionally fail to disclose any hazards or exposures existing as of the inception date of the Business Auto Coverage Part, the coverage afforded by this policy will not be prejudiced. However, you must report the undisclosed hazard or exposure as soon as practicable after its discovery, and we have the right to collect additional premium for same.

19. AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT, OR "LOSS"

SECTION IV - BUSINESS AUTO CONDITIONS, paragraph A.2.a. is amended by adding the following:

You must give us notice of an "accident", claim, "suit" or "loss" only when it is known to:

1. You, if you are an individual,
2. A partner, if you are a partnership,
3. A member, if you are a limited liability company, or
4. An executive officer or the "employee" designated by the Named Insured to give such notice, if you are a corporation.

20. BODILY INJURY REDEFINED

Under SECTION V - DEFINITIONS, definition C. is replaced by the following:

"Bodily Injury" means physical injury, sickness or disease sustained by a person including mental anguish, mental injury, shock, fright or death resulting from any of these at any time.

21. EXTENDED CANCELLATION CONDITION

The COMMON POLICY CONDITIONS - CANCELLATION provision applies except as follows:

If we cancel for any reason other than nonpayment of premium, we will mail or deliver to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation. This provision 21. does not apply in those states which require more than 60 days prior notice of cancellation.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL GENERAL LIABILITY EXTENSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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With respect to coverage afforded by this endorsement, the provisions of the policy apply unless modified by the endorsement.

A. NON-OWNED AIRCRAFT

Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability, exclusion **g. Aircraft, Auto Or Watercraft** does not apply to an aircraft provided:

1. It is not owned by any insured;
2. It is hired, chartered or loaned with a trained paid crew;
3. The pilot in command holds a currently effective certificate, issued by the duly constituted authority of the United States of America or Canada, designating her or him a commercial or airline pilot; and
4. It is not being used to carry persons or property for a charge.

However, the insurance afforded by this provision does not apply if there is available to the insured other valid and collectible insurance, whether primary, excess (other than insurance written to apply specifically in excess of this policy), contingent or on any other basis, that would also apply to the loss covered under this provision.

B. NON-OWNED WATERCRAFT

Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability, Subparagraph (2) of exclusion **g. Aircraft, Auto Or Watercraft** is replaced by the following:

This exclusion does not apply to:

- (2) A watercraft you do not own that is:
 - (a) Less than 52 feet long; and
 - (b) Not being used to carry persons or property for a charge.

C. PROPERTY DAMAGE LIABILITY - ELEVATORS

1. Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability, Subparagraphs (3), (4) and (6) of exclusion **j. Damage To Property** do not apply if such "property damage" results from the use of elevators. For the purpose of this provision, elevators do not include vehicle lifts. Vehicle lifts are lifts or hoists used in automobile service or repair operations.
2. The following is added to Section IV - Commercial General Liability Conditions, Condition 4. Other Insurance, Paragraph b. Excess Insurance:

The insurance afforded by this provision of this endorsement is excess over any property insurance, whether primary, excess, contingent or on any other basis.

D. EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage)

If Damage To Premises Rented To You is not otherwise excluded from this Coverage Part:

1. Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury and Property Damage Liability:
 - a. The fourth from the last paragraph of exclusion **j. Damage To Property** is replaced by the following:

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire, lightning, explosion, smoke, or leakage from an automatic fire protection system) to:

- (i) Premises rented to you for a period of 7 or fewer consecutive days; or
- (ii) Contents that you rent or lease as part of a premises rental or lease agreement for a period of more than 7 days.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" to contents of premises rented to you for a period of 7 or fewer consecutive days.

A separate limit of insurance applies to this coverage as described in Section III - Limits of Insurance.



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- b. The last paragraph of subsection **2. Exclusions** is replaced by the following:

Exclusions **c.** through **n.** do not apply to damage by fire, lightning, explosion, smoke or leakage from automatic fire protection systems to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to Damage To Premises Rented To You as described in **Section III - Limits Of Insurance.**

2. Paragraph **6.** under **Section III - Limits Of Insurance** is replaced by the following:

6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to:

- a. Any one premise:

(1) While rented to you; or

(2) While rented to you or temporarily occupied by you with permission of the owner for damage by fire, lightning, explosion, smoke or leakage from automatic protection systems; or

- b. Contents that you rent or lease as part of a premises rental or lease agreement.

3. As regards coverage provided by this provision **D. EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage)** - Paragraph **9.a.** of **Definitions** is replaced with the following:

9.a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion, smoke, or leakage from automatic fire protection systems to premises while rented to you or temporarily occupied by you with the permission of the owner, or for damage to contents of such premises that are included in your premises rental or lease agreement, is not an "insured contract".

E. MEDICAL PAYMENTS EXTENSION

If Coverage **C Medical Payments** is not otherwise excluded, the Medical Payments provided by this policy are amended as follows:

Under Paragraph **1. Insuring Agreement** of **Section I - Coverage C - Medical Payments**, Subparagraph **(b)** of Paragraph **a.** is replaced by the following:

- (b)** The expenses are incurred and reported within three years of the date of the accident; and

F. EXTENSION OF SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

1. Under **Supplementary Payments - Coverages A and B**, Paragraph **1.b.** is replaced by the following:

b. Up to **\$3,000** for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

2. Paragraph **1.d.** is replaced by the following:

d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to **\$500** a day because of time off from work.

G. ADDITIONAL INSUREDS - BY CONTRACT, AGREEMENT OR PERMIT

1. Paragraph **2.** under **Section II - Who Is An Insured** is amended to include as an insured any person or organization whom you have agreed to add as an additional insured in a written contract, written agreement or permit. Such person or organization is an additional insured but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused in whole or in part by:

a. Your acts or omissions, or the acts or omissions of those acting on your behalf, in the performance of your on going operations for the additional insured that are the subject of the written contract or written agreement provided that the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" is committed, subsequent to the signing of such written contract or written agreement; or

- b. Premises or facilities rented by you or used by you; or
- c. The maintenance, operation or use by you of equipment rented or leased to you by such person or organization; or
- d. Operations performed by you or on your behalf for which the state or political subdivision has issued a permit subject to the following additional provisions:
 - (1) This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of the operations performed for the state or political subdivision;
 - (2) This insurance does not apply to "bodily injury" or "property damage" included within the "completed operations hazard".
 - (3) Insurance applies to premises you own, rent, or control but only with respect to the following hazards:
 - (a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners, or decorations and similar exposures; or
 - (b) The construction, erection, or removal of elevators; or
 - (c) The ownership, maintenance, or use of any elevators covered by this insurance.

However:

- 1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
- 2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

With respect to Paragraph 1.a. above, a person's or organization's status as an additional insured under this endorsement ends when:

- (1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
- (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

With respect to Paragraph 1.b. above, a person's or organization's status as an additional insured under this endorsement ends when their written contract or written agreement with you for such premises or facilities ends.

With respects to Paragraph 1.c. above, this insurance does not apply to any "occurrence" which takes place after the equipment rental or lease agreement has expired or you have returned such equipment to the lessor.

The insurance provided by this endorsement applies only if the written contract or written agreement is signed prior to the "bodily injury" or "property damage".

We have no duty to defend an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured as required in Paragraph b. of Condition 2. **Duties In the Event Of Occurrence, Offense, Claim Or Suit under Section IV - Commercial General Liability Conditions.**



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2. With respect to the insurance provided by this endorsement, the following are added to Paragraph 2. **Exclusions under Section I - Coverage A - Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

- a. "Bodily injury" or "property damage" arising from the sole negligence of the additional insured.
- b. "Bodily injury" or "property damage" that occurs prior to you commencing operations at the location where such "bodily injury" or "property damage" occurs.
- c. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
 - (1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (2) Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of, or the failure to render, any professional architectural, engineering or surveying services.

- d. "Bodily injury" or "property damage" occurring after:

- (1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
- (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

- e. Any person or organization specifically designated as an additional insured for ongoing operations by a separate **ADDITIONAL INSURED -OWNERS, LESSEES OR CONTRACTORS** endorsement issued by us and made a part of this policy.

3. With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

- a. Required by the contract or agreement; or
- b. Available under the applicable Limits of Insurance shown in the Declarations; whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

H. **PRIMARY AND NON-CONTRIBUTORY ADDITIONAL INSURED EXTENSION**

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this policy.

Condition 4. **Other Insurance of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended as follows:

- a. The following is added to Paragraph a. **Primary Insurance:**

If an additional insured's policy has an Other Insurance provision making its policy excess, and you have agreed in a written contract or written agreement to provide the additional insured coverage on a primary and noncontributory basis, this policy shall be primary and we will not seek contribution from the additional insured's policy for damages we cover.

b. The following is added to Paragraph **b. Excess Insurance**:

When a written contract or written agreement, other than a premises lease, facilities rental contract or agreement, an equipment rental or lease contract or agreement, or permit issued by a state or political subdivision between you and an additional insured does not require this insurance to be primary or primary and non-contributory, this insurance is excess over any other insurance for which the additional insured is designated as a Named Insured.

Regardless of the written agreement between you and an additional insured, this insurance is excess over any other insurance whether primary, excess, contingent or on any other basis for which the additional insured has been added as an additional insured on other policies.

I. **ADDITIONAL INSUREDS - EXTENDED PROTECTION OF YOUR "LIMITS OF INSURANCE"**

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this policy.

1. The following is added to Condition **2. Duties In The Event Of Occurrence, Offense, Claim or Suit**:

An additional insured under this endorsement will as soon as practicable:

- a. Give written notice of an "occurrence" or an offense that may result in a claim or "suit" under this insurance to us;
- b. Tender the defense and indemnity of any claim or "suit" to all insurers whom also have insurance available to the additional insured; and
- c. Agree to make available any other insurance which the additional insured has for a loss we cover under this Coverage Part.
- d. We have no duty to defend or indemnify an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured.

2. The limits of insurance applicable to the additional insured are those specified in a written contract or written agreement or the limits of insurance as stated in the Declarations of this policy and defined in **Section III - Limits of Insurance** of this policy, whichever are less. These limits are inclusive of and not in addition to the limits of insurance available under this policy.

J. **WHO IS AN INSURED - INCIDENTAL MEDICAL ERRORS / MALPRACTICE
WHO IS AN INSURED - FELLOW EMPLOYEE EXTENSION - MANAGEMENT EMPLOYEES**

Paragraph **2.a.(1)** of **Section II - Who Is An Insured** is replaced with the following:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1) (a)** above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1) (a)** or **(b)** above; or
- (d) Arising out of his or her providing or failing to provide professional health care services. However, if you are not in the business of providing professional health care services or providing professional health care personnel to others, or if coverage for providing professional health care services is not otherwise excluded by separate endorsement, this provision (Paragraph **(d)**) does not apply.

Paragraphs **(a)** and **(b)** above do not apply to "bodily injury" or "personal and advertising injury" caused by an "employee" who is acting in a supervisory capacity for you. Supervisory capacity as used herein means the "employee's" job responsibilities assigned by you, includes the direct supervision of other "employees" of yours. However, none of these "employees" are insureds for "bodily injury" or "personal and

advertising injury" arising out of their willful conduct, which is defined as the purposeful or willful intent to cause "bodily injury" or "personal and advertising injury", or caused in whole or in part by their intoxication by liquor or controlled substances.

The coverage provided by provision J. is excess over any other valid and collectable insurance available to your "employee".

K. NEWLY FORMED OR ADDITIONALLY ACQUIRED ENTITIES

Paragraph 3. of **Section II - Who Is An Insured** is replaced by the following:

3. Any organization you newly acquire or form and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the expiration of the policy period in which the entity was acquired or formed by you;
 - b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
 - d. Records and descriptions of operations must be maintained by the first Named Insured.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations or qualifies as an insured under this provision.

L. FAILURE TO DISCLOSE HAZARDS AND PRIOR OCCURRENCES

Under **Section IV - Commercial General Liability Conditions**, the following is added to Condition 6. **Representations**:

Your failure to disclose all hazards or prior "occurrences" existing as of the inception date of the policy shall not prejudice the coverage afforded by this policy provided such failure to disclose all hazards or prior "occurrences" is not intentional.

M. KNOWLEDGE OF OCCURRENCE, OFFENSE, CLAIM OR SUIT

Under **Section IV - Commercial General Liability Conditions**, the following is added to Condition 2. **Duties In The Event of Occurrence, Offense, Claim Or Suit**:

Knowledge of an "occurrence", offense, claim or "suit" by an agent, servant or "employee" of any insured shall not in itself constitute knowledge of the insured unless an insured listed under Paragraph 1. of **Section II - Who Is An Insured** or a person who has been designated by them to receive reports of "occurrences", offenses, claims or "suits" shall have received such notice from the agent, servant or "employee".

N. LIBERALIZATION CLAUSE

If we revise this Commercial General Liability Extension Endorsement to provide more coverage without additional premium charge, your policy will automatically provide the coverage as of the day the revision is effective in your state.

O. BODILY INJURY REDEFINED

Under **Section V - Definitions**, Definition 3. is replaced by the following:

3. "Bodily Injury" means physical injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death that results from such physical injury, sickness or disease.

P. EXTENDED PROPERTY DAMAGE

Exclusion a. of **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is replaced by the following:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

Q. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - WHEN REQUIRED IN A CONTRACT OR AGREEMENT WITH YOU

Under **Section IV - Commercial General Liability Conditions**, the following is added to **Condition 8. Transfer Of Rights Of Recovery Against Others To Us**:

We waive any right of recovery we may have against a person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard" provided:

1. You and that person or organization have agreed in writing in a contract or agreement that you waive such rights against that person or organization; and
2. The injury or damage occurs subsequent to the execution of the written contract or written agreement.

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