Village of Spring Grove – Village Board
Regular Meeting Agenda

1. Call to Order
2. Roll Call
3. President’s Report
4. Clerk’s Report
5. Engineering Report
6. Building Report
7. Public Works Report
8. Police Department Report
9. Committee Reports
10. Public Discussion (Public discussion shall be limited to three minutes per speaker)
11. Consent Agenda (items listed on the Consent Agenda will be approved by a single vote of the Board unless a member of the Board requests that a separate vote be taken on any item)
   A. July 19, 2016 Village Board Regular Meeting Minutes
   B. July 26, 2016 Parks Committee Meeting Minutes
   C. July 26, 2016 Finance Committee Meeting Minutes
   D. July 2016 Bills Payable
   E. Ordinance authorizing the sale of surplus personal property
   F. Ordinance accepting the proposal for portable restrooms in village parks from Service Sanitation, Inc. (2017-2018)
   G. Approval of Addendum to Contract to Purchase Property at 8009 Blivin Street
12. Unfinished Business
13. New Business
   A. Consideration to extend the Agreement regarding Sanctuary Estates Public Improvements
   B. Consideration to rescind previous action limiting credit card acceptance and waiving processing fees and to reinstate Ordinance 2004-44 in its entirety to accept credit card payments for all amounts and to charge processing fees
   C. Consideration to approve the Global Payments Direct, Inc. Merchant Services Agreement Terms and Conditions
   D. Consideration to approve the Forte Payment Systems, Inc. Terms and Conditions
   E. Consideration of a Resolution in Support of the Village of Johnsburg’s efforts to clean up the Fox River
14. Other Business
15. Adjournment
ORDINANCE NO. 2016-23

AN ORDINANCE AUTHORIZING THE SALE OF SURPLUS PERSONAL PROPERTY OWNED BY THE VILLAGE OF SPRING GROVE

WHEREAS, from time to time the Village Board of the Village of Spring Grove finds it necessary to replace property owned by the Village as that property is no longer necessary and useful to the Village;

WHEREAS, the Village President and Board of Trustees of the Village of Spring Grove, McHenry County, Illinois, have determined that it is not necessary or useful to or to be in the best interests of the Village of Spring Grove to retain the personal property described on EXHIBIT “A”, which is attached hereto, incorporated herein, and by this reference made a part hereof; and

WHEREAS, the Village of Spring Grove is an Illinois Municipal Corporation with a population of less than 500,000 people; and

WHEREAS, Section 11-76-4 of the Illinois Municipal Code authorizes the Village of Spring Grove to sell personal property in such a manner as the Village designates, with or without advertising the sale; and

WHEREAS, the Village Board of the Village of Spring Grove desires to sell the personal property described on EXHIBIT “A”; and

WHEREAS, the Village Board of the Village of Spring Grove authorizes the Chief of Police and Public Works Supervisor to have the personal property described on Exhibit “A” to be traded in, sold to another local governmental entity, sold at auction, or sold through a classified ad.

NOW THEREFORE, BE IT ORDAINED by the Village President and Board of Trustees of the Village of Spring Grove, McHenry County, Illinois, as follows:

SECTION 1: That the preambles set forth hereinabove are hereby made a part of this Ordinance as if stated verbatim herein.

SECTION 2: That pursuant to Section 11-76-4 of the Illinois Municipal Code, 65 ILCS 5/11-76-4, the Village President and Board of Trustees of the Village of Spring Grove find that the property described on Exhibit A, which is now owned by the Village of Spring Grove is no longer necessary or useful to the Village and it is in the best interest of the Village to trade in or sell this property to another local governmental entity, at auction, or through a classified ad.
SECTION 3: The Village President, Clerk, Treasurer and Chief of Police are authorized and direct to sign and attest to any and all documents necessary to sell the property listed on Exhibit A and to effectuate the intention of this Ordinance.

SECTION 4: That this Ordinance shall be in full force and effect from and after its passage and approval in the manner provided by law.

PASSED this 2nd day of August, 2016.

Ayes:  
Nays:  
Absent:  
Abstain:  

VILLAGE OF SPRING GROVE

Mark R. Eisenberg, Village President

ATTEST:  
Sandi Rusher, Village Clerk
ORDINANCE NO. 2016-23

EXHIBIT A - Property to be Sold

<table>
<thead>
<tr>
<th>Make</th>
<th>Model</th>
<th>Year</th>
<th>VIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Deere</td>
<td>Turbo 1600 Wide Area Mower</td>
<td>2004</td>
<td>TC1600T030170</td>
</tr>
<tr>
<td>Kubota</td>
<td>ZD329-60 Zero Turn Mower</td>
<td>2009</td>
<td>17496</td>
</tr>
<tr>
<td>LIL</td>
<td>ATV 400CCM</td>
<td>2012</td>
<td>L6FAXJA52C0000204</td>
</tr>
<tr>
<td>Little Beaver</td>
<td>Post Hole Digger</td>
<td>1992</td>
<td>77-15921</td>
</tr>
<tr>
<td>Stihl</td>
<td>Chain Saw 36”</td>
<td></td>
<td>XA8XSO625RA</td>
</tr>
</tbody>
</table>
ORDINANCE NO. 2016-xx

AN ORDINANCE ACCEPTING THE PROPOSAL FOR PORTABLE RESTROOMS IN VILLAGE PARKS FROM SERVICE SANITATION, INC.

WHEREAS, the Village of Spring Grove provides portable restrooms in its parks; and

WHEREAS, the Village of Spring Grove has decided to accept the two year proposal (2017-2018) from Service Sanitation, Inc. to provide portable restrooms in its parks as they have been its provider since 2013;

WHEREAS, the Village Board finds accepting the proposal for portable restrooms in village parks from Service Sanitation is in the best interest of the Village and its residents.

NOW THEREFORE, BE IT ORDAINED by the Village President and Board of Trustees of the Village of Spring Grove, McHenry County, Illinois as follows:

SECTION 1: The recitals set forth hereinabove herein as findings by the Board of Trustees of the Village.

SECTION 2: That the Village President is hereby authorized to execute the proposal from Service Sanitation, Inc., to provide portable restrooms, a copy of said proposal being attached hereto as Exhibit A and being made a part hereof.

SECTION 3: If any part of this Ordinance is found and determined to be invalid, the invalid portion shall be stricken herefrom and the remainder shall be in full force and effect.

SECTION 4: This Ordinance shall be in full force and effect from and after its passage and approval.

PASSED this 2nd day of August, 2016.

Ayes:  
Nays:  
Absent:  
Abstain:  

APPROVED this 2nd day of August, 2016.
Thursday, June 23, 2016

Matt Wittum
Village of Spring Grove

Dear Matt,

Thank you for considering Service Sanitation, Inc. for your 2017 & 2018 seasons. Our goal is to provide excellent quality products and services that offer solutions for the sanitation needs at your facility. You can expect dependable, friendly service from a team that has one mission – exceptional portable sanitation services.

Following is a proposal for your review:

<table>
<thead>
<tr>
<th>2017 &amp; 2018 Park Season Route Units</th>
<th>Service Frequency</th>
<th>Price Per Unit, Per 28 Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Portable Restroom (non-flush w/ urinal)</td>
<td>EOW</td>
<td>$60.00</td>
</tr>
<tr>
<td>Deluxe Portable Restroom (flushing w/ sink)</td>
<td>EOW</td>
<td>$80.00</td>
</tr>
<tr>
<td>Handicap Portable Restroom</td>
<td>EOW</td>
<td>$80.00</td>
</tr>
<tr>
<td>Basic Portable Restroom (non-flush w/ urinal)</td>
<td>1x week</td>
<td>$75.00</td>
</tr>
<tr>
<td>Deluxe Portable Restroom (flushing w/ sink)</td>
<td>1x week</td>
<td>$104.00</td>
</tr>
<tr>
<td>Handicap Portable Restroom</td>
<td>1x week</td>
<td>$104.00</td>
</tr>
<tr>
<td>Basic Portable Restroom (non-flush w/ urinal)</td>
<td>2x week</td>
<td>$150.00</td>
</tr>
<tr>
<td>Deluxe Portable Restroom (flushing w/ sink)</td>
<td>2x week</td>
<td>$183.00</td>
</tr>
<tr>
<td>Handicap Portable Restroom</td>
<td>2x week</td>
<td>$183.00</td>
</tr>
</tbody>
</table>

Off-Route/Emergency Service: $65.00 trip charge + $30.00 per unit per service

Prices based upon a 28 day billing cycle and includes delivery & pickup to Spring Grove, IL. Weekly service day will be on Wednesday. If twice per week service added route days will be Wednesday & Sunday. Service Sanitation will provide new or like-new units.

<table>
<thead>
<tr>
<th>2017 &amp; 2018 Special Event Units</th>
<th>Price Per Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Portable Restroom (non-flush w/ urinal)</td>
<td>$75.00</td>
</tr>
<tr>
<td>Deluxe Portable Restroom (flushing w/ sink)</td>
<td>$105.00</td>
</tr>
<tr>
<td>Handicap Portable Restroom</td>
<td>$105.00</td>
</tr>
<tr>
<td>Hand Wash Station</td>
<td>$100.00</td>
</tr>
</tbody>
</table>

Scheduled Extra Service (48 hour notice) $30.00 per unit or $95.00 minimum trip charge, whichever is greater

Prices valid for a 1-5 day rental period and include delivery & pick-up. Service Sanitation will provide new or like-new units.
Service Sanitation, Inc. Damage Waiver Notice

Please initial ONE of the options below regarding our damage waiver.

I have read the information below and ACCEPT the damage waiver. I agree to the additional fee per unit per billing cycle.

- Damage Waiver Charges Per Unit
  - $10.00 additional per Basic Restroom, High-Rise Restroom, Hand Wash Station, or Sani-Stand
  - $20.00 additional per Standard, Deluxe, Handicap Restroom, ADA Restroom or Baby Changing Station

I have read the information below and DECLINE the damage waiver. I understand that I am fully responsible for any damage to the equipment per the terms of the contract listed below.

Should the damage waiver be DECLINED by the customer, the customer is responsible for any and all damages to, destruction of, or theft of the unit.

Should the damage waiver provision be ACCEPTED by the customer, the customer is responsible only for the deductible of the unit(s) in the case that damage/theft occurs. Deductibles are as follows: $150.00 per Basic Restroom, High-Rise Restroom, Hand Wash Station, or Sani-Stand per occurrence, $200.00 per Standard Restroom per occurrence, and $300.00 per Deluxe Restroom, Baby Changing Station, Handicap, or ADA Restroom per occurrence. In the case of theft, customer agrees to report such to the police department and provide a copy of the police report to Service Sanitation within 14 days of date of loss in order for damage waiver to be effective.

The damage waiver is valid for all instances of damage except damage due to customer’s neglect or misuse.

Please feel free to call me at 800-909-5646 or email me at becky@servicesanitation.com if you have any questions or if I can provide any additional information. If you accept this proposal please sign and return to me at your earliest convenience.

Sincerely,

Rebecca Wilson
Sales Representative

__________________________  ___________________________
Signature                                      Date

__________________________  ___________________________
Printed Name                                      Title
ADDENDUM TO
CONTRACT TO PURCHASE DATED July 27, 2016
FOR THE PROPERTY COMMONLY KNOWN AS
8009 Blivin Street, Spring Grove, Illinois

I. The Purchaser agrees to install and maintain a commemorative plaque on the property
acknowledging the Seller Elaine Oxtoby as a longtime resident of the Village of
Spring Grove.

It is intended that the terms of this addendum survive closing of the property.

IN WITNESS WHEREOF, the parties have duly executed this Addendum to Contract
to Purchase dated July 27, 2016 as of the later date written below.

SELLER: __________________________
By her attorney

PURCHASER: __________________________
Village of Spring Grove
By: __________________________

Date: July 29, 2016

Date: __________________________, 2016
ORDINANCE NO. 2016-07

An Ordinance Authorizing the Execution of the Agreement Regarding Sanctuary Estates Improvements

(Pave roads and complete remaining improvements prior to 75% of the homes being occupied)

ADOPTED BY THE
PRESIDENT AND BOARD OF TRUSTEES
OF THE
VILLAGE OF SPRING GROVE
THIS 2ND DAY OF FEBRUARY, 2016

Published in pamphlet form
by the authority of the President
and Board of Trustees of the
Village of Spring Grove
McHenry County, Illinois
this 2nd day of February, 2016.
ORDINANCE NO. 2016-07

An Ordinance Authorizing the Execution of the Agreement Regarding Sanctuary Estates Improvements

WHEREAS, Beller Builders is the developer of the Sanctuary Estates subdivision ("Developer") which is located in the Village of Spring Grove ("Village");

WHEREAS, the Developer has sold certain lots in the subdivision to third parties;

WHEREAS, the Village Code requires developers and subdividers to post security for public improvements and specifies when such public improvements need to be installed based upon certain milestones and construction in the subdivision;

WHEREAS, due to the economic downturn and the change in the lending environment, Developer desires to install the final lift on the roads and complete general maintenance items so as to reduce the amount of security which it needs to post as required by the Village Code;

WHEREAS, certain residents of the Sanctuary Estates subdivision have asked the Village to allow the installation of the final lift on the roads and completion of general maintenance items;

WHEREAS, the Village Board finds and determines that it is in its best interest to enter into this Agreement so that the public improvements are installed and the subdivision appears more viable.

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Spring Grove, McHenry County, Illinois, as follows:

SECTION 1: The recitals set forth hereinabove herein as findings by the Board of Trustees of the Village.

SECTION 2: That the Village President and Village Clerk are hereby authorized to execute an Agreement regarding Sanctuary Estates Public Improvements, a copy of said Agreement being attached hereto and being made a part hereof.

SECTION 3: If any part of this Ordinance is found and determined to be invalid, the invalid portion shall be stricken herefrom and the remainder shall be in full force and effect.

SECTION 4: This Ordinance shall be in full force and effect from and after its passage and approval.
Passed this 2nd day of February, 2016.

Nays: None.
Absent: None.
Abstain: None.

Approved this 2nd day of February, 2016.

VILLAGE OF SPRING GROVE, ILLINOIS

By: ____________________________
    Mark R. Eisenberg, Village President

ATTEST:

______________________________
Sandi Rusher, Village Clerk
AGREEMENT REGARDING
SANCTUARY ESTATES PUBLIC IMPROVEMENTS

WHEREAS, Beller Builders, Inc., is the developer of the Sanctuary Estates subdivision ("Developer") which is located in the Village of Spring Grove ("Village");

WHEREAS, the Developer has sold certain lots in the subdivision to third parties;

WHEREAS, the Village Code requires developers and subdividers to post security for public improvements and specifies when such public improvements need to be installed based upon certain milestones and construction in the subdivision;

WHEREAS, due to the economic downturn and the change in the lending environment, Developer desires to install the final lift on the roads and complete general maintenance items so as to end its maintenance obligations as required by the Village Code;

WHEREAS, the Village Board finds and determines that it is in its best interest to enter into this Agreement so that the public improvements are installed and the subdivision appears more viable.

NOW THEREFORE, BE IT AGREED between the parties as follows:

SECTION 1: The above-stated recitals are incorporated by this reference.

SECTION 2: On or before August 1, 2016, Developer should complete all public improvements, including the final lift on the road, and the maintenance items listed in correspondence from the Village's engineer dated October 12, 2012. A copy of the letter is attached hereto as Exhibit A.

SECTION 3: Developer shall not be required to post a two year maintenance bond of 10% of the costs of the public improvements as required by Chapter 16, Section 1629.7 of the Village Code, but shall pay the Village in advance by August 1, 2016, $2,500.00 for future maintenance, snow plowing and street lighting costs.
SECTION 4: Developer shall be obligated to comply with any conditions contained in the Village engineer's letter which is attached hereto regarding the Village’s acceptance of the public improvements.

SECTION 5: General Provisions:

A. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assignees.

B. Nothing in this Agreement shall be construed to create the relationship of principal and agent, or partners, or joint venture between the parties.

C. This Agreement is solely for the benefit of the parties hereto and creates no third party beneficiaries. No claim as a third party beneficiary under this Agreement by any person, firm, partnership, corporation, limited liability company, not-for-profit, or other business entity shall be made or be valid against any party.

D. All notices required or permitted to be given under this Agreement 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 second 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 mail, return receipt requested. Notice delivered via facsimile to either party and their attorney shall be deemed a sufficient form of notice and shall be deemed received upon confirmation of the transmission. Notices and communications to Developer shall be addressed to, and delivered at, the following address:

Beller Builders
c/o John Beller
3911 Ridge Road
Spring Grove, IL 60081
Notices and communications to the Village shall be addressed to, and delivered to, the following address:

Village of Spring Grove  
7401 Meyer Road  
Spring Grove, Illinois  60081-9625  
Telephone: 815.675.2121  
Facsimile: 815.675.6053

With a Copy to:

Scott A. Puma, Esq.  
Ancel, Glink, Diamond, Bush, DiCianni & Krafthefer, P.C.  
175 E. Hawthorn Parkway, Suite 145  
Vernon Hills, Illinois  60061  
Telephone: 847.247.7400  
Facsimile: 847.247.7405

E. Unless specifically set forth in this Agreement, Developer shall comply in all respects with the ordinances, rules and regulations of the Village.

F. Nothing herein shall be construed to mean that the Village waives its right to inspect and confirm that improvements are constructed in accordance with Village Code.

G. Time is of the essence of this Agreement.

H. The provisions of this Agreement shall be interpreted when possible to sustain their legality and enforceability as a whole. In the event any provision of this Agreement 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 Agreement shall be in any way affected thereby.

I. This Agreement sets forth the entire agreement of the parties with respect to the subject matter hereof, and there are no other understandings or agreements, oral or written, between the parties with respect to the subject matter hereof.
J. No modification, addition, deletion, revision, alteration or other change to this Agreement shall be effective unless and until such change is reduced to writing and approved by Developer and the Village governing board.

K. In the event of violation or breach of any covenant or restriction contained herein by either party ("Defaulting Party"), the other party ("Complaining Party") shall give written notice of such violation to the Defaulting Party. If the Defaulting Party shall fail to cure such breach within five (5) days after receipt of such written notice, except in case of emergency, the Complaining Party shall have the right to (a) institute an action to enjoin or abate such violation, or breach, or (b) to correct any such violation or breach, and hold the Defaulting Party, its successors or assigns, responsible for the cost thereof or (c) stop work upon the public improvements until the violation or breach is remedied. In the event that the work is not completed or the amount is not paid as required herein, the Village shall have the right not to issue building permits for construction upon any lot in Sanctuary Estates which is owned by Developer or an affiliated entity of Developer until after the work is completed and the money is paid. The Complaining Party shall have available all legal and equitable remedies to enforce the obligations hereunder of the Defaulting Party, its successors or assigns, in the event of the Defaulting Party is found to have breached any of its obligations hereunder, the Defaulting Party shall reimburse the Complaining Party for any costs or expenses incurred in connection therewith, including court costs and attorneys' fees.

Dated: 2/28/16, 2016

BELLE BANDLERS

By: John Beller, its President
VILLAGE OF SPRING GROVE

By: [Signature]
Mark R. Eisenberg, Village President

Attest:

By: [Signature]
Sandi Rusher, Village Clerk

Dated: March 28, 2016
October 12, 2012

President Eisenberg and Village Board Members
Village of Spring Grove
7401 Meyer Road
Spring Grove, Illinois 60081

RE: Sanctuary Estates Subdivision
Letter of Credit Reduction Request No. 4
HRG Job No.: SPRI-050843-6

Dear President Eisenberg and Village Board Members:

HR Green, Inc. (HRG) recently received a request for a reduction of the Letter of Credit (LOC) for Sanctuary Estates. HRG recommends $61,144 be retained from the developer’s LOC upon your review and approval.

The following is a list of construction activities addressed in the Engineers Opinion of Probable Cost and brief description as to work completed or what is recommended to be retained.

A. Erosion Control
   - The erosion control has been completed. Periodic ongoing maintenance may be necessary.

B. Storm Sewer Improvements
   - The storm sewer installation has been completed and the videos of the storm sewers have been reviewed. A video of the connection from the restrictor manhole to the existing manhole is needed to verify one unresolved aspect of the storm sewer. HRG has modified the suggested retainage for the storm sewer.
   - Additional items in relation to mortaring, benches, cleaning, etc. will be required at time of acceptance. Prior to acceptance of the improvements, HRG will review the infrastructure with the developer’s representative and prepare a list of items to complete prior to acceptance by the Village (conversion of the Letter of Credit to a Maintenance Bond). The developer should coordinate with HRG in a timely manner to complete the final surface between May 1st and September 1st to ensure acceptance by November 1st of the year acceptance is desired.

C. Earthwork
   - HRG recommends holding the topsoil portion until the topsoil stockpile is removed from the site.
   - The overflow swales on Lots 6 and 9 are outside of the easements provided, the swales should be regraded or the plat adjusted to encompass the swales.

HRGreen.com
D. Wet Bottom Pond Lot 6
   • The pond construction has been completed and the mechanical system is being reviewed by
     the Village. The basin is still covered by the LOC until the resident takes control of the basin
     and provides a separate LOC / maintenance bond for the basin.

E. Roadway Improvements
   • Pavement patching any failed areas within the binder and this is outlined in the previously
     provided acceptance letter dated September 26, 2012.
   • The curbs may need to be replaced prior to acceptance and are included in the remaining LOC.
   • Bituminous surface has not been placed; therefore, HRG will conduct observation during
     placement. Prior to surface placement, HRG will review the infrastructure with the
     developer’s representative and prepare a list of items to complete.

F. Miscellaneous Improvements
   • Final record drawings are required for the pump system; therefore this item is included in the
     LOC.

Prior to future requests for reduction in the LOC, it is recommended that:
   • The swale location should be moved or the plat revised.
   • An electronic version of the record drawings should be provided to HRG.

Please find the attached the Engineer’s Opinion of Probable Cost to aid you in your review. HRG will
review any additional requests for Letter of Credit reductions made by the developer. HRG recommends
that a new Letter of Credit be established in the amount of $61,144.

Please contact me if you have any questions. Thank you.

Sincerely,

HR GREEN, INC.

Stephen R. Bicking, P.E.
Village Engineer

SRB/dmw

Attachment: Beller LOC reduction letter

cc: Mr. Tom Sanders – Village Administrator
    Ms. Sandi Rusher - Village Clerk
    Mr. John Beller – Beller Builders
CERTIFICATION

I, Sandi Rusker, certify that I am the duly appointed Village Clerk of the Village of Spring Grove, McHenry County, Illinois.

I further certify that on February 2, 2016, the Corporate Authorities of such Village passed and approved Village Ordinance No. 2016-07, entitled AN ORDINANCE AUTHORIZING THE EXECUTION OF THE AGREEMENT REGARDING SANCTUARY ESTATES IMPROVEMENTS, in the Village of Spring Grove, County of McHenry, which provided by its terms that it should be published in pamphlet form.

The pamphlet form of Ordinance No. 2016-07, including the Ordinance and cover sheet thereof was prepared and a copy of such Ordinance was posted in the municipal building, commencing on February 2, 2016 and continuing for at least ten (10) days thereafter. Copies of such Ordinance were also available for public inspection upon request in the office of the Village Clerk.

I further certify that I recorded the attached Ordinance in a book used exclusively for such purposes, in accordance with 65 ILCS 5/1-2-5, on February 2, 2016.

Dated at Spring Grove, Illinois, this 2nd day of February, 2016.

Sandi Rusker, Village Clerk
ORDINANCE NO. 2004-44

AN ORDINANCE PROVIDING FOR AN ADMINISTRATIVE FEE FOR PAYMENT OF VILLAGE PERMIT, LICENSE AND OTHER FEES MADE BY CREDIT OR DEBIT CARD PAYMENT

ADOPTED BY THE VILLAGE BOARD OF THE VILLAGE OF SPRING GROVE THIS 21ST DAY OF DECEMBER, 2004

Published in pamphlet form by the authority of the Village Board of the Village of Spring Grove, McHenry County, Illinois this 22nd day of December, 2004

Passed: December 21, 2004
Approved: December 21, 2004
ORDINANCE NO. 2004-44

AN ORDINANCE PROVIDING FOR AN ADMINISTRATIVE FEE FOR PAYMENT OF VILLAGE PERMIT, LICENSE AND OTHER FEES MADE BY CREDIT OR DEBIT CARD PAYMENT

WHEREAS, the President and Board of Trustees of the Village of Spring Grove (Village") finds that it is in the best interests of the citizens and governmental administration of the Village to accept credit card payments for any particular type of obligation owed to the Village; and

WHEREAS, the State of Illinois has adopted the Local Governmental Acceptance of Credit Cards Act ("Act") under Chapter 50, Act 345 of the Illinois Compiled Statutes (50 ILCS 345/1 et. Seq); and

WHEREAS, the Village is a local unit of government as defined by the Act; and

WHEREAS, the Village has determined that it would be beneficial and in the best interest of both the citizens and governmental administration to allow the acceptance by the Village Clerk and Village Administration of credit card payments for authorized obligations as defined in the Act.

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Spring Grove that following a public hearing held not sooner than 10 days and not later than 30 days following public notice of said public hearing that an ordinance adopting the provisions of the Local Governmental Acceptance of Credit Cards Act pursuant to 50 ILCS 345/1 et. Seq as follows:

SECTION 1: Definitions.

(1) "Authorized obligation" means in connection with the Village, any fine (non-court related), fee, charge, tax, or cost imposed by, owing to, or collected by or on behalf of the Village.

(2) "Credit card" means any instrument or device, whether known as a credit card, bank card, charge card, debit card, automated teller card, machine card, secured card, smart card, electronic purse, prepaid card, affinity card, or by any other name, issued with or without fee by an issuer for the use of the holder to obtain credit, money, goods, services, or anything else of value.

SECTION II: Acceptance following election.

(1) Following election of the Village to accept credit card payments for authorized obligations, the Village may enter into agreements with one or more financial institutions or other service providers to facilitate the acceptance and processing of credit card payments. Said agreements shall conform with the requirements of 50
ILCS 345/20 (a) and are subject to cancellation by the Village upon giving the proper notice of intent to cancel.

(2) The Village may pay the amounts due a financial institution or other service provider by paying upon receipt of the invoice or by allowing the financial institution or other service provider to withhold the amount of the fees from the credit card payment.

SECTION III: Payment of fees by card users or cardholders.

The Village may impose a convenience fee or surcharge upon the cardholder making payment of authorized obligations by credit card but said convenience fee or surcharge shall not exceed the amount of any discount or processing fee incurred by the Village. No convenience fee for the issuance or any license, sticker, or permit may exceed the lesser of $20 or 5% of the principal amount charged for the authorized obligation. No convenience fee for the payment of any administrative fine may exceed the lesser of $5.00 or 5% of the principal amount charged for the authorized obligation. All other authorized obligations not specifically stated in this Section may be charged a minimum of $1.00 for a convenience fee.

SECTION IV: Relief from the underlying obligation.

Any person who makes a credit card payment to the Village for an authorized obligation as defined within this Act shall not be relieved from liability of the authorized obligation except to the extent that the Village realized final payment of the authorized obligation in cash or the equivalent. If the credit card payment is made by some party other than the credit card issuer or guarantor of payment in the credit card transaction then the authorized obligation shall survive and the Village shall retain all remedies of law for enforcement of said authorized obligation.

SECTION V: Liability of Village’s employees

No Village employee who accepts payment by credit card in accordance with this Ordinance shall incur any personal liability for the final collection of the payment.

SECTION VI: Severability. Each section and provision of this ordinance are hereby declared to be independent divisions and subdivisions and, notwithstanding any other evidence of legislative intent, it is hereby declared to be the controlling legislative intent that if any provisions of said chapter, or the application thereof to any person or circumstance is held to be invalid, the remaining sections or provisions and the application of such sections and provisions to any person or circumstances other than those to which it is held invalid, shall not be affected thereby, and it is hereby declared that such sections and provisions would have been passed independently of such section or provision so known to be invalid.

SECTION VII: Effective Date. This Ordinance shall be in full force and effect ten (10) days after its passage approval and publication, in pamphlet form as provided by law.
PASSED this 21\textsuperscript{st} day of December, 2004.

<table>
<thead>
<tr>
<th></th>
<th>Ayes</th>
<th>Nays</th>
<th>Absent</th>
<th>Abstain</th>
</tr>
</thead>
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APPROVED this 21\textsuperscript{st} day of December 2004.

VILLAGE OF SPRING GROVE

BY: \[Signature\]
Robert Martens, Village President

ATTEST:

\[Signature\]
Sandra Rusher, Village Clerk

Ordinance No. 2004-44
Page 3 of 3
Approved December 21, 2004
STATE OF ILLINOIS  
COUNTY OF McHENRY  

CERTIFICATION

I, Sandi Rusher, certify that I am the duly appointed Village Clerk of the Village of Spring Grove, McHenry County, Illinois.

I further certify that on December 21, 2004, the Corporate Authorities of such Village passed and approved Village Ordinance No. 2004-44, entitled AN ORDINANCE PROVIDING FOR AN ADMINISTRATIVE FEE FOR PAYMENT OF VILLAGE PERMIT, LICENSE AND OTHER FEES MADE BY CREDIT OR DEBIT CARD PAYMENT of the Village of Spring Grove, County of McHenry, which provided by its terms that it should be published in pamphlet form.

The pamphlet form of Ordinance No. 2004-44, including the Ordinance and cover sheet thereof was prepared and a copy of such Ordinance was posted in the municipal building, commencing on December 22, 2004 and continuing for at least ten (10) days thereafter. Copies of such Ordinance were also available for public inspection upon request in the office of the Village Clerk.

I further certify that I recorded the attached Ordinance in a book used exclusively for such purposes, in accordance with 65 ILCS 5/1-2-5, on December 22, 2004.

Dated at Spring Grove, Illinois, this 22nd day of December, 2004.

Sandi Rusher, Village Clerk

(VILLAGE SEAL)
GLOBAL PAYMENTS DIRECT, INC.

MERCHANT SERVICES AGREEMENT TERMS AND CONDITIONS

1. INTRODUCTION AND DEFINITIONS.
Through a competitive Request for Proposal, the Office of Illinois State Treasurer ("Treasurer") has selected Forte Payment Systems, Inc. ("Forte") to provide for financial transaction acceptance and processing services for merchants approved by the Treasurer. Forte entered into an Agreement for Electronic Payment Processing for the Illinois Funds E-Pay Electronic Services with the Treasurer effective October 22, 2013 ("Master Services Agreement"). Under the Master Services Agreement, the Treasurer has approved Global Payments Direct, Inc. ("Global") as a sub-contractor and provider of a portion of Forte’s obligations. The Master Services Agreement further contemplates that all merchants are to execute an agreement ("Merchant Services Agreement") which binds the Merchant (as that term is defined in the Merchant Services Agreement), Treasurer, Forte, Global, and Member (as hereinafter defined), in contract. This Global Payments Direct, Inc. Merchant Services Agreement Terms and Conditions ("Terms and Conditions") is incorporated into the Merchant Services Agreement and applies to all instances when Global serves as the Processor (as that term is defined in the Merchant Services Agreement) for an approved Merchant.

The Treasurer is a party to the Terms and Conditions for the purpose of establishing terms and conditions for an approved Merchant to receive electronic payment processing services. Forte is a party to the Terms and Conditions solely for the purpose of fulfilling its obligations to Treasurer under the Master Service Agreement, but has no rights or obligations under these Terms and Conditions.

The bank identified in these Terms and Conditions and the Merchant Services Agreement ("Member") is a member of Visa USA, Inc. ("Visa") and MasterCard International, Inc. ("MasterCard"). Global Payments Direct, Inc. ("Global") is a registered independent sales organization of Visa, a member service provider of MasterCard, a registered Program Participant of American Express Travel Related Services Company, Inc. ("American Express"), and a registered acquirer for Discover Financial Services LLC ("Discover"). Any references to the Debit Sponsor shall refer to the debit sponsor identified below.

Each Merchant that elects to receive Services (as defined below) hereunder will complete an application and will execute the Merchant Services Agreement thereby binding the Merchant to these Terms and Conditions. The Merchant Services Agreement will be signed by Global, the Member, Forte, the Treasurer, and the Merchant.

Merchant and Global agree that the rights and obligations contained in these Terms and Conditions do not apply to the Member with respect to American Express, Discover, and PayPal transactions and Switched Transactions (as defined below).

Under the Merchant Services Agreement, Merchant will be furnished with the services and products selected by Merchant and described in these Terms and Conditions (collectively and individually, as applicable, the “Services”). Global will be the sole and exclusive provider of the Services on behalf of the Merchant for the entire term of the Merchant Services Agreement. Treasurer acknowledges and agrees that the Terms and Conditions does not give the Treasurer any rights that can be transferred. Any Merchant that executes a Merchant Services Agreement and elects to receive the Services hereunder agrees to be bound by the Merchant Services Agreement for the entire term of the Merchant Services Agreement, including the terms of these Terms and Conditions as may be modified or amended in the future.
2. SERVICE DESCRIPTIONS.
Global’s credit card processing services consist of authorization and electronic draft capture of credit card transactions; outclearing of such transactions to the appropriate card associations and/or issuers (e.g., Visa, MasterCard, American Express, Diners, Discover); settlement; dispute resolution with cardholders’ banks; and transaction-related reporting, statements and products. Each Merchant will be eligible to accept payment in a card present environment, and via telephone order, mail order, Internet, and Interactive Voice Response (“IVR”) methods. From time to time under the Merchant Services Agreement, upon Merchant’s request, Global may facilitate the transmission of certain payment card transactions (“Switched Transactions”) to the respective card issuers, including but not limited to Diners Club® and various fleet, private label and commercial cards. Switched Transactions require Global’s prior written approval and are subject to applicable pricing. Global does not purchase the indebtedness associated with Switched Transactions.

Debit/ATM Processing Services shall be provided in one or more of the following debit card networks (“Networks”): Accel, AFFN, Alaska Option, CU24, Interlink, Maestro, NYCE, Pulse, Shazam, Star, and Tyme, which Networks may be changed from time-to-time by Debit Sponsor or Global without notice. Merchant may also have access to other debit networks that do not require a sponsor. Global will provide Merchant with the ability to access the Networks that Global has connected to for the purpose of authorizing debit card transactions at the point of sale from cards issued by the members of the respective Networks. Global will provide connection to such Networks, terminal applications, settlement and reporting activities. Further provisions regarding debit card services are set forth in Section 29 below.

3. PROCEDURES.
Merchant will permit holders of valid cards bearing the symbols of the cards authorized to be accepted by Merchant hereunder to charge purchases or leases of goods and services and the debt resulting therefrom shall be purchased hereunder, provided that the transaction complies with the terms of the Merchant Services Agreement. All indebtedness submitted by Merchant for purchase will be evidenced by an approved sales slip or by other evidence of the indebtedness as required by the card associations or network organizations depending on the method of payment. Forte will provide the evidence of indebtedness for Internet and IVR transactions related to the E-Pay Program in compliance with the requirements of the card associations and network organizations, and any other party, as applicable. Global and its Member shall have no liability, of whatever nature, for a failure by Forte to provide the evidence of indebtedness, and Treasurer agrees to provide to Global any information not provided by Forte. Merchant will not present for purchase any indebtedness that does not arise out of a transaction between a cardholder and Merchant. Merchant agrees to follow the Card Acceptance Guide which is incorporated into and made part of the Merchant Services Agreement, and to be bound by the operating regulations, requirements and rules of Visa, MasterCard, American Express, Discover, PayPal and any other card association or network organization covered by the Merchant Services Agreement, as any of the above referenced documents may be modified and amended from time to time. Global may, from time to time, issue written directions (via mail or Internet) regarding procedures to follow and forms to use to carry out the Merchant Services Agreement. If the directions or forms issued are a result of a requirement of the Member, or a card association or network organization, and/or are issued by Global and are relevant to all or at least 25% of Global’s merchants, these directions and the terms of the forms are binding as soon as they are issued and shall form part of these Terms and Conditions of the Agreement. Treasurer will be provided a copy of such directions and forms when same are provided to the Merchants. Otherwise, the directions and forms shall be governed by Section 17 below. Such operating regulations and rules may be reviewed upon appointment at Global’s designated premises. If, pursuant to this Section, Global changes any of the terms of the Merchant Services Agreement or the regulations and rules referenced in this Section, Merchant or Treasurer shall have the right to terminate the Merchant Services Agreement with thirty (30) days advance written notice to Global.
Without limiting the generality of the foregoing, Merchant agrees to comply with and be bound by, and to cause any third party who provides Merchant with services related to payment processing or facilitates Merchant's ability to accept credit and debit cards and who is not a party to these Terms and Conditions to comply with and be bound by, the rules and regulations of Visa, MasterCard, American Express, Discover, PayPal and any other card association or network organization related to cardholder and transaction information security, including without limitation, all rules and regulations imposed by the Payment Card Industry (PCI) Security Standards Council (including without limitation the PCI Data Security Standard), Visa's Cardholder Information Security Program, MasterCard's Site Data Protection Program, and Payment Application Best Practices. Merchant also agrees to cooperate at its sole expense with any request for an audit or investigation by Global, Member, a card association or network organization in connection with cardholder and transaction information security. Without limiting the generality of the foregoing, Merchant agrees that it will use information obtained from a cardholder in connection with a card transaction solely for the purpose of processing a transaction with that cardholder or attempting to represent a chargeback with respect to such transaction. Merchant will indemnify and hold Global and Member harmless from any fines and penalties issued by Visa, MasterCard, American Express, Discover, PayPal or any card association or network organization and any other fees and costs arising out of or relating to the processing of transactions by Global and Member at Merchant's location(s) and will reimburse Global for any losses incurred by Global with respect to any such fines, penalties, fees and costs.

Without limiting the generality of any other provision of these Terms and Conditions, Merchant also agrees that it will comply with all applicable laws, rules and regulations related to both (a) the truncation or masking of cardholder numbers and expiration dates on transaction receipts from transactions processed at Merchant's location(s), including without limitation the Fair and Accurate Credit Transactions Act and applicable state laws ("Truncation Laws") and (b) the collection of personal information from a cardholder in connection with a card transaction, including all applicable state laws ("Laws on Collection of Personal Information"). As between Merchant, on the one hand, and Global and Member, on the other hand, Merchant shall be solely responsible for complying with all Truncation Laws and Laws on Collection of Personal Information and will indemnify and hold Global and Member harmless from any claim, loss or damage resulting from a violation of Truncation Laws or Laws on Collection of Personal Information as a result of transactions processed at Merchant's location(s).

4. MARKETING.
Merchant shall adequately display the card issuer service marks and promotional materials supplied by Global. Merchant shall cease to use or display such service marks immediately upon notice from Global or upon termination of the Merchant Services Agreement.

5. PAYMENT AND FEES.
Merchant will be paid for indebtedness purchased under the Merchant Services Agreement by credit to Merchant's account(s) with a financial institution designated by Merchant in accordance with the Merchant Services Agreement (the "Settlement Account"). Merchant's Settlement Account will be credited for the gross amount of the indebtedness deposited less the amount of any credit vouchers deposited. Merchant shall not be entitled to credit for any indebtedness that arises out of a transaction not processed in accordance with the terms of the Merchant Services Agreement or the rules and regulations of a card association or network organization. Availability of any such funds shall be subject to the procedures of the applicable financial institution. Chargebacks and adjustments will be charged to Merchant's Settlement Account on a daily basis as incurred.

Merchant agrees to pay and Merchant's Settlement Account will be charged for the discount, fees, and other charges described herein and in Appendix G of the Master Services Agreement (which is attached hereto as Exhibit
A) and in the Merchant Services Agreement together with any other customer credits, adjustments, and installation fees on a monthly basis. Notwithstanding the foregoing, the parties acknowledge that only with respect to Services provided to Merchant in connection with the E-Pay Program and services provided to Merchant by Forte, and as an accommodation to the Merchant by Global, (a) Global will deposit the gross amount of service fee transactions associated with Internet, IVR and Point of Sale transactions related to the E-Pay Program, and (b) Global will debit the discount, fees, and other charges described in the Merchant Services Agreement for Internet, IVR and Point of Sale transactions and for the service fee transactions related to the E-Pay Program, to and from the account of Forte (the “Forte Account”) on Merchant’s behalf if a Forte Account is designated by Merchant in writing, authority for such credits and debits to the Forte Account is provided to Global by Forte, and the arrangement is approved by Global. Merchant also agrees to pay and Merchant’s Settlement Account(s) will be debited as incurred for all fees, fines, penalties, etc. charged by the card associations or network organizations on account of Merchant’s processing hereunder, including without limitation with regards to any third party who provides Merchant with services related to payment processing or facilitates Merchant’s ability to accept credit and debit cards and who is not a party to the Merchant Services Agreement. If a review of the indebtedness discloses any error, Merchant’s Settlement Account may be debited or credited therefor, without notice, and if Merchant’s Settlement Account does not contain sufficient funds, Merchant agrees to remit the amount owed directly to Global. Merchant agrees not to, directly or indirectly, prevent, block or otherwise preclude any debit by Global or Member to Merchant’s account which is permitted hereunder. Merchant agrees that Member and Global have the right to receive payment on indebtedness purchased hereunder and that no one other than Merchant has any claim against such indebtedness except as authorized in writing by Member and Global. Merchant hereby assigns to Member and Global all of its right, title, and interest in and to all indebtedness submitted and purchased hereunder.

Global’s standard reporting products for the activities described above will be provided to the Treasurer and to the Merchants, as required by the Master Services Agreement.

6. EQUIPMENT AND SUPPLIES.
Any advertising material; leased equipment including imprinters, authorization terminals, or printers; software; credit card authenticators; unused forms; and Merchant deposit plastic cards provided by Global will not become Merchant’s property. Merchant will protect them from loss, theft, damage or any legal encumbrance and will allow Global and its designated representative’s reasonable access to Merchant’s premises for their repair, removal, modification, installation and relocation. Merchant acknowledges that any equipment or software provided under the Merchant Services Agreement is embedded with proprietary technology (“Software”). Merchant shall not obtain title, copyrights or any other proprietary right to any Software. At all times, Global or its suppliers retain all rights to such Software, including but not limited to updates, enhancements and additions. Merchant shall not disclose such Software to any party, convey, copy, license, sublicense, modify, translate, reverse engineer, decompile, disassemble, tamper with, or create any derivative work based on such Software. Merchant’s use of such Software shall be limited to that expressly authorized by Global. Global’s suppliers are intended third party beneficiaries of the Merchant Services Agreement to the extent of any terms herein pertaining to such suppliers’ ownership rights; such suppliers have the right to rely on and directly enforce such terms against Merchant.

The operating instructions will instruct Merchant in the proper use of the terminals, and Merchant shall use and operate the terminals only in such manner. If Merchant has purchased the maintenance/help desk service hereunder for its terminals, Merchant will promptly notify Global of any equipment malfunction, failure or other incident resulting in the loss of use of the equipment or need for repair or maintenance, whereupon Global will make the necessary arrangements to obtain required maintenance. Merchant is responsible for shipping costs for any returned equipment. Merchant shall cooperate with Global in its attempt to diagnose any problem with the terminal. In the event the Merchant’s terminal requires additional Software, Merchant is obligated to cooperate and
participate in a dial in down line load procedure. With respect to any item of equipment leased to Merchant by Global, Merchant will not be liable for normal wear and tear, provided, however, that Merchant will be liable to Global in the event that any leased item of equipment is lost, destroyed, stolen or rendered inoperative. Merchant will indemnify Global against any loss arising out of damage to or destruction of any item of equipment provided hereunder for any cause whatsoever. Merchant also agrees to hold harmless and indemnify Global for any costs, expenses, and judgments Global may suffer, including reasonable attorney's fees, as a result of Merchant's use of the equipment provided hereunder. Any unused equipment in its original packaging purchased from Global hereunder may be returned to Global at Merchant's expense within 60 days of receipt. Merchant shall receive a refund of any money paid in connection therewith for the returned equipment. No refunds shall be issued for any equipment returned after 60 days.

Merchant acknowledges that some of the services to be provided by Global and Member hereunder may be provided by third parties. Merchant agrees that except for its right to utilize such services in connection with this Terms and Conditions, it acquires no right, title or interest in any such services. Merchant further agrees that it has no contractual relationship with any third party providing services under the Merchant Services Agreement and that Merchant is not a third party beneficiary of any agreement between Global or Member, as applicable, and such third party. Merchant may not resell the services of any third party providing services under these Terms and Conditions to any other party.

7. FINANCIAL INFORMATION.
Global, or its duly authorized representatives, may examine the books and records of Merchant relevant to any indebtedness previously purchased or presented for purchase under the Merchant Services Agreement or otherwise through Global. Merchant agrees to retain copies of all paper and electronic sales slips and credit slips submitted to Global for a period of two years from submission, or such longer period of time as may be required by the operating rules or regulations of the card associations or network organizations, by law, or by Global as specifically requested in writing in individual cases.

8. CHANGE IN BUSINESS.
Merchant agrees to provide Global and Member sixty (60) days prior written notice of its intent to change the basic nature of its business. Upon the occurrence of any such event, the terms of the Merchant Services Agreement may be modified to meet any requirements of the applicable card associations or network organizations affected by such change.

9. TRANSFERABILITY.
The Merchant Services Agreement is not transferable by any Merchant without the written consent of Global and Member. Any attempt by the Merchant to assign its rights or to delegate its obligations in violation of this paragraph shall be void. Treasurer and Merchant agree that the rights and obligations of Global hereunder may be transferred by Global without prior notice to Treasurer or Merchant pursuant to the sale of Global or a material transaction involving the sale of certain of Global's assets, and that the entity purchasing such assets shall be deemed an accepted subcontractor under the Master Services Agreement. Any other transfer by Global requires prior written consent of the Treasurer pursuant to Section 27.0 of the Master Services Agreement. Treasurer and Merchant agree that the rights and obligations of Member hereunder may be transferred to any other member without prior notice to Treasurer or Merchant. Treasurer and Merchant acknowledge that the transferable rights of Global and Member hereunder shall include, but shall not be limited to, the authority and right to debit the Merchant's Settlement Account and the Forte Account as described herein. Global will provide prompt subsequent notice to the Treasurer and Merchant of the transfer of the respective rights and obligations hereunder by Global or Member.
In the event the Merchant or Treasurer has a good faith objection to the transferee of either Global or the Member, it may terminate the Merchant Services Agreement upon thirty (30) days advance, written notice to Global.

10. WARRANTIES AND REPRESENTATIONS.
Merchant warrants and represents to Global and Member: (a) that each sales transaction delivered hereunder will represent a bona fide sale to a cardholder by Merchant for the amount shown on the sales slip or other evidence of indebtedness as the total sale and constitutes the binding obligation of the cardholder, free from any claim, demand, defense, set-off or other adverse claim whatsoever; (b) that each sales slip or other evidence of indebtedness will accurately describe the goods and services which have been sold and delivered to the cardholder or in accordance with his instructions; (c) that Merchant will comply fully with all federal, state and local laws, rules and regulations applicable to its business; (d) that Merchant will fulfill completely all of its obligations to the cardholder and will work to resolve any customer dispute or complaint directly with the cardholder; (e) that the signature on the sales slip will be genuine and authorized by cardholder and not forged or unauthorized; (f) that the sales transaction shall have been consummated and the sales slip prepared in full compliance with the provisions of the Card Acceptance Guide and the operating regulations and rules of the applicable card association or network organization, as amended from time to time; and (g) that all of the information contained in the Merchant Services Agreement is true and correct. In the event that any of the foregoing warranties or representations is breached, the affected sales slips or other indebtedness may be refused, or prior acceptance revoked and charged back to the Merchant.

Merchant agrees it will not use the terminal service of American Express, Novus, Discover or any other private label card provider in conjunction with the Services provided by Global.

NEITHER MEMBER, NOR GLOBAL, NOR ANY SUPPLIER MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO ANY TERMINAL, ANY EQUIPMENT FURNISHED IN CONNECTION THEREWITH, OR ANY OF THE SERVICES FURNISHED HEREUNDER.

11. CARDHOLDER DISPUTES.
Merchant agrees to work directly with the cardholder to satisfy with the cardholder any claim or complaint arising in connection with the card sale that is unrelated to an issue arising from Global's negligent provision of the Services.

12. LIMITATION OF LIABILITY.
Neither Member nor Global shall be liable to Merchant or Treasurer for failure to provide the Services if such failure is due to any cause or condition beyond such party's reasonable control. Such causes or conditions shall include, but shall not be limited to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, shortages of labor or materials, freight embargoes, electrical power failures, communication failures, the errors or failures of third party systems, or other similar causes beyond such party's control.

Under no circumstances shall Global or Member be liable for any lost profits, lost interest, or for special, consequential, punitive or exemplary damages arising out of or relating in any way to the Merchant Services Agreement, including but not limited to, damages arising out of placement of a Merchant's name on any terminated merchant list for any reason, even if Global or Member has been advised of the possibility of such damages. Under no circumstances shall Global or Member be liable for any settlement amounts pertaining to Switched Transactions; Merchant's recourse therefore shall be to the applicable card issuer.
Treasurer and Merchant agree that neither Global nor Member shall have any liability under these Terms and Conditions for the actions or omissions of Forte.

It is agreed that in no event will Global or Member be liable to Merchant or Treasurer for any claim, loss, billing error, damage, or expense caused by Global's or Member's performance or failure to perform hereunder which is not reported in writing to Global by Merchant or Treasurer, as applicable, within three (3) months of such failure to perform or, in the event of a billing error, within six (6) months of the date of the invoice or applicable statement.

13. TERM AND TERMINATION.
These Terms and Conditions shall be coterminous with the Master Services Agreement entered into by the Treasurer and Forte, meaning that these Terms and Conditions and the Merchant Services Agreement shall automatically terminate upon the termination of the Master Services Agreement between Treasurer and Forte, provided that if either Treasurer or Forte terminates that Master Services Agreement prior to the expiration of the then-current term, Treasurer will provide Global with thirty (30) days written notice of such termination.

The Treasurer may terminate the Merchant Services Agreement and its Services with respect to a particular Merchant upon fourteen (14) days advance written notice to Global.

Global or Treasurer may terminate the Merchant Services Agreement or any portion thereof upon one hundred eighty (180) days prior written notice to the other party.

In the event of Merchant's default in performing under any provision of this Merchant Services Agreement, upon any failure to follow the Card Acceptance Guide or any operating regulation or rule of a card association or network organization, upon any misrepresentation by Merchant, or upon commencement of bankruptcy or insolvency proceedings by or against the Merchant, Global may decide to terminate the Merchant Services Agreement as to the subject Merchant on written notice to Treasurer and the Merchant. Unless one of the aforementioned events creates a level of risk such that immediate termination is necessary, Global shall give written notice to Merchant and Treasurer of its intention to terminate the Merchant Services Agreement as to a Merchant unless such breach is remedied within 30 days of such notice. Failure to remedy such a breach shall make the Merchant Services Agreement terminable as to that Merchant, at the option of Global, at the end of such 30 day period unless notification is withdrawn.

In the event that Global or Member breach the terms and conditions hereof, the Treasurer or Merchant may, at its option, give written notice to Global and Member of its intention to terminate the Merchant Services Agreement unless such breach is remedied within 30 days of such notice. Failure to remedy such a breach shall make the Merchant Services Agreement terminable, at the option of the Treasurer or Merchant, at the end of such 30 day period unless notification is withdrawn.

Any Merchant deposit of sales or credit slips that is accepted by Global and Member or by a designated depository after the effective date of termination will be returned to Merchant and will not be credited (or debited) to its Settlement Account or to the Forte Account as applicable and as described herein. If the deposit has already been posted to Merchant's Settlement Account or the Forte Account, said posting will be reversed and the deposit returned to Merchant. Termination of the Merchant Services Agreement shall not affect Merchant’s obligations which have accrued prior to termination or which relate to any indebtedness purchased hereunder prior to termination, including but not limited to chargebacks even if such chargebacks come in after termination. In the event of termination, all equipment leased from Global (but not from any other leasing agent), including but not
limited to imprinters, terminals, and printers; all supplies; Card Acceptance Guides; and operating instructions must be returned immediately to Global at Merchant's expense.

14. RETURNED ITEMS/CHARGEBACKS.
If a cardholder disputes any transaction, if a transaction is charged back for any reason by the card issuing institution, or if Global or Member reasonably believes an indebtedness previously purchased is unacceptable based on the rules and regulations of the card associations or network organizations or based on Global's policies, the amount of such indebtedness may be charged back and may be charged against Merchant's Settlement Account and when applicable, the Forte Account. A list of some common reasons for chargebacks is contained in the Card Acceptance Guide; provided, however, that such list is not exclusive and does not limit the generality of the foregoing. If any such amount is uncollectible through charging Merchant's Settlement Account, Merchant shall, upon demand by Global, pay Global the full amount of the chargeback. Merchant understands that obtaining an authorization for any sale shall not constitute a guarantee of payment, and such sales slips can be returned or charged back to Merchant like any other item hereunder.

15. FRAUD AND IMPROPRIETY.
In the event Global reasonably suspects fraud or impropriety, including but not limited to the factoring of drafts, Global or Member may withhold the proceeds of indebtedness presented for purchase in amounts equal to the transactions suspected of fraud or impropriety. If Global does withhold such proceeds, it shall notify the Treasurer within two (2) business days of the withholding that such proceeds are being withheld due to suspected fraud or impropriety, and Treasurer shall notify Merchant.

16. INTENTIONALLY OMITTED.

17. AMENDMENTS.
The Merchant Services Agreement, its attachments, and the Card Acceptance Guide may be changed upon written notice to the Treasurer and Merchants if such change results from a directive of the Member, a card association or network organization and/or if such change will impact all or at least 25% of Global's merchants. The change will be effective on the date set forth in the written notice. Notwithstanding any other provision in the Merchant Services Agreement, the only fees that may deviate from those listed in Appendix G to the Master Services Agreement are those set forth in Section 6.5.1, 6.5.2, and 6.5.4 of the Master Services Agreement. Any other changes to the Agreement, the Card Acceptance Guide, or the directions and forms issued by Global to Merchants from time to time will be effective when approved in a writing signed by Global, Member, Merchant, Forte, and the Treasurer. If, pursuant to this Section, Global changes any of the terms of the Merchant Services Agreement or the regulations and rules referenced in this Section, Merchant or the Treasurer shall have the right to terminate the Merchant Services Agreement with thirty (30) days advance written notice to Global.

18. WAIVER.
No provision of the Merchant Services Agreement shall be deemed waived by any party unless such waiver is in writing and signed by the party against whom enforcement is sought.

19. EXCHANGE OF INFORMATION.
In furtherance of its provision of the Services hereunder, Global may exchange information about Merchant with the Treasurer, Forte, Member, other financial institutions, credit card associations, and network organizations. Also, and for the purpose of Global's provision of the Services hereunder, Merchant hereby authorizes Global to disclose
information concerning Merchant’s activity to any card association, network organizations, or any of their member financial institutions without any liability to the Merchant.

20. GENERAL. If any provision of the Merchant Services Agreement or portion thereof is held to be unenforceable, such a determination will not affect the remainder of the Merchant Services Agreement. Paragraph headings are included for convenience only and are not to be used in interpreting the Merchant Services Agreement.

21. NOTICES. All notices required by the Merchant Services Agreement shall be in writing and shall be sent by telefax, by overnight carrier, or by regular or certified mail. All notices sent to Global or Member shall be effective upon actual receipt by the Corporate Secretary of Global Payments Direct, Inc., 10 Glenlake Parkway, North Tower, Atlanta, Georgia 30328. Any notices sent to Merchant shall be effective upon actual receipt of such notice by Merchant at the address provided by Merchant in the Merchant Services Agreement. Any notices sent to the Treasurer shall be effective upon actual receipt of such notice by Treasurer at 400 West Monroe Street, Ste 401, Springfield, Illinois 62704, Attention: Jose Gonzalez, Director of Illinois Funds/E-Pay Operations. Global will copy the Treasurer with its notices to the Merchants. The parties hereto may change the name and address of the person to whom all notices or other documents required under the Merchant Services Agreement must be sent at any time by giving written notice to the other party.

22. MERGER. The Merchant Services Agreement including these Terms and Conditions constitutes the entire Agreement between Merchant, Treasurer, Forte, Global, and Member and supersedes all prior memoranda or agreements relating thereto, whether oral or in writing. This merger does not affect the Master Services Agreement between the Treasurer and Forte, which remains in full effect unless terminated pursuant to its terms. As between Forte and the Treasurer, to the extent the Master Services Agreement and the Merchant Services Agreement are in conflict, the Master Services Agreement shall control.

23. EFFECTIVE DATE/GOVERNING LAW. The Merchant Services Agreement shall become effective upon the date of latest execution of a Merchant Services Agreement by Global, Member, Merchant, Forte, and the Treasurer. The Merchant Services Agreement shall become effective as to each Merchant upon its execution of a Merchant Services Agreement or upon submission of a transaction by Merchant to Global hereunder. The Merchant Services Agreement will be governed by and construed solely in accordance with the laws of the State of Illinois, without regard to any conflicts of law provisions.

24. DESIGNATION OF DEPOSITORY. The financial institution set forth in the Merchant Services Agreement is designated by Merchant as a depository institution (“Depository”) for its credit card indebtedness. Such financial institution must be a member of an Automated Clearing House Association. Merchant authorizes payment for indebtedness purchased hereunder to be made by paying Depository therefor with instructions to credit Merchant's Settlement Account. Depository, Member, and/or Global may charge Merchant's Settlement Account at Depository or Forte Account, as applicable, for any amount due under the Merchant Services Agreement. Global must receive thirty (30) days in advance and in writing any changes to the account numbers or to the Depository.

25. FINANCIAL ACCOMMODATION.
The acquisition and processing of sales slips hereunder is a financial accommodation and, as such, in the event Merchant becomes a debtor in bankruptcy, the Merchant Services Agreement cannot be assumed or enforced, and Global and Member shall be excused from performance hereunder.

26. DISCOVER PROGRAM MARKS.
Merchant is hereby granted a limited non-exclusive, non-transferable license to use Discover brands, emblems, trademarks, and/or logos that identify Discover cards (“Discover Program Marks”). Merchant is prohibited from using the Discover Program Marks other than as expressly authorized in writing by Global. Merchant shall not use the Discover Program Marks other than to display decals, signage, advertising and other forms depicting the Discover Program Marks that are provided to Merchant by Global pursuant to these Terms and Conditions or otherwise approved in advance in writing by Global. Merchant may use the Discover Program Marks only to promote the services covered by the Discover Program Marks by using them on decals, indoor and outdoor signs, advertising materials and marketing materials; provided that all such uses by Merchant must be approved in advance by Global in writing. Merchant shall not use the Discover Program Marks in such a way that customers could believe that the products or services offered by Merchant are sponsored or guaranteed by the owners of the Discover Program Marks. Merchant recognizes that it has no ownership rights in the Discover Program Marks and shall not assign to any third party any of the rights to use the Discover Program Marks.

27. PAYPAL MARKS.
PayPal Marks means the brands, emblems, trademarks, and/or logos that identify PayPal Acceptance. Merchant shall not use the PayPal Marks other than to display decals, signage, advertising, and other forms depicting the PayPal Marks that are provided to Merchant by Global pursuant to the Merchant Program or otherwise approved in advance in writing by Acquirer. Merchant may use the PayPal Marks only to promote the services covered by the PayPal Marks by using them on decals, indoor and outdoor signs, advertising materials and marketing materials; provided that all such uses by Merchant must be approved in advance by Global in writing. Merchant shall not use the PayPal Marks in such a way that customers could believe that the products or services offered by Merchant are sponsored or guaranteed by the owners of the PayPal Marks. Merchant recognizes that it has no ownership rights in the PayPal Marks. Merchant shall not assign to any third party any of the rights to use the PayPal Marks. Merchant is prohibited from using the PayPal Marks, not permitted above, unless expressly authorized in writing by PayPal.

28. AMERICAN EXPRESS CARD ACCEPTANCE.
Merchant hereby acknowledges and agrees that for purposes of acceptance of American Express, the American Express Guide is hereby incorporated by reference into these Terms and Conditions. In addition, Merchant hereby authorizes Global Direct to submit American Express transactions to, and receive settlement from, American Express on behalf of Merchant. Merchant must accept the American Express card as payment for goods and services (other than those goods and services prohibited under the American Express Guide sold, or (if applicable) for charitable contributions made, at all of its establishments, except as expressly permitted by state statute. Merchant is jointly and severally liable for the obligations of Merchant’s establishments under these Terms and Conditions. For the avoidance of doubt, “cardholder” as used in these Terms and Conditions shall include Card Members as defined in the American Express Guide.

Merchant hereby acknowledges and agrees that (i) Global may disclose American Express Transaction Data (which for purposes of this Section 28 shall have the same definition as “Transaction Data” in the American Express Guide), Merchant Data (as defined below), and other information about Merchant to American Express, (ii) American Express may use such information to perform its responsibilities in connection with the American Express Program, promote the American Express Network, perform analytics and create reports, and for any other lawful
business purpose, including marketing purposes, and (iii) American Express may use the information obtained in this application at the time of setup to screen and/or monitor Merchant in connection with American Express Card marketing and administrative purposes. If Merchant has provided a wireless phone number in connection with the Merchant Services Agreement, Merchant hereby agrees that it may be contacted at that number and the communications sent may include autodialed text messages or automated prerecorded calls. If Merchant has provided a fax number, Merchant hereby agrees that it may be sent fax communications. To opt out of American Express-related marketing communications, Merchant may contact Global customer service as described in the Merchant Services Agreement. For purposes of this Section 28, “Merchant Data” means names, postal and email addresses, tax ID numbers, names and social security numbers of the authorized signer of Merchant and similar identifying information about Merchant. For clarification, Merchant Data does not include American Express Transaction Data.

Merchant hereby agrees that, in the event that Merchant becomes a High Charge Volume Merchant (as defined below), Merchant will be converted to from the American Express Program to a direct American Express Card acceptance relationship with American Express, and upon such conversion, (i) Merchant will be bound by American Express’ then-current card acceptance agreement, and (ii) American Express will set pricing and other fees payable by Merchant for American Express Card acceptance. “High Charge Volume Merchant” for purposes of this Section 28 means an American Express Program Merchant with either (i) greater than $1,000,000 in American Express charge volume in a rolling twelve (12) month period or (ii) greater than $100,000 in American Express charge volume in any three (3) consecutive months. For clarification, if Merchant has multiple establishments, the American Express charge volume from all establishments shall be summed to together when determining whether Merchant has exceeded the thresholds above.

Merchant shall not assign to any third party any American Express-related payments due to it under the Merchant Services Agreement, and all indebtedness arising from American Express Charges (as defined below) will be for bona fide sales of goods and services (or both) at its establishments (as defined below) and free of liens, claims, and encumbrances other than ordinary sales taxes; provided, however, that Merchant may sell and assign future American Express transaction receivables to Global, its affiliated entities and/or any other cash advance funding source that partners with Global or its affiliated entities, without consent of American Express.

Merchant hereby agrees that American Express shall have third party beneficiary rights, but not obligations, to enforce the Agreement against Merchant to the extent applicable to American Express processing. Merchant's termination of American Express card acceptance shall have no direct or indirect effect on Merchant's rights to accept other card brands. To terminate American Express acceptance, Merchant may contact Global Direct customer service as described in the Merchant Services Agreement.

Without limiting any other rights provided herein, Global shall have the right to immediately terminate Merchant's acceptance of American Express cards upon request of American Express. Merchant may not bill or collect from any American Express Card Member for any purchase or payment on the American Express card unless a chargeback has been exercised, Merchant has fully paid for such charge, and it otherwise has the right to do so. Merchant shall use the American Express brand and marks in accordance with the requirements set forth in the American Express Guide.

29. DEBIT / ATM PROCESSING SERVICES.
Merchant agrees to utilize the Services in accordance with the Agreement, its exhibits or attachments, and Global's instructions and specifications (including but not limited to the Card Acceptance Guide which is incorporated into and made a part of the Merchant Services Agreement), and to provide Global with the necessary data in the proper format to enable Global to properly furnish the Services. Merchant acknowledges that Merchant and Global must comply with all of the requirements, rules, and regulations of the Networks. Copies of the relevant agreements or operating regulations shall be made available upon request. Global may terminate or modify the provision of Services to Merchant if any of Global's agreements with Networks are terminated for any reason or if any entity threatens to terminate services to Global due to some action or inaction on the part of Merchant; provided, however, that Global will provide Treasurer with written notice of either event, and Treasurer will provide notice to Merchant.
For Member contact:
BMO Harris Bank
111 West Monroe Street
Chicago, IL  60603

Debit sponsorship provided by Wells Fargo Bank N.A.
Exhibit A

Appendix G to Master Services Agreement

See attached.
These Terms and Conditions apply to payment processing services provided by Forte Payment Systems, Inc. (“Forte”) to a Participant in the Illinois State Treasurer’s E-PAY Program (hereinafter “Merchant”). The effective date of these terms and conditions is the date upon which the Participant Agreement is executed by all parties, including Forte and the Merchant.

The parties acknowledge that Forte has entered into an Agreement for Electronic Payment Processing for the Illinois Funds E-PAY Electronic Services with the Illinois State Treasurer effective October 22, 2013 (“Master Agreement”). To the extent any of these Terms or Conditions conflict with the Master Agreement, the Master Agreement shall control.

Under the Master Agreement, Forte and its affiliates provide payment processing services including Credit Card, Debit Card and Automated Clearing House (“ACH”) processing services (the "Services") to Merchant who provides services to, or otherwise has a business relationship with, individuals and other entities (“Constituents”).

1. DEFINITIONS
   
   Account: Bank Account or Card Account.
   Account Holder: The owner of the Card or Bank Account to which a Transaction may apply.
   Business Day: Any day other than Saturday, Sunday or Federal Holidays.
   Card: Credit Card or Debit Card.
   Chargeback: The procedure by which an Account Holder attempts to reverse the funding of a Transaction by contacting the Account Issuer to which the Transaction was performed.
   Downgrade: Any transaction that fails to qualify for the best level of Interchange qualification.
   Issuer: The entity, often a bank, which issued the customer/cardholder the credit or debit card being used for the payment to Merchant.
   Payment Associations: MasterCard, Visa, Discover, American Express, NACHA and any applicable debit card networks.
   Payment Processor: An entity which processes electronic financial transactions, including but not limited to ACH, Credit Card, Debit Card, into the appropriate network for each type of payment, on behalf of merchants.
   Rule: Operating Rules which are established by NACHA or the applicable credit card Payment Association.
   Regulation: Any Local, State and Federal Law applicable to the services provided under this Agreement.
   Settlement Account: The Illinois Funds Account established by a Merchant where all credit or debit transactions conducted through E-PAY will be settled. Convenience Fees shall not be settled to the Merchant Settlement Account.
   Transaction: Electronic request submitted to Forte to affect a Constituent’s Account.
   Validation Code: The 3 or 4 digit security code printed on the signature panel of most Cards or on the top right of American Express Cards.

2. USE LICENSE
   Subject to the terms and conditions of the Participant Agreement and all documents incorporated therein, Forte hereby grants to Merchant a non-exclusive and non-transferable license to access and use Forte's products and services in accordance with the practices and procedures established by Forte. Merchant may use the Services (a) for its own internal business purposes and operations, and/or (b) as a service provided to its Constituents, unless otherwise notified by Forte. No license or right to use, reproduce, translate, rearrange, modify, enhance, display, sell, lease, sublicense or otherwise distribute, transfer or dispose of any of Forte's Proprietary Property, as defined in Section 3 below, in whole or in part, is granted except as expressly provided by this Agreement. Neither Merchant nor any of its affiliates shall reverse engineer, decompile or disassemble the Proprietary Property. Additionally, nothing in this Agreement
shall be construed to provide Merchant with a license of any third-party proprietary information or property.

3. OWNERSHIP
All computer programs, trademarks, service marks, patents, copyrights, trade secrets, know-how, and other proprietary rights in or related to Forte's products and services (the “Proprietary Property”), are and will remain the sole and exclusive property of Forte, whether or not specifically recognized or perfected under applicable law. Forte shall own all rights, title and interest, including all intellectual property rights, in and to any improvements to the existing Forte products or services and/or any new programs, upgrades, modifications or enhancements developed by Forte in connection with rendering any services to Merchant (or any of its affiliates), even when refinements and improvements result from Merchant’s request. To the extent, if any, that ownership in such refinements and improvements does not automatically vest in Forte by virtue of these Terms or Conditions or otherwise, Merchant hereby expressly transfers and assigns (and, if applicable, shall cause its affiliates to transfer and assign) to Forte all rights, title, and interest which Merchant or any of its affiliates may have in and to such refinements and improvements.

4. CONFIDENTIALITY
Merchant acknowledges that the products, services and information relating to Forte's products and services (including without limitation these Terms and Conditions) contain confidential and proprietary information developed by, acquired by, or licensed to Forte (the “Confidential Information”). Merchant will take (and will cause its affiliates to take) all reasonable precautions necessary to safeguard the confidentiality of the Confidential Information. Neither Merchant nor any of its affiliates will make any unauthorized use of the Confidential Information or disclose, in whole or in part, the Confidential Information to any individual or entity, except to those of Merchant’s employees or affiliates who require access for Merchant’s authorized use of the products or services and agree to comply with the use and nondisclosure restrictions applicable to the Confidential Information. This Section will not apply to Confidential Information that (i) was already available to the public at the time of disclosure, (ii) becomes generally known to the public after disclosure to the other party, through no fault of the other party, or (iii) is disclosed under force of law, governmental regulation or court order. Merchant acknowledges that any unauthorized use or disclosure by it or any of its affiliates of the Confidential Information may cause irreparable damage to Forte. As such, if Forte becomes aware of Merchant’s breach or threatened breach of this Section, Forte may suspend any and all rights granted to Merchant under these Terms and Conditions and shall be entitled to injunctive relief, without the need of posting a bond, in addition to all legal or equitable relief that may be available to Forte.

5. TERM AND TERMINATION
These Terms and Conditions shall be co-terminus with the Master Agreement and may be terminated under the terms of the Master Agreement.

6. TRANSACTION PROCESSING
6.1 Accepting Transactions. Forte shall process Credit Card, Debit Card and ACH Transactions on the Merchant’s behalf on a 24-hour basis. Transactions which are received before the daily designated cut-off time will be originated for settlement through the corresponding Payment Network. Transactions which are received after the designated cut-off time will be included in the next business day's settlement processing.

6.1.1 Sale Transactions. All Transactions sent to Forte utilizing the “Sale” method will automatically be captured for settlement in time for the next designated cut-off time.

6.1.2 Auth/Capture Transactions. If Merchant opts to utilize an “Authorize” method rather than a “Sale” method for a Transaction, then it will be the responsibility of Merchant to submit a corresponding “Capture” Transaction within 48 hours of the authorization in order to complete the Transaction process for settlement. Transactions which are not captured within 48 hours of Authorization are untimely and may be rejected by Forte.

6.2 Transaction Format. Forte is responsible only for processing Transactions which are received
and approved by Forte in the proper format, as established by Forte.

6.2.1 Card Not Present Transactions. For card-based transactions in which the card is not present, Merchant must obtain and include as part of the authorization request the 3 or 4 digit Validation Code and cardholder’s billing address information.

6.3 Merchant Account. In order to provide transaction processing services, Forte may need to establish one or more Merchant Accounts on Merchant’s behalf or require Merchant to establish a Merchant Account with a provider pre-approved by Forte.

6.4 Modifying Transactions. Merchant shall regularly and promptly review all Transactions and shall immediately notify Forte upon discovery of any and all discrepancies between Merchant’s records, Forte and Merchant’s bank, or with respect to any Transaction that Merchant believes was made erroneously or without proper authorization. At Merchant's request, Forte will make reasonable efforts to reverse, modify, void or delete a Transaction after it has been submitted for settlement. All requests must be made in writing (electronic mail will be deemed as “in writing” for these purposes), signed or sent by an individual pre-authorized by Merchant to make such requests and delivered to Forte. Merchant agrees that Forte will not be held responsible for any losses, directly or indirectly, incurred by Merchant or other third parties as a result of Forte's failure to accomplish the request before the Transaction has been processed through the applicable Payment Network.

6.5 Delay or Rejection of Transactions. Forte may delay or reject any Transaction without prior notification to Merchant which is improperly formatted, is untimely, is missing Information, which may cause it to downgrade or if Forte has reason to believe such Transaction is fraudulent or improperly authorized or for any reason permitted or required under the Rules or Regulations. Forte shall have no liability to Merchant by reason of the rejection of any such Transaction.

6.6 Returned Items. Forte shall make available to Merchant details related to the receipt of any Transaction that is returned unpaid or Transaction which is charged back and shall credit or charge such returned item to Merchant’s Settlement Account.

6.7 Chargebacks. Merchant acknowledges and agrees that it is bound by the Rules and Regulations of the Payment Associations with respect to any Chargeback. Merchant understands that obtaining an authorization for any sale shall not constitute a guarantee of payment, and such sales can be returned or charged back to Merchant like any other item hereunder. In the event a Transaction is charged back for any reason, the amount of such Transaction will be deducted from Merchant’s designated settlement account or any payment due to Merchant.

6.8 Excessive Chargebacks. Using limits established by Associations as a standard for review, Forte reserves the right to suspend and/or terminate Merchant’s access to the Services should Merchant’s chargeback ratio exceed allowable limits in any given period. Forte will make reasonable efforts to provide Merchant with notice and a time to cure its excessive chargebacks prior to suspending or terminating Merchant’s access to the Services. Merchant acknowledges and expressly authorizes Forte, in compliance with Payment Association Rules and Regulations, to provide to the Payment Associations and applicable regulatory bodies, Merchant’s name and contact information as well as transaction details should Merchant’s chargeback ratio exceed the allowable limits in any given period.

6.9 Resubmitting Transactions. Merchant shall not re-submit any Transaction unless it is returned as (i) Insufficient funds (R01); or (ii) Uncollected funds (R09); or (iii) unless a new authorization is obtained from Constituent.

6.10 Settlement. Settlement of Merchant’s funds for Transactions, less any Chargebacks or Returns, to Merchant’s designated settlement account will occur within two (2) business days of Origination excluding weekends and US federal banking holidays. Settlement of Transactions will occur via electronic funds transfer over the ACH Network.

6.11 Reporting. Forte will make daily Origination and Deposit reports available to Merchant on a 24/7 basis through the Forte Internet-based Forte platform.

6.12 Fee Model Billing. Under an Absorbed Fee Model Merchant will be billed monthly in arrears and will automatically be debited from Merchant’s designated Settlement Account via ACH Debit or invoiced per agreement of Merchant and Forte. Under a Service Fee Model, Merchant will not be billed for Transaction processing fees. Transactions processing fees will be charged to the Constituent in the form of a non-refundable service fee which is either (i) added to; or (ii) charged as a separate Transaction to the
Constituent at the time of payment. All fees associated with this Agreement are described in Appendix G of the Master Agreement and as may be amended hereafter under the terms of that Agreement.

7. TRANSACTION AUTHORIZATION

7.1 Constituent Authorization. Merchant shall obtain authorization from Constituent prior to requesting a Transaction to Constituent's account.

7.2 Retention. Merchant shall retain proof of Constituent's authorization for a period of not less than two (2) years for standard transactions and for a period of five (5) years for health-related transactions from the authorization date or revocation of authorization date and shall provide such proof of authorization to Forte upon request within five (5) business days of the request.

7.3 Revoked Authorization. Merchant shall cease initiating Transactions to a Constituent’s account immediately upon receipt of any actual or constructive notice of that Constituent's termination or revocation of authority. Merchant may re-initiate Transactions to a Constituent’s account only upon receiving new authorization from Constituent.

8. CARD PROCESSING SERVICES

8.1 Certain Merchant Responsibilities.

8.1.1 Merchant agrees to participate, and to cause third parties acting as Merchant’s agent (“Agents”), to participate and be in compliance with, and subject to, the Rules of the Payment Associations. Without limiting the foregoing, Merchant agrees that it will fully comply with any and all confidentiality and security requirements of the USA Patriot Act (or similar law, rule or regulation), VISA, MasterCard, Discover, and/or Other Networks, including but not limited to the Payment Card Industry Data Security Standard, the VISA Cardholder Information Security Program, the MasterCard Site Data Protection Program, and any other program or requirement that may be published and/or mandated by the Associations. For purposes of this section, Agents include, but are not limited to, Merchant’s software providers and/or equipment providers.

8.1.2 If appropriately indicated on Merchant’s enrollment form, Merchant may be a limited-acceptance Merchant, which means that Merchant has elected to accept only certain Visa and MasterCard card types (i.e., consumer credit, consumer debit, and commercial cards) and must display appropriate signage to indicate the same. Forte and its associated credit card Acquirer, (“Acquirer”) have no obligation other than those expressly provided under the Rules and Regulations as they may relate to limited acceptance. Merchant, and not Forte or Acquirer, will be solely responsible for the implementation of its decision for limited acceptance, including but not limited to policing the card type(s) accepted at the point of sale.

8.1.3 Merchant shall only complete sales transactions produced as the direct result of bona fide sales made by Merchant to cardholders, and is expressly prohibited from processing, factoring, laundering, offering, and/or presenting sales transactions which are produced as a result of sales made by any person or entity other than Merchant, or for purposes related to financing terrorist activities.

8.1.4 Merchant may set a minimum transaction amount to accept a card that provides access to a credit account, under the following conditions: i) the minimum transaction amount does not differentiate between card issuers; ii) the minimum transaction amount does not differentiate between MasterCard, Visa, or any other acceptance brand; and iii) the minimum transaction amount does not exceed ten dollars (or any higher amount established by the Federal Reserve). Merchant may set a maximum transaction amount to accept a card that provides access to a credit account, under the following conditions: Merchant is a i) department, Merchant or instrumentality of the U.S. government; ii) corporation owned or controlled by the U.S. government; or iii) Merchant whose primary business is reflected by one of the following MCCs: 8220, 8244, 8249 – Schools, Trade or Vocational; and the maximum transaction amount does not differentiate between MasterCard, Visa, or any other acceptance brand.

8.1.5 Merchant understands and agrees that should it process credit card Transactions in excess of $100,000 annually, it may be required to enter a processing agreement directly with the Acquirer. The terms of this clause may be revised unilaterally by FORTE based on any changes
to requirements by the applicable Acquirer or Payment Association(s).

8.2 Merchant Prohibitions. Merchant must not i) require a cardholder to complete a postcard or similar device that includes the cardholder’s account number, card expiration date, signature, or any other card account data in plain view when mailed, ii) add any tax to transactions, unless applicable law expressly requires that a Merchant impose a tax (any tax amount, if allowed, must be included in the transaction amount and not collected separately), iii) request or use an account number for any purpose other than as payment for its goods or services, iv) disburse funds in the form of travelers checks if the sole purpose is to allow the cardholder to make a cash purchase of goods or services from Merchant, v) disburse funds in the form of cash unless Merchant is dispensing funds in the form of travelers checks, TravelMoney cards, or foreign currency (in such case, the transaction amount is limited to the value of the travelers checks, TravelMoney cards, or foreign currency, plus any commission or fee charged by the Merchant), or Merchant is participating in a cash back service, vi) submit any transaction receipt for a transaction that was previously charged back to the acquirer and subsequently returned to Merchant, irrespective of cardholder approval, vii) accept a Visa consumer credit card or commercial Visa product issued by a U.S. issuer to collect or refinance an existing debt, viii) accept a card to collect or refinance an existing debit that has been deemed uncollectable by Merchant, or ix) submit a transaction that represents collection of a dishonored check. Merchant further agrees that, under no circumstance, will Merchant store cardholder data in violation of applicable Rules or Regulations including but not limited to the storage of track-2 data. Neither Merchant nor its Agent shall retain or store magnetic-stripe data subsequent to the authorization of a sales transaction.

8.3 Settlement. Upon receipt of Merchant’s sales data for card transactions through Forte’s Services, Acquirer will process Merchant’s sales data to facilitate the funds transfer between the various Associations and Merchant. After Acquirer receives credit for such sales data, Acquirer will fund Merchant, either directly to the Merchant-Owned Designated Account or through Forte to an account designated by Forte (“Forte Designated Account”), at Acquirer’s sole option, for such card transactions. Merchant agrees that the deposit of funds to the Forte Designated Account shall discharge Acquirer of its settlement obligation to Merchant, and that any dispute regarding the receipt or amount of settlement shall be between Forte and Merchant. Acquirer will debit the Forte Designated Account for funds owed to Acquirer as a result of the Services provided hereunder, unless a Merchant-owned account is otherwise designated below. Further, if a cardholder disputes a transaction, if a transaction is charged back for any reason, or if Forte or Acquirer reasonably believe a transaction is unauthorized or otherwise unacceptable, the amount of such transaction may be charged back and debited from Merchant if settled to Merchant-owned account or debited from the Forte Designated Account if settled to that account.

9. ACH SETTLEMENT AUTHORIZATION
Merchant authorizes Forte to electronically debit and credit Merchant’s designated bank account(s) for any amounts owed to or by Merchant in accordance to the terms of these Terms and Conditions.

10. CONSTITUENT DISPUTES
All disputes between Merchant and its Constituent(s) relating to any Transaction processed under these Terms and Conditions will be settled by and between Merchant and Constituent. Merchant agrees that Forte bears no responsibility or involvement in any such dispute.

11. COMPLIANCE WITH RULES AND REGULATIONS
Each party agrees to comply with all applicable Rules and Regulations as defined in Section 1 herein. Merchant agrees to cooperate and provide information requested by Forte or its processing financial institution or Payment Processor to facilitate Forte's compliance with any applicable Rule or Regulation. Additionally, Merchant shall be responsible for any fine or fee imposed by a Payment Association or regulatory entity for any violation or failure to comply with a Rule or Regulation by Merchant or for any data breach of Merchant’s systems as determined by the Payment Association. Merchant shall reimburse Forte for any such fee or fine paid by Forte on behalf of Merchant. Any data breach determined to have occurred on the E-PAY platform and/or systems will be settled by and between Merchant and E-PAY.
12. LIMITS OF LIABILITY
   The limits of liability hereunder shall be governed by the Master Agreement.

13. REPRESENTATIONS AND WARRANTIES
   13.1 Forte's Representations and Warranties.
      13.1.1 Forte represents and warrants to Merchant that Forte's agreement to provide its products and services to Merchant and to perform the Services hereunder does not violate any agreement or obligation between Forte and any third party.
      13.1.2 To the best of Forte's knowledge, no performance of its obligations hereunder will infringe on any copyright, patent, trade secret or other proprietary right held by any third party.
      13.1.3 When executed and delivered by Forte, the agreement with Merchant will constitute the legal, valid, and binding obligation of Forte, enforceable in accordance with its terms.
   13.2 Merchant’s Representations and Warranties.
      13.2.1 Merchant’s agreement to license Forte's products and services and to engage Forte to perform the Services hereunder does not violate any agreement or obligation between Merchant and any third party.
      13.2.2 To the best of Merchant’s knowledge, neither any information delivered by Merchant to Forte in support of these Terms and Conditions nor Merchant's performance of its obligations hereunder will infringe on any copyright, patent, trade secret or other proprietary right held by any third party.
      13.2.3 None of the activities for which Merchant has engaged the services of Forte shall violate any international, federal, state, or local law or regulation, including but not limited to laws relating to consumer non-public financial information.
      13.2.4 When executed and delivered by Merchant, these Terms and Conditions with Forte will constitute the legal, valid, and binding obligation of Merchant, enforceable in accordance with their terms and subject to the Master Agreement.

14. SERVICE POLICY
   Except as otherwise specifically provided herein and in the Master Agreement, Forte's products and services are provided hereunder “As Is” without warranty of any kind. Merchant acknowledges and understands that Forte does not warrant that the Services will be uninterrupted or error free and that Forte may occasionally experience delays or outages due to disruptions that are not within Forte's control. Any such interruption shall not be considered a breach of these Terms and Conditions by Forte. Forte shall use its best efforts to remedy any such interruption in service as quickly as possible.

15. FORCE MAJEREUR
   Neither party shall be liable for, or be considered in breach of or default under the Terms and Conditions on account of any delay or failure to perform its obligations hereunder as a result of any causes or conditions that are beyond such party's reasonable control and that such party is unable to overcome through the exercise of commercially reasonable diligence. If any force majeure event occurs, the affected party shall give prompt written notice to the other party and shall use all commercially reasonable efforts to minimize the impact of the event.

16. ASSIGNMENT
   The rights granted under these Terms and Conditions shall not be assigned by either party without the prior written consent of the other party, which shall not be unreasonably withheld.

17. CHOICE OF LAW
   These Terms and Conditions shall be governed by and construed in accordance with the internal laws of the State of Illinois.

18. AMENDMENT
   Except as otherwise provided for herein, the terms and conditions of these Terms and Conditions shall not
be modified or amended except in writing, signed by the parties hereto and specifically referring to these Terms and Conditions.

19. **PUBLICITY**
   Neither party shall use the other party’s name, logo or service marks in conjunction with a press release or advertisement without first obtaining written approval.

20. **LEGAL NOTICE**
   Any legal notice required to be given by either party hereunder, shall be in writing and delivered personally to the other designated party, or sent by any commercially reasonable means of receipted delivery, addressed, to that party at the address most recently provided in writing. Either party may change the address to which notice is to be sent by written notice to the other under any provision of this paragraph.

   **Notices to Merchant:**
   __________________________________________
   __________________________________________
   __________________________________________
   __________________________________________

   **Copy to:**
   Office of the Illinois State Treasurer
   400 West Monroe
   Suite 401
   Springfield, IL 62704
   Attn: General Counsel

   **Notices to Forte:**
   Forte Payment Systems
   500 W. Bethany
   Suite #200
   Allen, TX 75013
   Attn: General Counsel

21. **HEADINGS**
   The headings contained in these Terms and Conditions are for convenience of reference only and shall not affect the meaning of any provision of these Terms and Conditions.

22. **SEVERABILITY**
   Should any term, clause or provision herein be found invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or operation of any other term, clause or provision and such invalid term, clause or provision shall be construed to most closely reflect the original intent of the parties.

23. **WAIVER**
   Either party’s waiver of any breach of any provision of these Terms and Conditions shall not be deemed a waiver of any subsequent breach of same or other provision.
Resolution No. 2016-12

Resolution In Support of the Village of Johnsburg's Efforts to clean up the Fox River

 Whereas, the Chain O’ Lakes and Fox River is known as the busiest inland water way in the nation; and

 Whereas, the Fox River was ranked by the American Rivers Association as #7 in the “Nations Most Endangered Rivers of 1999”; and

 Whereas, several communities in McHenry County are situated along the Fox River and are directly impacted by its environmental condition; and

 Whereas, many citizens along the Fox River utilize the River as a source of drinking water, for fishing and recreation purposes; and,

 Whereas, without the proper care of the Fox River, its condition will further deteriorate; and

 Whereas, the deterioration of the Fox River would adversely impact the quality of life of the residents of McHenry County;

 Whereas, the Village of Johnsburg has been working for more than twenty years to develop a wastewater treatment and conveyance system to help clean up the Fox River by reducing the discharge of raw and partially treated wastewater into the Fox River; and

 Whereas, the Village of Johnsburg is situated along more than two miles of water frontage along the Chain O’ Lakes and Fox River; and

 Whereas, the Village of Johnsburg built a wastewater treatment system in an effort to eliminate the discharge of more than 1,000,000 gallons of raw and partially treated wastewater from the Fox River daily; and

 Whereas, the Village of Johnsburg has been working to extend the collection system in an effort to reduce the discharge of raw and partially treated waste water into the Fox River; and

 Whereas, the construction of the collection system is cost prohibitive without funding assistance; and

 Whereas, the Village of Johnsburg’s efforts to reduce the discharge of raw and partially treated wastewater into the Fox River will improve the environmental condition of the Fox River; and
Whereas, the residents of McHenry County will benefit from the improved condition of the Fox River;

NOW, THEREFORE, BE IT FURTHER RESOLVED that the President and Village Board of the Village of Spring Grove, McHenry Count, Illinois support the Village of Johnsburg’s efforts to construct the necessary collection system to improve the environmental condition of the Fox River; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the President and Village Board of the Village of Spring Grove, McHenry Count, Illinois support the Village of Johnsburg’s efforts to obtain funding assistance to help fund the construction of the collection system within the Village of Johnsburg.

DATED this 2nd day of August, 2016.

VILLAGE OF SPRING GROVE, ILLINOIS

By: ________________________________
    Mark R. Eisenberg, Village President

ATTEST: ____________________________
        Sandi Rusher, Village Clerk (seal)