

CLERK'S CONTRACT and AGREEMENT COVER PAGE

Legistar File ID#: 2016-0564

Innoprise Contract #: C16-0086

Year: 2016-17

Amount: \$18,000.00

Department: HR - Stephana Przybylski

Contract Type: Consultant

Contractors Name: GovHR USA

Contract Description: Executive Search - Village Manager

MAYOR

Daniel J. McLaughlin

VILLAGE CLERK

John C. Mehalek
14700 S. Ravinia

Orland Park, IL 60462
(708) 403-6100
www.orlandpark.org



**ORLAND
PARK**

VILLAGE HALL

TRUSTEES

Kathleen M. Fenton
James V. Dodge
Patricia A. Gira
Carole Griffin Ruzich
Daniel T. Calandriello
Michael F. Carroll

September 12, 2016

Ms. Heidi Voorhees
GovHR USA
630 Dundee Road, Ste 130
Northbrook, Illinois 60062

RE: NOTICE TO PROCEED – Executive Search – Village Manager

Dear Ms. Voorhees:

This notification is to inform you that the Village of Orland Park has received all necessary documents in order for work to commence on the above stated project as of September 7, 2016.

Please contact Stephana Przybylski at 708-403-6166 or Joe LaMargo at 708-403-6151 to arrange the commencement of the work.

The Village has processed Purchase Order #16-002469 for this contract. It is imperative that this number on the Purchase Order be noted on all invoices, correspondence, etc. All invoices should be sent directly to the Accounts Payable Department at 14700 S. Ravinia Ave. Orland Park, IL 60462. Also, your final invoice for this contract/service should state that it is the final invoice pertaining to that Purchase Order.

For your records, I have enclosed one (1) original executed contract dated August 16, 2016 in an amount not to exceed Eighteen Thousand and No/100 (\$18,000.00) Dollars. If you have any questions, please call me at 708-403-6173.

Sincerely,

Denise Domalewski
Contract Administrator

Encl:

cc: Joe LaMargo
Stephana Przybylski

MAYOR

Daniel J. McLaughlin

VILLAGE CLERK

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August 16, 2016

Ms. Heidi Voorhees
GovHR USA
630 Dundee Road
Suite 130
Northbrook, Illinois 60062

NOTICE OF AWARD – Executive Search – Village Manager

Dear Ms. Voorhees:

This notification is to inform you that on August 15, 2016, the Village of Orland Park Board of Trustees approved awarding GovHR USA) the contract in accordance with the proposal you submitted dated July 20, 2016, for the Village Manager recruitment and selection for an amount not to exceed Eighteen Thousand and No/100 (\$18,000.00) Dollars.

In order to begin this engagement, you must comply with the following within ten business days of the date of this Notice of Award, which is by August 30, 2016.

- Attached is the Contract for Executive Search – Village Manager. Please sign two (2) copies and return them both directly to me. I will obtain signatures to fully execute the Contract and one original executed Contract will be returned to you.
- Also enclosed is our Affidavit of Compliance. Please complete and return directly to me along with the contract.
- Please submit a Certificate of Insurance from your insurance company providing proof of General Liability, Worker's Compensation and Professional Liability coverage along with endorsements for a) the additional insured status, b) the waiver of subrogation for General Liability and c) the waiver of subrogation for Workers Compensation. Additional insured shall be "The Village of Orland Park, and their respective officers, trustees, directors, employees and agents as Additional Insureds on a primary/non-contributory basis with respect to all claims arising out of operations by or on behalf of the named insured."
- In order to properly document your vendor relationship with the Village of Orland Park, your company must provide the Village with a completed W-9 Form.

MAYOR

Daniel J. McLaughlin

VILLAGE CLERK

John C. Mehalek
14700 S. Ravinia

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(708) 403-6100
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VILLAGE HALL

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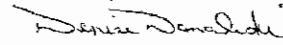
Daniel T. Calandriello

Michael F. Carroll

- I've also included an Electronic Funds Transfer (EFT) Authorization Form. Enrollment is optional, and by authorizing EFTs, you will receive payments from the Village faster and more securely. Additionally, the Village will be able to send you a detailed email notification when payment has been remitted. If you'd like to enroll in EFT payments, complete, sign and return the EFT Authorization Form along with the other documents.

Deliver this information directly to me, Denise Domalewski, Contract Administrator, at Village Hall located at 14700 S. Ravinia Ave., Orland Park, IL 60462. The signed Contracts, Certifications, Insurance Certificate and Endorsements, and completed W-9 are required to be in place and received at my office prior to the commencement of work on this project. You will be issued a Notice to Proceed letter and a purchase order when you are in full compliance with this process. Failure to comply with these conditions within the time specified will entitle the Village to consider your bid abandoned and to annul this Notice of Award. If you have any questions, please do not hesitate to call me at 708-403-6173 or e-mail me at ddomalewski@orlandpark.org.

Sincerely,



Contract Administrator

cc: Stephana Przybylski

VILLAGE OF ORLAND PARK
Executive Search – Village Manager
(Professional and Consulting Services Contract)

This Contract is made this **16th day of August, 2016** by and between the Village of Orland Park (hereinafter referred to as the "VILLAGE") and GovHR USA (hereinafter referred to as the "CONSULTANT").

WITNESSETH

In consideration of the promises and covenants made herein by the VILLAGE and the CONSULTANT (hereinafter referred to collectively as the "PARTIES,") the PARTIES agree as follows:

SECTION 1: THE CONTRACT DOCUMENTS: This Contract shall include the following documents (hereinafter referred to as the "CONTRACT DOCUMENTS") however this Contract takes precedence and controls over any contrary provision in any of the CONTRACT DOCUMENTS. The Contract, including the CONTRACT DOCUMENTS, expresses the entire agreement between the PARTIES and where it modifies, adds to or deletes provisions in other CONTRACT DOCUMENTS, the Contract's provisions shall prevail. Provisions in the CONTRACT DOCUMENTS unmodified by this Contract shall be in full force and effect in their unaltered condition.

This Contract
The Proposal dated July 20, 2016 as it is responsive to the VILLAGE's requirements
Affidavit of Compliance
Certificates of Insurance

SECTION 2: SCOPE OF THE WORK, SERVICES AND PAYMENT: The CONSULTANT will perform for the benefit of the VILLAGE the services described in Proposal dated July 20, 2016, which is included under separate cover and incorporated herein (the "SERVICES"). It shall be noted that on page 7 of the proposal, the sentence in the second to the last paragraph "Printed brochures can be provided, if desired, for an additional cost of \$900" shall be stricken and replaced with "Printed brochures can be provided, if desired, for no charge." Additionally, "GovHR USA shall incorporate the use of Spark Hire at no additional cost" shall be added to the end of page 7.

The CONSULTANT must furnish all professional services, labor, materials, tools, equipment and supervision necessary or appropriate to fully perform the SERVICES and all other duties and responsibilities of the CONSULTANT pursuant to this Contract (hereinafter referred to as the "WORK"). The WORK is to be provided by CONSULTANT as an independent contractor and not as an employee of the VILLAGE. CONSULTANT represents that all employees utilized by CONSULTANT are fully trained. CONSULTANT understands that no training will be provided by the VILLAGE. In performing its obligations pursuant to this Contract, CONSULTANT will do nothing that could adversely affect the goodwill or reputation of the VILLAGE.

The VILLAGE agrees to pay the CONSULTANT pursuant to the provisions of the Local Government Prompt Payment Act (50 ILCS 505/1 et seq.) the following amount for performance of the WORK:

Eighteen Thousand and No/100 (\$18,000.00) Dollars plus any additional options outlined in the proposal and approved by the Village Board, in addition to any reimbursable expenses incurred by the CONSULTANT related to the Work.

SECTION 3: ASSIGNMENT: CONSULTANT shall not assign the duties and obligations involved in the performance of the WORK which is the subject matter of this Contract without the written consent of the VILLAGE.

SECTION 4: TERM OF THE CONTRACT: This Contract shall commence on the date of its execution. The WORK shall commence on the date of execution and continue expeditiously until final completion as outlined in the proposal. This Contract shall terminate upon completion of the WORK or August 31, 2017, whichever occurs first, but may be terminated by either of the PARTIES for default upon failure to cure after ten (10) days prior written notice of said default from the aggrieved PARTY. The VILLAGE, for its convenience, may terminate this Contract with thirty (30) days prior written notice. CONSULTANT shall be paid for all services and expenses incurred up through the date of notice of cancellation.

SECTION 5: INDEPENDENT CONTRACTOR STATUS: To the fullest extent permitted by law, CONSULTANT shall be an independent contractor hereunder and neither CONSULTANT nor anyone acting on its behalf shall be deemed an agent, employee, joint employee or servant of VILLAGE. Neither VILLAGE nor CONSULTANT shall have any right to act on behalf of or bind the other party for any purpose.

SECTION 6: INDEMNIFICATION AND INSURANCE: With respect to services performed by the CONSULTANT for the VILLAGE, the CONSULTANT agrees to the fullest extent permitted by law to indemnify and hold harmless the VILLAGE, its trustees, directors, officers, agents and employees against any and all claims, suits, actions, demands or losses against VILLAGE and pay all costs (including costs of defense) for damage to the property of, or personal injuries to, or death of, any person or persons, including the CONSULTANT, if such claims, suits or losses are caused directly or indirectly by, are connected with, or arise out of the performance of this Contract by the CONSULTANT, whether by negligence or otherwise. CONSULTANT will also indemnify, defend and hold harmless the VILLAGE and its officers, directors, employees, agents, affiliates and representatives, from and against any and all claims, demands, suits, liabilities, injuries, causes of action, losses, expenses, damages or penalties, including, without limitation, court costs and reasonable attorneys' fees, arising or resulting from, or occasioned by or in connection with any and all claims which are based upon or make the contention that any of the Developments or other materials supplied to the VILLAGE or used by the VILLAGE in the manner recommended by the CONSULTANT, in whole or in part, constitute infringement of any copyright, trademark, patent, trade secret or other proprietary rights of any third party. This indemnification, defense and hold harmless obligation will survive the termination or expiration of this Contract, whether by lapse of time or otherwise.

The indemnification obligation under this paragraph shall not be limited in any way by any limitations on the amount or type of damages, compensation or benefits payable by or for the benefit of CONSULTANT or any indemnities under any Worker's Compensation Act, Occupational Disease Act, Disability Benefits Act, or any other employee benefits act. The CONSULTANT further agrees to waive any and all liability limitations based upon the Worker's Compensation Act court interpretations or otherwise.

Execution of this Contract by the VILLAGE is contingent upon receipt of Insurance Certificates provided by the CONSULTANT in compliance with the CONTRACT DOCUMENTS.

SECTION 7: COMPLIANCE WITH LAWS: CONSULTANT agrees to comply with all federal, state and local laws, ordinances, statutes, rules and regulations including but not limited to the Illinois Human Rights Act as follows: CONSULTANT hereby agrees that this Contract shall be performed in compliance with all requirements of the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq., and that the CONSULTANT and its subcontractors shall not engage in any prohibited form of discrimination in employment as defined in that Act and shall maintain a sexual harassment policy as the Act requires. The CONSULTANT shall maintain, and require that its subcontractors maintain, policies of equal employment opportunity which shall prohibit discrimination against any employee or applicant for employment on the basis of race, religion, color, sex, national origin, ancestry, citizenship status, age, marital status, physical or mental disability unrelated to the individual's ability to perform the essential functions of the job, association with a person with a disability, or unfavorable discharge from military service. CONSULTANT and all subcontractors shall comply with all requirements of the Act and of the Rules of the Illinois Department of Human Rights with regard to posting information on employees' rights under the Act. CONSULTANT and all subcontractors shall place appropriate statements identifying their companies as equal opportunity employers in all advertisements for workers to be employed in work to be performed under this Contract.

The CONSULTANT shall obtain all necessary local and state licenses and/or permits that may be required for performance of the WORK and provide those licenses to the VILLAGE prior to commencement of the WORK.

SECTION 8: NOTICE: Where notice is required by the CONTRACT DOCUMENTS it shall be considered received if it is delivered in person, sent by registered United States mail, return receipt requested, delivered by messenger or mail service with a signed receipt, sent by facsimile or e-mail with an acknowledgment of receipt, to the following:

To the VILLAGE:

Denise Domalewski, Contract Administrator
Village of Orland Park
14700 South Ravinia Avenue
Orland Park, Illinois 60462
Telephone: 708-403-6173
Facsimile: 708-403-9212
e-mail: ddomalewski@orland-park.il.us

To the CONSULTANT:

Heidi J. Voorhees, President
GovHR USA
630 Dundee Road, Suite 130
Northbrook, Illinois 60062
Telephone: 847-380-3243
Facsimile: 866-401-3100
e-mail: Hvoorhees@GovHRusa.com

or to such other person or persons or to such other address or addresses as may be provided by either party to the other party.

SECTION 9: STANDARD OF SERVICE: SERVICES shall be rendered to the highest professional standards to meet or exceed those standards met by others providing the same or similar services in the Metropolitan Chicago area. Sufficient competent personnel shall be provided who with supervision shall complete the services required within the time allowed for performance. The CONSULTANT'S personnel shall, at all times present a neat appearance and shall be trained to handle all contact with VILLAGE residents or VILLAGE employees in a respectful manner. At the request of the VILLAGE Manager or a designee, the CONSULTANT shall replace any incompetent, abusive or disorderly person in its employ.

SECTION 10: PAYMENTS TO OTHER PARTIES: The CONSULTANT shall not obligate the VILLAGE to make payments to third parties or make promises or representations to third parties on behalf of the VILLAGE without prior written approval of the VILLAGE Manager or a designee.

SECTION 11: COMPANY PROPERTY: Upon expiration of this Contract or termination for any reason, CONSULTANT will forthwith deliver and assign to the VILLAGE all the results performed by CONSULTANT pursuant to this Contract including but not limited to all documents, records, notebooks and repositories of or containing secret, confidential or proprietary information concerning the VILLAGE or its business affairs or products, including all copies thereof in the CONSULTANT's possession, whether prepared by the CONSULTANT or others, and all other property of the VILLAGE in the CONSULTANT's possession, including keys and access or security cards providing access to VILLAGE facilities or equipment. In the absence of permission by the VILLAGE, the CONSULTANT will not at any time during the term or after termination of this Contract reveal, divulge or make known to any person outside the VILLAGE's business organization, or use for the CONSULTANT's own account, any secret, confidential or proprietary information concerning the VILLAGE or its business, affairs or products (whether or not developed in whole or in part by the CONSULTANT's efforts). The CONSULTANT will at no time, either during the term or after termination of this Contract make any use of any such information except for the benefit of the VILLAGE.

SECTION 12: COMPLIANCE: CONSULTANT shall comply with all of the requirements of the CONTRACT DOCUMENTS including, but not limited to, all other applicable local, state and federal statutes, ordinances, codes, rules and regulations.

SECTION 13: FREEDOM OF INFORMATION ACT COMPLIANCE: The Illinois Freedom of Information Act (FOIA) has been amended and effective January 1, 2010. This amendment adds a new provision to Section 7 of the Act which applies to public records in the possession of a party with whom the VILLAGE has contracted. The VILLAGE will have only a very short period of time from receipt of a FOIA request to comply with the request, and there is a significant amount of work required to process a request including collating and reviewing the information.

The undersigned acknowledges the requirements of FOIA and agrees to comply with all requests made by the VILLAGE for public records (as that term is defined by Section 2(c) of FOIA) in the undersigned's possession and to provide the requested public records to the VILLAGE within two (2) business days of the request being made by the VILLAGE. The undersigned agrees to indemnify and hold harmless the VILLAGE from all claims, costs, penalty, losses and injuries (including but not limited to, attorney's fees, other professional fees, court costs and/or arbitration or other dispute resolution costs) arising out of or relating to its failure to provide the public records to the VILLAGE under this Contract.

SECTION 14: LAW AND VENUE: The laws of the State of Illinois shall govern this Contract and venue for legal disputes shall be Cook County, Illinois.

SECTION 15: MODIFICATION: This Contract may be modified only by a written amendment signed by both PARTIES.

SECTION 16: COUNTERPARTS: This Contract may be executed in two (2) or more counterparts, each of which taken together, shall constitute one and the same instrument.

This Contract shall become effective on the date first shown herein and upon execution by duly authorized agents of the parties.

FOR: THE VILLAGE

By: Timothy J. McCarthy
Print Name: TIMOTHY J. MCCARTHY
Title: INTERIM VILLAGE MANAGER
Date: Sept. 9, 2016

FOR: THE CONSULTANT

By: Heidi Voorhees
Print Name: Heidi Voorhees
Title: President
Date: 9/1/16



July 20, 2016

The Honorable Dan McLaughlin, Mayor
Village of Orland Park
14700 Ravinia Avenue
Orland Park, IL 60462

Dear Mayor McLaughlin:

Thank you for the opportunity to provide you with a proposal for the Village of Orland Park's Village Manager recruitment and selection process. GovHR USA prides itself on a tailored, personal approach to executive recruitment and selection, able to adapt to your specific requirements for the position.

QUALIFICATIONS AND EXPERIENCE

GovHR USA is a public management consulting firm serving municipal clients and other public sector entities on a national basis. We work exclusively in the public sector, offering customized executive recruitment services, as well as providing other management studies, temporary staffing and related services for communities, counties, intergovernmental organizations and not-for-profit organizations that serve local government. GovHR USA is co-owned by Heidi Voorhees, President, and Joellen Earl, CEO. GovHR is a certified woman owned business firm in the State of Illinois.

GovHR USA was established in 2009 as Voorhees Associates, LLC. In January, 2014 Voorhees Associates combined with GovTempsUSA to form GovHR USA. This combination enables us to more effectively serve our clients by utilizing our combined resources to provide not only executive recruiting and management consulting, but also temporary staffing solutions, including short-term, long-term, and interim placements. Our headquarters offices are in Northbrook, Illinois.

Prior to 2009, Ms. Voorhees and a number of current GovHR USA consultants worked for The PAR Group, a public sector national consulting firm established in 1972. Ms. Voorhees began working for The PAR Group in 2001 and served as its President from 2006-2009. She has conducted more than 220 recruitments in her management consulting career, with many of her clients repeat clients, attesting to the high quality of work performed for them. In addition to her years of executive recruitment and management consulting experience, Ms. Voorhees has 19 years of local government leadership and management service with the Villages of Wilmette and Schaumburg, Illinois, as well as the City of Kansas City, Missouri. Ms. Earl is a seasoned manager, with expertise in public sector human resources management. She has held positions from Human Resources Director and Administrative Services Director to Assistant Town Manager and Assistant County Manager. Ms. Earl has worked in forms of government ranging from Open Town Meeting to Council-Manager and has supervised all municipal and county departments ranging from Public Safety and Public Works to Mental Health and Social Services.

630 Dundee Road, Suite 130, Northbrook, Illinois 60062

Local: 847.380.3240 Toll Free: 855.68GovHR (855.684.6847) Fax: 866.401.3100 GovHRUSA.com

EXECUTIVE RECRUITMENT • INTERIM STAFFING • MANAGEMENT AND HUMAN RESOURCE CONSULTING

The firm has a total of twenty-two consultants, both generalists and specialists (public safety, finance, parks, etc.), who are based in Arizona, Florida, Illinois, Michigan, and Wisconsin, as well as six reference specialists and ten support staff.

Philosophy

Executive search is an important decision-making process for a community; our primary goal is to help our client to make a good decision. Our firm's executive recruitment philosophy embraces a professional process of integrity, trust, and respect toward all parties involved and complete commitment toward meeting the expressed needs and desires of our client. All of our services are handled by principals of the firm who have established and well-regarded reputations in the search field as well as actual operating experience in the public management fields in which they now consult. Each has impeccable professional credentials and unblemished personal reputations. Keeping both our client and prospective candidates informed on the status of the recruitment on a regular basis is also an important part of our recruitment process. Our work is carried out in an open manner with particular attention given toward seeking out critical factors of a client's organization and governance and utilizing such information respectfully and discreetly in seeking out candidates who truly have the ability to meet the expectations and needs of the client—working strenuously in developing a fully qualified, “best match” candidate pool for client consideration. Our process includes assistance in the critical final interview and selection phases of the recruitment, and availability to both client and candidate for months following the appointment. Our process was developed and refined over the years to meet the special, and often unique, needs and circumstances facing our local government, public management, and related not-for-profit clients.

Experience

GovHR USA has completed over 325 recruitments since its establishment in 2009, including more than 90 for city management positions. In your area, we have conducted recruitments for Crest Hill, Homer Glen, Joliet, Mokena, New Lenox, and Tinley Park. Our consultants are experienced executive recruiters who have conducted over 500 recruitments, working with cities, counties, special districts and other governmental entities of all sizes throughout the country. In addition, we've held leadership positions within local government, giving us an understanding of the complexities and challenges facing today's public sector leaders.

References

The following references can speak to the quality of service provided by GovHR USA (recruitments marked * were conducted under the firm's previous name, Voorhees Associates):

Village Administrator recruitment

Village of Mokena
Mayor Frank A. Fleischer
11004 Carpenter St.
Mokena, IL 60448
708-479-3900
electedofficial@mokena.org

City Manager recruitment*

City of Joliet, Illinois
Mayor Bob O'Dekirk
150 W. Jefferson Street
Joliet, IL 60432
815-724-3700
rodekirk@jolietcity.org

Village Administrator recruitment*

Village of New Lenox, Illinois
Mayor Timothy Baldermann
1 Veterans Parkway
New Lenox, IL 60451
815-462-6400
tbaldermann@newlenox.net

Consultant Assigned

GovHR USA President Heidi Voorhees will be responsible for your recruitment and selection process.

**Heidi J. Voorhees
President**

Ms. Voorhees has extensive experience in both executive search and general management consulting assignments. She has led more than 220 recruitments for local government entities across the country and takes pride in facilitating a tailored, thorough process that gives elected and appointed officials the tools they need to make critical personnel decisions. Her clients have included the City of Austin, Texas; Johnson County, Kansas; Evanston, Illinois; Waukesha, Wisconsin; Fort Worth, Texas; Bloomington, Illinois; Carbondale, Illinois; Fayetteville, North Carolina; and clients in Arizona, Rhode Island, and Colorado.

In addition to her eleven years of executive recruitment and management consulting experience, she has 19 years of local government leadership and management service, with the Villages of Wilmette and Schaumburg, Illinois, and the City of Kansas City, Missouri.

From 1990 to 2001, Ms. Voorhees served as the Village Manager for Wilmette, Illinois, one of Chicagoland's notable residential suburbs located on the shore of Lake Michigan. During her tenure, Ms. Voorhees focused on delivering high quality services and responsiveness to a recognized interactive community, streamlining administrative and management functions and team building throughout the organization that employed 200 individuals. Under her leadership, the organization developed a collaborative budget process, formalized its long range capital improvement program, and developed budget and financial policies that led to the achievement of a AAA bond rating for the community.

Since leaving the Village of Wilmette in 2001, Ms. Voorhees has been an Adjunct Instructor for the Center for Public Safety located on the campus of Northwestern University. She also instructs law enforcement executives in the Executive Management Program on management, community relations, and organizational culture. Ms. Voorhees has also been an Instructor for the Northwestern University Master's Degree Program in Public Policy and Administration. She is a frequent speaker on recruitment and selection issues and has conducted training programs for the Illinois City and County Management Association, the Ohio City and County Management Association, the American Public Works Association – Chicago Metro Chapter, the Illinois Association of Municipal Management Assistants, the Northern Illinois University Civic Leadership Program, and the Great Lakes Leadership Academy.

Ms. Voorhees holds a Master's Degree in Public Affairs from the School of Public and Environmental Affairs at Indiana University where she was a fellow in the Eli Lilly State and Local Government Fellowship Program. Ms. Voorhees was recognized as the distinguished Alumnus for the School in 1998. She also has a Bachelor of Science degree in Political Science from Illinois State University.

Ms. Voorhees has served on the Boards of Directors of numerous professional associations including the Chicago Metropolitan Managers' Association and the Illinois City and County Management Association. For two years, she was the Illinois representative to the ICMA University, the professional development arm of the International City and County Management Association. In 1999, she was selected to participate in the Leadership Greater Chicago Program and has been an active Rotarian for 23 years.

SCOPE OF WORK

A typical recruitment and selection process can take 175 hours to conduct. At least 50 hours of this time is "administrative" including ad placement, acknowledgment of résumés, reference interviews, and due diligence on candidates. These tasks may take longer if someone is performing them for the first time. We believe our experience and ability to professionally administer your recruitment will provide you with the best possible outcome. GovHR USA clients are kept informed of the progress of a recruitment throughout the recruitment process. Consultants are always available to provide information and answer questions, and details of the process such as placement of advertising and applications received are discussed in regular updates via either telephone or email.

GovHR USA suggests the following approach to your recruitment, subject to your requests for modification:

Phase I – Position Assessment, Position Announcement and Brochure Development

Phase I will include the following steps:

- **Interviews** with the Mayor and Members of the Board of Trustees, and the Village's senior staff as well as any other individuals you deem appropriate to best understand the responsibilities, challenges, and culture of the Village.

At least eight (8) hours of one-on-one interviews will be conducted with elected officials, staff and the public in order to develop our Recruitment Brochure. This important document outlines the expectations that the Village has for its next Village Manager, providing us with the information we need to target our recruitment. During this process we will assist you with establishing the salary for the Village Manager by conducting a salary survey of comparable communities, if so desired.

- Development of a **Position Announcement**.
- Development of a detailed **Recruitment Brochure** for your review and approval.
- Agreement on a detailed **Recruitment Timetable**.

Phase II – Advertising, Candidate Recruitment and Outreach

Phase II will include the following steps:

- Placement of the **Position Announcement** in appropriate professional online publications. In addition to public sector publications and web sites, outreach will include LinkedIn and other private sector resources. We can provide the Village with placement recommendations, if so desired.
- Technology has changed how organizations find the best and brightest candidates. GovHR USA is at the forefront of this technology automation. Our firm posts each position on LinkedIn, FaceBook, and Twitter a minimum of twice per week throughout the advertising process. Our Social Media integration procedures provide our customers with advanced utilization of keywords and hashtags to assist in driving awareness and ultimately bringing the greatest exposure for each position. We have dedicated and focused experts consistently monitoring the results and processes we use to ensure we are current with the latest trends in the industry to provide our customers with the greatest value and results with their advertising budgets.

- The development of a database of potential candidates unique to the position and to the Village of Orland Park, focusing on the leadership and management skills identified in Phase I as well as size of organization, and experience in addressing challenges and opportunities also outlined in Phase I.
- Outreach will be done through e-mail and telephone contacts as appropriate. GovHR USA consultants have extensive knowledge of the municipal government industry and will personally identify and contact potential candidates. With more than 600 collective years of municipal and consulting experience among our consultants, we often have inside knowledge about candidates.

Phase III – Candidate Evaluation and Screening

Phase III will include the following steps:

- Review and evaluation of candidates' credentials considering the criteria outlined in the Recruitment Brochure.
- Candidates will be interviewed by Skype or Facetime to fully grasp their qualifications and experience as well as their interpersonal skills. This is an hour long interview, asking specific questions about their experience and skill set. This allows us to ask follow up questions and probe specific areas. It also provides us with an assessment of their verbal skills and their level of energy for and interest in the position.
- Formal and informal references (two per candidate) and an internet search of each candidate will be conducted to further verify candidates' abilities, work ethic, management and leadership skills, analytical skills, interpersonal skills, ability to interact with the media, and any areas identified for improvement.
- All résumés will be acknowledged and contacts and inquiries from candidates will be personally handled by GovHR USA, ensuring Orland Park's process is professional and well regarded by all who participate.

Phase IV – Presentation of Recommended Candidates

Phase IV will include the following steps:

- GovHR USA will prepare a **Recruitment Report** that presents the credentials of those candidates most qualified for the position. You will advise us of the number of reports you will need for the individuals involved in this phase of the recruitment and selection process. We provide a binder which contains the candidate's cover letter and résumé. In addition, we prepare a "mini" résumé for each candidate, so that each candidate's credentials are presented in a uniform way. As résumés come in all different formats, these "mini" résumés will give you a clear, consistent look at each candidate "at a glance."
- GovHR USA will provide you with a log of all candidates who applied. You may also review all of the résumés should you so desire.
- GovHR USA will meet with you to review the Recruitment Report and expand upon the information provided. The report will arrive two to three days in advance of the meeting, giving you the opportunity to fully review it. In addition to the written report, we will spend 2 to 3 hours with you to bring the candidates to "life" by reviewing their telephone interview and providing excerpts from two (2) references we will have done on the individual.

Phase V –Interviewing Process

Phase V will include the following steps:

- At the Recommendation meeting, the Interviewing Process will be finalized including the discussion of any specific components you deem appropriate, such as a writing sample.
- GovHR USA will develop the first and second round interview questions for your review. GovHR USA will provide you with interview books that include the credentials each candidate submits, a summary of each candidate's credentials, a set of questions with room for interviewers to make notes, and an evaluation sheet to assist interviewers in assessing each candidate's skills and abilities.
- GovHR USA will work with you to develop an interview schedule for the candidates, coordinating travel and accommodations. The schedule will incorporate a tour of Village of Orland Park facilities and interviews with Department Heads and elected officials.

We offer a community "Meet and Greet" option, at no charge, as a means for the community to interact and get to know the candidates in an informal setting. At this "Meet and Greet," candidates would give a brief overview of themselves and answer questions from the audience.

- Once candidates for interview are selected, additional references will be contacted, along with verification of educational credentials, criminal court, credit, and motor vehicle and records checks. Using the candidate's name and work experience we review the top 200 search results available from Google, as well as his/her activity (if publicly available) on Facebook, Twitter, and other social media platforms. Employment verification can also be provided if so desired.

GovHR USA recommends a two-step interviewing process with (typically) five candidates interviewed in the first round. Following this round, we strongly suggest that two or three candidates are selected for second round interviews. Again, we will prepare a second round of interview questions and a "score sheet."

- GovHR USA consultants will be present for all of the interviews, serving as a resource and facilitator.

Phase VI – Appointment of Candidate

- GovHR USA will assist you as much as you request with the salary and benefit negotiations and drafting of employment agreement, if appropriate.
- GovHR USA will notify all applicants of the final appointment, including professional background information on the successful candidate.

Optional 360° Evaluation

As a service to the Village of Orland Park, we offer the option to provide you with a proposal for a 360° performance evaluation for the appointed Village Manager at about six months into his or her employment. This evaluation will include seeking feedback from both Elected Officials and Department Directors, along with any other constituent the Village feels would be relevant and beneficial. This input will be obtained on a confidential basis with comments known only to the consultant. If you are interested in this option, GovHR USA will prepare a proposal for this service.

Recruitment Schedule

A detailed recruitment schedule will be provided in Phase I. The recruitment and selection process typically takes 90 days from the time the contract is signed until the candidate is appointed. We can work with you on a shorter process, should you so desire.

Our typical recruitment process includes the following milestones and deliverables:

On-site interviews of Orland Park officials and staff, development and approval of recruitment brochure Deliverable: recruitment brochure	weeks 1-2
Placement of professional announcements; candidate identification, screening, interview and evaluation by consultant	weeks 3-8
Consultant recommendation to Board of qualified candidates Deliverable: recruitment report	week 9
Selection of candidate finalists by Board; additional background and reference checks, report preparation and presentation Deliverable: interview reports including suggested questions and evaluation sheets	week 10
Interviews of selected finalist candidates; Board selection of final candidate; negotiation, offer, acceptance and appointment	weeks 11-12

Summary of Costs

Recruitment Fee:	\$13,000
Recruitment Expenses: (not to exceed)	3,000
Expenses include consultant travel, candidate outreach, and candidate due diligence efforts..	
Advertising costs	2,000
Total Fees:	\$18,000*

Expenses include billing the client for up to 10 recruitment reports and 10 interview books. Clients requesting additional copies will be billed an additional per-book charge which may then exceed the estimated expenses. Advertising costs over \$2,000 will be placed only with client approval. If less than \$2,000, Client is billed only for actual cost.

*This fee does not include travel and accommodations for candidates interviewed. Recruitment brochures are produced as electronic files. Printed brochures can be provided, if desired, for an additional cost of \$900.

The above cost proposal is predicated upon three consultant visits to Orland Park; the first for the recruitment brochure interview process; the second to present recommended candidates; and the third for the candidate interview process.

Payment for Fees and Services

Professional fees and expenses will be invoiced as follows: Recruitment expenses and the costs for the Recruitment Brochure printing will be itemized with sufficient detail and invoiced as incurred. In addition, the Recruitment Fee will be invoiced in three (3) equal payments, billed during the course of the recruitment. The first invoice for the Recruitment Fee will be sent upon acceptance of our proposal. The second invoice will be sent following the recommendation of candidates and will include any expenses incurred to date. The final invoice will be sent upon completion of the recruitment assignment and will include all remaining expenses. Upon receipt of each invoice the Village will approve payment in accordance with its claims procedures within thirty (30) days of receipt.

GovHR USA Guarantee

It is the policy of GovHR USA to assist our clients until an acceptable candidate is appointed to the position. Therefore, no additional professional fee would be incurred should the Board of Trustees not make a selection from the initial group of recommended candidates and request additional candidates be developed for interview consideration.

Upon appointment of a candidate, GovHR USA provides the following guarantee: should the selected and appointed candidate, at the request of the Village of Orland Park or the employee's own determination, leave the employ of the Village of Orland Park within the first 24 months of appointment, we will, if desired, conduct another search for the cost of expenses and announcements only.

In addition, in accordance with the policy of our firm as well as established ethics in the executive search industry, we will not actively recruit the placed employees for a period of five years.

Why Choose GovHR USA?

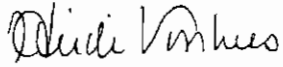
The heart and soul of a professional recruitment firm is the expertise it brings to its clients. GovHR USA consultants are all experienced local government executives who have demonstrated careers and expertise that brings first hand knowledge of the disciplines in which they now consult. This knowledge can assist clients in designing the appropriate interview questions, the development of written and oral exercises to best assess candidates' abilities, and facilitation of the clients' discussion of the candidates.

Our process reflects the client's goals and objectives—therefore, the time we spend developing the Recruitment Brochure is critical in our understanding of the challenges, opportunities, and culture of the position under consideration. Our candidate assessment and interviewing skills are based on thousands of interviews over the course of our Consultants' many years of experience in the recruitment and selection field. This professional familiarity allows us to be sensitive to the nuances, not only the obvious. In addition, as experienced local government professionals, our Consultants are able to ask probing, thoughtful questions and effectively evaluate the candidates' answers. We provide the client with a diverse list of potential candidates who have been fully vetted by our staff and who are truly interested in and well-qualified for the position. We respect the confidentiality of candidates' applications and are respectful of the candidates' current employment situation when we conduct reference calls. We are not a gatekeeper—clients will be provided with a list of everyone who applied and may view the résumés should they so desire.

Our firm's executive recruitment standards embrace a professional process of integrity, trust, and respect toward all parties involved and a commitment toward meeting the expressed needs and desires of our Client. Our ultimate goal is for the client to be completely satisfied with the selected candidate.

This proposal will remain in effect for a period of six months from the date of the proposal. We look forward to working with you on this recruitment and selection process!

Sincerely,



Heidi J. Voorhees
President
GovHR USA

ACCEPTED BY THE VILLAGE OF ORLAND PARK, ILLINOIS

BY: _____

TITLE: _____

DATE: _____

AFFIDAVIT OF COMPLIANCE

The undersigned Heidi Voorhees, as President
(Enter Name of Person Making Affidavit) (Enter Title of Person Making Affidavit)
and on behalf of GovHR USA, LLC, certifies that:
(Enter Name of Business Organization)

1) BUSINESS ORGANIZATION:

The Proposer is authorized to do business in Illinois: Yes [] No []

Federal Employer I.D. #: 27-0598897
(or Social Security # if a sole proprietor or individual)

The form of business organization of the Proposer is (check one):

- ☐ Sole Proprietor
☐ Independent Contractor (Individual)
☐ Partnership
☒ LLC
☐ Corporation _____
(State of Incorporation) (Date of Incorporation)

2) ELIGIBILITY TO ENTER INTO PUBLIC CONTRACTS: Yes [X] No []

The Proposer is eligible to enter into public contracts, and is not barred from contracting with any unit of state or local government as a result of a violation of either Section 33E-3, or 33E-4 of the Illinois Criminal Code, or of any similar offense of "Bid-rigging" or "Bid-rotating" of any state or of the United States.

3) SEXUAL HARRASSMENT POLICY: Yes [X] No []

Please be advised that Public Act 87-1257, effective July 1, 1993, 775 ILCS 5/2-105 (A) has been amended to provide that every party to a public contract must have a written sexual harassment policy in place in full compliance with 775 ILCS 5/2-105 (A) (4) and includes, at a minimum, the following information: (I) the illegality of sexual harassment; (II) the definition of sexual harassment under State law; (III) a description of sexual harassment, utilizing examples; (IV) the vendor's internal complaint process including penalties; (V) the legal recourse, investigative and complaint process available through the Department of Human Rights (the "Department") and the Human Rights Commission (the "Commission"); (VI) directions on how to contact the Department and Commission; and (VII) protection against retaliation as provided by Section 6-101 of the Act. (Illinois Human Rights Act). (emphasis added). Pursuant to 775 ILCS 5/1-103 (M) (2002), a "public contract" includes "...every contract to which the State, any of its political subdivisions or any municipal corporation is a party."

4) EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE: Yes ☒ No ☐

During the performance of this Project, Proposer agrees to comply with the "Illinois Human Rights Act", 775 ILCS Title 5 and the Rules and Regulations of the Illinois Department of Human Rights published at 44 Illinois Administrative Code Section 750, et seq. The

Proposer shall: (I) not discriminate against any employee or applicant for employment because of race, color, religion, sex, marital status, national origin or ancestry, age, or physical or mental handicap unrelated to ability, or an unfavorable discharge from military service; (II) examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization; (III) ensure all solicitations or advertisements for employees placed by it or on its behalf, it will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, marital status, national origin or ancestry, age, or physical or mental handicap unrelated to ability, or an unfavorable discharge from military service; (IV) send to each labor organization or representative of workers with which it has or is bound by a collective bargaining or other agreement or understanding, a notice advising such labor organization or representative of the Vendor's obligations under the Illinois Human Rights Act and Department's Rules and Regulations for Public Contract; (V) submit reports as required by the Department's Rules and Regulations for Public Contracts, furnish all relevant information as may from time to time be requested by the Department or the contracting agency, and in all respects comply with the Illinois Human Rights Act and Department's Rules and Regulations for Public Contracts; (VI) permit access to all relevant books, records, accounts and work sites by personnel of the contracting agency and Department for purposes of investigation to ascertain compliance with the Illinois Human Rights Act and Department's Rules and Regulations for Public Contracts; and (VII) include verbatim or by reference the provisions of this Equal Employment Opportunity Clause in every subcontract it awards under which any portion of this Agreement obligations are undertaken or assumed, so that such provisions will be binding upon such subcontractor. In the same manner as the other provisions of this Agreement, the Proposer will be liable for compliance with applicable provisions of this clause by such subcontractors; and further it will promptly notify the contracting agency and the Department in the event any subcontractor fails or refuses to comply therewith. In addition, the Proposer will not utilize any subcontractor declared by the Illinois Human Rights Department to be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations. "Subcontract" means any agreement, arrangement or understanding, written or otherwise, between the Proposer and any person under which any portion of the Proposer's obligations under one or more public contracts is performed, undertaken or assumed; the term "subcontract", however, shall not include any agreement, arrangement or understanding in which the parties stand in the relationship of an employer and an employee, or between a Proposer or other organization and its customers. In the event of the Proposer's noncompliance with any provision of this Equal Employment Opportunity Clause, the Illinois Human Right Act, or the Rules and Regulations for Public Contracts of the Department of Human Rights the Proposer may be declared non-responsible and therefore ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations, and this agreement may be canceled or avoided in whole or in part, and such other sanctions or penalties may be imposed or remedies involved as provided by statute or regulation.

5) **TAX CERTIFICATION:** Yes [X] No []

Proposer is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, or if it is: (a) it is contesting its liability for the tax or the amount of tax in accordance with procedures established by the appropriate Revenue Act; or (b) it has entered into an agreement with the Department of Revenue for payment of all taxes due and is currently in compliance with that agreement.

6) **AUTHORIZATION & SIGNATURE:**

I certify that I am authorized to execute this Affidavit of Compliance on behalf of the Proposer set forth on the Proposal Summary Sheet, that I have personal knowledge of all the information set forth herein and that all statements, representations, that the Proposal is genuine and not collusive, and information provided in or with this Affidavit are true and accurate. The undersigned, having become familiar with the Project specified, proposes to provide and furnish all of the labor, materials, necessary tools, expendable equipment and all utility and transportation services necessary to perform and complete in a workmanlike manner all of the work required for the Project.

ACKNOWLEDGED AND AGREED TO:

Heidi A. Voorhees

Signature of Authorized Officer

Heidi Voorhees

Name of Authorized Officer

President

Title

8/19/16

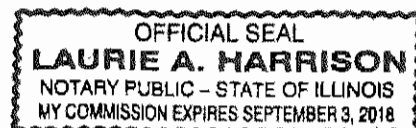
Date

Subscribed and Sworn To
Before Me This 19 Day
of August, 2016.

Laurie A. Harrison

Notary Public Signature

(NOTARY SEAL)





CERTIFICATE OF LIABILITY INSURANCE

GOVHRUS

OP ID: DO

DATE (MM/DD/YYYY)

08/18/2016

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

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

PRODUCER
Service Insurance Agency
P.O. Box 1250
1655 N. Arlington Heights Road
Arlington Heights, IL 60004-1250
Service Insurance Agcy

CONTACT

NAME:

PHONE

(A/C, No, Ext):

FAX

E-MAIL

ADDRESS:

INSURER(S) AFFORDING COVERAGE

NAIC #

INSURER A: The Hartford

29424

INSURED GovHR USA LLC
Heidi Voorhees & Joellen Earl
630 Dundee Rd., Ste. 130
Northbrook, IL 60062

INSURER B: Philadelphia Insurance Co

INSURER C:

INSURER D:

INSURER E:

INSURER F:

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC ☐ OTHER	X	83SBAIL3741	03/07/2016	03/07/2017	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/OP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY ☐ ANY AUTO ☒ ALL OWNED AUTOS ☒ HIRED AUTOS ☐ SCHEDULED AUTOS ☒ NON-OWNED AUTOS		83SBAIL3741	03/07/2016	03/07/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB EXCESS LIAB DED RETENTIONS	☐ OCCUR ☐ CLAIMS-MADE				EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N ☐ N/A	83WECBZ8768	03/07/2016	03/07/2017	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$ 100,000 E.L. DISEASE - EA EMPLOYEE \$ 100,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
B	Prof. Liability		PHSD1661947	09/14/2016	09/14/2017	Ea claim 1,000,000 Agg 1,000,000

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

The Village of Orland Park and their respective officers, trustees, directors, employees and agents are included as additional insureds on a primary/non-contributory basis with respects to General Liability if required by written contract per attached endt.SS 00 03(04/05).

CERTIFICATE HOLDER

CANCELLATION

VILORLA

Village of Orland Park
14700 S. Ravinia
Orland Park, IL 60462

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

AUTHORIZED REPRESENTATIVE

BUSINESS LIABILITY COVERAGE FORM

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.

e. Unnamed Subsidiary

Any subsidiary and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Part.

The insurance afforded herein for any subsidiary not shown in the Declarations as a named insured does not apply to injury or damage with respect to which an insured under this insurance is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance.

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

- b. Coverage under this provision does not apply to:

- (1) "Bodily Injury" or "property damage" that occurred; or
- (2) "Personal and advertising injury" arising out of an offense committed

before you acquired or formed the organization.

4. Operator Of Mobile Equipment

With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

- a. "Bodily Injury" to a co-"employee" of the person driving the equipment; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Operator of Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

- a. "Bodily Injury" to a co-"employee" of the person operating the watercraft; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

6. Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The person(s) or organization(s) identified in Paragraphs a. through f. below are additional insureds when you have agreed, in a written

BUSINESS LIABILITY COVERAGE FORM

contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement, or the issuance of the permit.

A person or organization is an additional insured under this provision only for that period of time required by the contract, agreement or permit.

However, no such person or organization is an additional insured under this provision if such person or organization is included as an additional insured by an endorsement issued by us and made a part of this Coverage Part, including all persons or organizations added as additional insureds under the specific additional insured coverage grants in Section F. — Optional Additional Insured Coverages.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- (1) The insurance afforded to the vendor is subject to the following additional exclusions:

This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (b) Any express warranty unauthorized by you;
- (c) Any physical or chemical change in the product made intentionally by the vendor;
- (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

- (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

- (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

- (i) The exceptions contained in Subparagraphs (d) or (f); or

- (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

- (2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors Of Equipment

- (1) Any person or organization from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

BUSINESS LIABILITY COVERAGE FORM

(6) When You Are Added As An Additional Insured To Other Insurance

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

(7) When You Add Others As An Additional Insured To This Insurance

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part:

(a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in c. below.

(b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs (a) and (b) do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

8. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.