

Proceedings of the

KANE COUNTY BOARD



KANE COUNTY, ILLINOIS

NOVEMBER 9, 2010

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The Adjourned Meeting of the Kane County Board was held at the Kane County Government Center, Geneva, IL 9:58 a.m. on Tuesday November 9, 2010, Vice Chairman, Cathy Hurlbut , John Cunningham, County Clerk.

Roll call as follows: PRESENT: Allan, Castro, Collins, Davoust, Fahy, Ford, Frasz, Hoscheit, Hurlbut, Jones, Kenyon, Kudlicki, Kunkel, Laesch, Leonberger, Lindgren, McConnaughay, Mayer, Mitchell, Mihalec, Tredup, Van Cleave, Vasquez, Wojnicki: ABSENT: Karen McConnaughay, Lewis, Wyatt PRESENT: 24 ABSENT: 2

APPROVAL OF MINUTES

Motion by Mayer; seconded by Hoscheit that minutes of the October 12, 2010 meeting be approved. Motion carried unanimously by voice vote to approve the minutes of the October 12, 2010, meeting.

PRESENTATIONS

Metra Presentation of Budget 2011 by Caryl Overmeiern, Kane County Representative stated that Metra has had a tumultuous year and are continuing to work hard to straighten things out. Total ridership is down due to the unemployment. She said that no fraud activities have been found to this date and they are working long hours in answering the FOIAs' and that transparency has increased. The current Board of Directors, over half have been on the Board two years or less. The Board is looking at comprehensive studies and complaints that have to do with management and policies. She said there will not be a fare increase for 2011. The Metra is having problems with the State of IL not releasing funds to them and the federal monies have expired. Priorities for METRA for 2011 are to increase security, brighter signage, improve station design and track alignment and advance train warning system. Metra is looking at 2015 to have a positive train control system by satellite.

RTA Presentation of Budget 2011 by Jan Carlson and Joe Costello. Kane County Representative Mr. Carlson said that 2010 has been a challenging year and RTA did accomplish a strategic plan market system to what people of the region wanted. Capital assistance analysis RTA needs a lot of maintenance. State of IL still owes RTA monies. Joe Costello Acting Executive Director commended the CTA, Metra and PACE that did offset their revenue by holding down cost and will be able to balance system wide. The RTA will receive monies from the federal and state programs.

PACE Presentation of Budget 2011 by Jeff Schielke, Mayor of Batavia IL, Kane County Representative said there is no need for a fare adjustment in the RIDE IN KANE program. Seniors are becoming more interested in the program. PACE is looking to grow this program on Randall Road and will need specific areas for the buses to pull off on. He said that PACE lives within its means. Sales tax is what sustains PACE.

CERTIFICATES of RECOGNITION

Read and presented by Debra Allan the following certificate.

CERTIFICATE OF RECOGNITION

IN APPRECIATION OF JENNIFER A. LAESCH

WHEREAS, Jennifer Laesch, has capably served the citizens of Kane County since her appointment on November 10, 2009; and

WHEREAS, Jennifer has provided a sense of continuity for her constituents in County Board District 3, Aurora, displaying a strong feeling of loyalty and commitment; and

WHEREAS, during her brief tenure, Jennifer has served admirably on the County Board's Judicial & Public Safety and Legislative committees.

WHEREAS, although Jennifer's time as a Board Member may have been limited, her dedication never faltered and her keen interest in matters pertinent to her constituents remained evident.

NOW, THEREFORE, ON THIS 9TH DAY OF NOVEMBER 2010, the Kane County Board, on behalf of the citizens it serves, commends Jennifer Laesch as she concludes her appointment and is grateful to her for the public service she has performed. The Board further extends best wishes to Jennifer and her family for a long life of health and happiness.

###

Jennifer Laesch thanked the Board for the recognition of her service to Kane County.

Read and presented by John Hoscheit the following certificate.

CERTIFICATE OF RECOGNITION

IN APPRECIATION OF ROBERT J. MCCONNAUGHAY

WHEREAS, Robert J. "Rob" McConnaughay will soon conclude 20 years of service on the Kane County Board, having diligently and honorably served the people of District 11 since December 1990; and

WHEREAS, Rob's unique grasp of county and municipal problems has served him well and are a tribute to his able efforts. During his 20 year tenure, Rob demonstrated excellent leadership as chairman of the Corrections & Rehabilitation Committee in 1995-1996, the Judiciary Committee from 1997 to 2002, the Public Service Committee in 2003-2004, the Human Services Committee from 2005-2008 and the Finance/Budget Committee in 2009-2010. In addition, he served at various times on the Administration, County Development, Executive, Public Health, Public Safety and Transportation committees. He also served with distinction on the Labor Management and Solid Waste subcommittees and as a member of the Public Building Commission since 2005; and

WHEREAS, the Kane County Board wishes to acknowledge the loyal service of Robert J. McConnaughay and expresses its full appreciation for his leadership and the work he has performed. Rob has been a vital and effective force in the great growth of Kane County, Illinois.

NOW, THEREFORE, ON THIS 9TH DAY OF NOVEMBER 2010, the Kane County Board does hereby acknowledge the remarkable contributions rendered by Robert J. McConnaughay and the 20 years of distinguished service to the residents of Kane County. The Board further wishes Rob a long, happy and successful life.

###

Robert McConnaughay thanked the Board for their recognition of his service to Kane County.

Read and presented by Mike Kenyon the following certificate.

CERTIFICATE OF RECOGNITION

IN APPRECIATION OF SYLVIA J. LEONBERGER

WHEREAS, Sylvia J. Leonberger has capably served the citizens of Kane County since December 2006 representing residents of County Board District 1 in Aurora; and

WHEREAS, Sylvia has served in this position with sincerity and heartfelt dedication, working diligently to advance programs that would benefit her constituents; and

WHEREAS, Sylvia has always displayed a strong feeling of community pride and lent her support to many civic groups including but not limited to the Fox Valley Girl Scouts; and

WHEREAS, during her tenure, in addition to serving as a member and vice chairman of the Legislative Committee, Sylvia Leonberger also served on the Public Health, Energy & Environmental and Human Services committees, and in 2009 chaired the Community Development Block Grant Commission; and

WHEREAS, as a member of the Kane County Board, Sylvia Leonberger has rendered faithful service and is the distinguished friend of many. She has been a dedicated public servant, unaffected and unassuming, who has worked for everyone's best interests, enriching their lives in many ways.

NOW, THEREFORE, ON THIS 9TH DAY OF NOVEMBER 2010, the Kane County Board commends Sylvia J. Leonberger and is grateful for the public service she has performed (as well as for the tamales). The Board further extends best wishes to Sylvia for a long life of health, happiness and continued successes.

###

Sylvia Leonberger thanked the Board for her recognition of her service to Kane County.

Read and presented by Jackie Tredup the following certificate.

CERTIFICATE OF RECOGNITION

IN APPRECIATION OF JOHN B. MAYER

WHEREAS, our friend and colleague John B. Mayer of West Dundee, Illinois will soon conclude his public service as a member of the Kane County Board, having faithfully and conscientiously served the residents of District 23 since December 2008; and

WHEREAS, during his two years on the County Board, John represented his constituents with distinction while participating on the Public Health and Public Service committees; and

WHEREAS, John B. Mayer will long be remembered for his strength of character which was tempered by his calm and personable demeanor.

NOW, THEREFORE, ON THIS 9TH DAY OF NOVEMBER 2010, the Kane County Board, in appreciation for John Mayer's deep interest in the welfare of Kane County residents, commends John for his many contributions and for his unselfish public service. The Board extends best wishes to John and his family for a long life of health and happiness.

###

John Mayer thanked the Board for the recognition of his service to Kane County.

Read and presented by Tom Van Cleave the following certificate.

CERTIFICATE OF RECOGNITION

IN APPRECIATION OF JOHN P. FAHY

WHEREAS, on November 30, 2010, our friend and colleague, John P. Fahy, of West Dundee, Illinois, will conclude four years of public service on the Kane County Board, having faithfully and conscientiously served since December 2006; and

WHEREAS, during that time John completed four years of uninterrupted service on the Judicial/Public Safety Committee in addition to his work on the Human Services Committee, Transportation, Finance/Budget where he served as vice-chair, and the Labor Management committee where he was the County Board's designated member to attend collective bargaining negotiation sessions. John worked diligently to address the issues of concern in every area of Kane County; and

WHEREAS, when elected, John brought with him the highest qualities of public service, marked by generosity of spirit, an open mind and a conscious determination to fulfill his duties to the best of his ability and to the satisfaction of the people; and

WHEREAS, John P. Fahy has remained a dedicated advocate for his constituents in County Board District 21 and they have been well served by his efforts.

NOW, THEREFORE, ON THIS 9TH DAY OF NOVEMBER 2010, the Kane County Board does hereby acknowledge its appreciation of the services rendered by John P. Fahy during the past four years and the substantial contribution he has made to Kane County government. The Board further extends many good wishes for John's health, happiness and prosperity.

###

John Fahy thanked the Board for their recognition of his service to Kane County.

Read and presented by Hollie Lindgren the following certificate.

CERTIFICATE OF RECOGNITION

IN APPRECIATION OF ROBERT A. KUDLICKI

WHEREAS, Robert "Bob" Kudlicki has conscientiously served the citizens of Kane County as a Board Member since December 2002; and

WHEREAS, Bob has served at various times on the County Board's Administration, County Development, Human Services, Public Safety, Public Service and Transportation committees, as well as the Liquor Control Commission and Solid Waste Committee where he worked diligently to address the landfill and recycling issues of Kane County; and

WHEREAS, in his official acts Bob has always been governed by a keen sense of duty. A resident of Hampshire, Illinois, he has rendered efficient and faithful service to his constituents in County Board District 25 while making himself readily available to all the citizens of Kane County.

NOW, THEREFORE, ON THIS 9TH DAY OF NOVEMBER 2010, the Kane County Board wishes to acknowledge Bob Kudlicki not only for his invaluable contributions but also for his tireless efforts and sincere warmth and friendliness.

###

Robert Kudlicki thanked the Board for their recognition of his service to Kane County.

Read and presented by Cathy Hurlbut the following certificate.

CERTIFICATE OF RECOGNITION

IN APPRECIATION OF GERALD A. JONES

WHEREAS, our friend and colleague Gerald A. Jones will soon conclude 18 years of service on the Kane County Board, having honorably served the people of District 7 in Aurora since December 1992; and

WHEREAS, Gerry has always taken the view that public service is more than doing a job efficiently and honestly: It is a complete dedication to the people that you serve. That was most evident during his 18 years of service on the Public Health Committee - 15 of those as chairman. In addition, Gerry has served at various times on the following standing committees: Administration where he served continually from 1993-2010, Corrections & Rehabilitation, County Development, Executive, Finance/Budget, Legislative, Public Safety and Transportation as well as the Labor Management, Riverboat Grant, and Stormwater Management ad hoc committees and as a member of the Board of Review since April 2001; and

WHEREAS, the Kane County Board wishes to acknowledge Gerald Jones' unselfish and extensive commitment to the people of Kane County. He has long been a figure in public service and involved with a host of humanitarian causes yet he somehow always finds the time and energy to serve, to work and to lead. This is the mark of a true public servant in the best traditions of our democracy.

NOW, THEREFORE, ON THIS 9TH DAY OF NOVEMBER 2010, the Kane County Board thanks Gerald A. Jones for his rich contribution and confers upon him their highest esteem and appreciation. The Board further extends many good wishes for Gerry's health, happiness and prosperity.

###

Gerald Jones thanked the Board for the recognition of his service to Kane County.

PETITIONS

PETITION #4250

(Geneva Township, Petitioner Raymond Weber et ux)

Motion by Kenyon second by Kudlicki that Petition #4250 be granted.

**ORDINANCE AMENDING THE
ZONING ORDINANCE OF KANE COUNTY, ILLINOIS**

BE IT ORDAINED by the County Board of Kane County, Illinois, as follows:

- 1) That the following described property is hereby rezoned and reclassified from F-District Farming to F-1 District Rural Residential:

The Northerly 445.0 feet of the Easterly 330.0 feet of the Northeast Quarter of Section 1, Township 39 North, Range 8 East of the 3rd Principal Meridian in Geneva Township, Kane County, Illinois.

- 2) That the zoning maps of Kane County, Illinois, be amended accordingly.
- 3) This ordinance shall be in full force and effect from and after its passage and approved as provided by Law.

###

Discussion. Motion carried unanimously by voice vote. **PETITION #4250 IS GRANTED.**

CONSENT AGENDA

Vice-Chairman Hurlbut requested items to be considered separately. Items removed from Consent Agenda as follows: #10-327 by Kunkel; #10-328 by Wojnicki, #10-332 by McConnaughay, #10-342 by Vazquez. Motion by Frasz second by Lindgren that the Consent Agenda (# 10-324, #10-325, #10-326, #10-329, #10-330, #10-331, #10-333, #10-334, #10-335, #10-336, #10-337, #10-338, #10-339, #10-340, #10-341, #10-343, #10-344, #10-345, #10-346, #10-347, #10-348, #10-349, #10-350, #10-352, #10-353, #10-354, 310-355, #10-356) be adopted.

RESOLUTION #10-324

NATURAL GAS UTILITY CONTRACT

WHEREAS, the current natural gas service contract with Vanguard Energy Services, LLC. is set to expire March 2011; and

WHEREAS, the utility companies will not hold any quoted prices longer than the same business day; and

WHEREAS, the best method to purchase natural gas that has daily price fluctuations in a commodity market is through a process that allows real-time submittal and acceptance of the successful bid; and

WHEREAS, the established pricing model would provide Vanguard Energy Services, L.L.C. with a standard format that would allow the County to purchase at the lowest possible cost per therm; and

WHEREAS, it is in the best interest of the County to provide the County Board Chairman with said authority to enter into a subsequent contract for a term of one year effective April 2011 through March 2012.

NOW, THEREFORE, IT BE RESOLVED by the Kane County Board that the Chairman of the Board is hereby authorized to select, approve and award contracts for the purchase of natural gas, charging the costs thereof to various departments operational accounts consistent with the approved budget, for a term or terms not to exceed three years determined by the best rate for the County based upon the lowest responsible bid.

Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
Various Budgeted Line Items	Natural Gas	Yes	Yes	

###

RESOLUTION #10-325

AUTHORIZING A CONTRACT FOR THE SNOW AND ICE REMOVAL & SALTING OF SELECT AREAS AT THE MILL CREEK SUBDIVISION FOR THE MILL CREEK SPECIAL SERVICE AREA

WHEREAS, and Bids have been solicited and received for the snow and ice removal and salting of selected areas at the Mill Creek Subdivision for the Mill Creek Special Service Area District; and

WHEREAS, County Wide Landscaping, Inc. of Elburn, IL. was the lowest responsible bidder for providing snow and ice removal and salting of selected areas at the Mill Creek Subdivision for the Mill Creek Special Service Area District; and:

WHEREAS, County Wide Landscaping, Inc. of Elburn, IL, will perform snow and ice removal and salting for an average cost for the complete snow plowing services from 2” to 10” of snowfall of Two Thousand Two Hundred and Seventy Dollars, \$2270.00 per occurrence.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the Chairman thereof is authorized to enter into a contract with County Wide Landscaping, Inc. of Elburn, IL. for the snow and ice removal of selected areas at the Mill Creek Subdivision for the Mill Creek Special Service Area District. Funding shall be paid from the Special Service Area Fund 520.690.730.52020.

Line Item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds currently available for this personnel/item/service in the specific line item?	If funds are not currently available in the specified line item, where are the funds available?
520.690.730.52020	Repair & Maintenance Roads	Yes	Yes	n/a

###

RESOLUTION #10-326

**EXTENDING NINE CABLE TELEVISION FRANCHISE AGREEMENTS:
EIGHT WITH SUBSIDIARIES OF COMCAST CORPORATION
AND ONE WITH MEDIACOM, LLC**

WHEREAS, the Kane County Board has enacted nine cable television franchises through various resolutions during the period from 1982 through 1992 as listed in Attachment A; and

WHEREAS, the above franchises have been transferred and/or conveyed from the original franchisees to various companies; and

WHEREAS, eight of the nine franchises have been transferred and/or conveyed to subsidiaries of Comcast Corporation and one of the franchises has been transferred to Mediacom, LLC; and

WHEREAS, the eight franchises operated by subsidiaries of Comcast Corporation and the one franchise operated by Mediacom, LLC have current expiration dates of November 30, 2010, as listed in Attachment A; and

WHEREAS, the Kane County Board has initiated and will continue the franchise renewal process consistent with the provisions of 47USC546 with the franchisees for all nine franchises during December 2010 and through 2011.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the eight cable television franchise agreements with subsidiaries of Comcast Corporation and the one franchise agreement with Mediacom, LLC as listed in Attachment A are hereby extended to November 30, 2011, in accordance with applicable state and federal laws. Any renegotiated agreement executed prior to November 30, 2011, will replace in its entirety the extended agreement(s).

###

RESOLUTION #10-329

**APPOINTMENT TO KANE COUNTY BOARD OF REVIEW
(Timothy J. Sullivan)**

WHEREAS, a vacancy exists on the Kane County Board of Review due to the resignation of John R. Vorheis, member of the Board of Review; and

WHEREAS, the Chairman of the Kane County Board is authorized, pursuant to 35 ILCS 200/6-5 and with the approval of the County Board, to appoint individuals to the Kane County Board of Review.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that effective immediately, Timothy J. Sullivan, 816 Norcross Drive, Batavia, IL 60510, be appointed to the Kane County Board of Review to serve through May 30, 2012 which will complete the unexpired term of John R. Vorheis.

###

**RESOLUTION #10-330
APPOINTMENTS TO LAKE MARIAN RIVER CONSERVANCY DISTRICT**

WHEREAS, vacancies exists in the office of Trustee of the Lake Marian River Conservancy District due to the resignations of Dorothy Bruhn, Alfred Brausch and Ruth Radke; and

WHEREAS, the Chairman of the County Board has by law the responsibility to fill said vacancies by appointment, with the advice and consent of the County Board.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the following individuals be appointed to the office of Trustee of the Lake Marian River Conservancy District, effective immediately or until such time as their successor shall have been appointed and qualified:

1. Kathy Bromund, 147 Memory Lane, Carpentersville, IL 60110
2. Lee Pearson, 77 Old Farm Road Carpentersville, IL 60110
3. Robert Van Cleave, 153 Sunset, Carpentersville, IL 60110

BE IT FURTHER RESOLVED that the County Clerk forward a certified copy of this resolution to the aforesaid appointees and a copy to the Clerk of the Circuit Court.

###

**RESOLUTION #10-331
AMENDING THE 2010 FISCAL YEAR BUDGET
SCAAP PROGRAM**

WHEREAS, Justice Benefits of Dallas, Texas, was approved to locate new revenue for Kane County by identifying inmates in the Kane County Correctional Facility who are not U.S. citizens for reimbursement from the federal government (State Criminal Alien Assistance Program) for program year 2010; and

WHEREAS, total revenue collected for program year 2010 was Four Hundred Sixty Three Thousand Five Hundred Fourteen Dollars (\$463,514); and

WHEREAS, Justice Benefits charges a fee, which is a percentage of total revenue collected, for this service and said fee of Ninety Two Thousand Seven Hundred Three Dollars (\$92,703) needs to be paid from the General Fund Allowance for Budget Expense/Contingency line item in FY2010.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the following FY2010budget adjustment be made to pay the finders fee submitted by Justice Benefits.

001.380.000.32220	(State Criminal Alien Assistance)	+\$92,703
001.900.900.85000	(Allowance for Budget Expense)	+\$92,703
001.800.808.50150	(Contracts & Consulting)	+\$92,703
001.900.900.85000	(Allowance for Budget Expense)	(\$92,703)

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Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
001.800.808.50150	Contracts & Consulting	No	No	001.900.900.85000 (Allowance for Budget Expense)

###

RESOLUTION #10-333

**AMENDING THE 2010 FISCAL YEAR BUDGET
ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT**

WHEREAS, on September 8, 2009, the Kane County Board passed Ordinance No. 09-321, approving a grant agreement with the U.S. Department of Energy and project expenditures for an Energy Efficiency and Conservation Block Grant (EECBG); and

WHEREAS, the Department of Energy revised its timeline for obligating and expending funds under this grant, which has resulted in a faster fund encumbrance and expenditure than projected at the onset of Fiscal Year 2010.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the County's budget for Fiscal Year 2010 be amended as follows:

Energy Efficiency and Conservation Block Grant

Revenues

406.690.000.32820 EECBG Grant \$ 367,196

Expenses

406.690.717.50140 Engineering Services \$ 105,000

406.690.717.72010 Building Improvements \$ 237,196

406.690.717.73000 Road Construction \$ 25,000

Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
406.690.717.50140	Engineering Services	No	No	406.690.000.32820 (EECBG Grant)
406.690.717.72010	Building Improvements	No	No	406.690.000.32820 (EECBG Grant)
406.690.717.73000	Road Construction	No	No	406.690.000.32820 (EECBG Grant)

###

RESOLUTION #10-334

**AMENDING THE 2010 FISCAL YEAR BUDGET
KANE COUNTY STORMWATER PROJECTS – REPETITIVE LOSS GRANT FUNDING**

WHEREAS, on August 12, 2008, the Kane County Board passed Ordinance No. 08-253, approving an Illinois Emergency Management Agency Grant Agreement and Project Expenditures for Voluntary Floodprone Property Buyouts; and

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WHEREAS, said voluntary Floodprone Property Buyouts in South Elgin and Dundee Township were complete in 2010; and

WHEREAS, full reimbursement for said property buyouts is expected from the Illinois Emergency Management Agency to Kane County before the end of Fiscal Year 2010; and

WHEREAS, the FY10 Stormwater Management budget requires amending to account for these revenues and expenditures, as said revenues and expenditures were anticipated to occur in FY09 but were delayed until FY10.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the County's budget for Fiscal Year 2010 be amended as follows:

Stormwater Management

420.670.000.32190 FEMA Grant (Revenue) \$ 432,963
 420.670.680.55030 Grant Pass Thru (Expense) \$ 432,963

Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
420-670-680-55030	Grant Pass Thru	No	No	420.670.000.32190 (FEMA Grant)

###

RESOLUTION #10-335

AMENDING THE 2010 FISCAL YEAR BUDGET FOR THE HOME PROGRAM AND NEIGHBORHOOD STABILIZATION PROGRAM

WHEREAS, an adjustment needs to be made to the FY 2010 budget to properly reflect the reimbursements received by the HOME Program Fund, along with related expenditures; and

WHEREAS, an adjustment needs to be made to the FY 2010 budget to properly reflect the reimbursements received by the Neighborhood Stabilization Program Fund, along with related expenditures.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the following adjustments be made to the FY2010 budget to reflect the necessary adjustments referenced above.

Revenues
 402.690.000.32160 HOME Program Grant \$170,000
 402.690.000.38900 Miscellaneous Other \$ 37,516
 408.690.000.33580 Neighborhood Stabilization Grant \$750,000

Expenses
 402.690.712.55000 Miscellaneous Contractual Exp \$207,516
 408.690.720.55050 Grant Expense \$750,000

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Line Item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds currently available for this personnel/item/service in the specific line item?	If funds are not currently available in the specified line item, where are the funds available?
402.690.712.55000	Miscellaneous Contractual Expense	No	No	402.690.000.32160 & 402.690.000.38900
408.690.720.55050	Grant Expense	No	No	408.690.000.33580

###

RESOLUTION #10-336

**ABATING THE TAX HERETOFORE LEVIED FOR THE YEAR 2010
TO PAY THE DEBT SERVICE ON \$7,000,000 GENERAL OBLIGATION BONDS
(ALTERNATE REVENUE SOURCES), SERIES 2002
OF THE COUNTY OF KANE, ILLINOIS**

WHEREAS, the County Board of the County of Kane, Illinois (the "County") by Ordinance No. 02-256 adopted on August 30, 2002 (the "Ordinance"), did provide for the issue of \$7,000,000 General Obligation Bonds (Alternate Revenue Source), Series 2002 (the "Bonds") and the levy of a direct annual tax sufficient to pay the debt service on the Bonds; and

WHEREAS, the County Treasurer has determined that the Pledged Revenues (as defined in the Ordinance) for the calendar year 2010 provides an amount not less than 1.25 times the debt service on the Bonds up to and including June 1, 2012, pursuant to Section 16 of the Ordinance; and

WHEREAS, the County has sufficient Pledged Revenues (as defined in the Ordinance) on deposit in the Pledged Revenues Account of the Alternate Bond Fund established pursuant to Section 12 of the Ordinance for the purpose of paying the debt service on the Bonds up to and including June 1, 2012; and

WHEREAS, it is necessary and in the best interests of the County that the tax heretofore levied for the year 2010 to pay the debt service on the Bonds be abated.

NOW, THEREFORE, BE IT ORDAINED by the County Board of the County of Kane, Illinois, as follows:

Section 1. Abatement of Tax. The tax heretofore levied for the year 2010 in the Ordinance is hereby abated in its entirety.

Section 2. Filing of the Ordinance. Forthwith upon the adoption of this Ordinance, the County Clerk of the County shall file a certified copy hereof in his office and it shall be the duty of said County Clerk to abate said tax levied for the year 2010 in accordance with provisions hereof.

Section 3. Effective Date. This Ordinance shall be in full force and effect herewith upon its passage and approval, without publication or posting or any further act or requirement.

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RESOLUTION #10-337

ABATING THE TAXES HERETOFORE LEVIED FOR THE YEAR 2010 TO PAY THE DEBT SERVICE ON \$41,895,000 GENERAL OBLIGATION BONDS (ALTERNATE REVENUE SOURCE), SERIES 2001, \$26,875,000 GENERAL OBLIGATION REFUNDING BONDS (MFT ALTERNATE REVENUE SOURCE), SERIES 2004, AND \$40,000,000 GENERAL OBLIGATION ALTERNATE BONDS (REGIONAL TRANSPORTATION AUTHORITY SALES TAX ALTERNATE REVENUE SOURCE), SERIES 2009

WHEREAS, the County Board of The County of Kane, Illinois (the "County") by Ordinance No. 01-282 adopted in 2001 (the "2001 Ordinance"), did provide for the issuance of \$41,895,000 General Obligation Bonds (Alternate Revenue Source), Series 2001 (the "2001 Bonds"), by Ordinance No. 04-96, adopted by the County Board of the County on March 9, 2004 (the "2004 Ordinance"), did provide for the issuance of \$26,875,000 General Obligation Refunding Bonds (MFT Alternate Revenue Source), Series 2004 (the "2004 Bonds"), and by Ordinance No. 09-393 passed by the County Board of the County on October 13, 2009 and approved by the Chairman of the County Board on October 14, 2009 (the "2009 Ordinance") did provide for the issuance of \$40,000,000 General Obligation Alternate Bond (Regional Transportation Authority Sales Tax Alternate Revenue Source), Series 2009 (the "2009 Bonds") and the levy of direct annual taxes sufficient to pay the debt service on the 2001 Bonds, the 2004 Bonds and the 2009 Bonds; and

WHEREAS, the County Treasurer has determined that the Pledged Revenues (as defined in the 2001 Ordinance and the 2004 Ordinance) for the calendar year 2010 provide an amount equal to the debt service on the 2001 Bonds and the 2004 Bonds up to and including January 1, 2012, pursuant to the 2001 Ordinance and the 2004 Ordinance; and

WHEREAS, the County Treasurer has determined that the Pledged Revenues (as defined in the 2009 Ordinance) for the calendar year 2010 provides an amount equal to the debt service on the 2009 Bonds up to and including December 15, 2011, pursuant to the 2009 Ordinance; and

WHEREAS, the County has sufficient Pledged Revenues on deposit in the Pledged Revenues Accounts of the Alternate Bond Funds established pursuant to the 2001 Ordinance and the 2004 Ordinance for the purpose of paying the debt service on the 2001 Bonds and the 2004 Bonds up to and including January 1, 2011; and

WHEREAS, the County has sufficient Pledged Revenues on deposit in the Pledged Revenues Subaccount of the Principal and Interest Account established pursuant to the 2009 Ordinance for the purpose of paying debt service on the 2009 Bonds up to and including December 15, 2011; and

WHEREAS, it is necessary and in the best interests of the County that the taxes heretofore levied for the year 2010 to pay the debt service on the 2001 Bonds, the 2004 Bonds and the 2009 Bonds be abated.

NOW, THEREFORE, BE IT ORDAINED by the County Board of The County of Kane, Illinois, as follows:

Section 1. Abatement of Tax. The taxes heretofore levied for the year 2010 in the 2001 Ordinance and the 2004 Ordinance are hereby abated in their entirety. The taxes heretofore levied for the year 2010 in the 2009 Ordinance, as previously reduced, are hereby abated for the year 2010 in their entirety.

Section 2. Filing of this Ordinance. Forthwith upon the adoption of this Ordinance, the County Clerk of the County shall file a certified copy hereof in his office and it shall be the duty of said County Clerk to abate said taxes levied for the year 2010 in accordance with provisions hereof.

Section 3. Effective Date. This Ordinance shall be in full force and effect upon its passage and approval without publication or posting or any further act or requirement

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RESOLUTION #10-338

AN ORDINANCE OF THE COUNTY OF KANE, ILLINOIS AUTHORIZING THE ISSUANCE AND SALE OF ITS RECOVERY ZONE FACILITY BOND (ON-COR FROZEN FOODS, LLC PROJECT), IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$10,250,000; AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT, AN ESCROW AGREEMENT AND RELATED AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF THE BOND; AND APPROVING OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the County of Kane, Illinois (the "County") is a unit of local government duly organized and validly existing under the Constitution and laws of the State of Illinois and as such, is authorized under the Industrial Building Revenue Bond Act, 50 ILCS 445/1 et seq., as from time to time supplemented and amended (the "Bond Act"), to issue revenue bonds for the purpose of financing in whole or part the construction, rebuilding, acquisition, improvement, equipping or extension of an industrial project; and

WHEREAS, On-Cor Frozen Foods, LLC, a Delaware limited liability company (the "Borrower"), wishes to finance costs of acquisition, equipping and installation of certain manufacturing and related equipment to be owned and operated by the Borrower in a manufacturing facility to be leased from Millard Refrigerated Services, Inc. (the "Lessor") (which is constructing such facility) and located at 2088 Geneva Drive, Geneva, Illinois, in the County, including, without limitation, cook kettles, mixers, hold tanks, heat exchangers, flour systems, extruders, conveyors, fillers, spiral freezers, cartoners, palletizers, wrappers and related equipment (collectively, the "Project"); and

WHEREAS, the American Recovery and Reinvestment Tax Act of 2009 ("ARRA") grants the County certain authority to issue Recovery Zone Facility Bonds and distribute recovery zone allocation among borrowers; and

WHEREAS, pursuant to Resolution No. 09-322 adopted by the County Board of the County (the "County Board") on September 8, 2009, the County Board has designated all of Kane County, Illinois as a Recovery Zone (the "Recovery Zone") pursuant to the requirements of ARRA; and

WHEREAS, the County Board, by Resolution adopted on September 14, 2010, preliminarily approved the issuance of recovery zone facility bonds to finance costs of the Project; and

WHEREAS, pursuant to and in accordance with the provisions of the Act, the County is now prepared to issue and sell its not to exceed \$10,250,000 aggregate principal amount Recovery Zone Facility Bond (On-Cor Frozen Foods, LLC Project) Series 2010 (the "Bond") to finance costs of the Project, and the Bond will be issued as a tax-exempt "recovery zone facility bond" under the Internal Revenue Code of 1986, as amended (the "Code") and ARRA; and

WHEREAS, the Borrower has represented to the County that the acquisition, equipping and installation of the Project will result in the retention and creation of jobs in the County and the State of Illinois; and

WHEREAS, the Bond and the obligation to pay interest thereon shall never constitute an indebtedness or an obligation of the County, the State of Illinois or any political subdivision thereof, within the purview of any constitutional limitation or statutory provision, or a charge against the general credit or taxing powers, if any, of any of them. No owner of any Bond shall have the right to compel the taxing power, if any, of the County, the State of Illinois or any political subdivision thereof to pay any principal installment of, premium, if any, or interest on the Bond; and

WHEREAS, it is now necessary, desirable and in the best interests of the County to authorize the execution and delivery of a Loan Agreement (the "Loan Agreement") among the County, the Borrower and GE Government Finance, Inc., as purchaser of the Bond (the "Purchaser"), and an Escrow Agreement (the "Escrow Agreement") among the County, the Borrower, the Purchaser and an escrow agent to be determined (the "Escrow Agent"), in connection with the issuance of the Bond; and

WHEREAS, the County has caused to be prepared and presented to the County Board the following documents which the County proposes to enter into:

- (i) the Loan Agreement (including the form of Bond), attached as Exhibit A; and
- (ii) the Escrow Agreement, attached as Exhibit B.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY BOARD OF KANE COUNTY, ILLINOIS AS FOLLOWS:

FINDINGS.

The County's issuance of the Bond for the purpose of lending the proceeds thereof to the Borrower to pay costs of the Project will promote the general welfare of the residents of the County by relieving conditions of unemployment and underemployment, and accomplishing the purposes of the Act.

ESCROW AGREEMENT AND LOAN AGREEMENT.

The County does hereby authorize and approve the execution of the Loan Agreement and the Escrow Agreement by the County's Chairman of the Board (the "Chairman") or her designee(s) (together with the Chairman, the "Authorized County Representatives") under the seal of the County, attested by the County Clerk of the County (the "County Clerk"), and the delivery thereof and setting forth, respectively, the terms of the Bond and the loan of the proceeds of the Bond to the Borrower. The Loan Agreement and the Escrow Agreement shall be substantially in the forms of the Loan Agreement and the Escrow Agreement hereby presented and hereby approved, or with such changes therein as shall be approved by the Authorized County Representative executing the Loan Agreement and the Escrow Agreement, such execution to constitute conclusive evidence of his or her approval, and of the County's approval, of any changes or revisions therein from the forms of the Loan Agreement and Escrow Agreement attached hereto as Exhibit A and Exhibit B.

THE BOND; LIMITED OBLIGATIONS: NO RECOURSE.

In order to obtain funds to lend to the Borrower for the purposes aforesaid, there is hereby authorized the issuance of not to exceed \$10,250,000 in aggregate principal amount of the Bond. The Bond shall be issued in all respects in compliance with the Loan Agreement referred to in Section 2 hereof.

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The Bond shall bear interest at such rate or rates, not in any event to exceed 18% per annum, as shall be set forth in the Loan Agreement.

The Bond shall be designated and shall be issued in denominations as set forth in the Loan Agreement. The Bond shall be dated the date of its initial issuance and delivery, shall mature not later than 30 years from its date of issuance, shall be in fully registered form, shall be subject to redemption in accordance with the terms and provisions of the Loan Agreement, and shall have such other terms and provisions as specified in the Loan Agreement to be included therein.

The form of the Bond now before the County, subject to appropriate insertions and revisions in order to comply with the provisions of the Loan Agreement, is hereby approved. The Bond shall be executed in the name, for and on behalf of the County with the manual or facsimile signature of its Chairman and attested with the manual or facsimile signature of its County Clerk (or any Deputy Clerk) and the seal of the County shall be impressed or imprinted thereon. The Chairman shall cause the Bond, as so executed and attested, to be delivered to the Purchaser; and when the Bond shall be executed on behalf of the County in the manner contemplated by the Loan Agreement and this Ordinance, it shall represent the approved form of the Bond of the County.

The Bond will not be a general obligation of the County, the State of Illinois or any political subdivision thereof, and the principal of, premium, if any, and interest on the Bond will be payable solely from revenues and income derived from the repayment of the loan of the proceeds of the Bond to the Borrower under the Loan Agreement, or from other sources referenced in the Loan Agreement. The Bond will not constitute or evidence a debt of the County, the State of Illinois or any political subdivision thereof or a loan of credit extended to any of them within the meaning of any constitutional or statutory provisions. No holder of the Bond will have the right to compel any exercise of the taxing power of the County, the State of Illinois or any political subdivision thereof to pay the principal of, premium, if any, or interest on the Bond.

No recourse shall be had for the payment of the principal of, premium, if any, or interest on the Bond or for any claim based thereon or upon any obligation, covenant or agreement in the Escrow Agreement or the Loan Agreement against any past, present or future officer, director, trustee, employee, attorney or agent of the County or any successor corporation, as such, either directly or through the County or any successor corporation, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise.

ARBITRAGE CERTIFICATE.

The County does hereby authorize and approve the execution by the Chairman and the delivery of an Arbitrage Certificate (the "Arbitrage Certificate") between the County and the Borrower pursuant to which certain representations and covenants related to the arbitrage requirements of the Code are established.

SALE OF THE BOND.

The sale of the Bond to the Purchaser at a purchase price of 100% of the aggregate principal amount thereof and accrued interest, if any, to the date of delivery, is hereby approved and confirmed. The Authorized County Representatives are each authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out the sale of the Bond.

OBLIGATIONS OF THE COUNTY.

All covenants, stipulations, and agreements of the County in this Ordinance, the Escrow Agreement, the Loan Agreement, the Arbitrage Certificate, and such other documents as are necessary to effectuate the issuance of the Bond shall be binding upon the County and its successors from time to time and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Ordinance, all rights, powers and privileges conferred and duties and liabilities imposed upon the County or the members thereof by the provisions of this Ordinance, the Escrow Agreement, the Loan Agreement, the Arbitrage Certificate, or such other documents as are necessary to effectuate the issuance of the Bond shall be exercised or performed by the Authorized County Representatives.

TEFRA APPROVAL; RECOVERY ZONE ALLOCATION.

The publication on behalf of the County of the notice of public hearing relating to the conduct of public hearing by the County Board of the County with respect to the issuance of the Bond is hereby ratified, approved and confirmed. This Ordinance shall constitute the approval of the issuance of the Bond by an "applicable elected representative" pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended.

The County Board, on behalf of the County, hereby allocates recovery zone facility bond allocation to the Bond in the entire principal amount of such Bond, but not to exceed \$10,250,000.

AUTHORIZATION AND RATIFICATION OF RELATED MATTERS.

The Authorized County Representatives are each hereby authorized, empowered and directed to do all such acts and things and to execute, deliver and/or approve all such documents and showings as may be necessary to carry out and comply with the provisions of this Ordinance, including without limitation, those acts that are necessary from time to maintain the tax-exempt status of the Bond, and all of the acts and doings of the Authorized County Representatives which are in conformity with the intent and purposes of this Ordinance, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

PROVISIONS SEPARABLE.

The provisions of this Ordinance are hereby declared to be separable, and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions which shall remain in full force and effect.

REPEAL OF CONFLICTING RESOLUTIONS, ETC.

All resolutions, ordinances, orders or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

EFFECTIVE DATE.

This Ordinance shall be in full force and effect upon its approval by the Chairman.

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EXHIBIT A
Form of Loan Agreement

LOAN AGREEMENT

Among

GE GOVERNMENT FINANCE, INC.,

as Lender,

and

THE COUNTY OF KANE, ILLINOIS,

as Issuer,

and

ON-COR FROZEN FOODS, LLC,

as Borrower

Dated as of December 1, 2010

This instrument constitutes a security agreement
under the Uniform Commercial Code.

LOAN AGREEMENT

Lender: GE Government Finance, Inc.
Three Capital Drive
Eden Prairie, MN 55344
Telephone: (800) 346-3164
Telecopier: (952) 828-2420

Issuer: The County of Kane, Illinois
Kane County Office of Community Reinvestment
719 South Batavia Avenue
Geneva, IL 60134
Telephone: (630) 208-5351
Telecopier: (630) 232-3411

Borrower: On-Cor Frozen Foods, LLC
1225 Corporate Boulevard
Aurora, IL 60505-7616
Telephone: (630) 692-2202
Telecopier: (630) 851-8223

THIS LOAN AGREEMENT dated as of December 1, 2010 (this "Agreement") among GE Government Finance, Inc., a Delaware corporation, as lender (with its successors and assigns, "Lender"), The County of Kane, Illinois, a unit of local government duly organized and validly existing under the laws of the state of Illinois (the "State"), as issuer ("Issuer"), and On-Cor Frozen Foods, LLC, a Delaware limited liability company, as borrower ("Borrower").

WHEREAS, Issuer is authorized and empowered under the laws of the State, including the Industrial Building Revenue Bond Act, 50 ILCS 445/1 *et seq.* (the "Act"), to issue its revenue bonds and to enter into loan agreements, contracts and other instruments and documents necessary or convenient to obtain loans for the purpose of facilitating the financing of certain projects as described in the Act; and

WHEREAS, in furtherance of the purposes of the Act, Issuer proposes to finance all or a portion of the Project (as hereinafter defined) for Borrower pursuant to this Agreement by issuing a revenue bond and lending the proceeds thereof to Borrower; and

WHEREAS, Borrower proposes to borrow the proceeds of the Bond (as hereinafter defined) upon the terms and conditions set forth herein to finance the Project Costs (as hereinafter defined); and

WHEREAS, Borrower shall make Loan Payments (as hereinafter defined) directly to Lender as assignee of Issuer and holder of the Bond; and

WHEREAS, this Agreement and the Bond shall not be deemed to constitute a debt or liability or moral obligation of Issuer, the State or any political subdivision thereof, or a pledge of the faith and credit or taxing power of the State or any political subdivision thereof, but shall be a special obligation payable solely from the Loan Payments payable hereunder by Borrower to Lender as assignee of Issuer;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and in consideration of the premises contained in this Agreement, Lender, Issuer and Borrower agree as follows:

ARTICLE I.

DEFINITIONS AND EXHIBITS

Section 1.01. *Definitions.* The following terms used herein will have the meanings indicated below unless the context clearly requires otherwise:

“*Agreement*” means this Agreement, including all exhibits hereto, as any of the same may be supplemented or amended from time to time in accordance with the terms hereof.

“*Arbitrage Certificate*” means the Arbitrage Certificate dated the Closing Date between Borrower and Issuer, as such Arbitrage Certificate may be supplemented or amended from time to time in accordance with its terms.

“*Bond*” means Issuer’s \$10,250,000 Recovery Zone Facility Bond (On-Cor Frozen Foods, LLC Project) Series 2010 in the form attached hereto as Exhibit E.

“*Borrower*” means On-Cor Frozen Foods, LLC, a Delaware limited liability company.

“*Borrower Documents*” means, collectively, this Agreement, the Escrow Agreement, the Arbitrage Certificate, the Project Certificate and any other agreements, documents or certificates executed by Borrower in connection with the Loan contemplated by this Agreement.

“*Business Day*” means a day other than a Saturday or Sunday on which banks are generally open for business in New York, New York.

“*Closing Date*” means December ____, 2010.

“*Code*” means the Internal Revenue Code of 1986, as amended, and United States Treasury regulations promulgated thereunder.

“*Collateral*” means (a) the Equipment, (b) all general intangibles, software intangibles and other property relating thereto, (c) all accessories, attachments, parts, equipment and repairs now or hereafter attached or affixed or used in connection with any of the foregoing property, (d) all warehouse receipts, bills of lading and other documents of title now or hereafter covering any of the foregoing property, (e) all securities, funds, moneys, deposits and other property at any time held in or subject to the Escrow Fund, (f) all accessions thereto, (g) all substitutions for any of the foregoing property and (h) all products and proceeds of any of the foregoing property (including, without limitation, any property acquired by Borrower with such proceeds).

“*Damaged Collateral*” means any portion of the Collateral that is lost, stolen, destroyed or damaged beyond repair.

“*Damaged Collateral Amount*” means an amount equal to the product of (a) the then current Prepayment Amount and (b) a percentage equal to the original cost of the Damaged Collateral divided by the original cost of all of the Collateral.

“*Default*” means an event that, with giving of notice or passage of time or both, would constitute an Event of Default as provided in Article XI hereof.

“*Determination of Taxability*” means any determination, decision or decree by the Commissioner of Internal Revenue, or any District Director of Internal Revenue or any court of competent jurisdiction,

or an opinion obtained by Lender of counsel qualified in such matters, that an Event of Taxability shall have occurred. A Determination of Taxability also shall be deemed to have occurred on the first to occur of the following:

(a) the date when Borrower files any statement, supplemental statement, or other tax schedule, return or document, which discloses that an Event of Taxability shall have occurred; or

(b) the effective date of any federal legislation enacted after the date of this Agreement or promulgation of any income tax regulation or ruling by the Internal Revenue Service that causes an Event of Taxability after the date of this Agreement; or

(c) if upon sale, lease or other deliberate action taken with respect to the Project within the meaning of Treas. Reg. § 1.141-2(d), the failure to receive an unqualified opinion of bond counsel to the effect that such deliberate action will not cause interest payable by Borrower hereunder to become includable in the gross income of the recipient.

“Environmental Laws” has the meaning ascribed thereto in paragraph (h) of Article V hereof.

“Equipment” means the equipment, goods and other property financed or refinanced with the proceeds of the Bond and the Loan and the property identified in Exhibit A hereto.

“Escrow Agent” means _____, as escrow agent under the Escrow Agreement, and its successors and assigns permitted under the Escrow Agreement.

“Escrow Agreement” means the Escrow Agreement dated as of December 1, 2010 among Lender, Issuer, Borrower and Escrow Agent.

“Escrow Fund” means the fund established and held by Escrow Agent pursuant to the Escrow Agreement.

“Event of Taxability” means if as the result of any act, failure to act or use of the proceeds of the Loan, a change in use of the Project or any misrepresentation or inaccuracy in any of the representations, warranties or covenants contained in this Agreement, the Arbitrage Certificate or the Project Certificate by Issuer or Borrower or the enactment of any federal legislation after the date of this Agreement or the promulgation of any income tax regulation or ruling by the Internal Revenue Service after the date of this Agreement or for any other reason, the Interest is or becomes includable in Lender’s gross income.

“GAAP” means generally accepted accounting principles applied on a consistent basis.

“GE Entity” means GE Government Finance, Inc., General Electric Capital Corporation or any affiliate of GE Government Finance, Inc. or General Electric Capital Corporation.

“Gross-Up Rate” means, with respect to any Interest payment (including payments made prior to the Event of Taxability), the rate necessary to calculate a total payment in an amount sufficient such that the sum of the Interest payment plus an additional payment would, after reduced by the federal tax (including interest and penalties) actually payable thereon, equal the amount of the Interest payment.

“Interest” means the portion of any payment from Issuer to Lender designated as and comprising interest as shown in Exhibit A hereto.

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“*Issuer*” means The County of Kane, Illinois, acting as issuer under this Agreement.

“*Issuer Documents*” means, collectively, this Agreement, the Escrow Agreement, the Arbitrage Certificate and any other agreements, documents or certificates executed by Issuer in connection with the issuance of the Bond or the Loan contemplated by this Agreement.

“*Lender*” means (a) GE Government Finance, Inc., acting as lender under this Agreement, (b) any surviving, resulting or transferee corporation of GE Government Finance, Inc. and (c) except where the context requires otherwise, any assignee(s) of Lender.

“*Loan*” means the loan from Issuer to Borrower pursuant to this Agreement.

“*Loan Payments*” means the loan payments payable by Borrower pursuant to the provisions of this Agreement and the Bond as specifically set forth in Exhibit A hereto. As provided in Article II hereof, Loan Payments shall be payable by Borrower directly to Lender, as assignee of Issuer and holder of the Bond, in the amounts and at the times as set forth in Exhibit A hereto.

“*Loan Proceeds*” means the total amount of money to be paid pursuant to Section 2.02 hereof by Lender to (a) Borrower or any Vendor for the Project Costs or (b) Escrow Agent for deposit and application in accordance with the Escrow Agreement.

“*PATRIOT Act*” means the USA PATRIOT Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001).

“*Prepayment Amount*” means the amount which Borrower may or must from time to time pay or cause to be paid to Lender as assignee of Issuer and holder of the Bond in order to prepay the Loan and the Bond, as provided in Section 2.07 hereof, such amounts being set forth in Exhibit A hereto, together with accrued interest and all other amounts due hereunder.

“*Principal*” means the portion of any Loan Payment designated as principal in Exhibit A hereto.

“*Project*” means the acquisition and installation of the Equipment.

“*Project Certificate*” means the Project Certificate dated the Closing Date executed by Borrower, as such Project Certificate may be supplemented or amended from time to time in accordance with its terms.

“*Project Costs*” means the acquisition and installation costs of the Project, including those to be paid to any Vendor or reimbursed to Borrower for any portion thereof, and any administrative, engineering, legal, financial and other costs incurred by Lender, Issuer, Borrower, Escrow Agent or any Vendor in connection with the acquisition, installation and financing by Lender of such Project and the costs of issuance which may be paid pursuant to the Arbitrage Certificate and the Project Certificate, which Project Costs are set forth in Exhibit F hereto.

“*Purchase Agreements*” means Borrower’s purchase agreements with Vendors of the Project.

“*State*” means the State of Illinois.

“*Terrorism Laws*” means Executive Order 13224 issued by the President of the United States of America, the Terrorism Sanctions Regulations (Title 31 Part 595 of the U.S. Code of Federal Regulations), the Terrorism List Governments Sanctions Regulations (Title 31 Part 596 of the U.S. Code of Federal Regulations) and the Foreign Terrorist Organizations Sanctions Regulations (Title 31

Part 597 of the U.S. Code of Federal Regulations), and all other present and future federal, state and local laws, ordinances, regulations, policies and any other requirements of any governmental authority (including, without limitation, the United States Department of the Treasury Office of Foreign Assets Control) addressing, relating to, or attempting to eliminate, terrorist acts and acts of war, each as hereafter supplemented, amended or modified from time to time, and the present and future rules, regulations and guidance documents promulgated under any of the foregoing, or under similar laws, ordinances, regulations, policies or requirements of other states or localities.

“*UCC*” means the Uniform Commercial Code as adopted and in effect in the State.

“*Vendor*” means the manufacturer or vendor of any portion of the Project, as well as the agents or dealers of the manufacturer, from whom Borrower has purchased or is purchasing portions of the Project.

Section 1.02. *Exhibits*. The following exhibits are attached hereto and made a part hereof:

Exhibit A: Schedule of Equipment and Loan Payments describing the Equipment and setting forth the Loan Payments and Prepayment Amounts. Issuer hereby authorizes Lender to insert in Exhibit A the serial or other identifying numbers relating to the Equipment when available.

Exhibit B: Form of opinion of counsel to Borrower.

Exhibit C: Form of opinion of counsel to Issuer.

Exhibit D: Form of opinion of special tax counsel.

Exhibit E: Form of Bond.

Exhibit F: Schedule of Project Costs.

Exhibit G: Form of Certificate of Chief Financial Officer.

Section 1.03. *Rules of Construction*. i. The singular form of any word used herein, including the terms defined in Section 1.01 hereof, shall include the plural, and vice versa. The use herein of a word of any gender shall include correlative words of all genders.

(a) Unless otherwise specified, references to Articles, Sections and other subdivisions of this Agreement are to the designated Articles, Sections and other subdivision of this Agreement as originally executed. The words “hereof,” “herein,” “hereunder” and words of similar import refer to this Agreement as a whole.

(b) The headings or titles of the several articles and sections shall be solely for convenience of reference and shall not affect the meaning, construction or effect of the provisions hereof.

ARTICLE II.

FINANCING OF PROJECT AND TERMS OF LOAN

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Section 2.01. *Acquisition of Project.* Borrower either has ordered or shall order the Project pursuant to one or more Purchase Agreements from one or more Vendors. Borrower shall remain liable to the Vendor or Vendors in respect of its duties and obligations in accordance with each Purchase Agreement and shall bear the risk of loss with respect to any loss or claim relating to any portion of the Project covered by any Purchase Agreement, and neither Lender nor Issuer shall assume any such liability or risk of loss.

Section 2.02. *Loan.* Lender hereby agrees, subject to the terms and conditions of this Agreement, to purchase the Bond in the amount of \$10,250,000; Issuer hereby agrees, subject to the terms and conditions of this Agreement, to issue the Bond and to lend the proceeds thereof to Borrower; and Borrower hereby agrees to borrow such proceeds from Issuer. Upon fulfillment of the conditions set forth in Article III hereof, Lender shall deposit the Loan Proceeds in the Escrow Fund to be held, invested and disbursed as provided in the Escrow Agreement. If Borrower directs Lender to disburse the Loan Proceeds directly to Borrower or any Vendor, such direction by Borrower shall be deemed a representation and warranty by Borrower that the Project has been delivered to, tested and inspected by, and accepted by Borrower and is functionally complete and operationally independent. Issuer's obligation to make payments on the Bond, and Borrower's obligation to repay the Loan, shall commence, and interest shall begin to accrue, on the date that Loan Proceeds are deposited in the Escrow Fund.

Section 2.03. *Interest.* The principal amount of the Bond and the Loan hereunder outstanding from time to time shall bear interest (computed on the basis of 12 30-day months) at the rate of _____ and ___ one-hundredths percent (___%). Interest accruing on the principal balance of the Bond and the Loan outstanding from time to time shall be payable as provided in Exhibit A and in the Bond and upon earlier demand in accordance with the terms hereof or prepayment in accordance with the terms of the Bond and Section 2.07 hereof. Upon the occurrence of a Determination of Taxability, Borrower shall, with respect to future interest payments, begin making Loan Payments calculated at the Gross-Up Rate. In addition, Borrower shall make immediately upon demand of Lender a payment to Lender sufficient to supplement prior Loan Payments to the Gross-Up Rate.

Section 2.04. *Payments; Limited Obligation.* (a) Issuer shall pay the principal of, premium, if any in accordance with Section 2.07 hereof, and interest on the Bond, but only out of the amounts paid by Borrower pursuant to this Agreement. Borrower shall pay to Lender, as assignee of Issuer, Loan Payments, in the amounts and on the dates set forth in Exhibit A hereto. Additionally, Borrower shall pay to Lender, as assignee of Issuer and holder of the Bond, an amount equal to the product of (i) the lesser of (A) 18% per annum and (B) the maximum amount permitted by law and (ii) the delinquent amount of any Loan Payment not paid when due. As security for its obligation to pay the principal of, premium, if any in accordance with Section 2.07 hereof, and interest on the Bond, Issuer assigns to Lender all of Issuer's right to receive Loan Payments from Borrower hereunder and all of Issuer's rights hereunder, and Issuer irrevocably constitutes and appoints Lender and any present or future officer or agent of Lender as its lawful attorney, with full power of substitution and resubstitution, and in the name of Issuer or otherwise, to collect the Loan Payments and any other payments due hereunder and under the Bond and to sue in any court for such Loan Payments or other payments, to exercise all rights hereunder with respect to the Collateral, and to withdraw or settle any claims, suits or proceedings pertaining to or arising out of this Agreement upon any terms. Such Loan Payments and other payments shall be made by Borrower directly to Lender, as Issuer's assignee and holder of the Bond, and shall be credited against Issuer's payment obligations hereunder and under the Bond. All amounts required to be paid by Borrower hereunder shall be paid in lawful money of the United States of America in immediately available funds. No recourse shall be had by Lender or Borrower for any claim based on this Agreement, the Bond or the Arbitrage Certificate against any director, officer, employee or

agent of Issuer alleging personal liability on the part of such person, unless such claim is based on the willful dishonesty of or intentional violation of law by such person.

(b) The Bond, together with all principal and interest thereon and premium, if any, with respect thereto, is a special, limited obligation of Issuer secured by payments from Borrower under this Agreement and the Collateral and shall always be payable solely from the revenues and income derived from the payments by Borrower under this Agreement and proceeds of the Collateral, is and shall always be a valid claim of the owner thereof only against the revenues and income derived from Borrower under this Agreement and the Collateral, which revenues and income shall be used for no other purpose than to pay the principal installments of, premium, if any, and interest on the Bond, except as may be expressly authorized otherwise in this Agreement. The Bond and the obligation to pay principal and interest thereon and any premium with respect thereto do not now and shall never constitute an indebtedness or an obligation of Issuer, the State of Illinois or any political subdivision thereof, within the purview of any constitutional or statutory limitation or provision, or a charge against the general credit or taxing powers, if any, of any of them, but shall be secured as aforesaid, and shall be payable solely from the revenues and income derived from Borrower under this Agreement and proceeds of the Collateral. No owner of the Bond shall have the right to compel the exercise of the taxing power, if any, of Issuer, the State of Illinois or any political subdivision thereof to pay any principal installment of, redemption premium, if any, or interest on the Bond.

Section 2.05. *Payment on Non-Business Days.* Whenever any payment to be made hereunder or under the Bond shall be stated to be due on a day which is not a Business Day, such payment may be made on the next succeeding Business Day.

Section 2.06. *Loan Payments To Be Unconditional.* The obligations of Borrower to make the Loan Payments required under this Article II and to make other payments hereunder and to perform and observe the covenants and agreements contained herein shall be absolute and unconditional in all events, without abatement, diminution, deduction, setoff or defense for any reason, including (without limitation) any failure of the Project to be delivered or installed, any defects, malfunctions, breakdowns or infirmities in the Project or any accident, condemnation, destruction or unforeseen circumstances. Notwithstanding any dispute between Borrower and any of Issuer, Lender, any Vendor or any other person, Borrower shall make all Loan Payments when due and shall not withhold any Loan Payments pending final resolution of such dispute, nor shall Borrower assert any right of set-off or counterclaim against its obligation to make such payments required under this Agreement.

Section 2.07. *Prepayments.* (a) Borrower may, in its discretion, prepay the Loan and the Bond in whole at any time after the third anniversary of the date hereof by paying the applicable Prepayment Amount.

(b) Borrower shall prepay the Loan and the Bond in whole or in part at any time pursuant to Article IX hereof by paying the applicable Damaged Collateral Amount.

(c) Borrower shall prepay the Loan and the Bond in full immediately upon demand of Lender after the occurrence of an Event of Default by paying the applicable Prepayment Amount. A portion of such prepayment may be made with funds remaining in the Escrow Fund pursuant to the Escrow Agreement.

(d) Borrower shall prepay the Loan and the Bond in full immediately upon demand of Lender after the occurrence of a Determination of Taxability by paying the applicable

Prepayment Amount plus an amount necessary to supplement the prior Loan Payments to the Gross-Up Rate.

(e) The amounts due hereunder shall be repaid, and the amounts due under the Bond shall be paid, in part with funds remaining in the Escrow Fund upon termination of the Escrow Agreement as provided in Section 2.03 of the Escrow Agreement and, if less than 80% of the amount deposited in the Escrow Fund has been disbursed pursuant to the Escrow Agreement, together with a prepayment fee calculated at the percentage used to determine the Prepayment Amount at the date of such prepayment.

Upon any prepayment in part of the Loan, the prepayment shall be applied to the Loan Payments and any other amounts due hereunder as determined by Lender.

Section 2.08. *Additional Payments To Issuer.* Borrower shall pay to Issuer any upfront fee of Issuer and its counsel on the Closing Date and any reasonable fees and expenses incurred by Issuer during the term of this Agreement related to the Bond or the Issuer Documents.

ARTICLE III.

CONDITIONS PRECEDENT

Lender's agreement to purchase the Bond and to disburse the Loan Proceeds shall be subject to the condition precedent that Lender shall have received all of the following, each in form and substance satisfactory to Lender:

(a) This Agreement, properly executed on behalf of Issuer and Borrower, and each of the Exhibits hereto properly completed.

(b) The Bond, properly executed on behalf of Issuer.

(c) The Arbitrage Certificate, properly executed on behalf of Issuer and Borrower.

(d) The Project Certificate, properly executed on behalf of Borrower.

(e) The Escrow Agreement, properly executed on behalf of Issuer, Borrower and Escrow Agent.

(f) A certificate of the Secretary or an Assistant Secretary of Borrower, certifying as to (i) the resolutions or consent of the managers and, if required, the members of Borrower, authorizing the execution, delivery and performance of the Borrower Documents and any related documents, (ii) the operating agreement of Borrower, and (iii) the signatures of the officers or agents of Borrower authorized to execute and deliver the Borrower Documents and other instruments, agreements and certificates on behalf of Borrower.

(g) Currently certified copies of the Articles of Organization of Borrower.

(h) A Certificate of Good Standing issued as to Borrower by the Secretary of State of the State of Delaware not more than 30 days prior to the Closing Date.

(i) A Certificate of Foreign Qualification issued as to Borrower by the Secretary of State of the State of Illinois not more than 30 days prior to the Closing Date.

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(j) Certificates of the insurance required hereunder, containing a lender's loss payable clause or endorsement in favor of Lender.

(k) A completed and executed Form 8038 or evidence of filing thereof with the Secretary of Treasury.

(l) A resolution or evidence of other official action taken by or on behalf of Issuer to authorize the transactions contemplated hereby.

(m) Evidence that the issuance of the Bond for the purpose of financing of the Project has been approved by the "applicable elected representative" after a public hearing held upon reasonable notice.

(n) Financing statements authorized by Borrower, as debtor, and naming Lender, as secured party, and/or the original certificate of title or manufacturer's certificate of origin and title application if any of the Collateral is subject to certificate of title laws.

(o) Financing statements authorized by Issuer, as debtor, and naming Lender, as secured party.

(p) Current searches of appropriate filing offices showing that (i) no state or federal tax liens have been filed and remain in effect against Borrower, (ii) no financing statements have been filed and remain in effect against Borrower relating to the Collateral except those financing statements filed by Lender and (iii) all financing statements necessary to perfect the security interest created pursuant to this Agreement have been filed.

(q) An opinion of counsel to Borrower, addressed to Lender and Issuer, in the form attached hereto as Exhibit B.

(r) An opinion of counsel to Issuer, addressed to Lender and Borrower, in the form attached hereto as Exhibit C.

(s) An opinion of special tax counsel, addressed to Lender, in the form attached hereto as Exhibit D.

(t) Payment of Lender's fees, commissions and expenses required by Section 12.01 hereof.

(u) Payment of Issuer's fees, commissions and expenses incurred in connection with this Agreement and the transactions contemplated hereby.

(v) Any other documents or items required by Lender.

Lender's agreement to consider approval of the first disbursement from the Escrow Fund shall be subject to the further conditions precedent that on the date thereof:

(w) A true and correct copy of any and all leases pursuant to which Borrower is leasing the property where the Collateral will be located, together with a landlord's disclaimer and consent with respect to each such lease.

(x) A true and correct copy of any and all mortgages, deeds of trust or similar agreements (whether or not Borrower is a party to any such agreement) relating to the property

where the Collateral will be located, together with a mortgagee's waiver with respect to each such mortgage, deed of trust or similar agreement.

(y) Lender shall have received each of the items required for a disbursement pursuant to the Escrow Agreement.

(z) Lender shall have received in form and substance satisfactory to Lender Vendor invoice(s) and/or bill(s) of sale relating to the Project and, if such invoices have been paid by Issuer or Borrower, evidence of payment thereof and, if applicable, evidence of official intent to reimburse such payment as required by the Code.

(aa) The representations and warranties contained in Articles IV and V hereof are correct on and as of the date of such disbursement as though made on and as of such date, except to the extent that such representations and warranties relate solely to an earlier date.

(bb) No Default, Event of Default or Determination of Taxability has occurred.

Lender's agreement to consider approval of any other disbursement from the Escrow Fund shall be subject to the further conditions precedent that on the date thereof:

(cc) Lender shall have received each of the items required for a disbursement pursuant to the Escrow Agreement.

(dd) Lender shall have received in form and substance satisfactory to Lender Vendor invoice(s) and/or bill(s) of sale relating to the Project and, if such invoices have been paid by Issuer or Borrower, evidence of payment thereof and, if applicable, evidence of official intent to reimburse such payment as required by the Code.

(ee) The representations and warranties contained in Articles IV and V hereof are correct on and as of the date of such disbursement as though made on and as of such date, except to the extent that such representations and warranties relate solely to an earlier date.

(ff) No Default, Event of Default or Determination of Taxability has occurred.

ARTICLE IV.

REPRESENTATIONS, WARRANTIES AND COVENANTS OF ISSUER

Issuer represents, warrants and covenants for the benefit of Lender and Borrower, as follows:

(a) Issuer is a unit of local government duly created and validly existing under the Constitution and laws of the State.

(b) Issuer will exercise its best efforts to preserve and keep in full force and effect its existence as a unit of local government.

(c) Issuer is authorized under the Constitution and laws of the State to issue the Bond and to enter into the Issuer Documents and the transactions contemplated hereby and to perform all of its obligations hereunder.

(d) Issuer has duly authorized the issuance of the Bond and the execution and delivery of the Issuer Documents under the terms and provisions of the resolution of its governing body or by other appropriate official approval, and further represents, covenants and

warrants that all requirements have been met and procedures have occurred in order to ensure the enforceability of the Bond and the Issuer Documents against Issuer, and Issuer has complied with such public bidding requirements as may be applicable to the Bond, the Issuer Documents and the Project. Issuer has taken all necessary action and has complied with all provisions of the Act, including but not limited to the making of the findings required by the Act, required to make the Bond and the Issuer Documents the valid and binding obligation of Issuer.

(e) The officer of Issuer executing the Bond, the Issuer Documents and any related documents has been duly authorized to issue the Bond and to execute and deliver the Issuer Documents and such related documents under the terms and provisions of a resolution of Issuer's governing body, or by other appropriate official action.

(f) The Bond and the Issuer Documents are legal, valid and binding obligations of Issuer, enforceable in accordance with their respective terms, except to the extent limited by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights.

(g) Issuer has assigned to Lender all of Issuer's rights in this Agreement (except any indemnification payable to Issuer pursuant to Section 7.06(d) and Section 7.11 hereof and notice to Issuer pursuant to Section 12.03 hereof).

(h) Issuer will not pledge, mortgage or assign this Agreement or its duties and obligations hereunder to any person, firm or corporation, except as provided under the terms hereof.

(i) None of the issuance of the Bond or the execution and delivery of the Issuer Documents, the consummation of the transactions contemplated hereby or the fulfillment of or compliance with the terms and conditions of the Bond or any of the Issuer Documents violates any law, rule, regulation or order, conflicts with or results in a breach of any of the terms, conditions or provisions of any restriction or any agreement or instrument to which Issuer is now a party or by which it is bound or constitutes a default under any of the foregoing or results in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of Issuer under the terms of any instrument or agreement.

(j) There is no action, suit, proceeding, claim, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best of Issuer's knowledge, threatened against or affecting Issuer, challenging Issuer's authority to issue the Bond or to enter into the Issuer Documents or any other action wherein an unfavorable ruling or finding would adversely affect the enforceability of the Bond or and of the Issuer Documents or any other transaction of Issuer which is similar hereto, or the exclusion of the Interest from gross income for federal tax purposes under the Code, or would materially and adversely affect any of the transactions contemplated by this Agreement.

(k) Issuer will submit or cause to be submitted to the Secretary of the Treasury a Form 8038 (or other information reporting statement) at the time and in the form required by the Code.

(l) The issuance of the Bond for the purpose of financing the Project has been approved by the "applicable elected representative" (as defined in Section 147(f) of the Code) after a public hearing held upon reasonable notice.

(m) Issuer will comply fully at all times with the Arbitrage Certificate, and Issuer will not take any action, or omit to take any action, which, if taken or omitted, respectively, would violate the Arbitrage Certificate.

(n) Issuer will take no action that would cause the Interest to become includable in gross income for federal income tax purposes under the Code (including, without limitation, intentional acts under Treas. Reg. § 1.148-2(c) or consenting to a deliberate action within the meaning of Treas. Reg. § 1.141-2(d)), and Issuer will take and will cause its officers, employees and agents to take all affirmative actions legally within its power necessary to ensure that the Interest does not become includable in gross income of the recipient for federal income tax purposes under the Code (including, without limitation, the calculation and payment of any rebate required to preserve such exclusion).

ARTICLE V.

REPRESENTATIONS, WARRANTIES AND COVENANTS OF BORROWER

Borrower represents, warrants and covenants for the benefit of Lender and Issuer, as follows:

(a) Borrower is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and in good standing as a foreign limited liability company in the State of Illinois, has power to enter into the Borrower Documents and by proper corporate action has duly authorized the execution and delivery of the Borrower Documents. Borrower is in good standing and is duly licensed or qualified to transact business in the State and in all jurisdictions where the character of the property owned or leased or the nature of the business transacted by it makes such licensing or qualification necessary. Borrower's exact legal name is as set forth on the execution page hereof. Borrower's U.S. Federal Tax Identification Number is [_____].

(b) Borrower has been fully authorized to execute and deliver the Borrower Documents under the terms and provisions of the resolution of its board of directors, or by other appropriate official approval, and further represents, covenants and warrants that all requirements have been met, and procedures have occurred in order to ensure the enforceability of the Borrower Documents and the Borrower Documents have been duly authorized, executed and delivered.

(c) The officer of Borrower executing the Borrower Documents and any related documents has been duly authorized to execute and deliver the Borrower Documents and such related documents under the terms and provisions of a resolution of Borrower's board of directors.

(d) The Borrower Documents constitute valid and legally binding obligations of Borrower, enforceable against Borrower in accordance with their respective terms, except to the extent limited by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights.

(e) The execution and delivery of the Borrower Documents, the consummation of the transactions contemplated hereby and the fulfillment of the terms and conditions hereof do not and will not violate any law, rule, regulation or order, conflict with or result in a breach of any of the terms or conditions of the articles of organization or operating agreement of Borrower or of any corporate restriction or of any agreement or instrument to which Borrower is now a party and do not and will not constitute a default under any of the foregoing or result in the creation or

imposition of any liens, charges or encumbrances of any nature upon any of the property or assets of Borrower contrary to the terms of any instrument or agreement.

(f) The authorization, execution, delivery and performance of this Agreement by Borrower do not require submission to, approval of, or other action by any governmental authority or agency, which action with respect to this Agreement has not been taken and which is final and nonappealable.

(g) There is no action, suit, proceeding, claim, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best of Borrower's knowledge, threatened against or affecting Borrower, challenging Borrower's authority to enter into any of the Borrower Documents or any other action wherein an unfavorable ruling or finding would adversely affect the enforceability of any of the Borrower Documents or any other transaction of Borrower which is similar hereto, or the exclusion of the Interest from gross income for federal tax purposes under the Code, or could reasonably be expected to have a material adverse effect on the financial condition, operations, business or prospects of Borrower.

(h) The property at which the Collateral is located is properly zoned for its current and anticipated use and the use of the Collateral will not violate any applicable zoning, land use, environmental or similar law or restriction. Borrower has all licenses and permits to use the Collateral. Borrower has obtained all permits, licenses and other authorizations which are required under federal, state and local laws relating to emissions, discharges, releases of pollutants, contaminants, hazardous or toxic materials, or wastes into ambient air, surface water, ground water or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants or hazardous or toxic materials or wastes ("Environmental Laws") at Borrower's facilities or in connection with the operation of its facilities. Except as previously disclosed to Lender in writing, Borrower and all activities of Borrower at its facilities comply with all Environmental Laws and with all terms and conditions of any required permits, licenses and authorizations applicable to Borrower with respect thereto. Except as previously disclosed to Lender in writing, Borrower is also in compliance with all limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in Environmental Laws or contained in any plan, order, decree, judgment or notice of which Borrower is aware. Except as previously disclosed to Lender in writing, Borrower is not aware of, nor has Borrower received notice of, any events, conditions, circumstances, activities, practices, incidents, actions or plans which may interfere with or prevent continued compliance with, or which may give rise to any liability under, any Environmental Laws.

(i) The Project is of the type authorized and permitted to be financed with the proceeds of the Bond pursuant to the Act.

(j) Borrower owns or will own the Project and intends to operate the Project, or cause the Project to be operated, as a "project," within the meaning of the Act, until the date on which all of the Loan Payments have been fully paid or the applicable Prepayment Amount has been fully paid.

(k) Borrower will not take any action that would cause the Interest to become includable in gross income of the recipient for federal income tax purposes under the Code (including, without limitation, intentional acts under Treas. Reg. § 1.148-2(c) or deliberate action within the meaning of Treas. Reg. § 1.141-2(d)), and Borrower will take and will cause its officers, employees and agents to take all affirmative actions legally within its power necessary

to ensure that the Interest does not become includable in gross income of the recipient for federal income tax purposes under the Code (including, without limitation, the calculation and payment of any rebate required to preserve such exclusion).

(l) Borrower has heretofore furnished to Lender the audited financial statements of OSI Group, LLC ("OSI") for its fiscal years ended December 29, 2007, January 3, 2009 and January 2, 2010 and the unaudited financial statements of OSI for the four months ended May 8, 2010, and those statements fairly present the financial condition of OSI and Borrower on the dates thereof and the results of its operations and cash flows for the periods then ended and were prepared in accordance with GAAP. Since the date of the most recent financial statements, there has been no material adverse change in the business, properties or condition (financial or otherwise) of OSI or Borrower.

(m) Borrower has paid or caused to be paid to the proper authorities when due all federal, state and local taxes required to be withheld by it. Borrower has filed all federal, state and local tax returns which are required to be filed, and Borrower has paid or caused to be paid to the respective taxing authorities all taxes as shown on said returns or on any assessment received by it to the extent such taxes have become due.

(n) Borrower has or will have good and absolute title to all Collateral and all proceeds thereof, free and clear of all mortgages, security interests, liens and encumbrances except for the security interest created pursuant to this Agreement.

(o) Borrower has authorized Lender to file financing statements, and such financing statements when filed will be sufficient to perfect the security interest created pursuant to this Agreement. When such financing statements are filed in the offices noted therein, Lender, as holder of the Bond, will have a valid and perfected security interest in the Collateral, subject to no other security interest, assignment, lien or encumbrance. None of the Collateral is or will become a fixture on real estate. None of the Collateral constitutes a replacement of, substitution for or accessory to any property of Borrower subject to a lien of any kind. Borrower leases the real property where the Collateral will be located pursuant to a lease agreement dated _____, _____ between Borrower and _____ subject to no liens or encumbrances of any kind.

(p) Borrower will aid and assist Issuer in connection with preparing and submitting to the Secretary of the Treasury a Form 8038 (or other applicable information reporting statement) at the time and in the form required by the Code.

(q) Borrower will comply fully at all times with the Arbitrage Certificate and the Project Certificate, and Borrower will not take any action, or omit to take any action, which, if taken or omitted, respectively, would violate the Arbitrage Certificate or the Project Certificate.

(r) Expenses for work done by officers or employees of Borrower in connection with the Project will be included as a Project Cost, if at all, only to the extent (i) such persons were specifically employed for such particular purpose, (ii) the expenses do not exceed the actual cost thereof and (iii) such expenses are treated or capable of being treated (whether or not so treated) on the books of Borrower as a capital expenditure in conformity with GAAP.

(s) Any costs incurred with respect to that part of the Project paid from the Loan Proceeds shall be treated or capable of being treated on the books of Borrower as capital expenditures in conformity with GAAP.

(t) No part of the Loan Proceeds will be used to finance inventory or rolling stock or will be used for working capital or to finance any other cost not constituting a Project Cost.

(u) No person other than Borrower is in occupancy or possession of any portion of the real property where the Project is located.

(v) The Project is property of the character subject to the allowance for depreciation under Section 167 of the Code.

(w) Neither Borrower nor any individual or entity owning directly or indirectly any interest in Borrower, is an individual or entity whose property or interests are subject to being "blocked" under any of the Terrorism Laws or is otherwise in violation of any of the Terrorism Laws.

ARTICLE VI.

TITLE TO COLLATERAL; SECURITY INTEREST

Section 6.01. *Title to Collateral.* Legal title to the Collateral and any and all repairs, replacements, substitutions and modifications to the Collateral shall be in Borrower. Borrower will at all times protect and defend, at its own cost and expense, its title from and against all claims, liens and legal processes of creditors of Borrower, and keep the Collateral free and clear of all such claims, liens and processes other than the liens created hereby.

Section 6.02. *Security Interest in Collateral.* This Agreement is intended to constitute a security agreement within the meaning of the UCC. As security for Borrower's payment to Lender, as assignee of Issuer, of Loan Payments and all other amounts payable to Lender hereunder, Borrower hereby grants to Lender a security interest constituting a first lien on the Collateral. To the extent that the same entity (or an affiliate thereof) is the lender under this Agreement and under any other document or agreement with Borrower, the security interest in the Collateral shall secure all of Borrower's obligations under all such agreements, but shall not secure Borrower's obligations under any such agreements under which a different entity is the lender. Borrower ratifies its previous authorization for Lender to pre-file UCC financing statements and any amendments thereto describing the Collateral and containing any other information required by the applicable UCC. Borrower authorizes Lender, and hereby grants Lender a power of attorney (which is coupled with an interest), to file financing statements and amendments thereto describing the Collateral and containing any other information required by the applicable UCC and all proper terminations of the filings of other secured parties with respect to the Collateral, in such form and substance as Lender, in its sole discretion, may determine. Borrower agrees to execute such additional documents, including demands for terminations, assignments, affidavits, notices and similar instruments, in form satisfactory to Lender, and take such other actions that Lender deems necessary or appropriate to establish and maintain the security interest created by this Section, and Borrower hereby designates and appoints Lender as its agent, and grants to Lender a power of attorney (which is coupled with an interest), to execute on behalf of Borrower such additional documents and to take such other actions. Borrower hereby waives any right that Borrower may have to file with the applicable filing officer any financing statement, amendment, termination or other record pertaining to the Collateral and/or Lender's interest therein. If requested by Lender, Borrower shall obtain a landlord and/or mortgagee's consent and waiver with respect to the property where the Collateral is located. If requested by Lender, Borrower shall conspicuously mark the Collateral with appropriate lettering, labels or tags, and maintain such markings, so as clearly to disclose Lender's security interest in the Collateral.

Section 6.03. *Change in Name or Corporate Structure of Borrower; Change in Location of Borrower's Chief Executive Office or Principal Executive Office.* Borrower's chief executive office and principal executive office are located at the address set forth above, and all of Borrower's records relating to its business and the Collateral are kept at such location. Borrower hereby agrees to provide written notice to Lender and Issuer of any change or proposed change in its name, corporate structure, chief executive office or principal executive office or change or proposed change in the location of the Collateral. Such notice shall be provided 30 days in advance of the date that such change or proposed change is planned to take effect.

Section 6.04. *Liens and Encumbrances to Title.* Borrower shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, deed of trust, pledge, lien, charge, encumbrance or claim (together, "Liens") on or with respect to the Collateral other than as created by this Agreement or on or with respect to the real property where the Collateral will be located; *provided, however,* Borrower may create, incur, assume or suffer to exist a mortgage, deed of trust or similar lien on the real property where the Collateral will be located if Borrower provides Lender with a mortgagee's waiver or similar waiver in form and substance acceptable to Lender. Borrower shall promptly, at its own expense, take such action as may be necessary to discharge or remove any such Lien or to provide Lender with a mortgagee's waiver or similar waiver. Borrower shall reimburse Lender for any expenses incurred by Lender to discharge or remove any Lien or for obtaining such waiver.

Section 6.05. *Personal Property.* The parties hereby agree that the Collateral is, and during the period this Agreement is in force will remain, personal property and, when subjected to use by Borrower hereunder, will not be or become fixtures.

Section 6.06. *Assignment of Insurance.* As additional security for the payment and performance of Borrower's obligations hereunder, Borrower hereby assigns to Lender any and all moneys (including, without limitation, proceeds of insurance and refunds of unearned premiums) due or to become due under, and all other rights of Borrower with respect to, any and all policies of insurance now or at any time hereafter covering the Collateral or any evidence thereof or any business records or valuable papers pertaining thereto, and Borrower hereby directs the issuer of any such policy to pay all such moneys directly to Lender. Borrower hereby assigns to Lender any and all moneys due or to become due with respect to any condemnation proceeding affecting the Collateral. At any time, whether before or after the occurrence of any Event of Default, Lender may (but need not), in Lender's name or in Borrower's name, execute and deliver proof of claim, receive all such moneys, endorse checks and other instruments representing payment of such moneys, and adjust, litigate, compromise or release any claim against the issuer of any such policy or party in any condemnation proceeding.

Section 6.07. *Occupancy.* (a) Borrower hereby irrevocably grants to Lender the right to occupy the property where the Collateral is located (the "Premises") at any time after the occurrence and during the continuance of an Event of Default.

(b) Lender may occupy the Premises only to hold, sell, store, liquidate, realize upon or otherwise dispose of the Collateral and for other purposes that Lender may in good faith deem to be related or incidental purposes.

(c) The right of Lender to occupy the Premises shall cease and terminate upon the earlier of (i) payment in full and discharge of all obligations of Borrower and Issuer hereunder, and (ii) final sale or disposition of all of the Collateral and delivery of all such Collateral to purchasers.

(d) Lender shall not be obligated to pay or account for any rent or other compensation for the occupancy of the Premises. Borrower will pay, or reimburse Lender for, all taxes, fees, duties, levies, charges and expenses at any time incurred by or imposed upon Lender by reason of the execution, delivery, existence, recordation, performance or enforcement of this Section.

ARTICLE VII.

AFFIRMATIVE COVENANTS OF BORROWER

So long as the Loan shall remain unpaid, Borrower will comply with the following requirements:

Section 7.01. *Reporting Requirements.* Borrower will deliver, or cause to be delivered, to Lender each of the following, which shall be in form and detail acceptable to Lender:

(a) as soon as available, and in any event within 120 days after the end of each fiscal year of OSI, audited financial statements of OSI with the unqualified opinion of independent certified public accountants selected by Borrower and acceptable to Lender, which annual financial statements shall include the balance sheet of OSI as at the end of such fiscal year and the related statements of income, retained earnings and cash flows of OSI for the fiscal year then ended, all in reasonable detail and prepared in accordance with GAAP, including company-prepared breakouts for Borrower, together with: (i) a report signed by such accountants stating that in making the investigations necessary for said opinion they obtained no knowledge, except as specifically stated, of any Default or Event of Default hereunder and all relevant facts in reasonable detail to evidence, and the computations as to, whether or not OSI is in compliance with the requirements set forth in Section 7.09 hereof and whether or not Borrower is in compliance with the requirements set forth in Section 7.10 hereof; and (ii) a certificate of the chief financial officer of OSI in the form of Exhibit G hereto stating that such financial statements have been prepared in accordance with GAAP and whether or not such officer has knowledge of the occurrence of any Default or Event of Default hereunder and, if so, stating in reasonable detail the facts with respect thereto;

(b) as soon as available and in any event within 90 days after the end of each fiscal quarter of OSI, an unaudited/internal balance sheet and statements of income and retained earnings of OSI as at the end of and for such quarter and for the year to date period then ended, in reasonable detail and stating in comparative form the figures for the corresponding date and periods in the previous year, all prepared in accordance with GAAP and certified by the chief financial officer of OSI, subject to year-end audit adjustments, including company-prepared breakouts for Borrower, and accompanied by a certificate of that officer in the form of Exhibit G hereto stating: (i) that such financial statements have been prepared in accordance with GAAP; (ii) whether or not such officer has knowledge of the occurrence of any Default or Event of Default hereunder not theretofore reported and remedied and, if so, stating in reasonable detail the facts with respect thereto; and (iii) all relevant facts in reasonable detail to evidence, and the computations as to, whether or not OSI is in compliance with the requirements set forth in Section 7.09 hereof and whether or not Borrower is in compliance with the requirements set forth in Section 7.10 hereof;

(c) immediately after the commencement thereof, notice in writing of all litigation and of all proceedings before any governmental or regulatory agency affecting Borrower or OSI of the type described in Article V hereof or which seek a monetary recovery against Borrower or OSI in excess of \$100,000;

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(d) as promptly as practicable (but in any event not later than five Business Days) after an officer of Borrower obtains knowledge of the occurrence of any event that constitutes a Default or an Event of Default hereunder, notice of such occurrence, together with a detailed statement by a responsible officer of Borrower of the steps being taken by Borrower to cure the effect of such Default or Event of Default;

(e) promptly upon knowledge thereof, notice of any loss or destruction of or damage to any of the Collateral or of any material adverse change in any of the Collateral;

(f) promptly upon their distribution, copies of all financial statements, reports and proxy statements that Borrower or OSI shall have sent to its members;

(g) promptly after the amending thereof, copies of any and all amendments to Borrower's certificate of formation, articles of organization or operating agreement;

(h) promptly upon knowledge thereof, notice of the violation by Borrower or OSI of any law, rule or regulation, the noncompliance with which could reasonably be expected to cause a material adverse effect on its financial condition, operations, business or prospects;

(i) promptly upon receipt thereof, a copy of any notice of audit from the Internal Revenue Service; and

(j) promptly upon knowledge thereof, notice of any material adverse change in the financial or operating condition of Borrower or OSI.

Section 7.02. *Books and Records; Inspection and Examination.* Borrower will keep accurate books of record and account for itself pertaining to the Collateral and pertaining to Borrower's business and financial condition and such other matters as Lender may from time to time request in which true and complete entries will be made in accordance with GAAP and, upon request of Lender, will permit any officer, employee, attorney or accountant for Lender to audit, review, make extracts from, or copy any and all corporate and financial books, records and properties of Borrower at all times during ordinary business hours, and to discuss the affairs of Borrower will permit Lender, or its employees, accountants, attorneys or agents, to examine and copy any or all of its records and to examine and inspect the Project at any time during Borrower's business hours upon at least two Business Days' advance written notice.

Section 7.03. *Compliance With Laws; Environmental Indemnity.* Borrower will (a) comply with the requirements of applicable laws and regulations, the noncompliance with which could reasonably be expected to cause a material adverse effect on its financial condition, operations, business or prospects, (b) comply with all applicable Environmental Laws and regulations and obtain any permits, licenses or similar approvals required by any such laws or regulations and (c) use and keep the Collateral, and will require that others use and keep the Collateral, only for lawful purposes, without violation of any federal, state or local law, statute or ordinance. Borrower shall secure all permits and licenses, if any, necessary for the installation and operation of the Collateral. Borrower shall comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each portion of the Collateral) with all laws of the jurisdictions in which its operations involving any portion of the Collateral may extend and of any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the portions of the Project or its interest or rights under this Agreement. Borrower will indemnify, defend and hold Lender harmless from and against any claims, loss or damage to which Lender may be subjected as a result of any past, present or future existence, use, handling, storage, transportation or disposal of any hazardous waste or substance or toxic substance by Borrower or on property

owned, leased or controlled by Borrower. This indemnification shall survive the termination of this Agreement and payment of the indebtedness hereunder and under the Bond.

Section 7.04. *Payment of Taxes and Other Claims.* Borrower will pay or discharge, when due, (a) all taxes, assessments and governmental charges levied or imposed upon it or upon its income or profits, upon any properties belonging to it (including, without limitation, the Collateral) or upon or against the creation, perfection or continuance of the security interest created pursuant to this Agreement, prior to the date on which penalties attach thereto, (b) all federal, state and local taxes required to be withheld by it and (c) all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien or charge upon any properties of Borrower; provided, that Borrower shall not be required to pay any such tax, assessment, charge or claim whose amount, applicability or validity is diligently being contested in good faith by appropriate proceedings. Borrower will pay, as the same respectively come due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Collateral, as well as all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Collateral.

Section 7.05. *Maintenance of Collateral.* Borrower shall, at its own expense, maintain, preserve and keep the Collateral in good repair, working order and condition, and shall from time to time make all repairs and replacements necessary to keep the Collateral in such condition, and in compliance with state and federal laws, ordinary wear and tear excepted. Borrower shall maintain the Collateral in a condition suitable for certification by the manufacturer thereof (if certification is available) and in conformance with all manufacturer's recommended maintenance requirements. In the event that any parts or accessories forming part of any portion or portions of the Collateral become worn out, lost, destroyed, damaged beyond repair or otherwise rendered unfit for use, Borrower, at its own expense and expeditiously, will replace or cause the replacement of such parts or accessories by replacement parts or accessories free and clear of all liens and encumbrances and with a value and utility at least equal to that of the parts or accessories being replaced (assuming that such replaced parts and accessories were otherwise in good working order and repair). All such replacement parts and accessories shall be deemed to be incorporated immediately into and to constitute an integral portion of the Collateral and, as such, shall be subject to the terms of this Agreement. Neither Lender nor Issuer shall have any responsibility in any of these matters, or for the making of improvements or additions to the Collateral.

Section 7.06. *Insurance.* (a) Borrower shall, at its own expense, procure and maintain continuously in effect: (i) public liability insurance for personal injuries, death or damage to or loss of property arising out of or in any way relating to the Collateral sufficient to protect Lender from liability in all events, with a coverage limit of not less than \$1,000,000 per occurrence unless a different coverage minimum with respect to particular collateral is required by Lender, and (ii) insurance against such hazards as Lender may require, including, but not limited to, all-risk casualty and property insurance, in an amount equal to the greater of the full replacement cost of the Collateral with new collateral having substantially similar specifications or the applicable Prepayment Amount.

(b) If required by State law, Borrower shall carry workers' compensation insurance covering all employees on, in, near or about the Collateral, and upon request, shall furnish to Lender certificates evidencing such coverage.

(c) All insurance policies required by this Article shall be taken out and maintained with insurance companies acceptable to Lender; and shall contain a provision that the insurer shall not cancel or revise coverage thereunder without giving written notice to the insured parties at least 30 days before the cancellation or revision becomes effective. No insurance

shall be subject to any co-insurance clause. Each insurance policy required by this Article shall name Lender as an additional insured party and loss payee without regard to any breach of warranty or other act or omission of Borrower and shall include a lender's loss payable endorsement for the benefit of Lender. Prior to the delivery of Collateral, Borrower shall deposit with Lender evidence satisfactory to Lender of such insurance and, prior to the expiration thereof, shall provide Lender evidence of all renewals or replacements thereof.

(d) As among Lender, Borrower and Issuer, Borrower assumes all risks and liabilities from any cause whatsoever, whether or not covered by insurance, for loss or damage to any of the Collateral and for injury to or death of any person or damage to any property, whether such injury or death be with respect to agents or employees of Borrower or of third parties, and whether such property damage be to Borrower's property or the property of others. Whether or not covered by insurance, Borrower hereby assumes responsibility for and agrees to reimburse Lender and Issuer for and will indemnify, defend and hold Lender and Issuer harmless from and against all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorneys' fees) of whatsoever kind and nature, imposed on, incurred by or asserted against Lender or Issuer that in any way relate to or arise out of this Agreement, the transactions contemplated hereby and the Project and the Collateral, including but not limited to, (i) the selection, manufacture, purchase, acceptance or rejection of the Collateral or the ownership of the Collateral, (ii) the delivery, lease, possession, maintenance, use, condition, return or operation of the Collateral, (iii) the condition of the Collateral sold or otherwise disposed of after possession by Borrower, (iv) any patent or copyright infringement, (v) the conduct of Borrower, its officers, employees and agents, (vi) a breach of Borrower of any of its covenants or obligations hereunder and (vii) any claim, loss, cost or expense involving alleged damage to the environment relating to the Collateral, including, but not limited to investigation, removal, cleanup and remedial costs. All amounts payable by Borrower pursuant to the immediately preceding sentence shall be paid immediately upon demand of Issuer or Lender, as the case may be. This provision shall survive the termination of this Agreement.

Section 7.07. *Preservation of Corporate Existence.* Borrower will preserve and maintain its corporate existence and all of its rights, privileges and franchises necessary or desirable in the normal conduct of its business; and shall conduct its business in an orderly, efficient and regular manner.

Section 7.08. *Performance by Lender.* If Borrower at any time fails to perform or observe any of the covenants or agreements contained in any Borrower Document, and if such failure shall continue for a period of 30 calendar days after Lender gives Borrower written notice thereof (or in the case of the agreements contained in Sections 7.05 and 7.06 hereof, immediately upon the occurrence of such failure, without notice or lapse of time), Lender may, but need not, perform or observe such covenant on behalf and in the name, place and stead of Borrower (or, at Lender's option, in Lender's name) and may, but need not, take any and all other actions which Lender may reasonably deem necessary to cure or correct such failure (including, without limitation, the payment of taxes, the satisfaction of security interests, liens or encumbrances, the performance of obligations owed to account debtors or other obligors, the procurement and maintenance of insurance, the execution of assignments, security agreements and financing statements, and the endorsement of instruments); and Borrower shall thereupon pay to Lender on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by Lender in connection with or as a result of the performance or observance of such agreements or the taking of such action by Lender, together with interest thereon from the date expended or incurred at the lesser of 18% per annum or the highest rate permitted by law. To facilitate the performance or observance by Lender of such covenants of Borrower, Borrower hereby irrevocably appoints Lender, or the delegate of Lender, acting alone, as the attorney in fact

of Borrower with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file in the name and on behalf of Borrower any and all instruments, documents, assignments, security agreements, financing statements, applications for insurance and other agreements and writings required to be obtained, executed, delivered or endorsed by Borrower under this Agreement.

Section 7.09. *Financial Covenants (OSI).*

(a) *Ratio of Debt to Tangible Net Worth of OSI.* Borrower will cause OSI to maintain at all times its ratio of Debt (as defined below) to Tangible Net Worth (as defined below) at not more than 3.50 to 1.00. "Debt" shall mean (i) all items of indebtedness or liability which in accordance with generally accepted accounting principles or federal tax law would be included in determining total liabilities as shown on the liabilities side of a balance sheet, (ii) indebtedness secured by any mortgage, pledge, lien or security interest existing on property owned by OSI, whether or not the indebtedness secured thereby shall have been assumed, and (iii) guaranties and endorsements (other than for purposes of collection in the ordinary course of business) by OSI and other contingent obligations of OSI in respect of, or to purchase or otherwise acquire, indebtedness of others. "Tangible Net Worth" means the excess of:

(i) the tangible assets of OSI, which, in accordance with generally accepted accounting principles, are tangible assets, after deducting adequate reserves in each case where, in accordance with generally accepted accounting principles, a reserve is proper over

(ii) all Debt of OSI;

provided, however, that (A) inventory shall be taken into account on the basis of the cost (determined on a first-in, first-out basis) or current market value, whichever is lower, (B) in no event shall there be included as such tangible assets patents, trademarks, trade names, copyrights, licenses, good will, advances or loans to, or receivables from, directors, officers, employees or affiliates, prepaid or intangible assets, amounts relating to covenants not to compete, pensions assets, deferred charges or treasury stock or any securities or Debt of OSI or any other securities unless the same are readily marketable in the United States of America or entitled to be used as a credit against federal income tax liabilities, (C) securities included as such tangible assets shall be taken into account at their current market price or cost, whichever is lower, and (D) any write-up in the book value of any assets shall not be taken into account.

(b) *Debt Service Coverage Ratio of OSI.* Borrower will cause OSI maintain for each fiscal year from and after fiscal year 2010 its Debt Service Coverage Ratio (as defined below) at not less than 1.25 to 1.00. "Debt Service Coverage Ratio" means the ratio of (i) OSI's Cash Flow Available for Debt Service (as defined below) to (ii) OSI's Debt Service (as defined below). "Cash Flow Available for Debt Service" of OSI means, with respect to the applicable period of determination, OSI's income, *plus* interest expense, depreciation, amortization and other non-cash charges. "Debt Service" of OSI means, with respect to the applicable period of determination, the aggregate of (A) interest expense of OSI, (B) all installments of principal on Debt of OSI that are due on demand or during the period of determination, (C) all installments of rent under capitalized lease obligations (to the extent not already accounted for in computation of net income or Debt) of OSI that are due on demand or during the period of determination and (D) distributions and dividends to stockholders and advances to affiliates of OSI during the period of determination.

Section 7.10. *Financial Covenants (Borrower).*

(a) *Ratio of Debt to Tangible Net Worth of Borrower.* Borrower will maintain at all times its ratio of Debt (as defined below) to Tangible Net Worth (as defined below) at not more than 1.50 to 1.00. "Debt" shall mean (i) all items of indebtedness or liability which in accordance with generally accepted accounting principles or federal tax law would be included in determining total liabilities as shown on the liabilities side of a balance sheet, (ii) indebtedness secured by any mortgage, pledge, lien or security interest existing on property owned by Borrower, whether or not the indebtedness secured thereby shall have been assumed, and (iii) guaranties and endorsements (other than for purposes of collection in the ordinary course of business) by Borrower and other contingent obligations of Borrower in respect of, or to purchase or otherwise acquire, indebtedness of others. "Tangible Net Worth" means the excess of:

(i) the tangible assets of Borrower, which, in accordance with generally accepted accounting principles, are tangible assets, after deducting adequate reserves in each case where, in accordance with generally accepted accounting principles, a reserve is proper over

(ii) all Debt of Borrower;

provided, however, that (A) inventory shall be taken into account on the basis of the cost (determined on a first-in, first-out basis) or current market value, whichever is lower, (B) in no event shall there be included as such tangible assets patents, trademarks, trade names, copyrights, licenses, good will, advances or loans to, or receivables from, directors, officers, employees or affiliates, prepaid or intangible assets, amounts relating to covenants not to compete, pensions assets, deferred charges or treasury stock or any securities or Debt of Borrower or any other securities unless the same are readily marketable in the United States of America or entitled to be used as a credit against federal income tax liabilities, (C) securities included as such tangible assets shall be taken into account at their current market price or cost, whichever is lower, and (D) any write-up in the book value of any assets shall not be taken into account.

(b) *Debt Service Coverage Ratio of Borrower.* Borrower will maintain for each fiscal year from and after fiscal year 2010 its Debt Service Coverage Ratio (as defined below) at not less than 1.25 to 1.00. "Debt Service Coverage Ratio" means the ratio of (i) Borrower's Cash Flow Available for Debt Service (as defined below) to (ii) Borrower's Debt Service (as defined below). "Cash Flow Available for Debt Service" of Borrower means, with respect to the applicable period of determination, Borrower's income, *plus* interest expense, depreciation, amortization and other non-cash charges. "Debt Service" of Borrower means, with respect to the applicable period of determination, the aggregate of (A) interest expense of Borrower, (B) all installments of principal on Debt of Borrower that are due on demand or during the period of determination, (C) all installments of rent under capitalized lease obligations (to the extent not already accounted for in computation of net income or Debt) of Borrower that are due on demand or during the period of determination and (D) distributions and dividends to stockholders and advances to affiliates of Borrower during the period of determination.

Section 7.11. *Indemnification.* (a) Borrower will pay, and will protect, indemnify and save the Issuer and its respective past, present and future members, officers, directors, employees, agents, successor, assigns and any other person, if any, who "controls" Issuer, as that term is defined in Section 15 of the Securities Act of 1933, as amended (Issuer and the other listed persons, collectively referred to as, the "Indemnified Persons"), harmless from and against any and

all liabilities, losses, damages, taxes penalties, costs and expenses (including attorneys' fees and expenses of Issuer), causes of action, suits, proceedings, claims, demands, tax reviews, investigations and judgments of whatsoever kind and nature (including, but not limited to, those arising or resulting from any injury to or death of any person or damage to property) arising from or in any manner directly or indirectly growing out of or connected with the Bond, the Project or the Issuer Documents (other than any action resulting from the gross negligence or willful misconduct of the Issuer).

(b) In case any claim shall be made or any action shall be brought against one or more of the Indemnified Persons in respect of which indemnity can be sought against Borrower pursuant to the preceding subsection (a), the Indemnified Person seeking indemnity shall promptly notify Borrower, in writing, and Borrower shall promptly assume the defense thereof, including the employment of counsel chosen by Borrower and approved by Issuer (provided, that such approval by Issuer shall not be unreasonably withheld), the payment of all expenses and the right to negotiate and consent to settlement. If any Indemnified Person is advised in a written opinion of counsel that there may be legal defenses available to such Indemnified Person which are adverse to or in conflict with those available to Borrower or that the defense of such Indemnified Person should be handled by separate counsel, Borrower shall not have the right to assume the defense of such Indemnified Person, but Borrower shall be responsible for the reasonable fees and expenses of counsel retained by such Indemnified Person in assuming its own defense, and provided also that, if Borrower shall have failed to assume the defense of such action or to retain counsel reasonably satisfactory to Issuer within a reasonable time after notice of the commencement of such action, the reasonable fees and expenses of counsel retained by the Indemnified Person shall be paid by Borrower. Notwithstanding the foregoing, any one or more of the Indemnified Persons shall have the right to employ separate counsel with respect to any such claim or in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be paid by such Indemnified Person unless the employment of such counsel has been specifically authorized by Borrower or unless the provisions of the immediately preceding sentence are applicable. Borrower shall not be liable for any settlement of any such action affected without the consent of Borrower, but if settled with the consent of Borrower or if there be a final judgment for the plaintiff in any such action with or without consent, Borrower agrees to indemnify and hold harmless the Indemnified Person from and against any loss, liability or expense by reason of such settlement or judgment.

(c) Borrower shall also indemnify Issuer and such Indemnified Persons for all reasonable costs and expenses, including reasonable counsel fees, incurred in: (i) enforcing any obligation of Borrower under this Agreement or any related agreement, (ii) taking any action requested by Borrower, (iii) taking any action required by this Agreement or any related agreement, or (iv) taking any action considered necessary by Issuer and which is authorized by this Agreement or any related agreement. If Issuer is to take any action under this Agreement or any other instrument executed in connection herewith for the benefit of Borrower, it will do so if and only if (A) the Issuer is a necessary party to any such action or proceeding and (B) Issuer has received specific written direction from Borrower, as required hereunder or under any other instrument executed in connection herewith, as to the action to be taken by Issuer.

(d) Issuer and its members, officers, agents, employees and their successors and assigns shall not be liable to Borrower for any reason.

ARTICLE VIII.

NEGATIVE COVENANTS OF BORROWER

So long as the Loan and the Bond shall remain unpaid, Borrower agrees that:

Section 8.01. *Sale of Assets.* Borrower will not, and Borrower will not permit OSI to, sell, lease, assign, transfer or otherwise dispose of all or a substantial part of its assets or of any of the Collateral or the Project or any interest therein (whether in one transaction or in a series of transactions).

Section 8.02. *Consolidation and Merger.* Borrower will not consolidate with or merge into any person, or permit any other person to merge into it, or acquire (in a transaction analogous in purpose or effect to a consolidation or merger) all or substantially all of the assets of any other person.

Section 8.03. *Accounting.* Borrower will not adopt, permit or consent to, and Borrower will cause OSI not to adopt, permit or consent to, any material change in accounting principles other than as required by GAAP. Borrower will not adopt, permit or consent to, and Borrower will cause OSI not to adopt, permit or consent to, any change in its fiscal year.

Section 8.04. *Modifications and Substitutions.* (a) Borrower will not make any material alterations, modifications or additions to the Collateral which cannot be removed without materially damaging the functional capabilities or economic value of the Collateral. Upon return of the Collateral to Lender and at the request of Lender, Borrower, at its sole cost and expense, will remove all alterations, modifications and additions and repair the Collateral as necessary to return the Collateral to the condition in which it was furnished, ordinary wear and tear and permitted modifications excepted.

(b) Notwithstanding the provisions of subparagraph (a) of this Section, Borrower may, with the prior written consent of Lender, substitute for parts, elements, portions or all of the Collateral, other parts, elements, portions, equipment or facilities; *provided, however,* that any substitutions made pursuant to Borrower's obligations to make repairs referenced under any provision of this Agreement shall not require such prior written consent. Borrower shall provide such documents or assurances as Lender may reasonably request to maintain or confirm the security interest assigned to Lender in the Collateral as so modified or substituted.

ARTICLE IX.

DAMAGE AND DESTRUCTION; USE OF NET PROCEEDS

Borrower shall provide a complete written report to Lender immediately upon any loss, theft, damage or destruction of any Collateral and of any accident involving any Collateral. With respect to any Damaged Collateral, Borrower shall as soon as practicable after such event either: (a) replace the same at Borrower's sole cost and expense with collateral having substantially similar specifications and of equal or greater value to the Damaged Collateral immediately prior to the time of the loss occurrence, such replacement collateral to be subject to Lender's approval, whereupon such replacement collateral shall be substituted in this Agreement and the other related documents by appropriate endorsement or amendment; or (b) pay the Damaged Collateral Amount. Borrower shall

notify Lender of which course of action it will take within 15 calendar days after the loss occurrence. If, within 45 calendar days of the loss occurrence, (x) Borrower fails to notify Lender; (y) Borrower and Lender fail to execute an amendment to this Agreement to delete the Damaged Collateral and add the replacement collateral or (z) Borrower fails to pay the Damaged Collateral Amount, then Lender may, at its sole discretion, declare the Damaged Collateral Amount to be immediately due and payable, and Borrower is required to pay the same. The Net Proceeds of insurance with respect to the Damaged Collateral shall be made available by Lender to be applied to discharge Borrower's obligation under this Article. The payment of the Damaged Collateral Amount and the termination of Lender's interest in the Damaged Collateral is subject to the terms of Section 2.07 hereof. For purposes of this Article, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including reasonable attorneys' fees) incurred in the collection of such claim or award.

ARTICLE X.

ASSIGNMENT, SUBLEASING AND SELLING

Section 10.01. *Assignment by Lender.* This Agreement, and the obligations of Borrower to make payments hereunder, may be assigned and reassigned in whole or in part to one or more assignees or subassignees (who shall be purchaser of the Bond or an interest therein) by Lender at any time subsequent to its execution, without the necessity of obtaining the consent of Issuer or Borrower; *provided, however,* that no such assignment or reassignment shall be effective unless and until (a) Issuer and Borrower shall have received notice of the assignment or reassignment disclosing the name and address of the assignee or subassignee, which notice Issuer shall maintain as evidence of the ownership and registration of the Bond, and (b) in the event that such assignment or reassignment is made to a bank or trust company as trustee for holders of certificates representing interests in this Agreement and the Bond, such bank or trust company agrees to maintain, or cause to be maintained, a book-entry system by which a record of the names and addresses of such holders as of any particular time is kept and agrees, upon request of Issuer or Borrower, to furnish such information to Issuer or Borrower. Upon receipt of notice of assignment, Borrower will reflect in a book-entry the assignee designated in such notice of assignment, and shall agree to make all payments to the assignee designated in the notice of assignment, notwithstanding any claim, defense, setoff or counterclaim whatsoever (whether arising from a breach of this Agreement or otherwise) that Issuer and Borrower may from time to time have against Lender or the assignee. Issuer and Borrower agree to execute all documents, including replacement bonds, notices of assignment and chattel mortgages, which may be reasonably requested by Lender or its assignee to protect their interest in the Collateral and in this Agreement.

Section 10.02. *No Sale or Assignment by Borrower.* This Agreement and the interest of Borrower in the Collateral may not be sold, assumed, assigned or encumbered by Borrower.

ARTICLE XI.

EVENTS OF DEFAULT AND REMEDIES

Section 11.01. *Events of Default.* The following constitute "Events of Default" under this Agreement:

- (a) failure by Borrower to pay to Lender, as assignee of Issuer, when due any Loan Payment or to pay any other payment required to be paid hereunder and the continuation of such failure for a period of 10 days;

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(b) failure by Borrower to maintain insurance on the Collateral in accordance with Section 7.06 hereof;

(c) failure by Borrower to comply with the provisions of Sections 7.01, 7.09, 7.10, 8.01 or 8.02 hereof;

(d) failure by Borrower or Issuer to observe and perform any other covenant, condition or agreement contained in any Borrower Document or in any other document or agreement executed in connection herewith on its part to be observed or performed for a period of 30 days after written notice is given to Borrower or Issuer, as the case may be, specifying such failure and directing that it be remedied; *provided, however*, that, if the failure stated in such notice cannot be corrected within such 30-day period, Lender will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Borrower or Issuer, as the case may be, within the applicable period and diligently pursued until the default is corrected;

(e) initiation by Issuer of a proceeding under any federal or state bankruptcy or insolvency law seeking relief under such laws concerning the indebtedness of Issuer;

(f) Borrower or any guarantor shall be or become insolvent, or admit in writing its inability to pay its or his debts as they mature, or make an assignment for the benefit of creditors; or Borrower or any guarantor shall apply for or consent to the appointment of any receiver, trustee or similar officer for it or for all or any substantial part of its property; or such receiver, trustee or similar officer shall be appointed without the application or consent of Borrower or any guarantor, as the case may be; or Borrower or any guarantor shall institute (by petition, application, answer, consent or otherwise) any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, liquidation or similar proceeding relating to it under the laws of any jurisdiction; or any such proceeding shall be instituted (by petition, application or otherwise) against Borrower or any guarantor; or any judgment, writ, warrant of attachment or execution or similar process shall be issued or levied against a substantial part of the property of Borrower or any guarantor;

(g) determination by Lender that any representation or warranty made by Borrower, Issuer or any guarantor in any Borrower Document or in any other document executed in connection herewith was untrue in any material respect when made;

(h) an Event of Taxability shall occur;

(i) an amendment or termination relating to a filed financing statement describing any of the Collateral is improperly filed;

(j) so long as the holder of the Bond is a GE Entity, the occurrence of a default or an event of default under any instrument, agreement or other document between or among Borrower or OSI and any GE Entity;

(k) the occurrence of a default or an event of default under any instrument, agreement or other document evidencing or relating to any indebtedness or other monetary obligation of Borrower;

(l) any guarantor shall repudiate, purport to revoke or fail to perform such guarantor's obligations under such guaranty or the death of personal guarantor; or

KANE COUNTY BOARD MINUTES-NOVEMBER 9, 2010

(m) direct or indirect ownership of the membership interests of Borrower changes during the period that the Loan is outstanding (Borrower hereby acknowledges that Lender has made its decision to enter into the transactions contemplated hereby based upon the management expertise of the current members and their ownership of the membership interests of Borrower).

Section 11.02. *Remedies on Default.* Whenever an Event of Default described in Section 11.01(f) hereof shall have occurred, the Prepayment Amount automatically shall be due and payable, whereupon the Prepayment Amount automatically shall become and be forthwith due and payable without presentment, notice of dishonor, protest or further notice of any kind, all of which are hereby expressly waived by Borrower. Whenever any Event of Default shall have occurred, Lender shall have the right, at its sole option without any further demand or notice, to take any one or any combination of the following remedial steps insofar as the same are available to secured parties under Article 9 of the UCC in effect in the State from time to time and which are otherwise accorded to Lender by applicable law:

(a) by notice to Issuer and Borrower, declare the Prepayment Amount to be forthwith due and payable, whereupon the Prepayment Amount shall become and be forthwith due and payable, without presentment, notice of dishonor, protest or further notice of any kind, all of which are hereby expressly waived by Borrower;

(b) take possession of the Collateral wherever situated, without any court order or other process of law and without liability for entering the premises, and lease, sublease or make other disposition of the Collateral for use over a term in a commercially reasonable manner, all for the account of Lender, provided that Borrower shall remain directly liable for the deficiency, if any, between the rent or other amounts paid by a lessee or sublessee of the Collateral pursuant to such lease or sublease during the same period of time, after deducting all costs and expenses, including reasonable attorneys' fees and expenses, incurred with respect to the recovery, repair and storage of the Collateral during such period of time;

(c) take possession of the Collateral wherever situated, without any court order or other process of law and without liability for entering the premises, and sell the Collateral in a commercially reasonable manner. All proceeds from such sale shall be applied in the following manner:

FIRST, to pay all proper and reasonable costs and expenses associated with the recovery, repair, storage and sale of the Collateral, including reasonable attorneys' fees and expenses;

SECOND, to pay (i) Lender the amount of all unpaid Loan Payments or other obligations (whether direct or indirect owed by Borrower to Lender), if any, which are then due and owing, together with interest and late charges thereon, (ii) Lender the then applicable Prepayment Amount (taking into account the payment of past-due Loan Payments as aforesaid), plus a pro rata allocation of interest, at the rate utilized to calculate the Loan Payments, from the next preceding due date of a Loan Payment until the date of payment by the buyer, and (iii) any other amounts due hereunder, including indemnity payments, taxes, charges, reimbursement of any advances and other amounts payable to Lender or Issuer hereunder; and

THIRD, to pay the remainder of the sale proceeds, purchase moneys or other amounts paid by a buyer of the Collateral to Borrower;

(d) proceed by appropriate court action to enforce specific performance by Issuer or Borrower of the applicable covenants of this Agreement or to recover from Borrower for the breach thereof, including the payment of all amounts due from Borrower. Borrower shall pay or repay to Lender or Issuer all costs of such action or court action, including, without limitation, reasonable attorneys' fees; and

(e) take whatever action at law or in equity that may appear necessary or desirable to enforce its rights with respect to the Collateral. Borrower shall pay or repay to Lender or Issuer all costs of such action or court action, including, without limitation, reasonable attorneys' fees.

Notwithstanding any other remedy exercised hereunder, Borrower shall remain obligated to pay to Lender any unpaid portion of the Prepayment Amount.

Section 11.03. *Return of Collateral.* Upon an Event of Default, Borrower shall within 10 calendar days after notice from Lender, at its own cost and expense: (a) perform any testing and repairs required to place the Collateral in the condition required by Article VII; (b) if deinstallation, disassembly or crating is required, cause the Collateral to be deinstalled, disassembled and crated by an authorized manufacturer's representative or such other service person as is satisfactory to Lender; and (c) deliver the Collateral to a location specified by Lender, freight and insurance prepaid by Borrower. If Borrower refuses to deliver the Collateral in the manner designated, Lender may enter upon Borrower's premises where the Collateral is kept and take possession of the Collateral and charge to Borrower the costs of such taking. Borrower hereby expressly waives any damages occasioned by such taking.

Section 11.04. *No Remedy Exclusive.* No remedy herein conferred upon or reserved to Lender or Issuer is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lender or Issuer to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice other than such notice as may be required by this Article. All remedies herein conferred upon or reserved to Lender or Issuer shall survive the termination of this Agreement.

Section 11.05. *Late Charge.* Any Loan Payment not paid by Borrower on the due date thereof shall, to the extent permissible by law, bear a late charge equal to the lesser of five cents (\$.05) per dollar of the delinquent amount or the lawful maximum, and Borrower shall be obligated to pay the same immediately upon receipt of Lender's written invoice therefor.

ARTICLE XII.

MISCELLANEOUS

Section 12.01. *Costs and Expenses of Lender.* Borrower shall pay to Lender, in addition to the Loan Payments payable by Borrower hereunder, such amounts as shall be required by Lender in payment of any reasonable costs and expenses incurred by Lender in connection with the execution, performance or enforcement of this Agreement, including but not limited to payment of all reasonable fees, costs and expenses and all administrative costs of Lender in connection with the Collateral, expenses (including, without limitation, attorneys' fees and disbursements), fees of

auditors or attorneys, insurance premiums not otherwise paid hereunder and all other direct and necessary administrative costs of Lender or charges required to be paid by it in order to comply with the terms of, or to enforce its rights under, this Agreement. Such costs and expenses shall be billed to Borrower by Lender from time to time, together with a statement certifying that the amount so billed has been paid by Lender for one or more of the items above described, or that such amount is then payable by Lender for such items. Amounts so billed shall be due and payable by Borrower within 30 days after receipt of the bill by Borrower.

Section 12.02. *Disclaimer of Warranties.* LENDER AND ISSUER MAKE NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR FITNESS FOR USE OF THE COLLATERAL, OR ANY OTHER WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, WITH RESPECT THERETO. In no event shall Lender or Issuer be liable for any loss or damage in connection with or arising out of this Agreement, the Collateral or the existence, furnishing, functioning or Borrower's use of any item or products or services provided for in this Agreement.

Section 12.03. *Notices.* All notices, certificates, requests, demands and other communications provided for under any Borrower Document shall be in writing and shall be (a) personally delivered, (b) sent by first class United States mail, (c) sent by overnight courier of national reputation or (d) transmitted by telecopy, in each case addressed to the party to whom notice is being given at its address as set forth above and, if telecopied, transmitted to that party at its telecopier number set forth above or, as to each party, at such other address or telecopier number as may hereafter be designated by such party in a written notice to the other party complying as to delivery with the terms of this Section. All such notices, requests, demands and other communications shall be deemed to have been given on (w) the date received if personally delivered, (x) when deposited in the mail if delivered by mail, (y) the date sent if sent by overnight courier or (z) the date of transmission if delivered by telecopy. If notice to Borrower of any intended disposition of the Collateral or any other intended action is required by law in a particular instance, such notice shall be deemed commercially reasonable if given (in the manner specified in this Section) at least 10 calendar days prior to the date of intended disposition or other action.

Section 12.04. *Further Assurance and Corrective Instruments.* Issuer and Borrower hereby agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such further acts, instruments, conveyances, transfers and assurances, as Lender reasonably deems necessary or advisable for the implementation, correction, confirmation or perfection of any Borrower Document and any rights of Lender thereunder.

Section 12.05. *Binding Effect; Time of the Essence.* This Agreement shall inure to the benefit of and shall be binding upon Lender, Issuer, Borrower and their respective successors and assigns. Time is of the essence.

Section 12.06. *Severability.* In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 12.07. *Amendments.* To the extent permitted by law, the terms of this Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the parties hereto, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given.

Borrower and Lender agree to amend Exhibit A to this Agreement to more specifically identify the Collateral at such time as such identification is possible. Such amendment shall be effected by written instrument signed by Borrower and Lender. Issuer's consent to the amendment referred to in this paragraph shall not be required. Such amendment may take the form of a Payment Request Form in the form attached to the Escrow Agreement as Exhibit A executed by Borrower and Lender.

Section 12.08. *Execution in Counterparts.* This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument, and any of the parties hereto may execute this Agreement by signing any such counterpart, provided that only the original marked "ORIGINAL: 1 OF 4" on the execution page thereof shall constitute chattel paper under the UCC. A purchase of this chattel paper from Issuer would violate the rights of Lender.

Section 12.09. *Applicable Law.* THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE (WITHOUT REGARD TO THE CONFLICT-OF-LAWS PRINCIPLES THEREOF).

Section 12.10. *Captions.* The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 12.11. *Entire Agreement.* The Borrower Documents and the exhibits thereto constitute the entire agreement among Lender, Issuer, Borrower and Escrow Agent. There are no understandings, agreements, representations or warranties, express or implied, not specified herein or in such documents regarding this Agreement or the Project financed hereby.

Section 12.12. *Usury.* It is the intention of the parties hereto to comply with any applicable usury laws; accordingly, it is agreed that, notwithstanding any provisions to the contrary in this Agreement, in no event shall this Agreement require the payment or permit the collection of interest or any amount in the nature of interest or fees in excess of the maximum permitted by applicable law.

Section 12.13. *Bound Transcripts.* Within 45 days of the day of closing, Borrower shall cause to be prepared and furnished, at Borrower's expense, to Lender and its counsel, bound transcripts containing the Borrower Documents and all other documents related thereto.

Section 12.14. *Limitations of Liability; No Recourse.* (a) In no event, whether as a result of breach of contract, warranty, tort (including negligence or strict liability), indemnity or otherwise, shall Lender, its assignees, if any, or Issuer be liable for any special, consequential, incidental, punitive or penal damages, including, but not limited to, loss of profit or revenue, loss of use of the Collateral, service materials or software, damage to associated equipment, service materials or software, cost of capital, cost of substitute property, service materials or software, facilities, services or replacement power or downtime costs.

(b) No recourse shall be had for the payment of the principal of, premium, if any, and interest on any of the Bond or for any claim based thereon or upon any obligation, covenant or agreement contained in this Agreement against any past, present or future member, officer, agent or employee of Issuer, or any incorporator, member, officer, employee, director or trustee of any successor corporation, as such, either directly or through the Issuer or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, member, officer, employee, director, agent or trustee as such is hereby expressly waived and released as

a condition of and consideration for the execution of this Agreement and the issuance of the Bond.

Section 12.15. *Press Releases; Promotional Materials.* Each of Borrower and Issuer agrees that neither it nor its affiliates will in the future issue any press release or other public disclosure using the name of any GE Entity or referring to this Agreement, the other Borrower Documents, the other Issuer Documents or any related documents without at least two Business Days' prior written notice to Lender and without the prior written consent of Lender unless (and only to the extent that) Borrower, Issuer or such affiliate is required to do so under law and then, in any event, Borrower, Issuer or such affiliate will consult with Lender before issuing such press release or other public disclosure. Nothing contained herein shall be deemed to restrict or prohibit Issuer from making public the contents of the resolutions of the governing body or committees of Issuer or the public hearing relating to the Bond or any other disclosure required of public entities required by the laws of the State. Borrower and Issuer each consent to the publication by Lender of a tombstone or similar advertising material relating to the transactions contemplated by this Agreement. Borrower consents to the publication by Lender of advertising material relating to the financing transactions contemplated by this Agreement using Borrower's product photographs, logo or trademark; provided that Lender will obtain Borrower's prior consent to any such publication, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, Lender reserves the right to provide to industry trade organizations information necessary and customary for inclusion in league table measurements.

Section 12.16. *PATRIOT Act.* Lender hereby notifies Borrower that, pursuant to the requirements of the PATRIOT Act, Lender is required to obtain, verify and record information that identifies Borrower, which information includes the name and address of Borrower and other information that will allow Lender to identify Borrower in accordance with the PATRIOT Act.

Section 12.17. *Waiver of Jury Trial.* Lender, Issuer (subject to any State law requiring otherwise) and Borrower hereby waive their respective rights to a jury trial of any claim or cause of action based upon or arising out of, directly or indirectly, this agreement, any of the related documents, any dealings among lender, issuer or borrower relating to the subject matter of the transactions contemplated by this agreement or any related transactions, and/or the relationship that is being established among Lender, Issuer and Borrower. The scope of this waiver is intended to be all encompassing of any and all disputes that may be filed in any court (including, without limitation, contract claims, tort claims, breach of duty claims and all other common law and statutory claims). This waiver is irrevocable, meaning that it may not be modified either orally or in writing, and this waiver shall apply to any subsequent amendments, renewals, supplements or modifications to this agreement, any related documents, or to any other documents or agreements relating to the transactions contemplated by this agreement or any related transactions. In the event of litigation, this agreement may be filed as a written consent to a trial by the court.

[REMAINDER OF PAGE INTENTIONALLY BLANK; EXECUTION PAGE FOLLOWS.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in their respective corporate names by their duly authorized officers, all as of the date first written above.

Lender:

GE GOVERNMENT FINANCE, INC.

By: _____

Name: _____

Title: _____

Issuer:

THE COUNTY OF KANE, ILLINOIS

ATTEST:

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Borrower:

ON-COR FROZEN FOODS, LLC

By: _____

Name: _____

Title: _____

ORIGINAL: ___ OF 4

[EXECUTION PAGE OF LOAN AGREEMENT]

Exhibit A to Loan Agreement

SCHEDULE OF EQUIPMENT AND LOAN PAYMENTS

Description of Equipment

<i>Quantity</i>	<i>Description of Equipment</i>	<i>Manufacturer or Vendor</i>	<i>Serial Number</i>
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Schedule of Loan Payments

Interest Rate: _____%

<i>PMT. NO.</i>	<i>PAYMENT DATE</i>	<i>LOAN PAYMENT</i>	<i>PRINCIPAL COMPONENT</i>	<i>INTEREST COMPONENT</i>	<i>PREPAYMENT AMOUNT*</i>
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*After payment of Loan Payment due opposite Prepayment Amount.

Exhibit B to Loan Agreement

FORM OF OPINION OF COUNSEL TO BORROWER

December ____, 2010

The County of Kane, Illinois
Kane County Office of Community Reinvestment
719 South Batavia Avenue
Geneva, IL 60134

On-Cor Frozen Foods, LLC
1225 Corporate Boulevard
Aurora, IL 60505-7616

Schiff Hardin LLP
Suite 6600
233 South Wacker Drive
Chicago, IL 60606

Greenberg Traurig, LLP
Suite 3100
77 West Wacker Drive
Chicago, IL 60601

GE Government Finance, Inc.
Three Capital Drive
Eden Prairie, MN 55344

The County of Kane, Illinois
\$10,250,000 Recovery Zone Facility Bond
(On-Cor Frozen Foods, LLC Project)
Series 2010

Ladies and Gentlemen:

We have acted as counsel to On-Cor Frozen Foods, LLC (“Borrower”) with respect to the issuance and delivery of the Bond described above (the “Bond”) and with respect to the Loan Agreement dated as of December 1, 2010 (the “Loan Agreement”) among GE Government Finance, Inc. (“Lender”), The County of Kane, Illinois (“Issuer”) and Borrower and the other Borrower Documents (as defined in the Loan Agreement) and various related matters and, in this capacity, have reviewed a duplicate original or certified copy of each of the Borrower Documents. Based upon the examination of these and such other documents as we deem relevant, it is our opinion that:

1. Borrower has been duly organized and is validly existing as a limited liability in good standing under the laws of the State of Delaware with full power and authority to own its properties and conduct its business.

2. Borrower has full power and authority to execute and deliver the Borrower Documents and to carry out the terms thereof. The Borrower Documents have been duly and validly authorized, executed and delivered, are in full force and effect and are the legal, valid and binding contracts of Borrower enforceable in accordance with their respective terms

(including against claims of usury), except to the extent limited by state and federal laws affecting remedies and by bankruptcy, reorganization, or other laws of general application relating to or affecting the enforcement of creditors' rights.

3. No consent, authorization, approval or other action by, and no notice to, or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by Borrower of the Borrower Documents, except for such action which has been duly obtained or taken and is in full force and effect.

4. The consummation of the transactions contemplated by the Borrower Documents and the carrying out of the terms thereof will not result in violation of any provisions of the articles of organization or operating agreement of Borrower or result in the violation of any provision of, or in a default under, any indenture, mortgage, deed of trust, indebtedness, agreement, judgment, decree, order, statute, rule or regulation to which Borrower is a party or by which it or its property is bound.

5. There are no legal or governmental actions, suits, proceedings, inquiries or investigations pending, threatened or contemplated, or any basis therefor, to which Borrower is or may become a party or of which any property of Borrower is or may become subject, other than ordinary routine litigation incident to the kind of business conducted by Borrower which, if determined adversely to Borrower, would not, individually or in the aggregate, have a material adverse effect on the financial position or results of operations of Borrower.

6. There are no legal or governmental proceedings pending, threatened or contemplated, or any basis therefor, wherein an unfavorable decision, ruling or finding would adversely affect the validity of or security for the Bond, the Borrower Documents or the transactions contemplated thereby.

7. Borrower has taken all steps legally required as a condition precedent to the execution and delivery of the Loan Agreement and to permit the commencement of the acquisition, installation and operation of the Project (as defined in the Loan Agreement). Borrower has made all submissions to governmental authorities and has obtained, and there are currently in full force and effect, all consents, approvals, authorizations, accreditations, licenses, permits and orders of any governmental or regulatory authority that are required to be obtained by Borrower to enable the Project to be acquired and installed in accordance with the plans and specifications therefor.

8. The provisions of the Loan Agreement are effective to create a security interest in favor of Lender in all of Borrower's right, title and interest in and to the Collateral (as defined in the Loan Agreement) and all proceeds thereof. Such security interest has been properly perfected and is subject to no liens or encumbrances.

This opinion may be relied upon by the addressees hereto and any permitted assignee of the Bond.

Very truly yours,

Exhibit C to Loan Agreement

FORM OF OPINION OF COUNSEL TO ISSUER

December ____, 2010

The County of Kane, Illinois
Kane County Office of Community Reinvestment
719 South Batavia Avenue
Geneva, IL 60134

On-Cor Frozen Foods, LLC
1225 Corporate Boulevard
Aurora, IL 60505-7616

Greenberg Traurig, LLP
Suite 3100
77 West Wacker Drive
Chicago, IL 60601

GE Government Finance, Inc.
Three Capital Drive
Eden Prairie, MN 55344

The County of Kane, Illinois
\$10,250,000 Recovery Zone Facility Bond
(On-Cor Frozen Foods, LLC Project)
Series 2010

Ladies and Gentlemen:

I am _____ to The County of Kane, Illinois ("Issuer"). In connection with the issuance and sale of the bond described above (the "Bond") and with respect to the Loan Agreement dated as of December 1, 2010 (the "Loan Agreement") among GE Government Finance, Inc. ("Lender"), Issuer and On-Cor Frozen Foods, LLC ("Borrower") and the other Issuer Documents (as defined in the Loan Agreement) and various related matters. I have reviewed a duplicate original or certified copy of the Issuer Documents. In addition, I have reviewed certified copies of Resolution No. 09-322 designating the entire county as a "recovery zone" adopted by the County Board of Issuer on September 8, 2009 (the "Recovery Zone Resolution") and Resolution No. ____ approving the Bond and allocating recovery zone volume cap to the Bond adopted by the County Board of Issuer on November 9, 2010 (the "Bond Resolution") (the Recovery Zone Resolution and the Bond Resolution being collectively referred to herein as the "Resolutions"). Based upon the examination of these and such other documents as I deem relevant, it is my opinion that:

1. Issuer is a unit of local government of the State of Illinois (the "State"), duly organized, existing and operating under the Constitution and laws of the State.
2. Issuer is authorized and has power under applicable law to enter into the Issuer Documents, to issue the Bond and to carry out its obligations thereunder and the transactions contemplated thereby.

3. The issuance of the Bond has been duly and validly authorized, all conditions precedent to the issuance of the Bond have been fulfilled and the Bond has been issued in accordance with the laws of the State. The Bond is the legal, valid and binding obligation of Issuer, enforceable in accordance with its terms.

4. The Issuer Documents have been duly authorized, approved, executed and delivered by and on behalf of Issuer and are legal, valid and binding contracts of Issuer enforceable in accordance with their terms, except to the extent limited by state and federal laws affecting remedies and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights.

5. The Resolutions have each been duly adopted by Issuer, have not been amended, repealed or withdrawn and are each in full force and effect. The Resolutions were each duly introduced, read and adopted at a meeting held after the giving of the required public notice, conducted in accordance with the provisions of the Open Meetings Act and at which a quorum was present, which meetings were held and which Resolutions were adopted in accordance with all procedural rules of Issuer and applicable laws of the State of Illinois.

6. To my knowledge, compliance with the provisions of the Resolutions and the execution, delivery and performance of the Issuer Documents does not in a material manner conflict with, or constitute a material breach of or material default under, any applicable law, administrative regulation, court order or consent decree of the State of Illinois or the United States of America or any department, division, agency, or instrumentality of either or any loan agreement, note, ordinance, indenture, mortgage, deed of trust, agreement or other instrument to which the Issuer is a party or may otherwise be subject.

7. There is no litigation, action, suit or proceeding pending or before any court, administrative agency, arbitrator or governmental body that challenges: the organization or existence of Issuer; the authority of Issuer or its officers or its employees to issue the Bond or to enter into the Issuer Documents; the proper authorization, approval and/or execution of the Bond, the Issuer Documents and the other documents contemplated thereby; or the ability of Issuer otherwise to perform its obligations under the Bond, the Issuer Documents and the transactions contemplated thereby.

This opinion may be relied upon by the addressees hereto and any permitted assignee of the Bond.

Very truly yours,

Exhibit D to Loan Agreement

FORM OF OPINION OF SPECIAL TAX COUNSEL

December __, 2010

GE Government Finance, Inc.
Three Capital Drive
Eden Prairie, Minnesota 55344

The County of Kane, Illinois
719 South Batavia Avenue
Geneva, Illinois 60134

Re: \$10,250,000
 The County of Kane, Illinois
 Recovery Zone Facility Bond
 (On-Cor Frozen Foods, LLC Project), Series 2010

Ladies and Gentlemen:

We have acted as special tax counsel in connection with the issuance on the date hereof by The County of Kane, Illinois (the "Issuer") of its \$10,250,000 aggregate principal amount Recovery Zone Facility Bond (On-Cor Frozen Foods, LLC Project), Series 2010 (the "Bond"). The Bond is being issued pursuant to an ordinance adopted by the County Board of the Issuer on November 9, 2010 and a Loan Agreement dated as of December 1, 2010 (the "Agreement") among Issuer, On-Cor Frozen Foods, LLC, a Delaware limited liability company (the "Borrower") and GE Government Finance, Inc. (the "Purchaser"). Certain provisions pertaining to the disbursement of the proceeds of the Bond are set forth in an Escrow Agreement dated as of December 1, 2010 (the "Escrow Agreement") among Issuer, Borrower, Purchaser and _____. Issuer and Borrower have also entered into an Arbitrage Certificate dated the date hereof (the "Arbitrage Certificate") setting forth certain requirements pertaining to the tax exemption of the Bond. In addition, Borrower has executed a Project Certificate dated the date hereof (the "Project Certificate") setting forth certain additional requirements pertaining to the tax exemption of the Bond.

In our opinion, under existing statutes, regulations, rulings and court decisions and assuming continuing compliance with certain covenants and the accuracy of certain representations of Issuer and Borrower designed to assure compliance with requirements of the Internal Revenue Code of 1986, as amended (the "Code"), (a) interest on the Bond will be excludable from gross income of the owners thereof for federal income tax purposes, except for interest on any Bond for any period that such Bond is held by a "substantial user" or a "related person" (as those terms are used in Section 147(a) of the Code), and (b) interest on the Bond will not be an item of tax preference for the purpose of computing the federal alternative minimum tax imposed on individuals and corporations and will not be taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. Except as expressly stated above, we express no opinion as to any federal or state tax consequences of the ownership of, receipt of interest on, or disposition of, the Bond.

In giving the opinions set forth in the previous paragraph, we have assumed the accuracy of certain representations, and compliance with certain covenants, made by Issuer and Borrower in the Agreement, the Escrow Agreement, the Arbitrage Certificate and the Project Certificate, which we have

not independently verified. We call your attention to the fact that interest on the Bond may be subject to federal income taxation retroactively to the date hereof if such representations or assumptions are determined to have been inaccurate or if Issuer or Borrower fails to comply with such covenants. We have not undertaken to monitor compliance with such covenants or to advise any party as to changes in law or events that may take place after the date hereof that may affect the tax status of interest on the Bond.

Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion, and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

This opinion may be relied upon by the addressees hereto and any permitted assignee of the Bond.

Respectfully submitted,

MRLewin

Exhibit E to Loan Agreement

FORM OF BOND

The County of Kane, Illinois
 \$10,250,000 Recovery Zone Facility Bond
 (On-Cor Frozen Foods, LLC Project)
 Series 2010

No.: R-1

\$10,250,000

Maturity Date
 January 1, 2016

Interest Rate
 _____%

The County of Kane, Illinois, a unit of local government duly created and validly existing under the laws of the State of Illinois (hereafter referred to as "Issuer"), for value received, hereby promises to pay GE Government Finance, Inc., Three Capital Drive, Eden Prairie, Minnesota 55344, or to registered assigns, but solely from the Loan Payments hereinafter described, the principal sum of

TEN MILLION TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS

in any coin or currency of the United States of America which on the date of payment thereof is the legal tender for the payment of public and private debts, and to pay, solely from such Loan Payments, in like coin and currency, interest on the principal sum from the date hereof, such interest to be at the rates, and all such payments of interest, principal or interest and principal to be payable at the time and place, in the amounts and in accordance with the terms set forth in that certain Loan Agreement dated as of December 1, 2010 (the "Loan Agreement") among Issuer, GE Government Finance, Inc., a Delaware corporation, and On-Cor Frozen Foods, LLC, a Delaware limited liability company ("Borrower"). All terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto in the Loan Agreement.

This Bond is payable as to principal and prepayment fee, if any, solely from Loan Payments to be made by Borrower and is secured by, among other things, a lien on the Collateral.

THIS BOND AND THE OBLIGATION TO PAY PRINCIPAL OR PREMIUM, IF ANY, WITH RESPECT HERETO, AND INTEREST HEREON ARE SPECIAL, LIMITED OBLIGATIONS OF ISSUER, SECURED AS AFORESAID AND PAYABLE SOLELY OUT OF THE REVENUES AND INCOME DERIVED FROM THE BORROWER UNDER THE LOAN AGREEMENT AND AS OTHERWISE PROVIDED IN THE LOAN AGREEMENT, AS DESCRIBED HEREIN. THIS BOND IS ISSUED UNDER AUTHORITY OF THE INDUSTRIAL BUILDING REVENUE BOND ACT, 50 ILCS 445/1 ET SEQ., AS AMENDED. THIS BOND AND THE OBLIGATION TO PAY PRINCIPAL OR PREMIUM, IF ANY, WITH RESPECT HERETO, AND INTEREST HEREON AND REDEMPTION PREMIUM WITH RESPECT HERETO SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LOAN OF CREDIT OF ISSUER, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE PURVIEW OF ANY CONSTITUTIONAL, OR STATUTORY LIMITATION OR PROVISION OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS, IF ANY, OF ANY OF THEM. NO OWNER OF THIS BOND SHALL HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER, IF ANY, OF ISSUER, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY ANY PRINCIPAL INSTALLMENT OF, REDEMPTION PREMIUM, IF ANY, OR INTEREST ON THIS BOND.

This Bond is subject to prepayment upon the terms and conditions set forth in the Loan Agreement.

It is hereby certified, recited and declared that all acts, conditions and things required to exist to happen and to be performed precedent to and in the issuance of this Bond exist, have happened and have been performed in regular and due form and time as required by the Constitution and laws of the State of Illinois applicable thereto and that the issuance of this Bond is in full compliance with all Constitutional and statutory limitations, provisions and restrictions.

IN WITNESS WHEREOF, The County of Kane, Illinois has issued this Bond and has caused the same to be signed by the signature of its authorized representative this _____ day of December, 2010.

Issuer:

ATTEST:

THE COUNTY OF KANE, ILLINOIS

Name: _____
Title: _____

By: _____
Name: _____
Title: _____

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned _____ (the "Transferor") hereby sells, assigns and transfers unto _____ (the "Transferee")

PLEASE INSERT SOCIAL SECURITY OR
OTHER IDENTIFYING NUMBER OF TRANSFEREE

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ as attorney to register the transfer of the within Bond on the books kept for registration of transfer thereof, with full power of substitution in the premises.

Date:

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP) or New York Stock Exchange Medallion Signature Program.

NOTICE: No transfer will be registered and no new Bond will be issue in the name of the Transferee, unless the signature(s) to this assignment correspond(s) with the name as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied.

Exhibit F to Loan Agreement
SCHEDULE OF PROJECT COSTS
[TO BE PROVIDED]

Exhibit G to Loan Agreement

FORM OF CERTIFICATE OF CHIEF FINANCIAL OFFICER

I, the undersigned, hereby certify that I am the duly qualified and acting chief financial officer of OSI Group, LLC ("OSI") and, with respect to Section [7.01(a)/7.01(b)] of the Loan Agreement dated as of December 1, 2010 (the "Agreement") by and among On-Cor Frozen Foods, LLC ("Borrower"), GE Government Finance, Inc. and The County of Kane, Illinois, that:

1. The attached financial statements have been prepared in accordance with GAAP.
2. I have no knowledge of any Default or Event of Default under the Agreement.

[3. Section 7.09(a) of the Agreement requires OSI to maintain its ratio of Debt to Tangible Net Worth at not more than 3.50 to 1.00. The calculation of such ratio is set forth below:

4. Section 7.09(b) of the Agreement requires OSI to maintain its Debt Service Coverage Ratio at not less than 1.25 to 1.00. The calculation of such ratio is set forth below:

5. Section 7.10(a) of the Agreement requires Borrower to maintain its ratio of Debt to Tangible Net Worth at not more than 1.50 to 1.00. The calculation of such ratio is set forth below:

6. Section 7.10(b) of the Agreement requires Borrower to maintain its Debt Service Coverage Ratio at not less than 1.25 to 1.00. The calculation of such ratio is set forth below:

.]

OSI:

OSI GROUP, LLC

By: _____

Name: _____

Title: Chief Financial Officer

Date: _____

EXHIBIT B
Form of Escrow Agreement

ESCROW AGREEMENT

Among

GE GOVERNMENT FINANCE, INC.,

as Lender,

THE COUNTY OF KANE, ILLINOIS,

as Issuer,

ON-COR FROZEN FOODS, LLC,

as Borrower,

and

as Escrow Agent

Dated as of December 1, 2010

ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made and entered into as of December 1, 2010, by and among _____, a _____ (“Escrow Agent”), GE Government Finance, Inc., a corporation duly organized and existing under the laws of the State of Delaware (“Lender”), The County of Kane, Illinois, a unit of local government duly organized and existing under the laws of the State of Illinois (“Issuer”), and On-Cor Frozen Foods, LLC, a limited liability company duly organized and existing under the laws of the State of Delaware (“Borrower”).

In the joint and mutual exercise of their powers, and in consideration of the mutual covenants herein contained, the parties hereto recite and agree as follows:

ARTICLE 1.

RECITALS

Section 1.01. Lender, Issuer and Borrower have entered into a Loan Agreement dated as of December 1, 2010 (the “Loan Agreement”), a duplicate original of which has been furnished to Escrow Agent. The terms capitalized in this Agreement but not defined herein shall have the meanings given to them in the Loan Agreement. Pursuant to the Loan Agreement, Lender and Issuer have agreed to finance for Borrower the Project Costs, and Borrower has agreed to make Loan Payments to Lender, as assignee of Issuer, in the manner and on the terms set forth therein. This Agreement is not intended to alter or change the rights and obligations of Lender, Issuer and Borrower under the Loan Agreement, but is entirely supplemental thereto.

Section 1.02. Under the Loan Agreement, upon the satisfaction of certain conditions precedent, Lender is required to deposit or cause to be deposited with Escrow Agent the sum of \$10,250,000, to be credited to the Escrow Fund established in Article 2 hereof and used to pay the Project Costs, and, to the extent not needed for this purpose, to pay or prepay the Loan Payments coming due under the Loan Agreement, all as hereinafter provided.

Section 1.03. The Project Costs shall be paid from the amount deposited with Escrow Agent as described in Sections 1.02 and 3.04 hereof, in accordance with this Agreement.

Section 1.04. Lender, Issuer and Borrower agree to employ Escrow Agent to receive, hold, invest and disburse the moneys paid to Escrow Agent by Lender as described in Section 1.02, all as hereinafter provided; however, Escrow Agent shall not be obligated to assume or perform any obligation of Lender, Issuer or Borrower or any Vendor with respect thereto or under the Loan Agreement by reason of anything contained in this Agreement.

Section 1.05. Each of the parties has authority to enter into this Agreement, and has taken all actions necessary to authorize the execution of this Agreement by the officers whose signatures are affixed hereto.

ARTICLE 2.

ESCROW FUND

Section 2.01. Escrow Agent shall establish a special escrow fund designated as the “GE Government Finance, Inc. Escrow Fund” (the “Escrow Fund”), shall keep such Escrow Fund separate and apart from all other funds and moneys held by it and shall administer such Escrow Fund as provided in this Agreement.

Section 2.02. All moneys paid to Escrow Agent by Lender pursuant to Section 1.02 of this Agreement shall be credited to the Escrow Fund. Escrow Agent shall use the moneys in the Escrow Fund to pay the Project Costs, upon receipt with respect thereto of a Payment Request Form attached hereto as Exhibit A, executed by Lender and Borrower, fully completed and with all supporting documents described therein attached thereto. Upon receipt of a Payment Request Form, Escrow Agent shall disburse proceeds from the Escrow Fund in such amounts and to such parties as directed therein. Borrower shall submit Payment Request Forms only for portions of the Project that are functionally complete and operationally independent.

Section 2.03. On June 1, 2012, Escrow Agent shall pay to Lender an amount equal to the entire remaining balance on deposit in the Escrow Fund, which amount shall be applied to any prepayment fee determined pursuant to the terms of the Loan Agreement, the Loan Payments and any other amounts due under the Loan Agreement, all as determined by Lender. Upon payment as described in the preceding sentence, Lender shall prepare a revised Exhibit A to the Loan Agreement (which shall be effective without the consent of Borrower or Issuer) reflecting such payment.

Section 2.04. Upon receipt of written notice from Lender or Borrower that an Event of Default has occurred under the Loan Agreement or that Borrower has determined not to complete the Project, Escrow Agent shall liquidate all investments held in the Escrow Fund and transfer the proceeds thereof and all other moneys held in the Escrow Fund to Lender to be applied to any prepayment fee determined pursuant to the terms of the Loan Agreement, the Loan Payments and any other amounts due under the Loan Agreement, all as determined by Lender.

Section 2.05. Escrow Agent shall only be responsible for the safekeeping and investment of the moneys held in the Escrow Fund, and the disbursement thereof in accordance with this Article, and shall not be responsible for the authenticity or accuracy of such certifications or documents, the application of amounts paid pursuant to such certifications by the persons or entities to which they are paid, or the sufficiency of the moneys credited to the Escrow Fund to make the payments herein required.

ARTICLE 3.

MONEYS IN ESCROW FUND; INVESTMENT

Section 3.01. The moneys and investments held by Escrow Agent under this Agreement are irrevocably held in trust for the benefit of Borrower, Issuer and Lender, and such moneys, together with any income or interest earned thereon, shall be expended only as provided in this Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of Borrower, Issuer or Lender. Lender, Issuer, Borrower and Escrow Agent intend that the Escrow Fund constitute an escrow account in which Borrower has no legal or equitable right, title or interest until satisfaction in full of all conditions contained herein and in the Loan Agreement for the disbursement of funds by Escrow Agent therefrom. However, if the parties' intention that Borrower shall have no legal or equitable right, title or interest until all conditions for disbursement are satisfied in full is not respected in any legal proceeding, the parties hereto intend that Lender have a security interest in the Escrow Fund, and such security interest is hereby granted to Lender by Borrower, to secure payment of all sums due to Lender, in its own capacity and assignee of Issuer, under the Loan Agreement. Escrow Agent shall hold the Escrow Fund and the securities and monies therein for the purpose of perfecting Lender's security interest therein and shall dispose of the Escrow Fund only in accordance with the terms and conditions of this Escrow Agreement. Escrow Agent hereby accepts appointment as agent and agrees to establish and maintain the Escrow Fund and the monies and securities therein as a financial intermediary or securities intermediary, as the case may be, for Lender, as entitlement holder. Escrow Agent confirms that: (a) the Escrow Fund is a "securities account" as such term is defined in §8-501 of the applicable

UCC; (b) Escrow Agent shall, subject to the terms of this Escrow Agreement, treat Lender as entitled to exercise the rights that comprise any financial asset credited to the Escrow Fund; (c) all property delivered to Escrow Agent for deposit into the Escrow Fund will be promptly credited to the Escrow Fund; and (d) all securities and other property underlying any financial assets credited to the Escrow Fund shall be registered in the name of Escrow Agent, indorsed to Escrow Agent or in blank or credited to another securities account maintained in the name of Escrow Agent, and in no case will any financial asset credited to the Escrow Fund be registered in the name of Borrower, payable to the order of Borrower or specially indorsed to Borrower. Escrow Agent agrees that each item of property (whether investment property, financial asset, security, instrument or cash) credited to the Escrow Fund shall be treated as a "financial asset" within the meaning of §8-102(a)(9) of the UCC. If at any time Escrow Agent shall receive an "entitlement order" (within the meaning of §8-102(a)(8) of the UCC) issued by Lender and relating to the Escrow Fund, Escrow Agent shall comply with such entitlement order without further consent by Borrower or any other person.

Section 3.02. Moneys held by Escrow Agent hereunder shall be invested and reinvested by Escrow Agent upon order of Borrower only in Qualified Investments, as defined in Section 3.05. Such investments shall be registered in the name of Escrow Agent and held by Escrow Agent for the benefit of Lender, Issuer and Borrower. With the approval of Borrower, Escrow Agent may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Article. Such investments and reinvestments shall be made giving full consideration for the time at which funds are required to be available.

Section 3.03. Escrow Agent shall, without further direction from Borrower, sell such investments as and when required to make any payment from the Escrow Fund. Any income received on such investments shall be credited to the Escrow Fund.

Section 3.04. Escrow Agent shall furnish to Borrower and Lender reports accounting for all investments and interest and income therefrom. Such accounting shall be furnished no less frequently than every three months and upon request of Lender or Borrower. None of Lender, Issuer or Escrow Agent shall be responsible or liable for any loss suffered in connection with any investment of moneys made by Escrow Agent in accordance with this Article (other than Escrow Agent in its capacity as obligor under any Qualified Investment). In the event funds in the Escrow Fund are insufficient to pay the Project Costs, Borrower shall deposit additional funds in the Escrow Fund to be disbursed in accordance with the provisions hereof, and such additional funds deposited by Borrower shall be disbursed from the Escrow Fund before any other funds held in the Escrow Fund.

Section 3.05. As used in this Agreement, the term "Qualified Investments" means (a) securities which are general obligations of or are guaranteed as to the payment of principal and interest by the United States of America; (b) obligations, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following: Federal Home Loan Bank System, Government National Mortgage Association, Farmers Home Administration, Federal Home Loan Mortgage Corporation or Federal Housing Administration; (c) commercial paper issued by corporations organized under the laws of a state of the United States which is rated in the highest rating category by Standard & Poor's Ratings Services, a division of the McGraw Hill Companies, Inc., or Moody's Investors Service, Inc.; or (d) certificates of deposit issued by or other forms of deposit in any national or state bank to extent that such deposits are fully insured by the Federal Deposit Insurance Corporation or any successor agency which is backed by the full faith and credit of the United States. By execution of this Agreement, Borrower also consents to the investment and reinvestment by the Escrow Agent of any moneys held as part of the Escrow Fund in shares of a money market fund (including a money market fund for which Escrow Agent and its affiliates provide advisory, custodial, administrative or similar services and receives fees), provided: (x) the money market fund is registered under the Investment Company Act of 1940; (y) the money market fund has been rated by a nationally recognized statistical rating

organization in one of that organization's three highest mutual fund rating categories; and (z) the money market fund's investments are limited to those Qualified Investments listed in (a), (b) or (c) above. Derivative products are not "Qualified Investments."

ARTICLE 4.

ESCROW AGENT'S AUTHORITY; INDEMNIFICATION

Section 4.01. Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine, may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument, and may assume that any person purporting to give any writing, notice, advice or instructions in connection with the provisions hereof has been duly authorized to do so. Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner and execution, or validity of any instrument deposited with it, nor as to the identity, authority or right of any person executing the same; and its duties hereunder shall be limited to those specifically provided herein.

Section 4.02. Unless Escrow Agent is guilty of negligence or misconduct with regard to its duties hereunder, Borrower hereby agrees to indemnify Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this Agreement; and in connection therewith, to indemnify Escrow Agent against any and all expenses, including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim. Escrow Agent shall be vested with a lien on all property deposited hereunder for indemnification, for reasonable attorneys' fees, court costs, for any suit, interpleader or otherwise, or any other expenses, fees or charges of any character or nature, which may be incurred by Escrow Agent by reason of disputes arising among Borrower, Issuer and Lender as to the correct interpretation of the Loan Agreement or this Agreement and instructions given to Escrow Agent hereunder, or otherwise, with the right of Escrow Agent, regardless of the instructions aforesaid, to hold the said property until and unless said additional expenses, fees and charges shall be fully paid.

Section 4.03. If Borrower, Issuer or Lender shall be in disagreement about the interpretation of the Loan Agreement or this Agreement, or about the rights and obligations, or the propriety of any action contemplated by Escrow Agent hereunder, Escrow Agent may, but shall not be required to, file an appropriate civil action to resolve the disagreement. Escrow Agent shall be indemnified by Borrower for all costs, including reasonable attorneys' fees, in connection with such civil action, and shall be fully protected in suspending all or part of its activities under this Agreement until a final judgment in such action is received.

Section 4.04. Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection with the opinion of such counsel. Escrow Agent shall otherwise not be liable for any mistakes of facts or errors of judgment, or for any acts or omissions of any kind unless caused by its negligence or misconduct.

ARTICLE 5.

ESCROW AGENT'S COMPENSATION

Escrow Agent's compensation for the services to be rendered hereunder is set forth in Exhibit B hereto. Borrower hereby agrees to pay the initial annual administration fee upon execution of this Agreement. Borrower hereby agrees to pay and/or reimburse Escrow Agent upon request for all

expenses, disbursements and advances, ongoing annual administration fees, investment fees or other charges, including reasonable attorneys' fees, incurred or made by it in connection with carrying out its duties hereunder and such fees and charges may be deducted from investment earnings on the Escrow Fund.

ARTICLE 6.

CHANGE OF ESCROW AGENT

Section 6.01. A national banking association located in the United States or a state bank or trust company organized under the laws of a state of the United States, qualified as a depository of public funds, may be substituted to act as Escrow Agent under this Agreement upon agreement of Issuer, Borrower and Lender. Such substitution shall not be deemed to affect the rights or obligations of the parties. Upon any such substitution, Escrow Agent agrees to assign to such substitute Escrow Agent its rights under this Agreement.

Section 6.02. Escrow Agent or any successor may at any time resign by giving mailed notice to Borrower and Lender of its intention to resign and of the proposed date of resignation, which shall be a date not less than 30 days after such notice is deposited in the United States mail with postage fully prepaid, unless an earlier resignation date and the appointment of a successor Escrow Agent shall have been or are approved by Borrower, Issuer and Lender.

Section 6.03. Escrow Agent may appoint an agent to exercise any of the powers, rights or remedies granted to Escrow Agent under this Agreement, and to hold title to property or to take any other action which may be desirable or necessary.

ARTICLE 7.

ADMINISTRATIVE PROVISIONS

Section 7.01. Escrow Agent shall keep complete and accurate records of all moneys received and disbursed under this Agreement, which shall be available for inspection by Borrower, Issuer or Lender, or the agent of any of them, at any time during regular business hours.

Section 7.02. All notices, certificates, requests, demands and other communications provided for hereunder shall be in writing and shall be (a) personally delivered, (b) sent by first class United States mail, (c) sent by overnight courier of national reputation or (d) transmitted by telecopy, in each case addressed to Lender, Borrower and Issuer at their respective address set forth in the Loan Agreement and to Escrow Agent at its address as set forth below and, if telecopied, transmitted to Lender, Borrower and Issuer at their respective telecopier number and to Escrow Agent at its telecopier number set forth below or, as to each party, at such other address or telecopier number as may hereafter be designated by such party in a written notice to the other party complying as to delivery with the terms of this Section. All such notices, requests, demands and other communications shall be deemed to have been given on (w) the date received if personally delivered, (x) when deposited in the mail if delivered by mail, (y) the date sent if sent by overnight courier or (z) the date of transmission if delivered by telecopy.

Escrow Agent:

Telephone: _____

Telecopier: _____

Section 7.03. THIS AGREEMENT SHALL BE CONSTRUED AND GOVERNED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS (WITHOUT REGARD TO THE CONFLICT-OF-LAWS PRINCIPLES THEREOF).

Section 7.04. Any provisions of this Agreement found to be prohibited by law shall be ineffective only to the extent of such prohibition, and shall not invalidate the remainder of this Agreement or the Loan Agreement.

Section 7.05. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Specifically, as used herein the term "Lender" means any person or entity to whom Lender has assigned its right to receive payments under the Loan Agreement and any payments due to Lender hereunder from after the date when a duplicate original of such assignment is filed with Escrow Agent.

Section 7.06. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same Agreement.

Section 7.07. This Agreement shall terminate upon disbursement by Escrow Agent of all moneys held by it hereunder.

Section 7.08. This Agreement (and, with respect to Lender, Issuer and Borrower, together with the Loan Agreement) constitutes the entire agreement of the parties relating to the subject matter hereof.

Section 7.09. To the extent permitted by law, the terms of this Agreement shall not be waived altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the parties hereto, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given.

Borrower and Lender may agree to amend the date specified in Section 2.03 to a date no more than three years after the closing. Such amendment shall be effected by written agreement signed by Borrower and Lender in the form of Exhibit C hereto. Issuer's and Escrow Agent's consent to the amendment referred to in this paragraph shall not be required.

Section 7.10. LENDER, ISSUER (SUBJECT TO ANY STATE LAW REQUIRING OTHERWISE), BORROWER AND ESCROW AGENT HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF, DIRECTLY OR INDIRECTLY, THIS AGREEMENT OR ANY OF THE RELATED DOCUMENTS, ANY DEALINGS AMONG LENDER, ISSUER, BORROWER AND ESCROW AGENT RELATING TO THE SUBJECT MATTER OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY RELATED TRANSACTIONS, AND/OR THE RELATIONSHIP THAT IS BEING ESTABLISHED AMONG LENDER, ISSUER, BORROWER AND ESCROW AGENT. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT (INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS). THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT, ANY RELATED DOCUMENTS, OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY RELATED TRANSACTIONS. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

[REMAINDER OF PAGE INTENTIONALLY BLANK; EXECUTION PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

Lender:

Escrow Agent:

GE GOVERNMENT FINANCE, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Borrower:

Issuer:

ON-COR FROZEN FOODS, LLC

THE COUNTY OF KANE, ILLINOIS

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[EXECUTION PAGE OF ESCROW AGREEMENT]

Exhibit A to Escrow Agreement

FORM OF PAYMENT REQUEST FORM
Payment Request Form No.

On-Cor Frozen Foods, LLC, as borrower (“Borrower”) under that certain Loan Agreement dated as of December 1, 2010 (the “Loan Agreement”), by and among The County of Kane, Illinois (“Issuer”), GE Government Finance, Inc. (“Lender”) and Borrower, hereby requests _____, as escrow agent (“Escrow Agent”) under the Escrow Agreement dated as of December 1, 2010 (the “Escrow Agreement”) among Escrow Agent, Lender, Issuer and Borrower, to make payment from the Escrow Fund (as defined in the Escrow Agreement) to the following party or parties, at the addresses set forth below:

<i>Payee</i>	<i>Address</i>	<i>Amount To Be Paid</i>	<i>Cost of Issuance or Project Description</i>
--------------	----------------	------------------------------	--

In connection therewith, the undersigned officer of Borrower hereby certifies as follows:

1. All of the provisions of the Loan Agreement are incorporated herein by reference and capitalized terms used herein and not defined shall have the meanings assigned to them in the Loan Agreement.
2. The Project subject to this Payment Request Form comprises a portion of the Project described in the Loan Agreement, and has been delivered to, tested and inspected by, and accepted by Borrower. Such Project is functionally complete and operationally independent.
3. The payments to be made to the payees set forth above are for either the costs of issuance or the Project Costs described above, or reimbursement to Borrower therefor, and the payments have not been the basis for a prior request which has been paid, and the amount remaining in the Escrow Fund is sufficient to pay the remaining Project Costs.
4. All of Borrower’s representations, covenants and warranties contained in the Loan Agreement, the Arbitrage Certificate and the Project Certificate were true and accurate in all material respects as of the date made, and remain true and accurate in all material respects as of the date of this Payment Request Form, and Borrower has fully and satisfactorily performed all of its covenants and obligations to date required under the Loan Agreement, the Arbitrage Certificate and the Project Certificate. No Default or Event of Default has occurred under the Loan Agreement. All of the conditions contained in Article III of the Loan Agreement have been satisfied.
5. Borrower understands that Lender is relying on the certifications herein with regard to and in connection with approving the disbursement requested hereby.
6. *Please indicate if this Payment Request Form relates to the final disbursement from the Escrow Fund: ____ Yes ____ No.*

If this Payment Request Form relates to the final disbursement from the Escrow Fund, Borrower and Lender hereby instruct Escrow Agent to disburse to Lender the remaining moneys held in the Escrow Fund to be applied to prepay the Loan as set forth in Section 2.07 of the Loan Agreement.

7. Please indicate if this Payment Request Form reimburses Borrower for any payment or payments previously made by Borrower: __ Yes __ No.

If this Payment Request Form requests such a reimbursement, the payment or payments for any obligations originally paid by Borrower, for federal income tax purposes, was after July 15, 2010.

8. Borrower attaches hereto the following items:

(a) invoices and/or bills of sale relating to the Project and, if such invoices have been paid by Issuer or Borrower, evidence of payment thereof. As provided in Section 12.07 of the Loan Agreement, upon execution of this Payment Request Form by Borrower and Lender, Exhibit A to Loan Agreement shall be amended to include the specific equipment listings and descriptions contained in the invoices and/or bills of sale attached hereto. If this request for payment relates to any vehicle subject to certificate of title laws, attached hereto is the manufacturer's statement of origin (MSO) and the title application naming GE Government Finance, Inc. as first lienholder;

(b) the list of the Project attached to the Loan Agreement, upon which Borrower has indicated those particular portions of the Project that relate to this Payment Request Form; and

(c) an insurance certificate in the form required by the Loan Agreement if such insurance certificate has not been previously provided by Borrower to Lender.

Borrower:

ON-COR FROZEN FOODS, LLC

By: _____

Name: _____

Title: _____

Approved by Lender:

GE GOVERNMENT FINANCE, INC.

By: _____

Name: _____

Title: _____

Attachments:

1. Invoices
2. Marked List of Project
3. Insurance Certificate (if not previously provided)

Exhibit B to Escrow Agreement

SCHEDULE OF ESCROW AGENT'S FEES

[TO BE PROVIDED]

Exhibit C to Escrow Agreement
FORM OF AMENDMENT

This Amendment to Escrow Agreement is dated as of _____, 201__ (this "Amendment") by and between _____, as assignee of GE Government Finance, Inc. ("Lender"), and On-Cor Frozen Foods, LLC ("Borrower").

RECITALS

A. GE Government Finance, Inc. ("GEGF"), Borrower, The County of Kane, Illinois ("Issuer") and _____ ("Escrow Agent") have entered into an Escrow Agreement dated as of December 1, 2010 (the "Agreement"). GEGF assigned its rights under the Agreement to Lender, and Lender appointed GEGF as its servicer.

B. Pursuant to Section 7.09 of the Agreement, Lender and Borrower may, without the consent of Issuer or Escrow Agent, amend the date specified in Section 2.03 of the Agreement to a date no more than three years after the date of closing.

C. Lender and Borrower desire to amend the date specified in Section 2.03 of the Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, it is hereby agreed as follows:

1. Lender and Borrower amend Section 2.03 of the Agreement by replacing the date "_____, 201__" as it appears in the second sentence thereof with the date "_____, 201__."

2. In consideration for the administrative work incurred in connection with the extension granted hereby, Borrower agrees to pay GEGF an administrative fee in the sum of \$250. By delivery of a copy of this Amendment to Escrow Agent, Escrow Agent is instructed to disburse \$250 to GEGF from the investment earnings in the Escrow Fund.

3. This Amendment shall become effective only upon execution hereof by duly authorized officers or representatives of Lender and Borrower.

4. All other terms and conditions of the Agreement not specifically amended by this Amendment shall remain in full force and effect and are hereby ratified and confirmed by Lender and Borrower.

5. This Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment in their respective corporate names by their duly authorized officers, all as of the date first written above.

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Lender:

By: _____

Name: _____

Title: _____

Borrower:

ON-COR FROZEN FOODS, LLC

By: _____

Name: _____

Title: _____

###

RESOLUTION #10-339

**AUTHORIZING EXCEPTION TO THE COUNTY FINANCIAL POLICIES REGARDING
PERSONNEL HIRING AND REPLACEMENT
(Information Technologies Department)**

WHEREAS, the Kane County Information Technologies Department (ITD) Application Development & Integration Services Division is responsible to provide Kane County with the following: custom applications and user interfaces, data and application integration, database administration and replication, Internet/Intranet, interactive voice response, business analysis, and reporting services. As well as provide technical support for off-the-shelf solutions and vendor integration; and

WHEREAS, the Kane County Information Technologies Department utilizes employee resources in the Application Development & Integration Services division to accomplish its goals and missions; and

WHEREAS, current staffing level for support operations of Application Development & Integration Services division, due to employee resigning for better career opportunities, has fallen below the level needed to provide for and sustain application support; and

WHEREAS, on September 9, 2008 the Kane County Board had deemed it necessary to adopt by Resolution a moratorium on the hiring of new County personnel and the replacement of existing or future personnel vacancies; and

WHEREAS, the Executive Director of the Kane County Information Technologies Department has requested the Kane County Board to allow exception to the hiring moratorium as the continuance of a shortage of staff will have a negative operational impact on the Department's ability to efficiently and effectively conduct the operations of desktop support.

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NOW, THEREFORE, BE IT FURTHER RESOLVED by the Kane County Board that the County Information Technologies Department be allowed to hire one replacement to fill the support vacancies

Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
001.060.060.40000	Salaries & Wages	Yes	Yes	

###

RESOLUTION #10-340

**APPROVAL OF SEASONAL PART-TIME PERSONNEL HIRING
KANE COUNTY DIVISION OF TRANSPORTATION
MAINTENANCE DEPARTMENT**

WHEREAS, Kane County Division of Transportation annually budgets and hires seasonal employees to assist with County Highway maintenance operations (said employees are sometimes referred to as Snowbirds); and

WHEREAS, Kane County has adopted by Resolution 08-278, a moratorium on the hiring or replacement of County personnel, which resolution requires that no new personnel shall be hired unless specifically approved by the County Board; and

WHEREAS, the County Board believes it to be fiscally responsible and in the best interest of the County to hire qualified individuals to fill ten (10) seasonal part-time vacancies in the Maintenance Department of the Kane County Division of Transportation in that filling said positions shall facilitate the safe and efficient movement of traffic and shall provide for the safety of the motoring public.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the Kane County Division of Transportation is approved to hire and fill ten (10) seasonal part-time vacancies in its Maintenance Department.

###

RESOLUTION #10-341

**APPROVAL OF PERSONNEL HIRING
KANE COUNTY DIVISION OF TRANSPORTATION
MAINTENANCE DEPARTMENT**

WHEREAS, the equipment maintenance and snow plowing operations for the Kane County Highway system are performed by Highway Maintainer positions (hereinafter sometimes "Highway Maintainers") within the Kane County Division of Transportation; and

WHEREAS, the Kane County Division of Transportation desires to hire two Highway Maintainers to fill openings created by two employees on long term leaves of absence and which positions will also support the maintenance of additional right-of-way and increased lane miles acquired by the County over recent years including among other roadways the Stearns Road Bridge Corridor; and

DRAFT-COUNTY BOARD MINUTES – November 9, 2010

WHEREAS, the Highway Maintainer positions are fully funded by State Motor Fuel Taxes and are critical to ensuring the safety of the motoring public and the efficient movement of vehicle traffic; and

WHEREAS, Kane County has adopted by Resolution 08-278 a moratorium on the hiring or replacement of County personnel, which resolution requires that no new personnel shall be hired unless specifically approved by the County Board; and

WHEREAS, the County Board believes it to be fiscally responsible and in the best interest of the County to hire two qualified individuals to fill the vacant Highway Maintainer positions.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the Kane County Division of Transportation is approved to hire and fill two vacant Highway Maintainer positions.

###

RESOLUTION #10-343

ACCEPTING OBLIGATION DUE IMRF (Jennifer Perkins)

WHEREAS, Jennifer Perkins applied for and was granted a leave of absence from May 24, 2010 through August 16, 2010; and

WHEREAS, this employee desires to maintain service credits with the Illinois Municipal Retirement Fund for paying her contribution plus interest to IMRF within two years after the termination of the leave of absence; and

WHEREAS, this employee desires to be protected for death and disability benefits during this leave.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that it agrees to accept the obligation due IMRF for employee contributions with interest thereon payable through future employee monthly contributions.

BE IT FURTHER RESOLVED that the County IMRF authorized agent is hereby directed to file a certified copy of this resolution with the Illinois Municipal Retirement Fund.

###

RESOLUTION #10-344

AGREEMENT FOR VENDING MACHINE SUPPLIES AND SERVICES

WHEREAS, vending machines for the purchase of hot and cold food and drink products are located in many County building for the use of employees; and

WHEREAS, a percentage of the commission of the total receipts paid for these products is paid to the County to support the annual Christmas party sponsored by employees; and

WHEREAS, through a bidding process one vendor, PSI (Profit Systems Inc.) of Warrenville, Illinois has been selected to supply the machines and provide concomitant supplies with hot beverages, snack and cold food products, bottled and canned beverages and water; and

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WHEREAS, PSI shall remit commissions on a quarterly basis to the County Treasurer for deposit into an account established by the County Treasurer; and

WHEREAS, the County Auditor is directed to include this account in his annual audit.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the County Board Chairman is authorized to enter into a contract for vending machine supplies and services with PSI (Profit Systems Inc.).

###

RESOLUTION #10-345

2011 EMPLOYEE ASSISTANCE PROGRAM

WHEREAS, the Kane County Board wishes to continue its Employee Assistance Program for employees; and

WHEREAS, the Human Services Committee has recommended that Metropolitan Family Services continue as the provider of employee assistance services for Kane County employees at a cost of Seventeen Thousand, Eight Hundred Twenty Dollars and no/100 (\$17,820.00) based upon its ability to provide a full range of services, 24/7 access, professional staff, history of responsiveness and proposed cost.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the Chairman is authorized to enter into a contract with Metropolitan Family Services for the provision of professional employee assistance services, at a cost not to exceed Seventeen Thousand, Eight Hundred Twenty Dollars and no/100 (\$17,820.00).

Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
001.120.120.50000	Project Administration	Yes	Yes	N/A

###

RESOLUTION #10-346

AMENDING APPENDIX C OF THE KANE COUNTY CODE - LIQUOR LICENSES

WHEREAS, it is necessary to amend Appendix C of the Kane County Code to add a Class AR license for Janie B's Inc. in Sugar Grove Township.

NOW, THEREFORE, BE IT ORDAINED by the Kane County Board that the allowable number of liquor licenses in Kane County be fixed as follows:

Township	CLASS AR	CLASS AP	CLASS AW	CLASS C	CLASS C-1	CLASS D	CLASS D-1	CLASS E	CLASS G
Aurora	0	0	0	1	0	0	0	4	0
Batavia	0	0	0	1	0	0	0	0	0
Big Rock	0	0	0	0	0	0	0	0	0
Blackberry	1	1	0	0	0	0	0	0	3

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Burlington	0	0	0	0	0	0	0	0	0
Campton	0	0	1	0	0	0	0	0	0
Dundee	2	0	0	0	0	0	0	0	0
Elgin	0	0	0	0	0	0	0	1	0
Geneva	0	0	0	1	0	1	1	0	0
Hampshire	0	0	0	0	0	0	0	0	0
Kaneville	0	0	0	0	0	0	0	0	0
Plato	0	1	0	0	0	0	0	0	0
Rutland	0	0	0	0	0	0	0	1	0
St. Charles	1	1	0	0	0	0	0	1	1
Sugar Grove	0	1	0	0	0	0	0	0	1
Virgil	1	0	1	0	0	0	0	3	0

This Ordinance shall be in full force and effect from and after its passage.

###

RESOLUTION #10-347

**FY 2011 COUNTY MAINTENANCE MFT APPROPRIATION
KANE COUNTY SECTION NO. 11-00000-00-GM**

WHEREAS, the County of Kane through its Division of Transportation (KDOT) is responsible for the maintenance of the Kane County Highway System; and

WHEREAS, Kane County's yearly MFT maintenance program for the Kane County Highway System is referred to by KDOT as Section #11-00000-00-GM; and

WHEREAS, Four Million Ninety One Thousand Sixty Seven Dollars (\$4,091,067.00) in Motor Fuel Tax (MFT) Funds will be required to pay for said maintenance program (Section #11-00000-00-GM) in Fiscal Year 2011.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the maintenance program referred to as Section #11-00000-00-GM be performed in conformance with the provisions of the Illinois Highway Code during the year ending November 30, 2011.

BE IT FURTHER RESOLVED by the County Board of Kane County that Four Million Ninety One Thousand Sixty Seven Dollars (\$4,091,067.00) is hereby appropriated from the Motor Fuel Tax Allotment Fund #302 for said maintenance of the Kane County Highway System; said sum being comprised of: One Million Nine Hundred Eighty Seven Thousand Seven Hundred Fifty Nine Dollars (\$1,987,759.00) from Line Item #40000; Two Hundred Fifty Thousand Dollars (\$250,000.00) from Line Item #40200; Sixty One Thousand Seven Hundred Dollars (\$61,700.00) from Line Item #45000; One Thousand Seven Hundred Fifty Dollars (\$1,750.00) from Line Item #45010; One Hundred Seventy One Thousand One Hundred Ninety Dollars (\$171,190.00) from Line Item #45100; Two Hundred Nineteen Thousand Three Hundred Dollars (\$219,300.00) from Line Item #45200; Three Hundred Ninety Nine Thousand Three Hundred Sixty Eight Dollars (\$399,368.00) from Line Item #45410; and One Million Dollars (\$1,000,000.00) from Line Item #60390 for the maintenance of Section #11-00000-00-GM.

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Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
302.520.522.40000	Salaries and Wages	Yes	Yes	
302.520.522.40200	Overtime Salaries	Yes	Yes	
302.520.522.45000	Healthcare	Yes	Yes	
302.520.522.45010	Dental	Yes	Yes	
302.520.522.45100	Fica / SS	Yes	Yes	
302.520.522.45200	IMRF	Yes	Yes	
302.520.522.45410	Teamster Contribution	Yes	Yes	
302.520.522.60390	Rock Salt	Yes	Yes	

BE IT FURTHER RESOLVED that the County Engineer of Kane County shall, as soon as practicable after the close of the fiscal year 2011, submit to the Illinois Department of Transportation (IDOT), on forms furnished by IDOT, a certified statement showing expenditures from and balances remaining in funds authorized for expenditure for highway maintenance by IDOT under this appropriation.

BE IT FURTHER RESOLVED that the County Clerk is hereby directed to transmit two certified copies of this resolution to the district office of the Illinois Department of Transportation.

###

**RESOLUTION #10-348
 APPROVING AN EXTENSION FOR NON-OEM AUTO PARTS AND SUPPLIES
 KANE COUNTY DIVISION OF TRANSPORTATION
 KANE COUNTY SHERIFF'S DEPARTMENT**

WHEREAS, the Kane County Board, pursuant to Resolution No. 09-165, previously accepted and approved the low bids from South Elgin Napa of South Elgin, IL, Feece Oil of Batavia, IL, Pomp's Tire of Elgin, IL, Battery Service Corporation of Bensenville, IL, and Priority Products of St. Charles, IL for the purchase of Non-OEM (original equipment manufacturer) auto parts and supplies and also appropriated One Hundred Fifty Five Thousand Dollars (\$155,000.00) therefore and subsequently entered into contracts therewith, which contracts included an option to extend the term thereof to May 31, 2011; and

WHEREAS, the County Board believes it to be fiscally responsible and in the best interest of the County to exercise the extension option, thereby extending the term of said contracts through May 31, 2011.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the contracts with the vendors mentioned above be extended through May 31, 2011.

BE IT FURTHER RESOLVED that the Kane County Board appropriate to pay for said contracts, the not to exceed sum of One Hundred Fifty Five Thousand Dollars (\$155,000) of which Seventy Five Thousand (\$75,000) is for the Kane County Division of Transportation and Eighty Thousand (\$80,000) is for the Kane County Sheriff's Department; said funding to be paid from the line items as listed below.

Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
300.520.520.60330 300.520.520.60360 001.380.380.52230	Vehicle Supplies Equipment Supplies	Yes	Yes	

###

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RESOLUTION #10-349

**ACCEPTING BIDS FOR GASOLINE AND DIESEL FUEL
KANE COUNTY DIVISION OF TRANSPORTATION AND THE
KANE COUNTY SHERIFF'S DEPARTMENT
(BID NUMBER 55-010)**

WHEREAS, bids have been solicited and received by the Kane County Purchasing Department for the sale and delivery of gasoline and diesel fuel for bulk delivery to the Kane County Division of Transportation and Kane County Sheriff's Department; and

WHEREAS, Feece Oil Company, 1700 Hubbard Avenue, Batavia, IL 60510 was the lowest responsible bidder for Regular Gasoline (no lead), Bio Diesel Fuel #2 (B5), Bio Diesel Fuel #2 (B5) Pre-Blend Winter Mixture 80/20, and Bio Diesel Fuel (B5) Pre-Blend Winter Mixture 50/50, said bids being based upon the low side of Regular Gasoline (no lead), the low side of Bio Diesel Fuel #2 (B5), and the low side of Diesel Fuel Pre-Blend Winter Mixture as published in the "OPIS Price Index," for the period December 1, 2010 to November 30, 2011, plus the following additional charges:

Regular Gasoline (no lead)	0.0 cents per gallon
Diesel Fuel #2 (B5)	2.90 cents per gallon
Diesel Fuel Pre-Blend Winter Mixture 80/20	2.90 cents per gallon
Diesel Fuel Pre-Blend Winter Mixture 50/50	2.90 cents per gallon; and

WHEREAS, the gasoline and diesel fuel shall be delivered by said low bidder to the Kane County Division of Transportation and deposited in the underground storage tanks located at its facility; and

WHEREAS, the gasoline fuel shall be delivered by said low bidder to the Kane County Sheriff's Department and deposited in the underground storage tanks located at its facility.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the low bid of Feece Oil Company, 1700 Hubbard Avenue, Batavia, IL 60510 for the sale and delivery of Regular Gasoline (no lead), Bio Diesel Fuel #2 (B5) and Bio Diesel Fuel #2 (B5) Pre-Blend Winter Mixture 80/20, and Bio Diesel Fuel #2 (B5) Pre-Blend Winter Mixture 50/50 to the underground storage tanks at the Kane County Division of Transportation for the period commencing December 1, 2010 to November 30, 2011 be accepted. The contract price for the gasoline being based upon the low side of Regular Gasoline (no lead) plus 0.000 cents per gallon, the low side of Bio Diesel #2 (B5) plus 2.90 cents per gallon, the low side of Bio Diesel Fuel #2 (B5) Pre-Blend Winter Mixture 80/20 plus 2.90 cents per gallon, and the low side of Bio Diesel Fuel #2 (B5) Pre-Blend Winter Mixture 50/50 plus 2.90 cents per gallon, which is to be paid from County Highway Fund #300, Line Item #63040 (Fuel –Vehicles).

BE IT FUTHER RESOLVED by the Kane County Board that the low bid of Feece Oil Company for the sale and delivery of Regular Gasoline (no lead) to the underground storage tanks at the Kane County Sheriff's Department for the period commencing December 1, 2010 to November 30, 2011 be accepted. The contract price for the gasoline being based upon the low side of Regular Gasoline (no lead) plus 0.000 cents per gallon, which is to be paid from General Fund #001, Line Item #63040 (Fuel –Vehicles).

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Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
300.520.520.63040	Fuel - Vehicles	Yes	Yes	
001.380.380.63040	Fuel - Vehicles	Yes	Yes	

###

RESOLUTION #10-350

**PURCHASE OF UPM POTHOLE PATCH MIX
KANE COUNTY DIVISION OF TRANSPORTATION
(BID NUMBER 56-010)**

WHEREAS, bids have been solicited and received by the Kane County Purchasing Department for UPM Pothole Patch Mix (hereinafter "UPM") for the Kane County Division of Transportation (KDOT); and

WHEREAS, it is estimated that KDOT will use approximately three hundred (300) tons of UPM from December 1, 2010 through November 30, 2011; and

WHEREAS, the lowest qualified bid for the UPM was \$114.50 per ton from Superior Asphalt Materials, LLC, 216 East Butterfield Road, North Aurora, Illinois 60542.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the lowest qualified bid of \$114.50 per ton for said UPM (Pothole Patch) Mix from Superior Asphalt Materials, LLC, 216 East Butterfield Road, North Aurora, Illinois 60542 be accepted.

BE IT FURTHER RESOLVED that the Kane County Board appropriate the not to exceed sum of Thirty Four Thousand Three Hundred Fifty Dollars (\$34,350.00) from County Highway Fund #300 Line Item #60420 (Road Material) to pay for said UPM Pothole Patch Mix.

Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
300.520.520.60420	Road Material	Yes	Yes	

###

RESOLUTION #10-351

**APPROVAL OF ASSIGNMENT OF IMPACT FEE CREDITS
FROM PAR DEVELOPMENT INC. TO PLOTE HOMES LLC**

WHEREAS, the County of Kane has previously entered into impact fee credit agreements with Par Development Inc. (hereinafter "Par") pursuant to Kane County Resolution No. 05-135 and Kane County Resolution No. 07-343; and

WHEREAS, pursuant to said agreements and in accordance with the Kane County Impact Fee Ordinance, Par is authorized, with the permission of the Kane County Board, to assign its interest in said impact fee credit agreements; and

WHEREAS, Par has ceased development operations and has been succeeded in business by Plote Homes LLC; and

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WHEREAS, Par desires to assign its interest in the following impact fee credit agreements to Plote Homes LLC: (i) Kane County Illinois Impact Fee Improvement Credit Agreement #TI-RES05-135, (part of \$1,218,800.00) and (ii) Kane County Illinois Impact Fee Improvement Credit Agreement #TI-RES07-343; and

WHEREAS, Plote Homes LLC desires to accept the aforesaid assignment from Par Development Inc.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the assignment of Par Development Inc.'s interest in the impact fee credit agreements as described hereinabove as Kane County Illinois Impact Fee Improvement Credit Agreement #TI-RES05-135 and #TI-RES07-343 by Par Development Inc. to Plote Homes LLC is hereby approved and the Chairman of the Kane County Board is hereby authorized to execute any approvals of assignment therefor.

###

RESOLUTION #10-352

**APPROVING ALTERATION OF SPEED LIMITS
MILL CREEK SUBDIVISION, NEIGHBORHOOD O – GENEVA TOWNSHIP**

WHEREAS, Kane County through its Division of Transportation has caused an engineering and traffic investigation to be made on streets in Mill Creek Subdivision, Neighborhood O, highways not under the jurisdiction of the Illinois Department of Transportation; and

WHEREAS, the Transportation Committee of the Kane County Board has reviewed the results of said investigation and has recommended the alteration of the existing maximum speed limit as set forth herein below pursuant to the Illinois Vehicle Code, 625 ILCS 5/11-604, so as to establish a speed limit that is reasonable, safe and proper.

NOW, THEREFORE, BE IT ORDAINED by the Kane County Board, that pursuant to Illinois Vehicle Code, 625 ILCS 5/11-604, the reasonable and safe absolute maximum speed limit for the streets in Mill Creek Subdivision, Neighborhood O shall be as indicated in the schedule as set forth herein below.

BE IT FURTHER ORDAINED that this Ordinance shall be effective upon the approval of the Kane County Board as provided by Statute and the posting of signs giving notice of said maximum speed limits.

GENEVA TOWNSHIP

STREET	LIMITS (IF NOT ENTIRE LENGTH)		SUBDIVISION	EXISTING SPEED LIMIT (MPH)* REPEALED	MAXIMUM SPEED LIMIT (MPH)*
	FROM	TO			
Bergquist Drive	Prairie View Drive	Morrill Drive	Mill Creek Subdivision, Neighborhood O	30	25
Callighan Place	Prairie View Drive	Morrill Drive	Mill Creek Subdivision, Neighborhood O	30	25
Dobson Lane	Prairie View Drive	Bergquist Drive	Mill Creek Subdivision, Neighborhood O	30	25
Dobson Lane	Weaver Lane	Prairie View Drive	Mill Creek Subdivision, Neighborhood O	55	30
Keenan Drive	Bergquist Drive	Callighan Place	Mill Creek Subdivision, Neighborhood O	30	25
McQuire Place	Prairie View Drive	Keenan Drive	Mill Creek Subdivision, Neighborhood O	30	25

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STREET	LIMITS (IF NOT ENTIRE LENGTH)		SUBDIVISION	EXISTING SPEED LIMIT (MPH)* REPEALED	MAXIMUM SPEED LIMIT (MPH)*
	FROM	TO			
Prairie View Drive	Dobson Lane	Keslinger Road	Mill Creek Subdivision, Neighborhood O	55	30
Sounders Drive	Bergquist Drive	Callighan Place	Mill Creek Subdivision, Neighborhood O	30	25

*miles per hour

###

RESOLUTION #10-353

**APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN
THE COUNTY OF KANE AND THE FOX VALLEY PARK DISTRICT
FOR ORCHARD ROAD FROM JERICO ROAD TO US ROUTE 30
KANE COUNTY SECTION NO. 06-00232-01-WR
AND JERICO ROAD OVER BLACKBERRY CREEK
KANE COUNTY SECTION NO. 04-00329-00-BR**

WHEREAS, the Illinois Constitution of 1970, Article VII, Section 10 and 5 ILCS 220/1 et seq. authorizes the County of Kane (hereinafter the "County") and the Fox Valley Park District (hereinafter the "Park District") to cooperate in the performance of their respective duties and responsibilities by contract and other agreements; and

WHEREAS, the County and the Park District have deemed it appropriate to make improvements to Kane County Highway No. 83 (Orchard Road) and Kane County Highway No. 24 (Jericho Road) (hereinafter the "Improvement"); and

WHEREAS, the County and the Park District have determined a mutually satisfactory allocation of responsibilities, duties and obligations relative to the successful construction of the Improvement; and

WHEREAS, the Improvement is deemed by the County and the Park District to be of immediate benefit to the residents of Kane County in that it shall facilitate the safe and efficient movement of traffic and shall provide for the safety of the motoring public; and

WHEREAS, the County and the Park District desire to enter into an intergovernmental agreement (a copy of which is on file with the County Clerk's Office) setting forth their respective responsibilities, duties and obligations relative to the successful construction of the Improvement.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the Chairman thereof is hereby authorized to execute an intergovernmental agreement with the Fox Valley Park District for the Orchard Road and Jericho Road Improvement.

###

RESOLUTION #10-354

**APPROVING A PHASE III ENGINEERING SERVICES AGREEMENT
WITH HEY AND ASSOCIATES, INC. FOR THE
STEARNS ROAD BRIDGE CORRIDOR LANDSCAPING
KANE COUNTY SECTION NO. 09-00214-02-LS**

WHEREAS, the County of Kane desires to landscape and improve Kane County highway right-of-way within the Stearns Road Bridge Corridor (hereinafter the "Project"); and

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WHEREAS, in order to accomplish the Project, it is necessary to retain the services of a professional engineering firm to provide Phase III Engineering services for the Project; and

WHEREAS, Hey and Associates, Inc., 26575 West Commerce Drive, Suite 601, Volo, IL 60073 has experience and professional expertise in Phase III Engineering services and is willing to perform the services for an amount not to exceed Four Hundred Fifty Thousand Dollars (\$450,000.00).

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the Chairman thereof is hereby authorized to execute a Phase III Engineering Services agreement (a copy of which is on file with the County Clerk's Office) with Hey and Associates, Inc.

BE IT FURTHER RESOLVED that the Kane County Board appropriate the sum of Two Hundred Seventy Five Thousand Dollars (\$275,000.00) from Transit Sales Tax Bond Construction Fund #513, Line Item #50140 (Engineering) and One Hundred Seventy Five Thousand Dollars (\$175,000.00) from Transportation Capital Fund #540, Line Item #50140 (Engineering) for a total of Four Hundred Fifty Thousand Dollars (\$450,000.00) to pay for said Phase III Engineering services with approximately ninety percent (90%) thereof to be reimbursed from federal highway and state funds.

Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
513.520.528.50140	Engineering	Yes	Yes	
540.520.525.50140	Engineering	Yes	Yes	

###

RESOLUTION #10-355

APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH THE STATE OF ILLINOIS FOR PHASE III CONSTRUCTION AND CONSTRUCTION ENGINEERING SERVICES FOR THE STEARNS ROAD BRIDGE CORRIDOR LANDSCAPING KANE COUNTY SECTION NO. 09-00214-02-LS

WHEREAS, the Illinois Constitution of 1970, Article VII, Section 10 and 5 ILCS 220/1, *et seq.* authorizes the County of Kane (County) and the State of Illinois (State) to cooperate in the performance of their respective duties and responsibilities by contract and other agreements; and

WHEREAS, the County and the State, through its Department of Transportation desire to cooperate among themselves to accomplish the Phase III Construction and Construction Engineering for the Stearns Road Bridge Corridor landscaping (hereinafter the "Improvement"); and

WHEREAS, the County and the State desire to undertake Phase III Engineering for the Improvement at an estimated cost of Four Million Nine Hundred Twenty Eight Thousand Eight Hundred Ninety Dollars (\$4,928,890.00); and

WHEREAS, the Improvement is deemed by the County and the State to be of immediate benefit to the residents of the County of Kane and the State of Illinois in that it shall facilitate the safe and efficient movement of traffic and shall provide for the safety of the motoring public; and

WHEREAS, the County and the State have determined a mutually satisfactory allocation of responsibilities and costs for said Improvement as set forth in a Local Agency Agreement for Federal Participation (a copy of which is on file with the County Clerk's Office) with the County being reimbursed approximately ninety percent (90%) of the cost thereof.

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NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the Chairman thereof is hereby authorized to execute an intergovernmental agreement with the State of Illinois acting through its Department of Transportation for the Phase III Construction and Construction Engineering for the Improvement.

###

RESOLUTION #10-356

**ACQUISITION OF HIGHWAY RIGHT OF WAY
BIG TIMBER ROAD OVER TYLER/PINGREE CREEKS
KANE COUNTY SECTION NO. 01-00266-00-BR
PARCEL NOS. 0003 and 0004**

WHEREAS, the County of Kane is authorized by law, pursuant to the Illinois Compiled Statutes, 605 ILCS 5/5-801 (2004), to acquire real property for highway purposes by negotiated purchase or eminent domain proceedings; and

WHEREAS, the County of Kane has developed right of way plans for the Big Timber Road Bridge, Kane County Sec. No. 01-00266-00-BR; and

WHEREAS, HPI-Elgin East, LLC, the property owner of Big Timber Road Parcel Nos. 0003 and 0004, which are legally described in Exhibit "A" attached hereto (a copy of which is on file in the office of the Kane County Clerk), has offered to sell said property to the County of Kane for the amount of One Hundred Five Thousand Dollars (\$105,000.00) and to retain a temporary construction easement across part of said property.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the County of Kane accept the offer HPI-Elgin East, LLC to sell said property to the County of Kane for the amount of One Hundred Five Thousand Dollars (\$105,000.00) to be paid from the County Bridge Fund No. 301, Line Item No. 74010 (Highway Right-of-Way) and the Chairman of the Kane County Board is hereby authorized and directed to execute a contract and temporary construction easement agreement therefor.

Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
301.520.521.74010	Highway Right-of-Way	Yes	Yes	

###

No questions or discussion. Roll call on Consent Agenda (# 10-324, #10-325, #10-329, #10-330, #10-331, #10-333, #10-334, #10-335, #10-336, #10-337, #10-338, #10-339, #10-340, #10-341, #10-343, #10-344, #10-345, #10-346, #10-347, #10-348, #10-349, #10-350, #10-352, #10-353, #10-354, 310-355, #10-356) as follows: AYES: Allan, Castro, Collins, Davoust, Fahy, Ford, Frasz, Hurlbut, Jones, Kenyon, Kudlicki, Kunkel, Laesch, Leonberger, Lindgren, McConnaughay, Mayer, Mihalec, Mitchell, Tredup, Van Cleave, Vasquez, Wojnicki NAYES: None ABSTAIN: None AYES: 23 NAYS: 0 None ABSTAIN: 0

Roll Call on Resolution #10-326 as follows: AYES: Allan, Castro, Collins, Davoust, Fahy, Ford, Frasz, Hurlbut, Jones, Kenyon, Kudlicki, Kunkel, Laesch, Leonberger, Lindgren,

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McConnaughay, Mayer, Mitchell, Tredup, Van Cleave, Vasquez, Wojnicki NAYES: None
ABSTAIN: Mihalec AYES: 22 NAYS: 0 ABSTAIN: 1

Roll Call on Resolution #10-351 as follows: AYES: Allan, Castro, Collins, Davoust, Fahy, Ford, Frasz, Hurlbut, Jones, Kenyon, Kudlicki, Kunkel, Laesch, Leonberger, Lindgren, McConnaughay, Mayer, Mitchell, Tredup, Van Cleave, Vasquez, Wojnicki NAYES: None
ABSTAIN: Mihalec AYES: 22 NAYS: 0 ABSTAIN: 1 **CONSENT AGENDA ADOPTED.**

RESOLUTION #10-327

Motion by Davoust second by Lindgren that Resolution #10-327 be adopted.

**APPOINTING A KANE COUNTY STATE'S ATTORNEY
(Joseph H. McMahon)**

WHEREAS, on December 1, 2010 a vacancy will occur in the office of the Kane County State's Attorney due to State's Attorney John Barsanti accepting a bench appointment in the Sixteenth Judicial Circuit; and

WHEREAS, the Chairman of the County Board has by law the responsibility to fill this vacancy by appointment with the advice and consent of the County Board, pursuant to 10 ILCS 5/25-11 (from Ch. 46, par. 25-11), which states in part:

Sec. 25-11. When a vacancy occurs in any elective county office, or in a county of less than 3,000,000 population in the office of clerk of the circuit court, in a county which is not a home rule unit, the county board or board of county commissioners shall declare that such vacancy exists and notification thereof shall be given to the county central committee or the appropriate county board or board of county commissioners district committee of each established political party within 3 days of the occurrence of the vacancy. The vacancy shall be filled within 60 days by appointment of the chairman of the county board or board of county commissioners with the advice and consent of the county board or board of county commissioners... . The appointee shall be a member of the same political party as the person he succeeds was at the time of his election and shall be otherwise eligible to serve. The appointee shall serve the remainder of the unexpired term.

NOW, THEREFORE, BE IT RESOLVED that the Kane County Board hereby declares a vacancy will exist in the office of Kane County State's Attorney as of December 1, 2010.

BE IT FURTHER RESOLVED that in accordance with 10 ILCS 5/25-11, Joseph H. McMahon, 10N690 Prairie Crossing, Elgin, IL 60124, is hereby appointed to fill the vacancy in the office of Kane County State's Attorney for a term that will commence December 1, 2010 and terminate November 30, 2012.

###

Kunkel stated that Kane County State's Attorney John Barsanti wrote a letter in support of nominee Jody Gleason, she said the county board has more experience working with Gleason and that it would take time to learn personalities and she will not support McMahon for Kane County State's Attorney. Jones stated at the Executive Committee Mr. Barsanti endorsed the current nominee. Davoust said Joseph McMahon has worked in the SAO before and is known,

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he will support this resolution. Roll Call as follows , AYES: Allan, Castro, Collins, Davoust, Fahy, Ford, Frasz, Hurlbut, Jones, Kenyon, Kudlicki, Leonberger, Lindgren, McConnaughay, Mayer, Mihalec, Mitchell, Tredup, Van Cleave, Vasquez, Wojnicki NAYES: Kunkel, Laesch ABSTAIN: None AYES: 21 NAYS: 2 ABSTAIN: 0 **RESOLUTION #10-327 IS ADOPTED.**

RESOLUTION #10-328

Motion by Wojnicki second by Vazquez that Resolution #10-328 be adopted.

**AUTHORIZING THE CONSTRUCTION OF TRAFFIC COURT/CONFERENCE CENTER
AT THE RANDALL ROAD CAMPUS**

WHEREAS, on December 21, 2009 the Chief Judge of the 16th Judicial Circuit submitted a written request to the Kane County Board Chairman requesting in part “I would request that the County Board revisit the Kane County Judicial Center Master plan and create a comprehensive path to address the long and short term needs as it relates to our court facilities and the need for technological enhancements.”; and

WHEREAS, the Wight and Company contract to develop the Judicial Center Master Plan was amended to include a detailed study of Judiciary feasibility requirements to meet the current and future space needs of the Judiciary; and

WHEREAS, Wight and Co. presented their findings to the Building and Capital Improvements Task Force on June 24, 2010 and said Task Force unanimously endorsed the County Board complete improvements to the Third Street Courthouse and Judicial Center, along with constructing improvements to the 540 Randall Road campus including the construction of Traffic Court/Conference Center and required improvements to support traffic court as defined in the Wight and Company Judicial Options Feasibility Study, specifically Options 1 and 4 of said study (“Judiciary Improvements”). The total budget estimate to complete these Judiciary Improvements was estimated to be a range of \$5,156,518 - \$5,657,112; and

WHEREAS, Resolution 10-196 authorized \$846,578.00 for additional architectural design work by Wight and Co. to develop complete construction drawings for said Judiciary Improvements. Resolution 10-253 authorized the hiring of IHC Construction Companies LLC of Elgin, IL. (“IHC”) as the County’s Construction Manager for the construction of Traffic Court/Conference Center at a cost of \$282,280.00. In total, these two resolutions authorized \$1,128,858 in expenses to complete the Judiciary Improvements; and

WHEREAS, a majority of the construction has been bid and IHC has determined the total construction budget is \$4,291,142.00 to construct Traffic Court/Conference Center at the Randall Road facility; and

WHEREAS, adequate capital funds are available and have been budgeted construct Traffic Court/Conference Center.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board as follows:

Section 1. The facts and statements in the preamble to this Resolution are hereby found by the County of Kane to be true and correct and are hereby incorporated as part of this Resolution.

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Section 2. The County Board Chairman is hereby authorized to execute contracts for the construction of Traffic Court/Conference Center at the Randall Road facility and expenses for improvements to the 3rd Street Courthouse in a total dollar amount not to exceed Four Million Two Hundred Ninety One Thousand One Hundred and Forty Two Dollars (\$4,291,142.00). Contract costs shall be paid from line item 510.800.781.72010.

Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
510.800.781.72000	Building Construction	Yes	Yes	Not applicable

###

ROLL CALL as follows: AYES: Allan, Castro, Collins, Davoust, Fahy, Ford, Frasz, Hurlbut, Jones, Kenyon, Kudlicki, Kunkel, Laesch, Leonberger, Lindgren, McConnaughay, Mayer, Mihalec, Mitchell, Tredup, Van Cleave, Vasquez, Wojnicki NAYES: None ABSTAIN: None AYES: 23 NAYS: 0 None ABSTAIN: 0 **RESOLUTION #10-328 IS ADOPTED.**

RESOLUTION #10-332

Motion by McConnaughay second by Mitchell that Resolution #10-332 be adopted.

**SUPPLEMENTAL BUDGET REQUEST: AMENDING THE 2010 FISCAL YEAR BUDGET
ADULT BOARD & CARE**

WHEREAS, prisoner counts at the Adult Justice Facility have been higher than projected in FY2010; and

WHEREAS, nothing was budgeted for adult outplacement in FY2010; and

WHEREAS, an adjustment is needed to cover the adult outplacement costs in FY2010 and that adjustment needs to come from both the Contingency Fund and reserves.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the following FY2010 budget adjustment be made to pay the adult outplacement costs in FY2010.

001.900.900.85000	(Allowance for Budget Expense)	+\$233,538
001.000.000.39900	(Cash on Hand)	+\$307,962
001.380.383.50080	(Adult Prisoner Board and Care)	+\$541,500

Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
001.380.383.50080	Adult Prisoner Board and Care	No	No	001.900.900.85000 (Allowance for Budget Expense) 001.000.000.39900 (Cash on Hand)

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McConnaughay motioned to amend Resolution #10-332 to the yellow copy, second by Mitchell. Van Cleave stated he questioned taking this out of the contingency fund and hope next year it will be part of the sheriff's budget. Fahy said he talked with Finance and this is held in the contingency fund and gives a false balance and he is not sure if they will move it out. Roll Call on amendment: AYES: Allan, Castro, Collins, Davoust, Fahy, Ford, Frasz, Hurlbut, Jones, Kenyon, Kudlicki, Kunkel, Laesch, Leonberger, Lindgren, McConnaughay, Mayer, Mihalec, Mitchell, Tredup, Van Cleave, Vasquez, Wojnicki NAYES: None ABSTAIN: None AYES: 23 NAYS: 0 None ABSTAIN: 0 **AMENDMENT PASSES.**

RESOLUTION #10-332 AS AMENDED

**SUPPLEMENTAL BUDGET REQUEST
AMENDING THE 2010 FISCAL YEAR BUDGET
ADULT BOARD & CARE**

WHEREAS, prisoner counts at the Adult Justice Facility have been higher than projected in FY2010; and

WHEREAS, nothing was budgeted for adult outplacement in FY2010; and

WHEREAS, an adjustment is needed to cover the adult outplacement costs in FY2010 and that adjustment needs to come from both the Contingency Fund and reserves.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the following FY2010 budget adjustment be made to pay the adult outplacement costs in FY2010.

<u>001.900.900.85000</u>	<u>(Allowance for Budget Expense)</u>	<u>(\$492,746)</u>
<u>001.000.000.39900</u>	<u>(Cash on Hand)</u>	<u>+ \$48,754</u>

001.380.383.50080 (Adult Prisoner Board and Care) +\$541,500

Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
001.380.383.50080	Adult Prisoner Board & Care	No	No	001.900.900.85000 (Allowance for Budget Expense) & 001.000.000.39900 (Cash on Hand)

###

No discussion on motion as amended. Roll Call as follows: AYES: Allan, Castro, Collins, Davoust, Fahy, Ford, Frasz, Hurlbut, Jones, Kenyon, Kudlicki, Kunkel, Laesch, Leonberger, Lindgren, McConnaughay, Mayer, Mihalec, Mitchell, Tredup, Van Cleave, Vasquez, Wojnicki NAYES: None ABSTAIN: None AYES: 23 NAYS: 0 None ABSTAIN: 0 **RESOLUTION #10-332 AS AMENDED IS ADOPTED.**

###

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RESOLUTION #10-342

Motion by McConnaughay second by Vazquez that Resolution #10-342 be adopted.

**PAYMENT OF INSURANCE PREMIUM AND SERVICE
AGREEMENT TO ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.**

WHEREAS, to protect the interests of Kane County, with proper insurance coverage including liability, property, excess Workers' Compensation and claim services agreements with Arthur J. Gallagher Risk Management Services, Inc. which need to be in place for Fiscal Year 2011.

Fund 010, Line Item 50000

Arthur J. Gallagher Risk Management Services, Inc.	
AGENCY FEE	\$ 32,000
THIRD PARTY ADMINISTRATION:	
Excess Workers Compensation Claims	\$ 41,760
Property and Casualty Claims	\$ 27,830
LOSS CONTROL SERVICES	\$ included

Fund 010, Line Item 53000

PACKAGE INCLUDING	\$215,956
General Liability, \$10,000,000 per occurrence	
Auto Liability, \$10,000,000 per occurrence	
Auto Physical Damage, \$9,883,779 per occurrence	
Public Officials Liability, \$10,000,000 per occurrence	
Law Enforcement Liability, \$10,000,000 per occurrence	
Limit \$10,000,000/\$350,000 deductible/SIR	
Cyber Liability \$1,000,000 per occurrence	\$ 5,709
Limit \$1,000,000/Deductible \$5,000	
Employee Dishonesty/Crime	\$ 5,719
Limit \$500,000/Deductible \$100,000	
Property	\$ 72,102
Buildings/Contents Blanket (\$169,946,554)	
Computers (\$1,891,000)	
Includes Boiler & Machinery/Equipment	

Fund 010, Line Item 53010

Excess Workers' Compensation	\$ 57,022
Workers' Compensation: \$ Statutory IL Benefit Limit	
Employers Liability \$1,000,000 Limit	

TOTAL COSTS \$458,098

WHEREAS, total amount of Premiums not to exceed Four Hundred Fifty Eight Thousand, Ninety Eight Dollars and no/100 (\$458,098.00) annually, subject to appropriation by the Kane County

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Board. These premiums are in effect from December 1, 2010 through December 1, 2011 and are to be monitored by the Finance Director.

BE IT FURTHER RESOLVED that the Finance Director is instructed to allocate the costs of these policies to the County's Special Revenue Funds, and KCDEE. All payments and claims must be reported quarterly to the Human Services, Finance and Executive Committees.

BE IT ALSO FURTHER RESOLVED that payments for the approved insurance programs and policies shall be expended from the Insurance Liability Fund (010) in an amount not to exceed Four Hundred Fifty Eight Thousand, Ninety Eight Dollars and no/100 (\$458,098.00) annually, subject to appropriation by the Kane County Board.

Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
010.120.130.50000 010.120.130.53000 010.120.130.53010	Project Admin Insurance Liability Worker's Compensation	Yes- FY2011	Yes- FY2011	N/A

###

Vazquez said that the county saved money by purchasing services by competition and liability was put in place that the county did not have before. Mitchell complimented Vazquez on his work to save the county money. No further discussion. Roll Call as follows: AYES: Allan, Castro, Collins, Davoust, Fahy, Ford, Frasz, , Hurlbut, Jones, Kenyon, Kudlicki, Kunkel, Laesch, Leonberger, Lindgren, McConnaughay, Mayer, Mihalec, Mitchell, Tredup, Van Cleave, Vasquez, Wojnicki NAYES: None ABSTAIN: None AYES: 23 NAYS: 0 None ABSTAIN: 0 **RESOLUTION #10-342 IS ADOPTED.**

RESOLUTION #10-357

Motion by Mihalec second by Vazquez that Resolution #10-357 be adopted.
Read by Jesse Vazquez.

**PROCLAIMING NOVEMBER 7-13, 2010 AS
FOX VALLEY U.S. MARINE WEEK**

WHEREAS, the United States Marine Corps has protected citizens and guarded their freedom for the past 235 years; and

WHEREAS, our country has established a position of world leadership and the Marines have proven themselves as dedicated professionals willing to defend lives and protect the rights valued by Americans; and

WHEREAS, a Marine is trained to hold his ground against any odds and to always be faithful to God, Country and the Corps, standing ready to fight anytime or anywhere the President or Congress may designate; and

WHEREAS, the term "Marine" has been associated with courage and military efficiency since its creation on November 10, 1775, in Philadelphia, PA; and

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WHEREAS, Fox Valley Marines and Navy FMF Corpsmen have been instrumental in many local humanitarian campaigns including the Illinois Chapter of “*Operation Support The Troops*” and “*Operation Welcome You Home.*” Additionally, they proudly serve as color guard for many civic, municipal and collegiate events, including Toys for Tots; and

WHEREAS, the people of Kane County, Illinois are proud of their rich contribution to the Marine tradition and salute members of the U.S. Marines and the U.S. Navy FMF Corpsmen serving around the globe.

NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that it does hereby proclaim November 7-13, 2010 as U.S. Marine Week in Kane County, Illinois.

###

Vazquez thanked Board member Bob Kudlicki for his service as a Marine in WWII. Motion carried unanimously by voice vote. Kudlicki responded by saying “Semper Fi”. **RESOLUTION #10-357 IS ADOPTED.**

RESOLUTION #10-358

Motion by Allan second by Jones that Resolution #10-358 be adopted.

SUPPLEMENTAL BUDGET REQUEST: AMENDING THE 2010 FISCAL YEAR BUDGET (ADULT JUSTICE CENTER)

WHEREAS, the Kane County Adult Justice Center has an amended budget for salaries of \$7,772,274.00 and

WHEREAS, the Kane County Adult Justice Center, due to cover the contractual obligations for personnel services, has a projected budget shortfall of \$635,256 that requires a supplemental budget adjustment; and

WHEREAS, \$370,811 of the FY2010 SCAAP revenue is available to offset the shortfall; and

WHEREAS, \$5,237 of the FY2010 Inmate Medical Fee revenue is available to offset the shortfall; and

WHEREAS, \$259,208 of the FY2010 General Fund Contingency is available to offset the shortfall.

NOW, THEREFORE, BE IT RESOLVED that the following FY2010 budget adjustments be made to the Adult Justice Center’s budget to reflect the transfer of funds from the FY2010 SCAAP revenue, Inmate Medical Fee revenue, and the General Fund Contingency to the Adult Justice Center’s budget.

262.380.000.34460	Arrestee Medical Cost Fees	\$5,237
262.380.411.99000	Transfer To Other Funds	\$5,237
001.000.000.39000	Transfer From Other Funds	\$5,237
001.380.382.50210	Medical/Dental/Hospital	\$5,237
001.380.000.32220	SCAAP (State Alien Assistance Grant)	\$370,811
001.900.900.85000	Allowance for Budget Expense/Contingency	(\$259,208)
001.380.382.40000	Salaries and Wages	\$630,019

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Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
001.380.382.40000	Salaries and Wages	No	No	001.900.900.85000 (Allowance for Budget Expense) & 001.380.000.32220 (SCAAP)
001.380.382.50210	Medical/Dental/Hospital	No	No	262.380.000.34460 (Arrestee Medical Cost Fees)

###

Motion by McConnaughay and second by Davoust to amend Resolution #10-358 to the beige copy provided. Mitchell asked if this is the monies the sheriff received on labor agreement. Vice Chairman Hurlbut asked Cheryl Pattelli to explain. Pattelli said that this came up several months ago regarding arbitration and this has to do with shortfalls within the budget. Allan said the jail was underfunded in 2010 budget and the sheriff knew the money would be coming in. Pattelli said reimbursement always goes into the general fund except for this year it will go into the sheriff’s budget. Hurlbut said they are not a supplement and this is the first time it will be applied to the budget. Allan said the jail should be funded. Motion carried unanimously by voice vote.

**RESOLUTION #10-358 AS AMENDED
SUPPLEMENTAL BUDGET REQUEST: AMENDING THE 2010 FISCAL YEAR BUDGET
(ADULT JUSTICE CENTER)**

**SUPPLEMENTAL BUDGET REQUEST: AMENDING THE 2010 FISCAL YEAR BUDGET
(ADULT JUSTICE CENTER)**

WHEREAS, the Kane County Adult Justice Center has an amended budget for salaries of \$7,772,274.00 and

WHEREAS, the Kane County Adult Justice Center, due to cover the contractual obligations for personnel services, has a projected budget shortfall of \$635,256 that requires a supplemental budget adjustment; and

WHEREAS, the County received a net amount of \$370,811 in SCAAP revenue that is reimbursement for expenses already incurred and paid from the Corrections budget; and

WHEREAS, the County generally places the SCAAP reimbursement revenue back into General Fund revenue; however, a one-time use of the SCAAP reimbursement revenue is being recommended to offset the FY2010 shortfall; and

WHEREAS, \$5,237 of the FY2010 Inmate Medical Fee revenue is available to offset the shortfall; and

WHEREAS, a surplus of \$150,000 is projected in the Sheriff’s Public Safety General Fund budget and this is available to offset the shortfall; and

WHEREAS, the remaining \$109,208 needed to offset the shortfall shall be taken from the \$500,000 allocated for vehicle purchases in the FY2011 Public Safety Sales Tax Fund budget, reducing the vehicle budget down to \$390,792 in FY2011.

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NOW, THEREFORE, BE IT RESOLVED that the following FY2010 and FY2011 budget adjustments be made to the Adult Justice Center's budget to reflect the transfer of funds from the FY2010 SCAAP revenue, Inmate Medical Fee revenue, Sheriff's Public Safety General Fund budget, and Public Safety Sales Tax Funds to the Adult Justice Center's budget.

FY2010

262.380.000.34460	Arrestee Medical Cost Fees	\$5,237
262.380.411.99000	Transfer To Other Funds	\$5,237
001.000.000.39000	Transfer From Other Funds	\$5,237
001.380.382.50210	Medical/Dental/Hospital	\$5,237
125.800.810.89010	Net Income Encumbered	(\$109,208)
125.800.810.99000	Transfer To Other Funds	\$109,208
001.380.000.32220	SCAAP (State Alien Assistance Grant)	\$370,811
001.000.000.39000	Transfer From Other Funds	\$109,208
001.380.380.40200	Overtime Salaries	(\$50,000)
001.380.380.45000	Healthcare Contribution	(\$100,000)
001.380.382.40000	Salaries and Wages	\$630,019

FY2011

125.800.810.70070	Automobile Equipment	(\$109,208)
125.800.810.89010	Net Income Encumbered	\$109,208

Line item	Line Item Description	Was personnel/item/service approved in original budget or a subsequent budget revision?	Are funds <u>currently</u> available for this personnel/item/service in the specified line item?	If funds are not currently available in the specified line item, where are the funds available?
001.380.382.40000	Salaries and Wages	No	No	125.800.810.70070 (FY11 Automobile Equipment), 001.380.000.32220 (SCAAP), 001.380.380.40200 (Overtime Salaries), & 001.380.380.45000 (Healthcare Contribution)
001.380.382.50210	Medical/Dental/Hospital	No	No	262.380.000.34460 (Arrestee Medical Cost Fees)

###

Roll Call as follows on Resolution #10-358 as amended: AYES: Allan, Castro, Collins, Davoust, Fahy, Ford, Frasz, Hurlbut, Jones, Kenyon, Kudlicki, Kunkel, Laesch, Leonberger, Lindgren, McConnaughay, Mayer, Mihalec, Mitchell, Tredup, Van Cleave, Vasquez, Wojnicki
 NAYES: None ABSTAIN: None AYES: 23 NAYS: 0 None ABSTAIN: 0 **RESOLUTION #10-358 AS AMENDED IS ADOPTED.**

SPEAKERS

Vice Chairman Hurlbut asked if there were any speakers present on non-agenda items. Wojnicki asked for recognition of the new County Board-elect to please stand. Present in the audience were T.R. Smith, Melissa Taylor, Michael Donohue and Margaret Auger. Newly appointed Kane County State's Attorney Joseph McMahon was also acknowledged.

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Vice Chairman Hurlbut asked for an update on the litigation of the Seyller case. Ken Shepro stated that the Circuit Clerk had filed a notice of appeal with the appellate court. The motion is before the court. The appellate court, Shepro said has all the discretion and the briefing schedule will be after 1st of December 2010. The status hearing is before Judge Sullivan even though the case is in the appellate court. Shepro said this case could become costly. Jones said he was outraged that the Circuit Clerk will have the taxpayers pay this.

ADJOURNMENT

There being no further business, motion by McConnaughay; second by Fahy that the meeting stands adjourned until the next regularly scheduled meeting. Motion carried unanimously by voice vote. Vice Chairman Hurlbut adjourned the meeting at 11:20 a.m.