

INTERGOVERNMENTAL COOPERATIVE AGREEMENT

TO ESTABLISH THE ILLINOIS GAS COOPERATIVE (IGC)

This Agreement made by and among units of local governments, school districts, school district cooperatives and college districts listed on Appendix A hereto, each of which may be referred to hereinafter as a “District” and which, collectively, may be referred to hereinafter as the “Districts.”

W I T N E S S E T H:

Whereas, Article VII, Section 10, of the 1970 Constitution of the State of Illinois and the Illinois Intergovernmental Cooperative Act (Ill. Rev. Stat., ch. 127, par. 741, et seq.) provide that units of local government and school district may contract with one another to perform any activity authorized by law; and

Whereas, Section 745 of the Illinois Intergovernmental Cooperative Act (Ill. Rev. Stat., ch. 127, par. 745) specifically provides that one or more public agencies may contract with one or more public agencies to perform any governmental service, activity or undertaking which any of the public agencies is authorized by law to perform; and

Whereas, the Public Community College Act, in part, provides that a Board of Trustees may contract for utility services such as water, light, heat, telephone and telegraph (Ill. Rev. Stat., ch. 122, Sec. 103.27.1); and

Whereas, the Illinois School Code, in part, provides that a Board of Education may contract for utility services, such as water, light, heat, telephone and telegraph (Ill. Rev. State., ch. 122, Sec. 10-20.21); and

Whereas, the Illinois School Code, in part, provides that special education districts and vocational education districts through administrative districts or governing boards created by joint agreement provide educational services which necessarily requires utility services, such as water, light, heat, telephone and telegraph (Ill. Rev. Stat., ch. 122, Sections 10-22.31; 10-22.31a); and

Whereas, the Illinois Municipal code, in part, provides that a municipality may contract for utility services, such as water, light, heat, telephone and telegraph. (Ill. Rev. Stat., ch. 24, Sec. 8-10-4); and

Whereas, the Public Library District Act, in part, provides that, for the purpose of providing library service which necessarily requires utility services, Library Districts may contract with public or private corporations or entities”. (735 ILCS 16/30-55.40); and

Whereas, the Park District Code, in part, provides that park districts may contract for utility services such as water, light, heat, telephone and telegraph. (Ill. Rev. Stat., ch. 105, par. 8-1.)

Now, therefore, each of the Districts agrees with the other as follows:

ARTICLE I

ESTABLISHMENT AND PURPOSE OF INTERGOVERNMENTAL COOPERATIVE

1.1 Name

The Districts hereby establish an intergovernmental cooperative, as contemplated by the Illinois Intergovernmental Cooperation Act, which shall be known as the Illinois Gas Cooperative (hereinafter referred to as the “IGC”).

1.2 Purpose

The purpose of IGC is to cooperatively purchase natural gas and electricity from suppliers as a means of reducing operating costs for local governments and schools and administer the acquisition of natural gas and electricity for each participant in IGC. IGC shall also carry out such educational programs as may be authorized by its Executive Committee.

ARTICLE II

DEFINITIONS

In addition to the terms defined elsewhere in this Agreement, each of the following terms shall have the meaning set forth below:

2.1 Administrator

That person selected by the Executive Committee to administer IGC.

2.2 Account

An account of monies established by the Illinois Gas Cooperative to pay the joint administrative expenses of Illinois Gas Cooperative and fund the acquisition of natural gas and electricity ordered on behalf of participants. Each District shall be obligated to reimburse the Account in accordance with the provisions of this Agreement. The Administrator shall administer the Account, maintaining separate records of administrative costs and gas and electricity purchase costs in accordance with generally accepted accounting principles for cash-basis accounting.

2.3 Direct Deposit

A check deposited to designated interest bearing account of IGC.

2.4 Effective Date

For the purchase of gas, the first day of the calendar month next following the month in which the participating District has duly approved and executed this Agreement and submitted the appropriate LDC rider, and LDC rider contract for transportation of customer-owned gas. For the purchase of electricity the first day of the calendar month next following the month in which the participating District has duly approved and executed this Agreement and submitted any related documents which may be required.

2.5 Fiscal Year

The twelve month period commencing on July 1, 1987 or as may be amended.

2.6 Steering Committee

The Steering Committee established pursuant to Article V of this Agreement shall perform organizational and management functions of IGC until the first Executive Committee is elected by the Representative Board.

2.7 Representative Board

The Representative Board established pursuant to Article VI of this Agreement shall be comprised of one representative from each participating district and shall provide for implementation of the purposes and policies of IGC.

2.8 Executive Committee

The Executive Committee established pursuant to Article VII of this Agreement shall manage and conduct the affairs of IGC at the direction of the Representative Board.

2.9 Representative

The Representative member from each district participating in IGC.

2.10 Officers

The officers of the Representative Board and the Executive Committee of IGC as delineated in Article VIII.

ARTICLE III

AUTHORITY AND DUTIES OF IGC

IGC shall have the authority and duty to accomplish the purposes set forth in Article I above and, in furtherance of such authority and duty, shall:

- (a) Select agents, employees, independent contractors, consultants, attorneys, auditors and such other persons as may be necessary to administer and accomplish the purposes of IGC; provided, however, that IGC shall not have the authority to enter into any collective bargaining agreement.
- (b) Carry out educational and other programs relating to the acquisition of utility services and other supplies.

- (c) Direct the collect and payment of funds to be used for the administration of IGC and for the acquisition and distribution of natural gas and electricity.
- (d) Prepare and submit to the Executive Board for review monthly financial reports.
- (e) Prepare and submit to the Representative Board for approval an annual budget for IGC and an annual report of the financial affairs of IGC.
- (f) Submit to each participating District a monthly report of natural gas and electricity purchased and paid for pursuant to this Agreement.
- (g) Mail to each District annually an audited report of the financial affairs of the IGC, including separate reports on the administrative costs and gas and/or electricity purchase costs; said report to be made by a certified public accountant at the end of each Fiscal Year in accordance with generally accepted accounting principles for cash-basis accounting.
- (h) Establish policies or procedures consistent with the provisions of this Agreement.
- (i) Carry out such other activities as are necessarily implied or required to carry out the purpose of the IGC specified in Article I or the specific activities enumerated in this Article III.

ARTICLE IV

COMMENCEMENT OF IGC

The operation of IGC shall commence on July 1, 1987.

ARTICLE V

STEERING COMMITTEE

5.1 Function

During the course of organization and until the first Executive Committee is elected by the Representative Board, a Steering Committee shall exercise full management rights. Those rights include the right to receive money for IGC, contract and temporarily employ professionals, independent contractors, employees and agents on behalf of IGC for administrative, legal, accounting, fidelity, insurance and other necessary expenses to establish and accomplish the purposes of IGC. All such contracts shall be subject to termination or ratification by the Executive Committee.

5.2 Membership

The Steering Committee shall consist of Marjorie B. Smith, Business Manager of Villa Park School District No. 45, DuPage County, Illinois; Lawrence J. Golden, Superintendent, Marquardt School District No. 15, DuPage County, Illinois; Charles Wertschnig, Business Manager, Wilmette School District No. 39, Cook County, Illinois; Ronald D. Chilcote, Business Manager, Fenton Community School District No. 100, DuPage County, Illinois; Wolfgang Meister, Business

Manager, Salt Creek School District No. 48, DuPage County and Mr. Frank S. Strle, currently an employee of the DuPage County Superintendent of Schools.

5.3 Report

The Steering Committee shall at the first representative membership meeting account for all expenses incurred during the organizational period.

5.4 Compensation

No one serving on the Steering Committee shall receive any salary or other payment from IGC. Any salary, compensation, payment or expenses for such individual shall be paid by each District in the discretion of the District, and separate from this Agreement.

ARTICLE VI

REPRESENTATIVE BOARD

6.1 Members

The Representative Board shall be comprised of a member representative or alternate selected by and from each district participating in IGC.

6.2 Duties

The Representative Board shall carry out the purpose and duties of IGC as set forth in Articles I and III of this Agreement, including, but not limited to: (a) recommend and review changes in the purchasing policies or procedures implemented by the Executive Committee; (b) review the employment of agents, employees, and independent contractors selected by the Executive Committee to

act for IGC; (c) review the compensation for all such agents, employees and independent contractors selected by the Executive Committee to act for IGC; (d) review the procurement of fidelity bonds and insurance for employees or other persons, as required by the Agreement, as recommended by the Executive Committee or as required by law; (e) establish and amend procedures followed by the Executive Committee; and (f) such other activities as are necessary, implied or required to carry out the purposes of IGC, including, if feasible, the purchase of electricity.

6.3 Matters Requiring Board Approval

The following matters shall require approval of a majority of the Board members in attendance at the meeting when voting occurs.

- (a) Amendments to this Agreement.
- (b) Annual IGC budget.
- (c) Termination of IGC.
- (d) The expulsion of a participating District shall require the approval of two-thirds of the Board members in attendance at the meeting when voting occurs.

6.4 Compensation

No one serving on the Representative Board shall receive any salary or other payment from IGC. Any salary, compensation, payment or expenses for such Representative, shall be paid by each District in the discretion of the District, and separate from this Agreement.

ARTICLE VII

EXECUTIVE COMMITTEE

7.1 Management by Executive Committee

The Executive Committee shall manage IGC in accordance with the provisions of this Agreement and at the direction of the Representative Board.

7.2 Election of Executive Committee

The Executive Committee shall consist of seven (7) members. The seven Executive Committee members shall be elected by the Representative Board from amongst the members of the Representative Board. At the initial meeting, three (3) Executive Committee members shall be elected for one (1) year; and four (4) Executive Committee members shall be elected for two (2) years. The individuals elected to serve one (1) year terms on the Executive Committee at the initial meeting shall be the Vice Chairperson, Secretary and one other member. The individuals elected at the initial meeting of the Representative Board to serve two year terms on the Executive Committee shall be the Chairperson, Treasurer and two other members. At all subsequent annual meetings of the Representative Board, each individual elected to serve on the Executive Committee shall be elected for a two year term. Elections shall occur at the annual meeting of the Representative Board. Vacancies shall be filled by the Executive Committee for the remainder of the unexpired term of office. If any vacancy should occur in the Executive Committee of the specified position of the

Vice-Chairperson, Secretary, or Treasurer, the Executive Committee shall fill that vacancy by appointment for the remainder of the unexpired term. If a vacancy shall occur in position of Chairperson, the Vice-Chairperson shall assume the position of Chairperson. If both the position of Chairperson and Vice-Chairperson are vacant, the Executive Committee shall fill those positions by election and the persons selected shall fill out the unexpired terms of the persons they were elected to replace.

7.3 Duties

The Executive Committee shall carry out the purpose and duties of IGC, as set forth in Articles I and III of this Agreement, including, but not limited to, the following: (a) entering into and terminating contracts for the purchase of natural gas and electricity; (b) implementing policies and procedures of IGC; (c) selecting agents, employees and independent contractors to act for IGC; (d) establishing the compensation for all such agents, employees and independent contractors; (e) procuring fidelity bonds for employees or other persons, as required by this Agreement or by law; (f) reviewing the annual IGC budget and any amendments to that budget to submit for approval by the Representative Board; (g) approving educational and other programs relating to the acquisition of natural gas and electricity; (h) establishing monthly and supplementary payments to the Account which include administrative costs and gas and electricity purchase costs; and (i) obtaining and submitting to the Districts the financial reports such other activities as are necessarily implied or required to carry out the purposes of IGC.

7.4 Compensation

No one serving on the Representative Board or Executive Committee shall receive any salary or other payment from IGC. Any salary, compensation, payment or expenses for such Executive Committee, shall be paid by each District in the discretion of the District, and separate from this Agreement.

ARTICLE VIII

OFFICERS

8.1 Offices

Officers of IGC shall consist of the Chairperson, Vice Chairperson, Secretary, Treasurer and such other offices as may be established from time to time. Officers shall serve in the capacity to which they are elected on both the Representative Board and the Executive Committee.

8.2 Terms

At the initial meeting of the Representative Board, the Vice Chairperson and Secretary shall be elected to serve for terms of one year. At the initial meeting of the Representative Board, the Chairperson and Treasurer shall be elected to serve terms of two years. At all subsequent annual meetings of the Representative Board, all officers to be elected for that year shall serve two year terms.

ARTICLE IX
ADMINISTRATOR

9.1 Authority

An employee, agent or independent contractor shall be the principal operating officer IGC (hereinafter referred to as “Administrator”) and shall supervise and control the day-to-day operations of IGC and carry out the purpose of IGC as directed by the Executive Committee.

9.2 Duties

Among the duties of the Administrator shall be the following:

- (a) To sign on behalf of IGC instruments which the Executive Committee has authorized to be executed and, in general, to perform all duties incident to the office of Administrator and such other duties as may be prescribed by the Executive Committee consistent with this Agreement.
- (b) To prepare a proposed annual budget to be submitted to the Executive Committee and approved by the Representative Board.
- (c) To make recommendations to the Executive Committee regarding purchasing policy and procedure decisions, the creation of other IGC offices and the employment of other agents, employees and independent contractors.
- (d) At each regular meeting of the Executive Committee and Representative Board, and at such other times as requested to do

so, to present a full report of his/her activities and the fiscal condition of IGC.

- (e) To report monthly to each District the natural gas and electricity purchased in the previous month and expenditures made for that District.
- (f) Verify and reconcile statements concerning direct deposits and disbursements of funds held in the IGC account;
- (g) Disburse account funds for administrative costs and gas and electricity purchase costs.

9.3 Compensation

The Executive Committee shall provide for compensating the Administrator for service as such.

9.4 Acting Administrator

In the absence of the Administrator, or in the event of the inability or refusal of the Administrator to act, the Chairperson may perform the duties of the Administrator and, when so acting, shall have all of the powers of and be subject to all of the restrictions upon the Administrator.

9.5 Fidelity Bond

The Administrator or Acting Administrator shall, before commencing his duties, execute a fidelity bond with a surety company authorized to do business in the State of Illinois, as surety, payable to the Illinois Gas Cooperative and the bond shall be conditional upon the faithful discharge of his duties. The penalty of

the bond shall be in an amount equal to the expected total funds on deposit in the Account and shall be increased or decreased from time to time as the total funds increase or decrease, whenever, in the judgment of the Executive Committee, such increase or decrease is deemed necessary, The form of bond shall be that commonly used for school treasurers and shall be paid for as an administrative expense of IGC and as determined and approved by the Executive Committee.

ARTICLE X

ACCOUNT

10.1 Records

The Administrator shall develop and maintain for the Account separate records of receipts and disbursements for administrative costs and gas and electricity purchase costs.

10.2 Funding Administrative Costs

The cost of administering IGC shall be borne by each District in direct proportion to the pro rata amount of gas and electricity purchased and shall be raised by a surcharge on the kilowatts of electricity and the therms of gas purchased by participating districts combined with any interest earned on the Account. Whenever payments to the Account for administrative expenses shall be based upon an estimate, each District making such payments shall receive a refund or pay a deficiency when actual costs are determined. It is contemplated

that the Account will contain a sufficient amount at all times to pay the administrative expenses of the Cooperative. At the close of the Fiscal year on June 30, an accounting will take place to determine the amount of natural gas and electricity a particular District has purchased, the amount paid to IGC and the pro rata share of administrative expenses based on total gas and electricity purchases incurred for each District. If, during any Fiscal Year, the funds on hand in the Account are not sufficient to pay expenses of administration, the Executive Committee shall require supplementary payment from all Districts. Such payment shall be made in the same proportion as therms purchased during that year to the IGC.

10.3 Gas Purchase Payments

Payments into the Account will be developed and administered in the following manner:

- (a) Upon receipt of a duly approved and executed intergovernmental cooperative agreement, LDC rider and LDC rider contract for transportation of customer-owned gas by the IGC, a District may nominate the amounts of natural gas for monthly heating needs. A written acknowledgment of the nominations and invoices will be sent to the district by the Administrator. Within ten (10) days of invoice payment shall be made by District.
- (b) All taxes and distribution fees, if any, shall be the sole and exclusive responsibility of the District.

- (c) Failure to make prompt payment, as defined in Section (b) above, for the gas nominated, shall be cause for rejection of future nominations. The Illinois Gas Cooperative takes no responsibility for the additional expense incurred by the District in securing natural gas should payment not be promptly paid. If, in the event payment is not promptly paid, interest shall accrue from date of receipt of the invoice in accordance with the Local Government Prompt Payment Act (Ill. Rev. Stat., ch. 85, Sec. 5601 et seq.).
- (d) An Account will be administered during the Fiscal Year as a single fund without regard to the level of expense for a particular District.

10.4 Electricity Purchase Payments

Each District participating in the cooperative purchase of electricity shall submit such payments, documents or reports as may be required.

ARTICLE XI

MEETINGS OF IGC

11.1 Organizational Meeting of Representative Board

The first organizational meeting of IGC shall take place within the month of September and, thereafter, during the first quarter of the Fiscal Year beginning July 1.

11.2 Annual Meeting of Representative Board

At the annual meeting in each subsequent Fiscal Year, the Board shall elect from amongst its Representatives members of the Executive Committee to fill positions of those whose terms have expired. At the initial meeting of the Executive Committee following the annual meeting each year, the Executive Committee shall elect officers to fill positions of officers whose terms have expired. The Executive Committee may fill any vacancies which may occur in such offices until the end of the unexpired term.

11.3 Meeting Schedule for Representative Board, Executive Committee and Steering Committee

Meetings of the Representative Board and Executive Committee shall be held as often as necessary to carry out the purpose of the IGC, but no less than one (1) time in each Fiscal Year. The Steering Committee shall meet prior to the first organizational meeting of the Representative Board. The Executive Committee shall meet prior to the Representative Board's annual meeting, and as otherwise required.

11.4 Special Meetings

Special meetings of the Executive Committee or Representative Board may be called by its Chairperson, or by twenty-five percent (25%) of the Representatives. Three (3) days written notice of regular or special meetings of the Board shall be given to each Representative, and an agenda specifying the subject of any special meeting accompany such notice. Business conducted at special meetings shall be limited to those items specified in the agenda.

11.5 Regular Meetings

The time, date and location of regular meetings of the Representative Board or Executive Committee shall be determined by the Executive Committee for a fiscal year. Notice of such meetings and an agenda shall be provided two (2) weeks prior to each meeting.

11.6 Voting

Each District shall be entitled to one vote on the Representative Board through its Representative. No proxy votes or absentee votes shall be permitted. A quorum shall consist of a majority of the participating District representatives who are present at the meeting. Except as provided in this Agreement, a simple majority of a quorum shall be sufficient to pass upon all matters. Voting shall be conducted by voice unless one (1) or more Members of the Representative or Executive Committee shall request a roll call vote; provided, however, that any vote which requires a greater than majority vote for passage shall be by roll call vote, and in the event that there are any negative votes or abstentions relating to the authorization of the expenditure of funds, the names of the Representatives so voting shall be specifically noted. All other Representatives present and not voting in the negative or abstaining shall be listed as having joined the affirmative voice vote on the proposition. A Representative seeking to abstain or vote in the negative regarding the authorization of the expenditure of funds shall indicate such vote to the presiding officer.

11.7 Minutes

Minutes of all regular and special meetings of the Executive and Representative Boards shall be sent to all Representatives and to each District.

11.8 Open Meetings Act

All meetings shall be conducted in the manner required by law, including, but not limited to, "An Act in Relation to Meetings," Ill. Rev. Stat., ch. 102, par. 41, et seq. In the event of any conflict between any provision of this Agreement shall be deemed modified to the extent necessary to comply with such law. In addition to any notices of meetings he may be required to serve under this Agreement, the Chairperson shall cause to be published any schedule or notice of meetings required by law.

ARTICLE XII

OBLIGATIONS OF DISTRICTS

The obligations of each participating District shall be as follows:

- (a) To pay _____ all obligations to the Account of IGC at such times and in such amounts as are established within the scope of this Agreement and to pay within the time restraints established by the Executive Committee.
- (b) To select promptly a Representative and an alternate to serve on the Board and any successors to such Representative.

- (c) To cooperate fully with the administrator, consultant, the IGC attorneys and auditors and any agent, employee, officer or independent contractor of IGC in any matter relating to the purpose and powers of the IGC.
- (d) To act promptly on all matters requiring approval by the Districts and to not withhold such approval unreasonably or arbitrarily.

ARTICLE XIII

LIABILITY OF REPRESENTATIVES AND OFFICERS

The Representatives and the officers of the Executive Committee and Steering committee shall use ordinary care and reasonable diligence in the exercise of their authority and in the performance of their duties. They shall not be liable for any error of judgment or other action made, taken or omitted by them in good faith; nor for any action made, taken or omitted by any agent, employee or independent contractor selected with reasonable care. No Representative or officer shall be liable for any action taken or omitted by any other Representative or officer. No Representative shall be required to give a bond or other security to guarantee the faithful performance of his duties hereunder except as required by this Agreement or by law. IGC shall defend and hold harmless any Representative, officer, agent or employee of the IGC for actions taken by the Board or performed by the Representative or office within the scope of his authority to the extent of insurance coverage. IGC shall make every reasonable

effort to provide liability coverage for Representatives, officers, administrators, agents and employees.

ARTICLE XIV

OBLIGATIONS OF DISTRICTS

The Obligations and responsibilities of the Districts set forth in this Agreement, including the obligation to take no action inconsistent with this Agreement as originally written or validly amended, shall remain a continuing obligation and responsibility of each District. This Agreement may be enforced in law or equity either by IGC itself or by any District. The consideration for the duties imposed upon the Districts by the Agreement is based upon the mutual promises and agreements of the Districts set forth herein and the advantages gained by the Districts through reduced costs arising from the direct procurement of natural gas and electricity. Except to the extent of the limited financial contributions to IGC each District has agreed to make, no District agrees by this Agreement to be responsible for claims of any kind against any other District. During such period of time as a District is a participating member of IGC, for purchase of natural gas, said District may not order for natural gas except via the IGC Agreement; nor shall any District that is a participating member for the purchase of electricity order electricity except via the IGC Agreement during the term of their electricity purchase agreement.

ARTICLE XV

MEMBERSHIP

15.1 Eligibility

Membership shall be open to public entities empowered to enter into agreements under the Illinois Intergovernmental Cooperation Act, including municipalities, school districts, special education and vocational cooperative districts, community college districts, library districts and park districts.

15.2 Conditions of Membership

Membership shall commence at such times as an eligible public entity's application for membership in IGC is accepted and the applicant has duly approved and executed the Agreement and has supplied the necessary documents for the purchase of gas and/or electricity.

15.3 Expulsion of Member Districts

By the vote of two-thirds of the membership of the Representative Board in attendance at the meeting except the Member representing the District whose expulsion is being voted upon, the Executive Committee may recommend expulsion of any District from IGC. Such expulsion, which shall take effect in the manner set out below, may be recommended whenever a District fails to perform any obligation under this Agreement.

No District may be expelled except after notice from IGC of the alleged failure to perform and after reasonable opportunity of not less than fifteen (15) days to cure the alleged failure. Within such fifteen (15) day period, the District

may request a hearing before the Executive Committee before any decision is made as to whether to recommend expulsion. The Executive Committee shall set the date for such hearing, which shall not be less than fifteen (15) days after expiration of the time to cure the alleged failure. The Executive Committee may appoint a hearing officer to conduct such hearing who shall make a recommendation to the Executive Committee based upon findings of fact. The Executive Committee may make a decision at the close of the hearing or upon receipt of the recommendation of the hearing officer to recommend expulsion of the District. Expulsion of a District after notice and hearing as set forth in this Section shall be final when approved by the Representative Board as set forth herein and shall become effective thirty (30) days following such approval.

After expulsion, the former member District shall continue to be fully liable for any payment due to the Account and any other unfulfilled obligation as if it was still a member of IGC.

Within sixty (60) days after an expulsion, a final accounting of funds owed by or owing to said District shall take place and any amount found to be owed by such District shall be immediately paid into the Account by such District and any amount found to be owed to such District shall be immediately paid from the Account to such District.

15.4 Withdrawal of Member District

No District shall have the right to withdraw from IGC during the twelve (12) month period immediately following the Effective Date. Thereafter, a District may

withdraw upon sixty (60) days prior written notice to the administrator. The rights and duties of IGC with respect to a withdrawing District and the rights and duties of a withdrawing District to IGC shall be the same as those with respect to an expelled District.

Thereafter a Member District may only withdraw from IGC after providing the administrator with written notice of the Member District's intent to withdraw from IGC at least 120 days prior to the expiration of the then current initial or renewed natural gas and/or electricity supply contract. Member Districts agree that this restricted withdrawal provision is necessary to prevent the potential negative economic impact on IGC and its Members resulting from a Member District withdrawing prior to the expiration of a natural gas and/or electricity supply contract.

ARTICLE XVI

TERMINATION OF THE COOPERATIVE

The Illinois Gas Cooperative shall terminate upon the occurrence of any one of the following events:

- (a) A final determination by a Court of competent jurisdiction, after all appeals have been exhausted or time for appeal has expired, that IGC is invalid or contrary to law.
- (b) The member Districts approve termination when the economic benefits of IGC no longer warrant the existence of IGC.

Upon termination of IGC, the rights and duties of IGC to each District and the rights and duties of each District to IGC shall be the same as those with respect to an expelled District. It is understood that when the purchase of natural gas or electricity for the Cooperative becomes uneconomical for the member Districts, the Cooperative shall be terminated by the Representative Board at the recommendation of the Executive Committee.

Within sixty (60) days after the termination, a final accounting of funds owed by or owing to each member District shall take place, and any amount found to be owned by each member District shall be immediately paid into the Account by each member District, and any amount found to be owed to each member District shall be immediately paid from the Account to each member District.

ARTICLE XVII

MISCELLANEOUS

17.1 Notice

Any notice required by this Agreement shall be in writing and shall be deemed to have been given when deposited in a United States Post Office, registered or certified mail, postage prepaid, return receipt requested, and addressed as follows:

If to IGC: (at such place as may be determined by the Board at its first meeting),

If to the Districts: To the address set forth on Appendix A, or to such other address as any party to this Agreement may from time to time specify in writing to the other parties and to IGC.

17.2 Section Headings

The section headings inserted in this Agreement are for convenience only and are not intended to, and shall not be construed to limit, enlarge or affect the scope or intent of this Agreement or the meaning of any provision hereof.

17.3 Validity and Savings Clause

In the event any provision of this Agreement shall be declared by a final judgment of a court of competent jurisdiction to be unlawful or unconstitutional or invalid as applied to any District, the lawfulness, constitutionality or validity of the remainder of this Agreement shall not be deemed affected thereby.

17.4 Counterparts

This Agreement, and any amendments thereto, may be executed in any number of separate counterparts which taken together shall constitute a single instrument.

IN WITNESS WHEREOF, the Governing Board of each District has caused this Agreement to be executed by its duly authorized officers on page through ___ hereof as of the date first above written.

ILLINOIS GAS COOPERATIVE

SIGNATURE PAGE OF AN
INTERGOVERNMENTAL COOPERATIVE AGREEMENT
FOR THE DIRECT PURCHASE OF NATURAL GAS

This page incorporates by reference pages 1 through 27 of the Illinois Gas Cooperative which constitutes an Intergovernmental Cooperative Agreement. Executive of same by a District shall constitute a binding and enforceable commitment to the rights and duties arising therefrom.

DISTRICT BOARD OF

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_____, Illinois

By:

President

Secretary

Dated:

*Address for Notice

ILLINOIS GAS COOPERATIVE

SIGNATURE PAGE OF AN
INTERGOVERNMENTAL COOPERATIVE AGREEMENT
FOR THE DIRECT PURCHASE OF ELECTRICITY

This page incorporates by reference pages 1 through ___ of the Illinois Gas Cooperative which constitutes an Intergovernmental Cooperative Agreement. Executive of same by a District shall constitute a binding and enforceable commitment to the rights and duties arising therefrom.

District BOARD OF

*
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_____, Illinois

By:

President

Secretary

Dated:

*Address for Notice