



AGENDA ITEM # 10A

**AGENDA ITEM EXECUTIVE SUMMARY
Village Board Meeting
June 11, 2018**

Item Title: Intergovernmental Personnel Benefit Cooperative

Staff Contact: Jason M. Bielawski, Assistant Village Administrator

VILLAGE BOARD ACTION

Adopt a resolution accepting membership as a member of the Northern Illinois Health Insurance Initiative (“NIHII”) sub-pool which is a member of the intergovernmental personnel benefit cooperative.

Executive Summary:

In August, 2017, the Village Board received a presentation on a staff recommendation that the Village consider becoming a member of the self-insured Intergovernmental Personnel Benefit Cooperative (IPBC) effective January 1, 2019. The Village Board concurred with staff’s recommendation to join the IPBC, which would require submitting an application to the IPBC for membership this summer. Attached is a resolution approving the Village’s application for membership in the IPBC and acceptance of the terms and conditions of joining the IPBC as outlined in the attached Contract and By-laws of NIHII. Due to the Village’s number of employees, it is considered a small member, and therefore would become a member of one of IPBC’s seven sub-pools, NIHII (Northern Illinois Health Insurance Initiative).

Formed under Illinois state law, the IPBC was established in 1979 and is governed by its members. IPBC is a self-insured insurance pool comprised of over 120 governmental members (including Bloomingdale, Hanover Park, Itasca, Schaumburg, Schaumburg Township, and Elk Grove Village) and will provide the Village the opportunity to capture savings in health and other benefit insurance (life/accident, dental, vision, etc.) costs and improve the overall service and process of obtaining and providing these benefits to employees. IPBC is governed by a Board of Directors which consists of one appointed representative from each member entity as defined in the by-laws. Each Director has an equal vote. The officers of the IPBC are elected by the Board of Directors from among their membership. The Board of Directors determines the general policies of the IPBC; makes all appropriations; approves contracts and renewal terms; adopts by-laws, rules and regulations; and exercises such powers and performs such duties as may be prescribed in by-laws. The IPBC’s operations are administered and supervised by an Executive Director.

The Village currently provides health insurance benefits through the fully insured commercial market and through the IPBC would provide insurance benefits through a self-insured pool whereby each member in the IPBC pays monthly into the pool and share the claims experience together. This approach establishes the opportunity for the disbursement of “dividends” or reserve funds to members when claims and experience are less than the funds paid in by the members. The members retain the right within the IPBC to create and change the plan design, which provides full flexibility for members. The IPBC provides the economies of scale, transparency, flexibility, predictability, and spreading of risk necessary to mitigate most of the risk associated with fully customizable self-insured plan designs due to its 120+ members, 35,000+ insured lives, and \$100M+ in reserves. This has allowed IPBC members the opportunity to have historically low annual health insurance premium increases and dividends distributed back to them. Table 1 compares annual premium rate increases for the Village’s fully-insured insurance benefits and the IPBC self-insured insurance and Table 2 shows the average annual surplus/dividend rate recognized by the IPBC. Historically, the performance of the NIHII sub-pool has been even better than the IPBC pool-wide average rate increases provided below.

Table 1 – Year over Year Premium Rate Increases

Year	PPO		HMO	
	Village	IPBC	Village	IPBC
2014	9.5%	4.3%	9.5%	2.9%
2015	3.5%	-3.3%	4.25%	3.5%
2016	10.25%	1.4%	9.5%	-4.9%
2017	5.75%	3.4%	4.75%	2.6%
2018	7.2%	5.2%	7.6%	2.7%
Total	36.2%	11%	35.6%	6.8%

Table 2 – Average Annual Surplus/Dividend

Year	IPBC	
	PPO	HMO
2014	13.6%	9.8%
2015	0.2%	10.0%
2016	2.8%	6.4%
2017	-.08%	4.8%
Total	16.5%	31%

Following the approval of the resolution to join the IPBC, the Village can expect the following next steps:

- 1) IPBC sub-pool will vote on Roselle’s membership.
- 2) IPBC Board of Directors will vote on Roselle’s membership.
- 3) Village receives 18-month insurance quote from IPBC for coverage effective January 1, 2019 – June 30, 2020. Subsequent renewals will be for 12-months effective July 1, which is IPBC’s plan coverage year.
- 4) Staff works with the Village’s benefit consultants, Arthur J. Gallagher, which are also the IPBC’s benefit consultants, to facilitate the transition to the IPBC.

Implications:

Is this item budgeted? Yes, the FY 2018 budget includes approximately \$1.2M for health insurance coverage across all funds.

Any other implications to be considered?

Attachments:

Resolution

IPBC Contract and Bylaws

RESOLUTION NO. 2018-

A RESOLUTION ACCEPTING MEMBERSHIP AS A MEMBER OF THE NORTHERN ILLINOIS HEALTH INSURANCE INITIATIVE (“NIHII”) SUB-POOL WHICH IS A MEMBER OF THE INTERGOVERNMENTAL PERSONNEL BENEFIT COOPERATIVE

WHEREAS, a number of Illinois municipalities have entered into an intergovernmental agreement to create an entity, which is to provide health and other related benefit coverages for the officers and employees of the Members of the Northern Illinois Health Insurance Initiative (herein referred to as “NIHII”) Sub-Pool; and

WHEREAS, the NIHII Sub-Pool has chosen to provide such coverage by becoming a Member of the Intergovernmental Personnel Benefit Cooperative; and

WHEREAS, the Village of Roselle, by the action of its Corporate Authorities, desires to become a Member of the NIHII Sub-Pool;

NOW, THEREFORE, be it resolved by the Mayor and Board of Trustees of the Village of Roselle, DuPage and Cook Counties, Illinois, as follows:

SECTION 1: The Village of Roselle, as of the starting date at which admission to membership is granted by the NIHII Sub-Pool, shall become a Member of that intergovernmental cooperative.

SECTION 2: The terms and conditions of that membership shall be such terms and conditions as were imposed by the Board of Directors of the NIHII Sub-Pool in the acceptance motion and, in the acceptance motion under which the NIHII Sub-Pool was admitted to the IPBC, and the contractual obligations under the terms of the Contract and By-Laws of the NIHII Sub-Pool as such document currently exists and as it may be amended in accordance with its terms. The Corporate Authorities of this municipality herein assumes such terms and conditions.

SECTION 3: The Mayor is hereby authorized to execute any documents necessary to indicate the membership of this municipality in the NIHII Sub-Pool.

SECTION 4: This Resolution shall be in full force and effect upon its passage in the manner provided by law.

ADOPTED this 11th day of June, 2018.

AYES:

NAYS:

ABSENT:

Andrew J. Maglio, Mayor

ATTEST:

Patricia Burns, Village Clerk

**CONTRACT AND BY-LAWS
FOR THE
NORTHERN ILLINOIS HEALTH INSURANCE INITIATIVE.**

THIS INTERGOVERNMENTAL AGREEMENT creating the Northern Illinois Health Insurance Initiative (“NIHII”) is made and entered into by and between the Village of North Riverside and such other MEMBERS as shall subsequently be approved and which shall adopt this Contract and By-Laws document in its present form or as it may subsequently be amended.

W I T N E S S E T H :

WHEREAS, Section 10 of Article VII of the Illinois Constitution of 1970 authorizes units of local government to contract or otherwise associate among themselves in any manner not prohibited by law or by ordinance; and

WHEREAS, 5 ILCS 120, et seq., Illinois Compiled Statutes, 2006, as amended, entitled the “Intergovernmental Cooperation Act,” authorizes units of local government to exercise any power or powers, privileges or authority which may be exercised by the unit of local government individually to be exercised and enjoyed jointly with any other local government or body in the State; and

WHEREAS, units of local government within Illinois have found it increasingly expensive to provide health and life insurance benefits to their officers and employees; and

WHEREAS, a large number of local governmental entities previously undertook a series of studies to determine the feasibility of entering into an Intergovernmental Personnel Benefit Cooperative for the purpose of administering some or all of the personnel benefits programs offered by its member units of local government to their respective officers and employees, and

concluded that the creation of such a Cooperative was financially and administratively feasible;
and

WHEREAS, the corporate authorities of a number of units of local government have organized the Intergovernmental Personnel Benefit Cooperative, (“IPBC”), and have adopted a combined Contract and By-Laws for such Agency; and

WHEREAS, the Contract and By-Laws of the IPBC (“IPBC By-Laws”), as amended, allows combinations of units of local government, other governmental bodies, quasi governmental bodies and non-profit public service entities to contract with each other to create an intergovernmental benefit subpool with the rights and powers equivalent to that of a single member of IPBC; and

WHEREAS, the MEMBERS desire to create the Northern Illinois Health Insurance Initiative, hereinafter referred to as the “NIHII;” and

WHEREAS, the MEMBERS, with this Agreement, are desirous of establishing their mutual rights and obligations with respect to their membership in NIHII and with regard to the IPBC;

NOW, THEREFORE, in consideration of the foregoing recitals and of the covenants and conditions hereinafter contained, the adequacy and sufficiency of which the parties hereto hereby stipulate the parties agree, as follows:

1. Incorporation of Recitals

The recitals contained hereinabove are incorporated herein by reference as substantive provisions of the Agreement.

2. Participation

The membership of NIHII shall consist of those Charter Members which are parties to this Agreement plus any other governmental entity admitted to membership as a MEMBER from time-to-time, less any MEMBER which withdraws or is expelled from NIHII in accordance with the provisions of this Agreement. MEMBERS of the NIHII may also add listed entities as defined in the IPBC By-Laws. The MEMBER who lists other entities to its membership shall be the sole MEMBER of the NIHII and shall be responsible for all costs and duties of membership provided herein. The MEMBER may make such arrangement as is desired with the listed entities regarding the manner of payment, sharing of risks and duration of such arrangement. Such arrangement is not a part of this Agreement. The admission of new MEMBERS and their listed entities and the listing of additional entities by any MEMBER shall take place only after a favorable two-thirds (2/3) vote of the entire membership of the Board of Directors of NIHII and subject to the payment of such sums and under such conditions as the Board shall in each case or from time-to-time establish. Such conditions may include participation in or benefit from any HMO or indemnity plan surpluses. In addition to the approval of the NIHII Board of Directors, the admission of such new MEMBER or listed entity must be approved by the Board of Directors or the Executive Committee of the IPBC prior to the admission of such prospective MEMBER or such listed entity.

3. Representation

Each MEMBER shall, by majority vote of its corporate authorities, appoint one (1) person as delegate to represent that MEMBER on the Board of Directors of NIHII for a term of one (1) year or until a successor is selected. An alternate delegate may also be appointed to serve when the primary delegate is unable to carry out his duties. Neither the delegate nor the alternate need be an elected official. The failure of a MEMBER to appoint a delegate or the

failure of the delegate to participate shall not affect the responsibilities or duties of a MEMBER under this Agreement. At its first meeting of each plan year, of the IPBC, the Board shall elect one (1) delegate to serve as both Chairperson of the Board and representative to the IPBC. An IPBC alternate representative shall also be elected. The term of office for the Chairperson and other officials shall be for a period of one (1) year, or until a successor is selected. The Board may, from time-to-time, establish other offices and may select a delegate to serve in any of such offices. The Board may fill any vacancies which may occur in such offices until the end of the term.

4. Responsibility of the Board of Directors

The Board of Directors shall determine the general policy of NIHII with respect to NIHII membership in IPBC, as well as the relationship between NIHII and its MEMBERS. Policies established by the Board of Directors shall be followed by the representative and/or alternate representative to IPBC. In the absence of the establishment of a specific policy regarding a matter, the representative and/or alternate representative shall vote in that manner believed to best represent the interests of the majority of the MEMBERS.

No one serving on the Board of Directors shall receive any salary or other payment from NIHII and any salary, compensation, payment or expenses for such delegate shall be paid by each MEMBER separate from this Agreement.

5. Voting

Each MEMBER shall be entitled to one (1) vote on the Board of Directors. Such vote may be cast only by the designated delegate or the alternate. Proxy or absentee voting shall not be permitted, although the Board of Directors may approve of electronic participation in accordance with law. Voting shall be conducted according to the following procedures:

- a. A quorum shall consist of a majority of the delegates of the MEMBERS then in office. A simple majority of a quorum shall be sufficient to pass upon all matters except as otherwise provided herein.
- b. Voice voting shall be permitted unless one (1) or more MEMBERS requests a roll call vote or the vote requires greater than a majority vote for passage.
- c. A two-thirds (2/3) affirmative vote of the entire membership of NIHII shall be required to amend the plan of benefits available to the officers or employees of its MEMBERS, to withdraw as a MEMBER of IPBC in accordance with Section 11 of this Agreement, to admit a new MEMBER or listed agency or expel a MEMBER or listed agency, to amend this Agreement, and such other matters as the Board shall establish as requiring a two-thirds (2/3) affirmative vote, provided that such a rule can only be established by at least a two-thirds (2/3) affirmative vote, provided that such a rule can only be established by at least a two-thirds (2/3) affirmative vote of the entire membership.
- d. Any amendments to this Agreement which involve the manner in which the NIHII shall function as a MEMBER of the IPBC or the financial obligations of the NIHII or its MEMBERS to the IPBC shall not become effective after passage by the Board of the NIHII unless such amendment is also approved by a two-thirds (2/3) affirmative vote of the IPBC Board.

6. Meetings

Meetings of the Board of Directors shall be held at least two (2) times a year. The dates of meetings of the Board shall be established by the Chairperson in consultation with the membership. Special meetings may be held at the call of the Chairperson or by any delegate. Any item of business may be conducted at a regular meeting. Business conducted at special meetings shall be limited to those items specified in the agenda. Ten (10) days' written notice of regular or special meetings shall be given to the delegates of each MEMBER by the Chairperson in consultation with the membership or the convening authority. The time, date and location of regular and special meetings of the Board of Directors shall be determined by the Chairperson of the Board of Directors or by the convening authority.

To the extent not contrary to this Agreement, and except as modified by the Board of Directors, Robert's Rules of Order, Latest Edition, shall govern all meetings of the Board of Directors. Minutes of all regular and special meetings of the Board of Directors shall be sent to all delegates of the Board of Directors and to each MEMBER and to the Chairman of the IPBC.

7. Finances

A. The NIHII shall be considered a single MEMBER of IPBC, (as defined in IPBC By-Laws), for purposes of determining its required contribution to the IPBC. Each separate MEMBER of NIHII shall be responsible for its share in the cost of membership in IPBC, which cost shall be in direct proportion to the number of employees and officers of the MEMBER whose benefit programs are to be administered by IPBC as compared to the total number of such persons in NIHII, along with uniform method to determine differences in benefit plans and claims history. Proposed changes in benefit plans must be approved by NIHII and subject to the review and approval process in Article IX of the IPBC By-Laws..

B. The NIHII is responsible for all payments due from each of its MEMBERS. Payments may be made to a MEMBER acting as an agent or, with the approval of the IPBC, from individual MEMBERS to the IPBC. In the event that a MEMBER of the NIHII should default in any payments due to the IPBC, it shall be the responsibility of the non-defaulting MEMBERS, in proportion to their payments to the NIHII, to make up the deficit, including costs of collection, after which they may take any action required to recoup their advances. In case all MEMBERS are in default or the NIHII should dissolve, each shall be liable for its proportional share of the default or owed amounts, plus any costs in collection. Each separate MEMBER shall promptly pay to the agent for the NIHII or to the IPBC such monthly, supplementary or other payments as shall be due the IPBC. Payments shall be due within thirty (30) days after written notice from the IPBC of the amounts due.

In the event that a MEMBER of the NIHII should default in its financial obligations, both the NIHII and the IPBC shall have the right to take action to recover such funds as are owed plus interest at the highest rate which may be paid by an Illinois non-home rule municipality and the costs of collection.

8. Initial Plan of Benefits

Each MEMBER agrees to accept the initial Plan of Benefits described in Attachment A.

9. Obligations of MEMBERS

The obligations of each MEMBER to NIHII and to IPBC shall be, as follows:

- a. To promptly pay all monthly and supplementary or other payments due to IPBC at such times and in such amounts as shall be established by IPBC within the scope of this Agreement and the IPBC By-Laws. The MEMBER shall also be responsible for all payments, costs and expenses established from time-to-time by

the Board of Directors of the NIHII, within the scope of this Agreement. Any delinquent payments shall accrue a penalty, which, for a period of non-payment, shall be equivalent to the highest interest rate allowed by statute to be paid by an Illinois non-home rule municipality plus collection costs.

- b. To appoint a delegate and an alternate on the Board of Directors of NIHII.
- c. To allow IPBC and NIHII reasonable access to all facilities of the MEMBERS and all records, including but not limited to financial records which relate to the purpose and powers of IPBC and NIHII.
- d. To furnish full cooperation to IPBC and NIHII attorneys, claims adjusters, the Benefit Administrator and any agent, employee, officer, or independent contractor, of IPBC and NIHII relating to the purpose and powers of IPBC and NIHII.
- e. To report to IPBC as promptly as possible all claims made to it within its benefit program as administered by IPBC.

10. Reserve Fund

The NIHII shall establish accounts in the IPBC Terminal Reserve Fund, the Administration Fund, the HMO Fund and other established funds, (the "Reserve Funds"), for the purpose of establishing a pool of funds to be used to pay for deficits in annual contributions and setting aside funds in the event that one or more MEMBERS decides to withdraw from membership in the NIHII. A separate accounting shall be established to determine each individual Member's balance within the IPBC Funds. The exact amount of the Reserve Funds balance for each MEMBER will be determined after the audit is approved by the IPBC Board. If, after the audit process has been completed, a Reserve Fund balance below the amount

specified above for one or more MEMBERS occurs, those MEMBERS with a Reserve Fund balance below the amount specified above must pay, within 150 days after the audit has been approved, an amount directly to the delinquent Reserve Fund or Funds to cover the shortfall.

New MEMBERS to the NIHII shall, as a condition of membership, provide an amount equal to two (2) times the average monthly payment based on the current plan year rates for HMO coverage and three (3) times the average monthly payment for indemnity plan coverage. Payment shall be made to reach this reserve level by the end of the second full fiscal year of membership.

If one or more MEMBERS chooses to withdraw from the NIHII, its fair share of their Reserve Funds shall be used to pay its “run-out claims,” with any surplus funds paid to it after all sums due IPBC and NIHII associated with its participation have been paid. If the amount on deposit in the Reserve Funds of the withdrawing MEMBER is not adequate to pay its “run-out claims,” then the Reserve Funds of the remaining MEMBERS may be drawn down in a proportional manner to cover any shortfall prior to the withdrawing MEMBER fulfilling its contractual obligation to cover the shortfall.

11. Withdrawal/Termination

A. MEMBERS shall be obligated to continue as MEMBERS during the term as established by the Board of Directors of IPBC until individual withdrawal. The current term of the IPBC, itself is through June 30, 2025. The obligation of a MEMBER until the individual withdrawal, shall include continuing participation with regard to all classes of officers and employees of the MEMBER, not including its listed entities, established as being entitled to any health benefits when it became a MEMBER of NIHII. Provided, however, a MEMBER shall only be required to provide continued participation for those persons within said classes of

officers and employees as are actually employed or working for the MEMBER or as otherwise permitted to its MEMBERS by the IPBC.

Any MEMBER may withdraw from membership by giving written notice of such intention to withdraw to all other MEMBERS of NIHII, and to the Chairman of the IPBC at least one hundred twenty (120) days prior to commencement of the then next fiscal year of the IPBC. Failure to give such notice shall obligate the MEMBER to continue as a MEMBER of NIHII for the next fiscal year except where NIHII withdraws from IPBC, IPBC terminates or the IPBC declines to permit the NIHII to remain within the COOPERATIVE, with a reduced membership or for any other reason permitted under the IPBC Contract and By-Laws. Withdrawal by NIHII shall only be made to take effect at the end of the then-current fiscal year in the same manner as other MEMBERS of the IPBC.

B. If a MEMBER should withdraw from the NIHII, no indemnity benefit claims of the MEMBER shall be processed or paid by the IPBC after the close of the plan year in which withdrawal takes place, unless the MEMBER of NIHII shall to provide such services using funds furnished by that withdrawing entity. If no Reserve Funds of other MEMBERS are available, the IPBC may stop paying claims.

C. A final accounting of the withdrawing MEMBER's fair share of its Reserve Funds shall occur during the audit process for the last plan year that the withdrawing MEMBER was a MEMBER of the NIHII. After all amounts to the IPBC, if any, are paid, all remaining funds shall be refunded to the withdrawing MEMBER or, if that MEMBER is still in default, then to the NIHII within thirty (30) days after the aforementioned audit is approved.

D. In the event that a non-appealed or appealable order of a court in which IPBC is a party should decide that the NIHII may not be a MEMBER of the IPBC, then this Agreement shall terminate, provided, however, that to the extent permitted by law, the termination shall take place in accordance with Paragraph 11-B hereof.

12. Expulsion of MEMBERS

By the vote of two-thirds (2/3) of the entire remaining membership of the Board of Directors of the NIHII, any MEMBER may be expelled. Such expulsion, which shall take effect in the manner set out below, may be carried out for one or more of the following reasons:

- a. Failure to make any payments due to the NIHII or the IPBC.
- b. Failure to furnish full cooperation with the IPBC's attorneys, claims adjusters, Benefit Administrator and any agent, employee, officer or independent contractor of the IPBC or NIHII relating to the purpose and powers of the IPBC or NIHII.
- c. Failure to carry out any obligation of a MEMBER which impairs the inability of the NIHII to carryout its purposes and powers.

No MEMBER may be expelled except after notice from the NIHII of the alleged failure along with a reasonable opportunity of not less than fifteen (15) days to cure the alleged failure. The MEMBER, within that fifteen (15) day period, may request a hearing before the Board before any decision is made as to whether the expulsion shall take place. The Board shall set the date for a hearing which shall not be less than fifteen (15) days after the expiration of the time to cure has passed. The Board may appoint a hearing officer to conduct such hearing and make a recommendation to the Board based upon findings of fact. If the Board conducts the hearing itself, it may make a decision at the close of the hearing. A decision by the Board to expel a MEMBER after notice and hearing and a failure to cure the alleged defect shall be final unless

the Board shall be found by a court to have committed a gross abuse of discretion. After expulsion, the former MEMBER shall continue to be fully obligated for any payment to the IPBC or the NIHII, which was created during the term of the administration of its claims along with any other unfulfilled obligation as if it was still a MEMBER of the NIHII.

The obligation of the IPBC to administer the claims filed under the benefit program of the expelled MEMBER shall cease thirty (30) days after the date of expulsion, provided that such obligations shall only exist where there is a credit balance held by the IPBC to the account of the NIHII or such a credit balance is created. The IPBC shall not be required to pay any benefits for the expelled MEMBER after the actual date of expulsion if a deficit in amounts owed to the IPBC should exist at any time during the thirty (30) day period. Within sixty (60) days after the last claim of the MEMBER is paid by the IPBC, a final accounting of funds owed or owing shall take place. Pending claims and other records of the expelled MEMBER shall be turned over to that MEMBER in a prompt manner. With regard to any claims payable under an HMO program, where the IPBC has entered into a contract with the HMO provider to pay continuing benefits after termination, the expelled MEMBER shall be required to pay all amounts in excess of those within its Reserve Funds and, pending such payments, the NIHII shall be responsible for making the payment or reimbursing the IPBC.

In the event that the Board of the IPBC should vote to expel the NIHII from membership so long as a particular municipality or listed entity was a MEMBER of the NIHII, that MEMBER or listed entity shall be deemed to have been expelled from the NIHII in the same manner as if the NIHII Board had taken that action.

13. Acceptance of Contract and By-Laws of the Intergovernmental Personnel Benefit Cooperative

The Charter Members and other MEMBERS, by agreeing to be bound by this Intergovernmental Agreement, hereby agree to accept the terms and conditions contained within the Contract and By-Laws of the IPBC, as of the date of this Agreement and as amended from time-to-time, except that the IPBC By-Laws may not be amended to require from the NIHII duties or responsibilities different from the other MEMBERS of the IPBC and not initially contained within this Agreement or amendments thereto, agreed to by the NIHII, by action of the Board of Directors.

14. Commencement of Agreement

This Agreement shall be in full force and effect and legally binding upon the signatory MEMBERS as of the date of its passage by the corporate authorities of the Charter Members and the approval by the Board of Directors of the IPBC.

15. Contractual Obligation

This Agreement shall constitute the contract among those units of local government which become MEMBERS of the NIHII. The obligations and responsibilities of the MEMBERS set forth herein, 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 the MEMBERS. The terms of this Agreement may be enforced in a court of law or equity either by the NIHII itself, by any of its MEMBERS or by the IPBC. A consideration for the duties herewith imposed upon the MEMBERS to take certain actions and to refrain from certain other actions shall be based upon the mutual promises and agreements of the MEMBERS set forth herein and the advantage gained by the MEMBERS and anticipated reduction of administrative costs for the processing of personnel benefits. That except to the extent of the financial contributions to the NIHII and the IPBC agreed to herein, or such additional obligations as may

come about through amendments to this Agreement, no MEMBER agrees or contracts herein to be held responsible for any claims of any kind against any other MEMBER outside of the scope of the NIHII or the IPBC.

16. Entire Understanding

This Agreement sets forth the entire understanding of the parties and may only be amended as provided for herein.

17. Assignment

This Agreement shall not be assigned by any party hereto.

18. Counterparts

This Agreement is executed in multiple counterparts, each of which shall be deemed to be an original.

19. Governing Law

This Agreement shall be governed in accordance with the laws of the State of Illinois.

By execution of this Contract and By-Laws document, we do hereby certify that its approval and our membership NIHII has been authorized by our governing Board.

DATED: _____

SIGNATURE: _____

PRINTED NAME: _____

TITLE: _____

As amended through March 17, 2014