

RESOLUTION PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS

**BONDS (QUALIFIED ZONE ACADEMY PROJECTS) OF THE BOARD OF EDUCATION OF
THE CITY OF CHICAGO**

Whereas, pursuant to the provisions of Article 34 of the School Code of the State of Illinois,

were issued pursuant to the provisions of a Trust Indenture, dated as of February 1, 2001, between the Board and Seaway National Bank of Chicago, as Trustee (the "Series 2001A Indenture"); and

Whereas, the Commission Obligations, the Series 2000A Bonds, the Series 2000B Bonds, the Series 2000C Bonds, the Series 2000E Bonds and the Series 2001A Bonds constitute the only obligations of the Board payable from the 1998 Pledged State Aid Revenues (as hereinafter defined); and

qualified zero-coupon bond allocation for calendar years 2000, 2001 and 2002. The 2001-2002

Whereas, the School Board has projected and anticipates, based on the State of Illinois' Fiscal Year 2003 Budget other laws and its own internal auditing that the audit report for the

Board's fiscal year ended June 30, 2003, which is in the process of being prepared by Deloitte and Touche LLP and should be presented to the Board by December 2003 and thereafter immediately put on file with the Secretary of the Board (the "2003 Audit") will report an increase in Pledged State

Aid Revenues, thereby supporting a determination of the Board that the Pledged State Aid Revenues will provide in each year an amount not less than 1.25 times debt service on the Bonds, the Commission Obligations, the Series 2000A Bonds, the Series 2000B Bonds, the Series 2000C Bonds, the Series 2000E Bonds and the Series 20001A Bonds; and

Whereas, the School Board has determined that, depending upon the time(s) and

Whereas, it is necessary for the Board to authorize: (i) the issuance of the Bonds, (ii) the pledge of the 1998 Pledged State Aid Revenues and (iii) certain other agreements and the

Resolution and the issuance of the Bonds.

Now, Therefore, Be It Hereby Resolved by the Board of Education of the City of Chicago as follows:

SECTION 1. Definitions. The following terms shall, for all purposes of this Resolution, have the following meanings, unless a different meaning clearly appears from the context:

"Authenticating Agent" means the authenticating agent for the Bonds as designated by an

"*Paying Agent*" means the corporate trust company, or bank having the power of a trust company, designated by an Authorized Officer as paying agent for the Bonds, and any such successor or successors thereto appointed by an Authorized Officer.

"*Principal Payment Date*" means the Maturity Date and any Mandatory Sinking Fund Redemption Date.

"*State*" means the State of Illinois.

SECTION 2. *Incorporation of Preambles.* The preambles of this Resolution are hereby incorporated into this text as if set out herein in full.

SECTION 3. *Issuance of Bonds – Direct.*

(a) There shall be authorized the borrowing on the credit of and for and on behalf of the Board the aggregate principal amount of not to exceed \$10,000,000; and the Bonds may be issued

from time to time, in one or more series, in said principal amount, or such lesser principal amount, may be determined by an Authorized Officer. To the extent that the Bonds are sold in one or

SECTION 4. *Execution, Authentication, Registration, Exchange and Transfer.*

(a) The Bonds shall be executed in the name of the Board by the manual or facsimile signatures of its President and Secretary. In case any one or more of the officers who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed and sealed shall

have been authenticated and delivered, such Bonds may, nevertheless, be authenticated and

delivered as herein provided, and may be issued as if the person who signed or sealed such Bonds

(b) [redacted] determined and directed by an Authorized Officer in connection with the sale of

the Bonds, the Bonds may be issued in book-entry only form. In connection with the issuance of Bonds in book-entry only form, the Authorized Officer is authorized to execute and deliver to the book-entry only depository selected by the Authorized Officer such depository's standard form of representation letter.

[redacted]

Paid all required thereby and the provision of an additional 25 times debt. For Bonds issued after

to December 16, 2003 , the determination of the sufficiency of the 1998 Pledged State Aid
Revenue pursuant to this condition is supported by reference to the 2002 Audit and acceptance

of the 2002 Audit by the Board serves as conclusive evidence that the conditions of Section 4E of

shall extend the same for collection on the tax books in connection with other taxes levied for each such year, in and by the Board for general corporate purposes of the Board. In each such year, the Adjusted Pledged Taxes shall be levied and collected by and for and on behalf of the Board in like manner as taxes for general corporate purposes of the Board are levied and collected and in

addition to and in excess of all other taxes, and when collected, the Adjusted Pledged Taxes shall be deposited with the Paying Agent as provided in Section 6(c) hereof.

(c) An Authorized Officer is hereby authorized, pursuant to authority contained in Section 20-90 of the Property Tax Code of the State, as amended, to execute a written direction to

(b) If the Original Payment Date for any Bond shall be extended, interest to the

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

SECTION 11. *Additional Indebtedness; Obligations Payable from Pledged Revenues.*

issue any bonds or other evidences of indebtedness, other than the Bonds, which are secured by a pledge of or lien on the Pledged State Aid Revenues or the Pledged Taxes and shall not, except as

so pledged for payment of the Bonds, (vi) the name of the Placement Agent or the Underwriter, as

as the case may be, in connection with such sale; (vii) the names of the purchaser(s) of the Bonds,
and (viii) if a bond insurance policy is obtained, as authorized herein, the identity of the Bond Insurer

(a) The Board may amend or modify this Resolution from time to time for any purpose

1.

insert such provisions clarifying matters or questions arising under this Resolution as are necessary or desirable, provided that any such amendments or modifications are not contrary to or inconsistent with this Resolution as in effect prior to the adoption of any such supplemental resolution, and provided further that any such amendments or modifications are not adverse to the interests of the

SECTION 16. Amendments by Consent of Owner.

(a) The Board may amend or modify this Resolution from time to time for any purpose

other than one or more of the purposes not prohibited in Section 14 and not authorized by Section

status of the Bonds as "OZAR"; (iii) an opinion or certificate from a nationally recognized firm of

independent public accountants to the effect that the Government Obligations and cash available to

to be available for payment of the Bonds after the taking of the Subsequent Action will remain

SECTION 20. *Other School Districts.* If an Authorized Officer determines that it is in the interest of the Board to do so, all or a portion of the Bonds issued under this Resolution may be issued in conjunction with other Illinois school districts that are issuing bonds that qualify as QZABs. The Authorized Officer is hereby authorized to work with other school districts on such as issuance and

to negotiate, execute and deliver any documents or certifications that may be necessary or advisable in connection therewith.

SECTION 21. *Remedies.* Any Owner of a Bond may proceed by civil action to compel performance of all duties required by this Resolution, including the application of the Pledged State Aid Revenues or the Pledged Taxes as provided by this Resolution.

SECTION 22. *Contract.* The provisions of this Resolution shall constitute a contract between the Board and the Owner(s) of the Bonds, and no changes, additions or alterations of any kind shall be made to this contract, except as provided in this Resolution, so long as the Bonds are Outstanding.

SECTION 23. *Appropriation.* The provisions of this Resolution constitute an appropriation of the

accounts maintained on the rolls of the Board for the purposes specified in Sections Four, Five, Six of this

EXHIBIT A

As provided for in this Resolution, and in accordance with the Code, the Chief Fiscal Officer

of the Board may select any of the following schools for designation as a "qualified zone academy" and use the proceeds of any QZABs in furtherance of that school's approved educational plan:

Alcott Elementary School	Harte Elementary School
Amundsen High School	Juarez High School
Austin High School	Kohn Elementary School
Beasley Elementary School	Lawndale Elementary School
Bouchet Elementary School	Mason Elementary School
Bowen High School	Mollison Elementary School
Budlong Elementary School	Northwest Middle School
Bunche Elementary School	Roosevelt High School
Cather Elementary School	Schurz High School
Chicago Agricultural High School	Shoesmith Elementary
Crown Elementary School	Simpson High School
DuSable High School	South Shore High School
Ericson Elementary School	Trumbull Elementary School
Fenger High School	Von Steuben High School
Fiske Elementary School	

EXHIBIT B

The Board does hereby accept and approve the attached Educational Plan for the year 2009-2010.

Exhibit A, and copies of all approved educational plans are on file with the Secretary of the Board.