

RESOLUTION PROVIDING FOR THE ISSUE OF MUNICIPAL GENERAL OBLIGATION BONDS

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

WHEREAS, pursuant to and in accordance with the provisions of the Bond Issue Notification Act

of the State of Illinois, the Board called a public hearing (the "2002 Hearing") for the 24th day of July

2002, concerning the intent of the Board to sell the Alternate Bonds authorized pursuant to the 2002

Authorization, including the Alternate Bonds, a sum equal to or less than the amount of the

WHEREAS, the Bonds will be issued under and secured by one or more Trust Indentures (each an "Indenture"), between the Board and such bank, trust company or national banking association appointed to serve as trustee under the respective Indenture as provided in Section 2(a) hereof (the "Trustee"); and

WHEREAS, the Bonds will be further secured by the Funds, Accounts and Sub-Accounts established and pledged pursuant to the respective Indenture; and

WHEREAS, the Board may elect to pay the debt service on the Bonds from time-to-time in the

from certain interest income, certain assets, tax revenues and other hydrocarbon sources; and

WHEREAS, the Board has determined that the 2002 Authorization Pledged State Aid Revenues will provide in each year an amount not less than 1.25 times debt service on the Bonds, which determination is supported by the most recent audit of the Board, prepared by Deloitte & Touche LLP, which audit is for the fiscal year ended June 30, 2002 (the "2002 Audit"), being a fiscal year ending not earlier than eighteen (18) months previous to the time of issuance of the Bonds herein authorized and issued prior to January 1, 2004, which Audit has been presented to the Board and is on file with the Secretary of the Board (the "Secretary"); and

2. Issuance of Bonds. (a) There shall be authorized the borrowing, on the credit of and for

the Board, the aggregate principal amount of not to exceed \$350,000,000 for the purpose of paying a portion of the cost of the Project and there shall be further authorized the borrowing, on the credit of the Board, the aggregate principal amount of not to exceed \$300,000,000 for the purpose of refunding the Prior Bonds. Such Bonds, whether issued for the purpose of paying a portion of the cost of the Project or for the purpose of refunding the Prior Bonds, may be issued from time-to-time in said aggregate principal amount, or such lesser aggregate principal amounts as may be determined by either the President of the School Board or the Chief Financial Officer (each, a "Designated Official"). The Bonds shall be designated "Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2003D or Series

faith herein shall be set forth in the ledger executed and delivered by a Designated Official as

[REDACTED]

In the event that Prior Bonds are refunded pursuant to this Resolution, either of the Designated Officials is hereby authorized to select the particular Prior Bonds to be refunded, to select the particular Prior Bonds to be redeemed, and to determine the redemption date of each Prior Bond to be redeemed, provided that the Designated Official shall act in a manner consistent with the debt plan of the Board in

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[REDACTED]

produce the yield to maturity borne by such Capital Appreciation Bond.

All or any portion of the Bonds may be issued as bonds bearing interest at fixed rates and having

interest semiannually (the "Current Interest Bonds"). The Current Interest Bonds shall be dated such date as shall be agreed upon by a Designated Official and the purchasers of the Current Interest Bonds, shall be in fully registered form, shall be in denominations of \$5,000 each and any integral multiple thereof, and

The Bonds shall be dated as of a date not earlier than December 1, 2003, as determined by a

Respected Official of the State of California. The interest of the Bonds shall be paid semi-annually

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determined by a Designated Official at the time of the sale thereof; provided, that such Bonds shall reach

final maturity not later than the date set forth in Section 2(a) hereof

Any Variable Rate Bonds may be made subject to optional or mandatory tender for purchase by

the issuer at the following times and at such prices (to be expressed as a percentage of the principal

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service payable in such year on the Prior Bonds so refunded shall be made by either of the Designated

Officer, who shall also execute a certification attesting to said determination. In connection with the

[REDACTED]

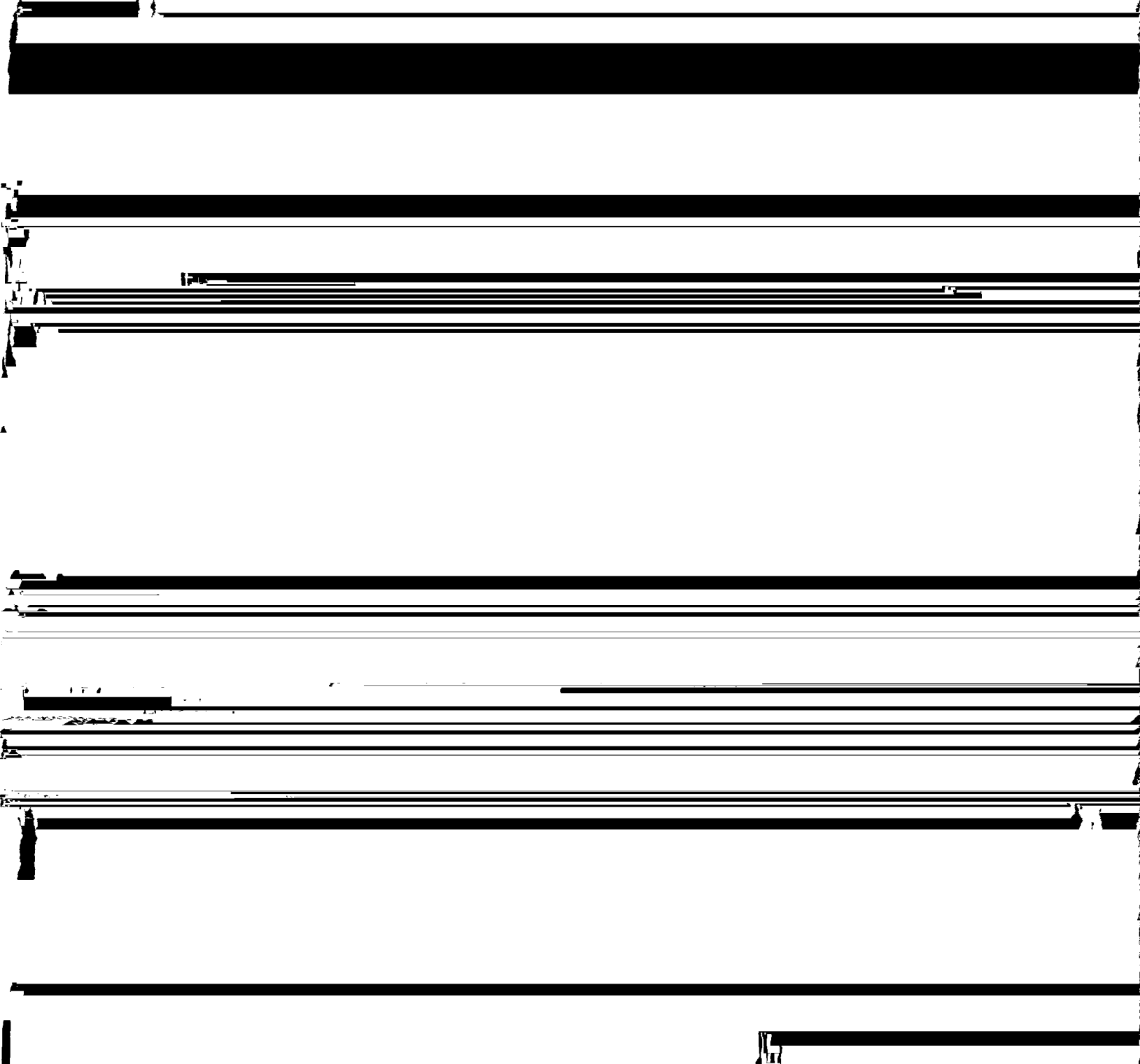
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within the School District, in the years for which any of the Bonds are outstanding, a direct annual tax, including any direct annual tax required to be levied in excess of that levied in this Resolution, for collection on a timely basis to make such payments (the taxes levied or to be levied pursuant to this Section 3(a), including the proviso above, being referred to herein as the "Pledged Taxes").

(b) After this Resolution becomes effective, a copy hereof, certified by the Secretary of the Board, shall be filed with each of the County Clerks of The Counties of Cook and DuPage, Illinois (the "County Clerks"), and the County Clerks shall, in and for each of the years required, ascertain the rate



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...association said to the Underwriters in connection with the sale of any Variable Rate Bonds shall not

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Official shall determine (the "Debt Reserve Credit Facility Provider") if said Designated Official determines such debt reserve credit facility to be desirable in providing for the funding of any required debt service

reserve fund. Each Designated Official is also authorized to enter into such agreements and make such covenants with any Debt Reserve Credit Facility Provider that such Designated Official deems necessary

and that are not inconsistent with the terms and provisions of this Resolution, including the payment of reasonable fees in connection with any Debt Reserve Credit Facility Provider.

(d) In connection with the sale of any of the Bonds, to provide additional security and liquidity for such Bonds, each of the Designated Officials is hereby authorized to obtain a letter of credit, line of

excess accrue at a rate in excess of twenty-five percent (25%) per annum) and be added to the Credit Provider Rate at such time or times thereafter as the Credit Provider Rate shall be less than the Maximum Credit Provider Rate; provided, that at no time shall the Credit Provider Rate per annum exceed the Maximum Credit Provider Rate.

~~Any Credit Facility obtained as provided herein shall have the Bonds secured thereby to have an~~

investment grade rating from at least two nationally recognized rating services.

(e) Subsequent to the sale of any Bonds, either or both of the Designated Officials shall file ~~in the Office of the Secretary of the Board a certification of sale directed to the Board setting forth and~~

paid thereto and a copy of the Credit Agreement between the Board and such Credit Provider; (xiii) the

identity of the Trustee designated pursuant to Section 9 hereof with respect to such Bonds; (xiv) if any

escrow or other similar agreement is to be executed and delivered as authorized in Section 5 hereof, a

copy of such agreement; and (xv) the identity of and the compensation paid to the Underwriters in connection with such sale.

In the event that the Designated Official executing such notification of sale determines that the

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Each Designated Official is hereby authorized and directed to execute the Official Statement on behalf of the Board.

(g) The proceeds from the sale of the Bonds shall be applied to the payment of (i) a portion of the costs of the Project and/or the refunding of the Prior Bonds, (ii) such interest to become due on Current Interest Bonds or Variable Rate Bonds to and including December 1, 2007 or such earlier date as shall be determined by the Chief Financial Officer, and (iii) the payment of the expenses related to the

marketing of the Bonds, including the allocation of costs to be paid to Bondholders, and such

marketing or other costs retained in connection with the issuance of Variable Rate Bonds, and such

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"Multicurrency-Cross Border" version of the current "ISDA Master Agreement" accompanied by the "U.S. Municipal Counterparty Schedule" published by the International Swap Dealers Association (the "ISDA") or any successor form to either published by the ISDA, and in the appropriate confirmations of transactions governed by that agreement, with such insertions, completions and modifications thereof as shall be approved by the appropriate ~~Responsible Official~~ executing the same, such execution to constitute

~~conclusive evidence of Board's approval of such insertions, completions and modifications thereof.~~

7. Tax-Exemption and Non-Arbitrage. Each of the Designated Officials is hereby authorized to take any other actions and to execute any other documents and certificates necessary to assure that the interest payments with respect to the Bonds are excludable from gross income for Federal income tax purposes, to assure that such Bonds do not constitute "private activity bonds," "hedge bonds" or "arbitrage bonds" under the Internal Revenue Code of 1986, as amended, and to effectuate the issuance and delivery of such Bonds, including, but not limited to, the execution and delivery of a Tax Agreement.

8. Continuing Disclosure Undertaking. Each of the Designated Officials is hereby

Disclosure Undertaking") evidencing the Board's agreement to comply with the requirements of Section (b)(5) of Rule 15(c)2-12, adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as applicable to the Bonds. Notwithstanding any other provision of the Bond

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STATE OF ILLINOIS
County of Cook

I, Estela G. Beltran, Secretary of the Board of Education of the City of Chicago, in the County of Cook and State of Illinois, DO HEREBY CERTIFY that the annexed and foregoing is a true and correct

RESOLUTION NO. 1119-RS12

FOR THE ISSUE OF UNLIMITED-TAX GENERAL OBLIGATION BONDS (DEDICATED REVENUES)