

August 24, 2005

**RESOLUTION AUTHORIZING THE ISSUANCE OF A NOTE OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO, ILLINOIS, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$350,000,000 PURSUANT TO THE SCHOOL CODE**

\* \* \*

WHEREAS

Illinois, as amended, (the School Code) the City of Chicago, Illinois, constitutes one school district (the

School District), which is a body politic and corporate by the name of Board of Education of the City of Chicago, which School District is governed by the Chicago Board of Education (the Board); and

WHEREAS, the 2004 tax levy of the Board for educational and for building purposes (the

2004 Tax Levy) is \$1,004,000,000

reference.

70. ~~Potential to Authorize and Provide for the Note. It is necessary in the best interests~~

purpose. The Note shall be drawn against and in anticipation of the collection of the taxes levied for the year 2004 for educational and building purposes. The Note shall be payable when such taxes are collected.

The Note shall be issued in an amount not in excess of \$350,000,000. Taxes comprising the 2004 Tax Levy are hereby assigned to the payment of the Note.

The Note shall be dated as of the date of delivery thereof (the *Dated Date*). All moneys borrowed pursuant to this Resolution shall be repaid exclusively from property tax revenues, and such payment shall be made, within 60 days after the property tax revenues have been received by the Board provided, such repayment will be made not later than February 15, 2006, and provided further that either of the Designated Officials are hereby authorized to determine, at their discretion, to retire the borrowing by the making of partial payments or payment in full. The Note shall bear interest at a rate or rates as determined by either of the Designated Officials at the time of issuance of the Note, not to exceed the maximum rate authorized by the Bond Authorization Act, from the date of issuance until paid.

~~C. Expiration. The Note shall be issued on behalf of the Board with the approval of the~~

9. Severability. The provisions of this Resolution are hereby declared to be severable; 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.

10. Repealer and Effective Date. All Resolutions or parts of resolution in conflict herewith are, to