

OBLIGATION REFUNDING BONDS (DEDICATED REVENUES), SERIES 2008, OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$1,425,000,000, FOR THE PURPOSE OF PAYING THE COST OF REFUNDING CERTAIN OUTSTANDING BONDS OF SAID BOARD OF EDUCATION

interest, with the counterparties and having the Notional Amounts outstanding as set forth in **Exhibit II** attached hereto (collectively, the "**Swap Agreements**"); and

WHEREAS, for the purpose, among others, of providing funds to pay a portion of the cost of the Project, funding obligations or purchasing related investments of the Board (the "**Funding**") and refunding certain obligations of or issued on behalf of the Board and in accordance with the provisions of the Local Government Debt Reform Act, as amended, of the State of Illinois (the "**Act**"), the Board, on

bonds as provided by the Debt Reform Act, in an aggregate principal amount not to exceed \$1,900,000,000 (the "**Alternate Bonds**"); and

the Outstanding Bonds (any such payment being referred to as a "Termination Payment") (collectively,

insurance or other credit enhancement, all on the terms and conditions set forth in this Description and

appointed to serve as trustee under the 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 applicable Indenture; and

WHEREAS, the Board may elect to pay the debt service on the Bonds from time to time in the future from certain interest income, certain property tax revenues and other budgetary resources; and

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

WHEREAS, the Pledged Revenues, with the possible exception of the rental income derived from Board property as described above, constitute a "governmental revenue source" pursuant to the Debt

[REDACTED]

the sale and purchase of the Bonds (each, a "Placement Agreement") or (iii) following distribution of a

Placement Agreement, or (iv) following distribution of a

any or more Series of the Bonds determined by the Chief Financial Officer to be in the best financial

Designated Officials are each hereby authorized to appoint a Trustee for each Series of the Bonds as

income derived from Board property that does not constitute a governmental revenue source. The

this paragraph (b) is supported by the Audit and acceptance of the Audit by the Board constitutes conclusive evidence that the conditions of Section 15 of the Debt Reform Act have been met. Once issued, the Bonds shall be and forever remain until paid or defeased the general obligation of the Board, for the payment of which its full faith and credit are pledged, and shall be payable, in addition to the Pledged Revenues and investment earnings as described herein, from the levy of the Pledged Taxes as provided in the Debt Reform Act and as set forth below.

(c) All or any portion of the Bonds may be issued as bonds payable in one payment on a fixed date (the "**Capital Appreciation Bonds**"). Any Bonds issued as Capital Appreciation Bonds shall be dated the date of issuance thereof and shall also bear the date of authentication, shall be in fully registered form shall be numbered as determined by the Trustee and shall be in denominations equal to

form of Current Interest Bonds, such Convertible Bonds shall be subject to all of the provisions and
limitations of this Bonding relating to Current Interest Bonds. In connection with the issuance and sale

of any Convertible Bonds, the terms and provisions relating to the conversion of the Compound Accreted
Value of such Convertible Bonds into Current Interest Bonds shall be contained in the Fixed Rate
Indenture executed and delivered by a Designated Official at the time of sale of such Convertible Bonds.

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

hereof. In the case of Auction Rate Bonds, each of the Designated Officials is hereby authorized to execute on behalf of the Board one or more agreements with such national banking associations, banks, trust companies, investment bankers or other financial institutions serving as auction agent, market agent or broker-dealer as shall be selected by a Designated Official reflecting the terms and provisions of such

Auction Rate Bonds and containing such provisions as the Designated Official executing the same shall determine necessary or desirable in connection with the sale of such Bonds. The method of

determining the interest rate to be borne from time to time by the Variable Rate Bonds of any Series shall

(e) The Bonds of each Series shall initially be issued in book-entry only form as provided in the applicable Indenture. The Bonds shall be executed by the manual or duly authorized facsimile signature of the President of the Board and attested by the Secretary of the Board by the manual or duly authorized facsimile signature of the Secretary and prepared in the respective forms as provided in the

3. *Tax Levy; Pledged Taxes.* (a) For the purpose of providing funds in addition to the Pledged Revenues to pay the principal of and interest on the Bonds, there is hereby levied upon all of the

FOR THE LEVY YEAR

A TAX SUFFICIENT TO PRODUCE THE SUM OF

2008	\$140,000,000
2009	140,000,000
2010	140,000,000
2011	140,000,000
2012	140,000,000
2013	140,000,000
2014	145,000,000
2015	145,000,000
2016	150,000,000
2017	150,000,000
2018	150,000,000
2019	150,000,000
2020	150,000,000
2021	185,000,000
2022	185,000,000
2023	185,000,000
2024	220,000,000
2025	215,000,000
2026	245,000,000
2027	170,000,000
2028	170,000,000
2029	170,000,000
2030	100,000,000
2031	80,000,000
2032	55,000,000
2033	35,000,000
2034	35,000,000

provided, that in connection with the issuance of Variable Rate Bonds, in furtherance of the general obligation full faith and credit promise of the Board to pay the principal and redemption price of and interest on the Bonds, the Board will take all actions necessary to levy upon all of the taxable property

paid year the Pledged Taxes shall be levied and collected by and for and on behalf of the Board in the

manner as taxes for general corporate purposes of the Board for said years are levied and collected, and

in addition to and in excess of all other taxes, and when collected, if required pursuant to any escrow or similar agreement executed and delivered pursuant to **Section 5** hereof, the taxes hereby levied shall be deposited with the designated bank, trust company or national banking association.

(c) At the time and in the manner forth in each indenture, the Board shall direct the

things necessary and essential to effectuate the provisions of such Purchase and Sale Agreement, as

executed, including the execution of any documents and certificates incidental thereto or necessary to carry out the provisions thereof. The Chief Financial Officer shall make a finding in connection with the execution of each Purchase and Sale Agreement that (i) the Bonds sold thereunder have been sold at such price and bear interest at such rate that neither the true interest cost (yield) nor the net interest rate

~~is less than the rate of the Bonds sold thereunder, and the proceeds of the sale of the Bonds are used for the purposes intended by the Board.~~

and (ii) that no person holding any office of the Board, either by election or appointment, is in any manner interested, either directly or indirectly, in his or her own name, in the name of any other person,

into such payments and make such payments 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 to any Debt Reserve Credit Facility Provider.

(d) In connection with the sale of the Bonds of any Series, 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 credit or other credit or liquidity facility, including similar agreements with or facilities issued by a Bond Insurer (a "**Credit Facility**"), if determined by such Designated Official to be desirable in connection with such sale of Bonds. Each of the Designated Officials is hereby further authorized to appoint one or more banks, Bond Insurers or other financial institutions to issue such Credit Facility (the "**Credit Provider**") and to execute and deliver on behalf of the Board a credit, reimbursement or similar agreement (the "**Credit Agreement**") providing for the issuance of the Credit Facility and the obligation

Any Credit Facility obtained as provided herein shall cause the Bonds secured thereby to bear an

investment grade rating from at least two nationally recognized rating agencies

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

dates of the Outstanding Bonds being refunded, (xiii) a description of any Swap Agreements to be

and identifying any Termination Payment to be made in connection with each such termination

the respective offices of the County Clerks certificates of tax abatement reflecting the refunding of the

Outstanding Bonds

(f) The distribution of a Preliminary Official Statement, Private Placement Memorandum or

Notice of Public Sale relating to each Series of the Bonds (the "**Disclosure Document**") in substantially the respective forms delivered in connection with previous issues of Fixed Rate Bonds and Variable Rate Bonds and previous issues secured by some or all of the Pledged Revenues, but with such changes as shall be approved by a Designated Official to reflect the terms of the Bonds proposed to be sold and the method of sale of such Bonds, is hereby in all respects, ratified, authorized and approved and shall be "*deemed final*" for purposes of Rule 15c2-12, adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934 ("**Rule 15(c)2-12**"), and the proposed use by the Underwriters or the Competitive Purchasers of a final Official Statement (in substantially the form (i) of the Preliminary Official Statement but with appropriate variations, omissions and insertions to reflect the final terms of the Bonds being sold or (ii) authorized herein for a Preliminary Official Statement if none is used in the marketing of the Bonds being sold) is hereby approved. Each Designated Official is hereby authorized and directed to execute the final Official Statement or other Disclosure Document, as appropriate, on

behalf of the Board.

Financial Officer if it is determined that the creation of such debt service reserve fund is necessary and required in connection with the sale of such Bonds. All of such proceeds are hereby appropriated for the purposes specified in this paragraph.

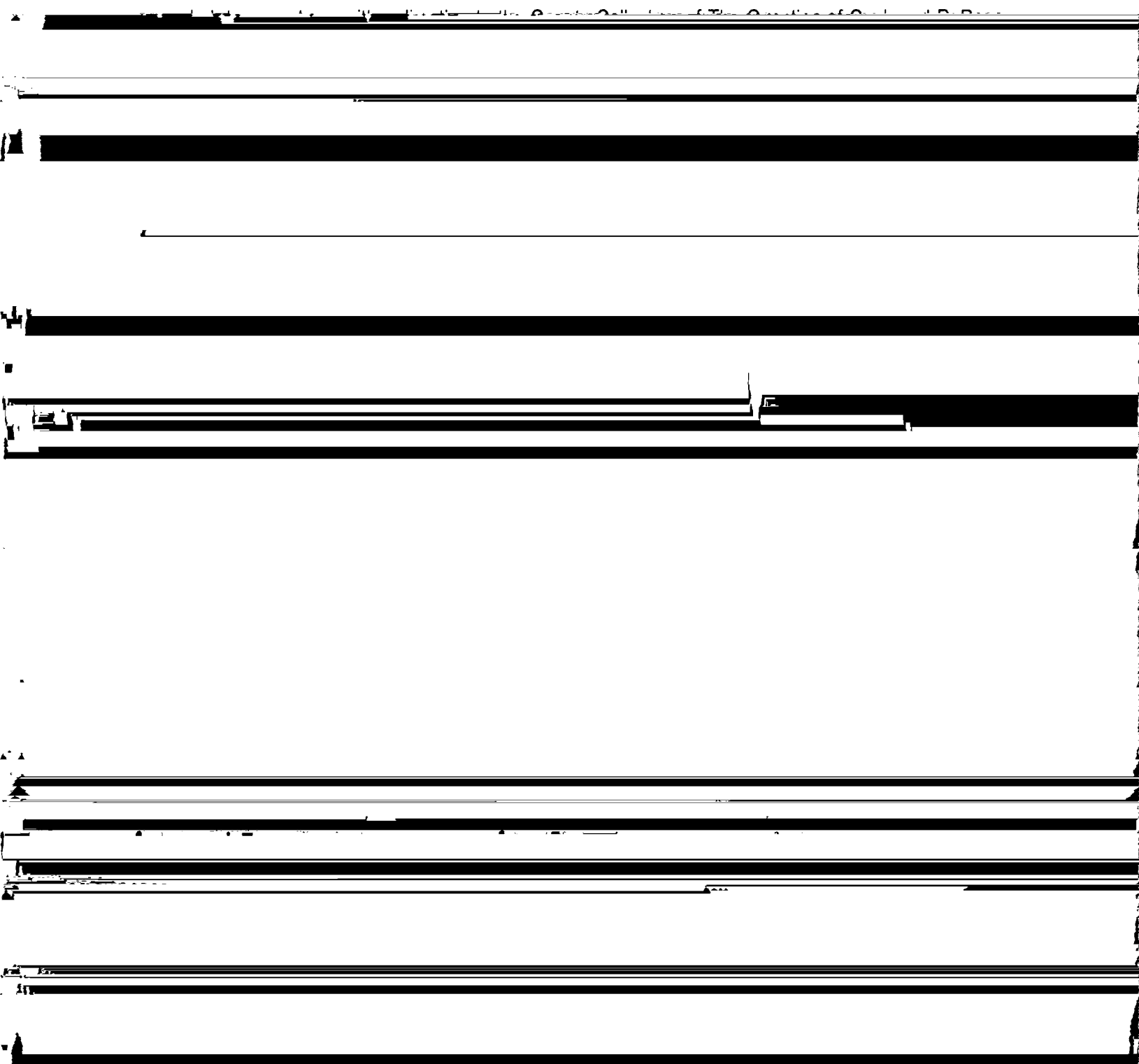
(h) The Chief Financial Officer of the Board is hereby authorized to enter into or approve such agreements with investment providers as shall be necessary or advisable in connection with the investment of any funds on deposit under the Indenture, to the extent such investments are authorized

insertions, completions and modifications thereof. Amounts payable by the Board under any such agreement shall (i) be payable solely and only from the sources actually pledged to the payment of the

payable from any moneys, revenues, receipts, income, assets or funds of the Board available for such purpose, as shall be determined by the Designated Official executing the same. Nothing contained in this

forth in **Section 2(a)** for a Trustee, reflecting the issuance of the Bonds and such segregation of Pledged Revenues and Pledged Taxes as the Designated Official executing such agreement shall deem appropriate.

6. *Pledged Taxes Escrow Direction.* Each of the Designated Officials is hereby authorized, pursuant to authority contained in Section 20-90 of the Property Tax Code of the State of Illinois, as



the gross income of the owner thereof for federal income tax purposes if determined by a Designated Official to be beneficial to the Board.

8. *Continuing Disclosure Undertaking.* Each of the Designated Officials is hereby authorized to execute and deliver one or more Continuing Disclosure Undertakings (each, a "**Continuing**

EXHIBIT I
OUTSTANDING BONDS

1. **Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2003B**
consisting of:
 - \$45,100,000 Series 2003B-1;
 - \$43,350,000 Series 2003B-2; and
 - \$95,325,000 Series 2003B-3

 2. **Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2003D**
consisting of:
 - \$33,075,000 Series 2003D-1;
 - \$65,000,000 Series 2003D-2;
 - \$71,450,000 Series 2003D-3; and
 - \$71,450,000 Series 2003D-4

 3. **Unlimited Tax General Obligation Refunding Bonds (Dedicated Revenues), Series 2004B**
consisting of:
 - \$75,000,000 Series 2004B-1;
 - \$75,000,000 Series 2004B-2;
 - \$75,000,000 Series 2004B-3; and
 - \$73,075,000 Series 2004B-4

 4. **Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2005**
consisting of:
 - \$26,430,000 Series 2005D-1;
 - \$157,055,000 Series 2005D-2;
 - \$65,000,000 Series 2005E-1; and
 - \$65,000,000 Series 2005E-2

 5. **Unlimited Tax General Obligation Refunding Bonds (Dedicated Revenues), Series 2007A**
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\$81,785,000 Series 2007A-1;
\$81,000,000 Series 2007A-2; and
\$100,000,000 Series 2007A-3

EXHIBIT II
SWAP AGREEMENTS

Series	Provider	Notional Amount Outstanding
2003B	Goldman Sachs Capital Markets, L.P.	\$110,265,000
	Bank of America, N.A.	73,510,000
2003D	Lehman Brothers Special Financing, Inc.	\$95,350,000
	Goldman Sachs Capital Markets, L.P.	90,000,000
	Bear Stearns	185,350,000
2004B	Goldman Sachs Capital Markets, L.P.	\$178,845,000
	Bear Stearns	119,230,000
	Bear Stearns	298,075,000
2005D-1; and 2005E	Loop Capital Markets	\$287,055,000
2007A	Bank of America	\$100,000,000
	Royal Bank of Canada	162,785,000