

RESOLUTION PROVIDING FOR THE ISSUE OF UNLIMITED TAX GENERAL OBLIGATION BONDS (DEDICATED ALTERNATE REVENUES) OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$300,000,000 FOR THE REFUNDING OF THE OUTSTANDING LINE OF CREDIT AND NOT TO EXCEED \$401,890,000 FOR REFUNDING CERTAIN OUTSTANDING OBLIGATIONS OF SAID BOARD AND FOR THE CONVERSION OF CERTAIN OBLIGATIONS OF THE BOARD TO FIXED INTEREST RATES

WHEREAS, pursuant to the provisions of Article 34 of the School Code of the State of Illinois, as amended (the "**School Code**"), the City of Chicago (the "**City**"), having a population exceeding 500,000, constitutes one school district (the "**School District**"), which is a body politic and corporate by the name of the "*Board of Education of the City of Chicago*" (the "**Board**"); and

WHEREAS, the Board is governed by the seven-member Chicago Board of Education, as successor to the Chicago School Reform Board of Trustees (the "**School Board**"); and

WHEREAS, the School Board has heretofore determined that it is advisable, necessary and in the best interests of the Board and the residents of the School District to construct, acquire and equip school

Section 12 of the State Revenue Sharing Act of the State of Illinois, as amended, or from such successor

or replacement fund or act as may be enacted in the future ("PPRT"), (iii) proceeds of all or any portion of a capital improvement tax levied and extended, and to be levied and extended, by the Board pursuant to

eight (48) hours before the Hearing at the principal office of the Board; and

WHEREAS, the Hearing was held on September 25, 2012, and at the Hearing, the Board explained the reasons for the proposed bond issue and permitted persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits; and

WHEREAS, the Hearing was finally adjourned on September 25, 2012; and

WHEREAS, the Board was authorized to issue the 2012 Authorization Bonds in an aggregate

WHEREAS, the Board has received from the Illinois State Board of Education an allocation of qualified zone academy bonds (the “**2013 Board QZAB Allocation**”) in an amount equal to the sum of \$4,325,600; and

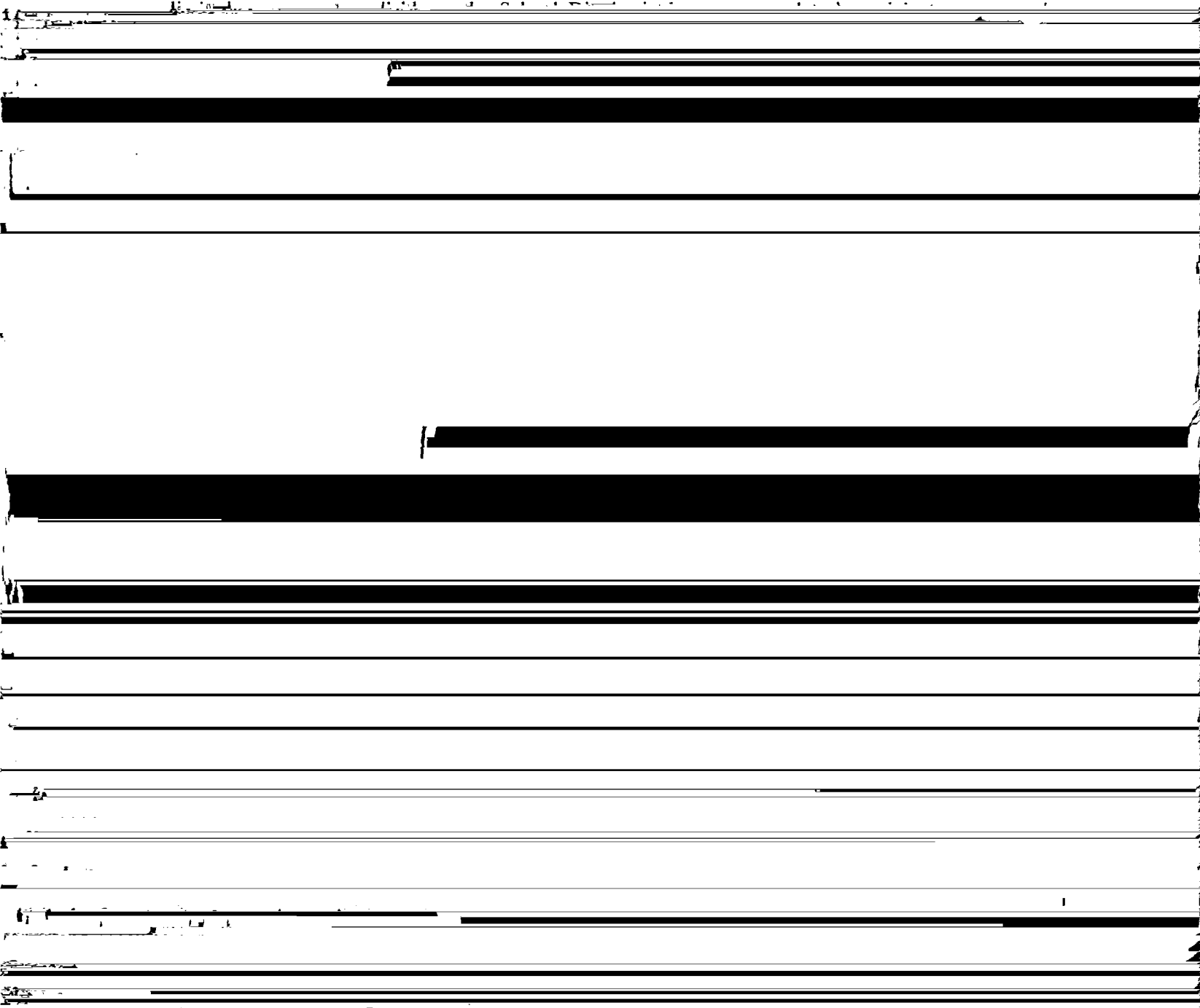
WHEREAS, the Board desires at this time, pursuant to the 2012 Authorization, to adopt this Resolution providing for the issuance of Alternate Bonds (the “**Project Bonds**”) in an aggregate amount not to exceed \$300,000,000 for the purposes of (i) providing for the payment of the principal of, redemption premium, if any, and interest on, or repaying any amounts drawn by the Board related to, any bonds or notes of the Board issued to finance Project costs on an interim basis or in anticipation of the issuance of Project Bonds including, without limitation, (a) the Series 2013B Bonds, (b) the Series 2013C Bonds and (c) the Educational Purposes Tax Anticipation Notes, Series 2014B (the “**Series 2014B TANS**”), (ii) funding capitalized interest on a portion of such Project Bonds, and (iii) paying the costs of issuance of such Project Bonds, including the cost of bond insurance or other credit enhancement, all on the terms and conditions set forth in this Resolution; and

WHEREAS, the Project Bonds may be issued from time to time in one or more series (each, a “**Series**”) and the Project Bonds of each Series will be payable from (i) such of the Project Bonds Pledged Revenues as shall be determined by a Designated Official (as defined hereinafter) at the time of sale of such Bonds and (ii) the ad valorem taxes levied or to be levied against all of the taxable property in the School District without limitation as to rate or amount pursuant to **Section 3** of this Resolution (the “**Pledged Taxes**”) for the purpose of providing funds in addition to the Project Bonds Pledged Revenues and investment earnings thereon to pay the principal of and interest on the Project Bonds; and

WHEREAS, certain of the Project Bonds Pledged Revenues constitute a “governmental revenue source” pursuant to the Debt Reform Act; and

WHEREAS, the Board has determined that the Project Bonds Pledged Revenues, together with estimated investment earnings thereon and moneys held in the funds and accounts pursuant to the respective Indenture, will provide in each year an amount not less than 1.10 times annual debt service on the Project Bonds to be paid from such governmental revenue sources and 1.25 times annual debt service

on the Project Bonds to be paid from any Project Bonds Pledged Revenues that do not constitute a governmental revenue source as described above, which determination is supported by the audit of the School District for the year ended June 30, 2014, which has been accepted by the Board (the “**Audit**”), or is alternatively supported by the report of a feasibility analyst with a national reputation for expertise applicable to such revenue source (the “**Feasibility Report**”), demonstrating the projected sufficiency of the Project Bonds Pledged Revenues to provide the School District with revenues, including, without



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WHEREAS, \$31,670,000 aggregate principal amount of the Series 2002A Bonds is currently outstanding; and

WHEREAS, \$167,965,000 aggregate principal amount of the Series 2004A Bonds is currently outstanding; and

WHEREAS, \$33,735,000 aggregate principal amount of the Series 2006B Bonds is currently

outstanding; and

WHEREAS, \$305,875,000 aggregate principal amount of the Series 2006B Bonds is currently outstanding; and

WHEREAS, \$88,900,000 aggregate principal amount of the Series 2011D Bonds is currently outstanding; and

WHEREAS, pursuant to the 1998 Authorization and the Series 2000B Bond Resolution, the Series 2000B Bonds are payable from and secured by a pledge of and lien on not more than \$150,000,000 of State Aid payments to be made to the Board in any year (the "**Pledged Series 2000B Revenues**") on a

WHEREAS the Series 2002A Bonds were authorized pursuant to Resolution No. 02-0724-RS06 adopted by the Board on July 24, 2002 (the "**2002 Authorization**"), Resolution No. 02-0828-RS04 adopted by the Board on August 28, 2002 (the "**Series 2002A Bond Resolution**") and a Trust Indenture

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2004A Revenues”) in each case on a parity with other Alternate Bonds issued pursuant to the 1998 Authorization; and

WHEREAS [REDACTED]

[REDACTED]

Resolution No. 11-1026-RS4 adopted by the Board on October 26, 2011 (the "Series 2011D Bond

between the Board and Amalgamated Bank of Chicago as trustee; and

WHEREAS, pursuant to the 2009 Authorization and the Series 2011D Bond Resolution, the

BOARD OF SUPERVISORS OF THE CITY OF CHICAGO HAS ADOPTED THE FOLLOWING RESOLUTION:

Revenues, (iv) in the case of the Series 2005B Refunding Bonds, the Pledged Series 2005B Revenues, (v) in the case of the Series 2006B Refunding Bonds, the Pledged Series 2006B Revenues, (vi) in the case of the Series 2011D Refunding Bonds, the Pledged Series 2011D Revenues, and (vi) the Pledged Taxes for the purpose of providing funds in addition to the revenues described in (i), (ii), (iii), (iv), (v) and (vi) above (the “**Refunding Bonds Pledged Revenues**” and together with the Project Bonds Pledged Revenues, the “**Pledged Revenues**”) and investment earnings thereon to pay the principal of and interest on the Refunding Bonds; and

WHEREAS, the Project Bonds and the Refunding Bonds are collectively referred to as the “**Bonds**” in this Resolution; and

WHEREAS, the Bonds of each Series will be issued under and secured by a Trust Indenture (each, an “**Indenture**”) between the Board and such bank, trust company or national banking association

and (iii) each of the Designated Officials (as hereinafter defined) to execute and deliver all documents and

certificates necessary or convenient related to such conversion; and

WHEREAS, the Bonds of a Series may be sold (i) to an underwriter or a group of underwriters (the "Underwriters") to be designated by the Chief Financial Officer of the Board (the "Chief Financial

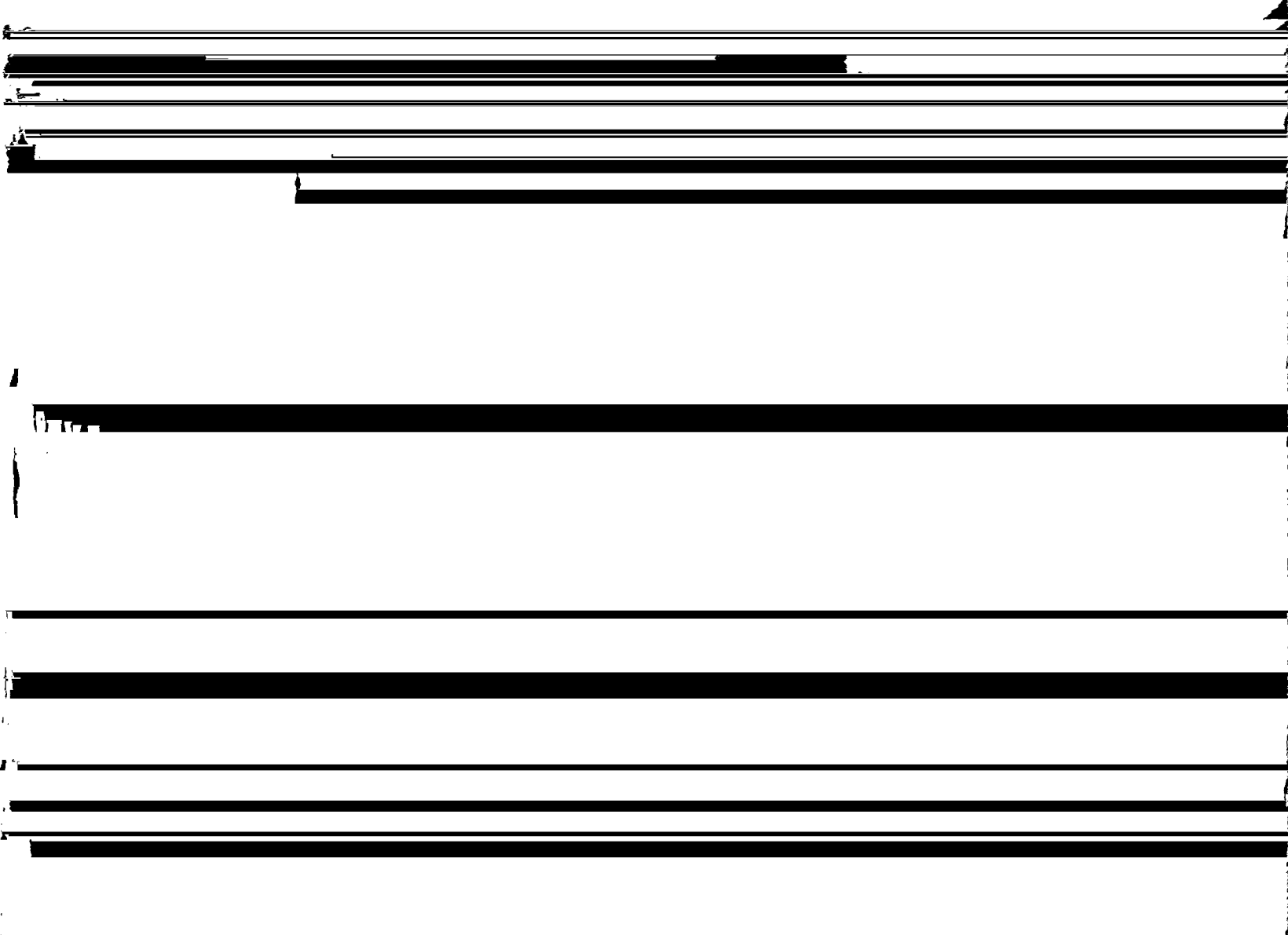
2. *Issuance of Bonds.* (a) Project Bonds are hereby authorized to be issued by the Board in the aggregate principal amount of not to exceed \$300,000,000 for the purposes of (i) providing for the payment of the principal of, redemption premium, if any, and interest on, or repaying any amounts drawn by the Board related to, any bonds or notes of the Board issued to finance Project costs on an interim basis or in anticipation of the issuance of Project Bonds, (ii) funding capitalized interest on a portion of the Project Bonds, and (iii) paying the costs of issuance of the Project Bonds, including the costs of a line of credit, bond insurance, or other credit enhancement. Refunding Bonds are hereby authorized to be

issued in an aggregate principal amount not to exceed \$401,890,000 for the purpose of (i) refunding all or a portion of the outstanding Series 2000B Bonds (ii) refunding all or a portion of the outstanding Series

Fixed Rate Bonds (a "**Fixed Rate Indenture**"), (ii) authorizing Put Bonds (a "**Put Bond Indenture**"),
(iii) authorizing Variable Rate Bonds (a "**Variable Rate Indenture**") or (iv) authorizing QZABs (a
"**QZAB Indenture**"). Each of the Designated Officials is hereby authorized to execute and deliver and

Taxes in the case of the Series 2000B Refunding Bonds, (iii) the Pledged Series 2002A Note Revenues, Additional Pledged Series 2002A State Aid Revenues and the Pledged Taxes in the case of the Series 2002A Refunding Bonds, (iv) the Pledged Series 2004A State Aid Revenues and the Pledged Taxes in the case of the Series 2004A Refunding Bonds, (v) the Pledged Series 2005B Revenues and the Pledged Taxes in the case of the Series 2005B Refunding Bonds, (vi) the Pledged Series 2006B Revenues and the Pledged Taxes in the case of the Series 2006B Refunding Bonds, and (vii) the Pledged Series 2011D Revenues and the Pledged Taxes in the case of the Series 2011D Refunding Bonds, to the payment thereof, and the Board covenants and agrees to provide for, collect and apply such Pledged Revenues, together with investment earnings thereon and moneys held in the Funds and Accounts pursuant to each Indenture, to the payment of the applicable Series of Bonds and the provision of an additional .10 times

and the Board covenants and agrees to provide for, collect and apply such Pledged Revenues, together with investment earnings thereon and moneys held in the Funds and Accounts pursuant to each Indenture, to the payment of the applicable Series of Bonds and the provision of an additional .10 times



All interest on the Bonds shall be paid on Bonds bearing interest at fixed rate

[REDACTED]

paying interest semiannually (the "Fixed Rate Bonds"). The Fixed Rate Bonds shall be dated such

[REDACTED]

For any Bonds issued as QZABs, the Board may establish a sinking fund or similar fund (the

“QZAB Sinking Fund”) under the Indenture. Section 2.1.1 of the Indenture provides that the

QZABs. Additionally, the Board is authorized to (i) pledge the QZAB Sinking Fund under the Indenture for the payment of principal due on the QZABs at maturity and (ii) covenant in the Indenture to annually deposit Project Bond Pledged Revenues into the QZAB Sinking Fund in amounts calculated as a percentage of the

at such rates payable on such dates as shall be determined by a Designated Official at the time of sale of

and as published by the Bureau of the Fiscal Service pursuant to Notice 2009-15 as of the date that there

The tax credit rate for any QZAB shall be determined pursuant to Section 54A(b)(3) of the Code

and as published by the Bureau of the Fiscal Service pursuant to Notice 2009-15 as of the date that there

applicable Indenture may provide that the Bonds shall not be issued in book-entry only form and shall be issued in physical certificate form and held by the respective Trustee. 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 applicable Indenture.

(j) Any of the Series 2000B Bonds, Series 2002A Bonds, Series 2004A Bonds, Series 2005B

Bonds, Series 2006B Bonds and Series 2011B Bonds shall be issued in the form of physical certificates.

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FOR THE LEVY YEAR A TAX SUFFICIENT TO PRODUCE THE SUM OF

2015	109,000,000
2016	92,000,000
2017	79,000,000
2018	79,000,000
2019	100,000,000
2020	100,000,000
2021	76,000,000
2022	71,000,000
2023	71,000,000
2024	70,000,000
2025	56,000,000
2026	56,000,000
2027	55,000,000
2028	51,000,000
2029	51,000,000
2030	49,000,000
2031	131,000,000
2032	131,000,000
2033	131,000,000
2034	131,000,000
2035	138,000,000
2036	129,000,000
2037	120,000,000
2038	120,000,000
2039	120,000,000
2040	120,000,000
2041	120,000,000
2042	177,000,000
2043	177,000,000
2044	177,000,000

provided, that in connection with the issuance of Variable Rate Bonds, Put Bonds and QZABs, 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

percent required to produce the aggregate Pledged Taxes hereinbefore provided to be levied in each of

~~various~~ and the County Clerk shall extend the same for collection on the tax books in connection with

Officer is hereby authorized to execute and deliver on behalf of the Board a Purchase and Sale Agreement with respect to the sale of the Bonds of each Series, which (i) in the case of a Bond Purchase Agreement or a Direct Purchase Agreement shall be in substantially the form used in previous and similar financings of the Board and, with respect to Direct Purchase Agreements, may be in a form customary for direct lending transactions, and (ii) in the case of a Competitive Sale Agreement shall contain terms and provisions no less favorable to the Board as those contained in a Bond Purchase Agreement. Any such Purchase and Sale Agreement shall contain such final terms as shall be approved by the Chief Financial Officer, such approval to be evidenced by such Chief Financial Officer's execution thereof, and the Chief

Financial Officer is also authorized to do all things necessary and essential to effectuate the foregoing.

appropriate Members of Congress, Federal, State, and local officials, and their spouses, such additional

rules are satisfied with respect to such issues

(b) In connection with any sale of the Bonds of each Series, each of the Designated Officials is hereby authorized to obtain a bond insurance policy from such recognized bond insurer as such Designated Official shall determine (the “**Bond Insurer**”) if said Designated Official determines such bond insurance policy to be desirable in connection with the sale of such Series of Bonds. Each Designated Official is also authorized to enter into such agreements and make such covenants with any

Designated Official shall determine that such Designated Official shall determine that such Designated Official shall determine

execute and deliver on behalf of the Board a credit, reimbursement or similar agreement and related fee agreement (the "**Credit Agreement**") providing for the issuance of the Credit Facility and the obligation of the Board to repay funds borrowed under the Credit Facility or advances made by the Credit Provider under the Credit Facility with respect to such Bonds. The Credit Facility may be in a form that provides

for the purchase of such Bonds by the Credit Provider (any such Bond so purchased being referred to as a "**Bank Bond**") and the Indenture as executed and delivered shall reflect the terms and provisions of such Bank Bonds. Any Bonds outstanding as Bank Bonds and any outstanding obligations of the Board to repay advances made by the Credit Provider shall be secured as provided in the applicable Indenture

obligations to be refunded or paid, (iii) a description of the obligations being converted to a fixed interest

redemption price of, interest on the Bonds of each Series, (v) the principal amounts of the Bonds sold as

and in addition any or all of the Designated Officials shall file in the respective offices of the County

Clerks certificates of tax abatement for such years. In the case of Put Bonds and Variable Rate Bonds,

service on such Variable Rate Bonds provided to the Board at the time of sale of such Bonds. No such reduction in the amounts levied in **Section 3(a)** of this Resolution need be made nor must any certificate

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

time to time.

(i) For the purpose of providing for the Refunding, each of the Designated Officials is hereby authorized to execute and deliver one or more refunding escrow agreements (each, a “**Refunding Escrow Agreement**”) on behalf of the Board, attested by the Secretary of the Board, such Refunding Escrow Agreement to be in substantially the form executed and delivered in connection with previous refundings of obligations issued by or on behalf of the Board, but with such changes therein as shall be

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extended for collection directly with such escrow agent designated pursuant to **Section 5** of this

[Redacted]

extent necessary, advising the County Collectors of the abatement of the Pledged Taxes. The Designated

[Redacted]

CONFIDENTIAL - INTERNAL SECURITY - (S)

"Confidentiality of Law" under the Internal Security Act of 1950 - (S)

such form of Continuing Disclosure Undertaking. No Continuing Disclosure Undertaking shall be

11. *Transfers of Funds.* The Designated Officials are authorized to transfer funds (i) from the General Operating Fund to the Capital Projects Fund for the purpose of paying the costs of capital improvements including Project costs and to any fund or account established by an Indenture to pay or

to pay directly, capitalized interest, costs of issuance or other costs relating to the issuance of the Bonds and (ij) from any fund or account established by an indenture securing any Refunded Bonds for purposes