

RESOLUTION AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF THE UNITED STATES

TAX GENERAL OBLIGATION REFUNDING BONDS OF THE BOARD OF EDUCATION
OF THE CITY OF CHICAGO, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO

EXCEED \$432,000,000 FOR THE PURPOSE OF PAYING THE COST OF REFUNDING
OUTSTANDING BONDS OF SAID BOARD OF EDUCATION

WHEREAS, pursuant to the provisions of Article 34 of the School Code, 105 Illinois Compiled

Statutes (the "School Code"), the City of Chicago is authorized to issue up to \$500,000,000 of

~~WHEREAS Section 45(a) of the Debt Reform Act provides that Alternate Bonds (the "Statutory~~

Refunding Bonds") may be issued to refund or advance refund alternate bonds without meeting any of the conditions set forth in Section 15 of the Debt Reform Act, except that the term of the refunding bonds shall not be longer than the term of the refunded bonds and that the debt service payable in any year on the refunding bonds shall not exceed the debt service payable in such year on the refunded bonds and

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\$432,000,000 for the purpose of refunding the Outstanding Bonds and restructuring of the debt service payable on Outstanding Bonds, all on the terms and conditions set forth in this Resolution; and

WHEREAS, the Alternate Bonds to be issued pursuant to this Resolution are to be issued as Statutory Refunding Bonds and are herein referred to as the "**Bonds**"; and

~~WHEREAS, the Bonds may be issued in one or more series (each a "Series"); and~~

~~WHEREAS, each Series of the Bonds will be payable from (i) such of the Pledged Revenues as~~

are currently pledged to the payment of the Outstanding Bonds to be refunded by such Series 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 2 of this Resolution (the "Pledged Debt Service

(each a "**Placement Agreement**") or (iii) following a distribution of a Notice of Sale and a competitive bidding

determined by the Senior Vice President of Finance to be in the best financial interest of the Board (the "**Competitive Purchasers**" and, together with the Underwriters and the Placement Purchasers being referred to herein as the "**Purchasers**") pursuant to an agreement between the Competitive Purchasers and the Board (each a "**Competitive Sale Agreement**") and, together with the Board Purchase Agreement

determined by either (i) the President of the School Board (the "**President**"), (ii) the Vice President of the School Board (the "**Vice President**") or any Member of the Board who is authorized to execute documents or take action in lieu of the President, (iii) the Chief Executive Officer, (iv) the Senior Vice President of Finance or (v) the Treasurer (each, a "**Designated Official**"). The Bonds of each Series shall be distinguished from each other Series by a designation or title, including the words "General Obligation

Refunding Bonds" and with such additions, modifications or revisions as shall be determined to be necessary by any Designated Official at the time of the sale of such Bonds to reflect the order of sale of such Bonds, whether such Bonds are Capital Appreciation Bonds, Current Interest Bonds, Convertible Bonds or Variable Rate Bonds (each as defined herein) and any other authorized features of such Bonds determined by any of the Designated Officials as desirable to be reflected in the title of the Bonds being issued and sold as part of such Series. The Designated Officials are each hereby authorized to execute

The details of the sale of each Series of the Bonds as described in the notification of sale of such Bonds delivered by a Designated Official pursuant to **Section 4(e)** of this Resolution and all provisions relating to the authorized denomination, registration, transfer and redemption of such Bonds, within the

Designated Official as described herein.

Each Designated Official is hereby authorized to determine the redemption date of each

amounts of such Capital Appreciation Bonds or any integral multiple thereof, each such original principal

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amount representing Compound Accreted Value (as hereinafter defined) at maturity (the "**Maturity Amount**") of \$5,000 or any integral multiple thereof. As used herein, the "**Compound Accreted Value**" of
a Capital Appreciation Bond on any date of determination shall be an amount equal to the original principal

The Bonds shall be dated as of a date not earlier than August 1, 2019, as determined by a Designated Official at the time of sale thereof. The final maturity date of any Series of Bonds shall not be later than the final maturity date of the Outstanding Bonds refunded with the proceeds of such Series, all in accordance with Section 15(e) of the Debt Reform Act. If issued as Current Interest Bonds, Capital Appreciation Bonds or Convertible Bonds, such Bonds shall bear interest at a rate or rates not to exceed 9 percent per annum (computed upon the basis of a 360-day year of twelve 30-day months) and payable on such dates as shall be determined by a Designated Official at the time of sale thereof, all as shall be determined by a Designated Official at the time of sale of such Bonds. The Bonds shall be issued in such denominations as permitted under the applicable Indenture securing such Bonds.

The Variable Rate Bonds shall bear interest from time to time at such rates determined (i) by such remarketing or other indexing agent as shall be selected by a Designated Official for that purpose or (ii) pursuant to such index or indices as shall be selected by a Designated Official for that purpose, which

interest rate or rates shall not exceed the maximum permitted by law for obligations of the Board, but in no event more than 15 percent per annum, subject to the provisions of **Section 4(d)** of this Resolution. The

amount of such Bonds being tendered for purchase) as shall be determined by a Designated Official at the time of sale of such Variable Rate Bonds and specified in the applicable Variable Rate Indenture. In connection with the remarketing of any Variable Rate Bonds so tendered for purchase under the terms and conditions specified in the applicable Variable Rate Indenture, each of the Designated Officials is hereby

~~authorized to execute on behalf of the Board one or more remarketing agreements with such national~~

~~banking associations, banks, trust companies, investment bankers or other financial institutions as shall be~~

FOR THE LEVY YEAR

A TAX SUFFICIENT TO PRODUCE THE SUM OF:

2019	\$31,000,000
2020	31,000,000
2021	30,000,000
2022	30,000,000
2023	30,000,000
2024	69,000,000
2025	69,000,000
2026	69,000,000
2027	69,000,000
2028	69,000,000
2029	68,000,000
2030	16,000,000
2031	16,000,000
2032	16,000,000

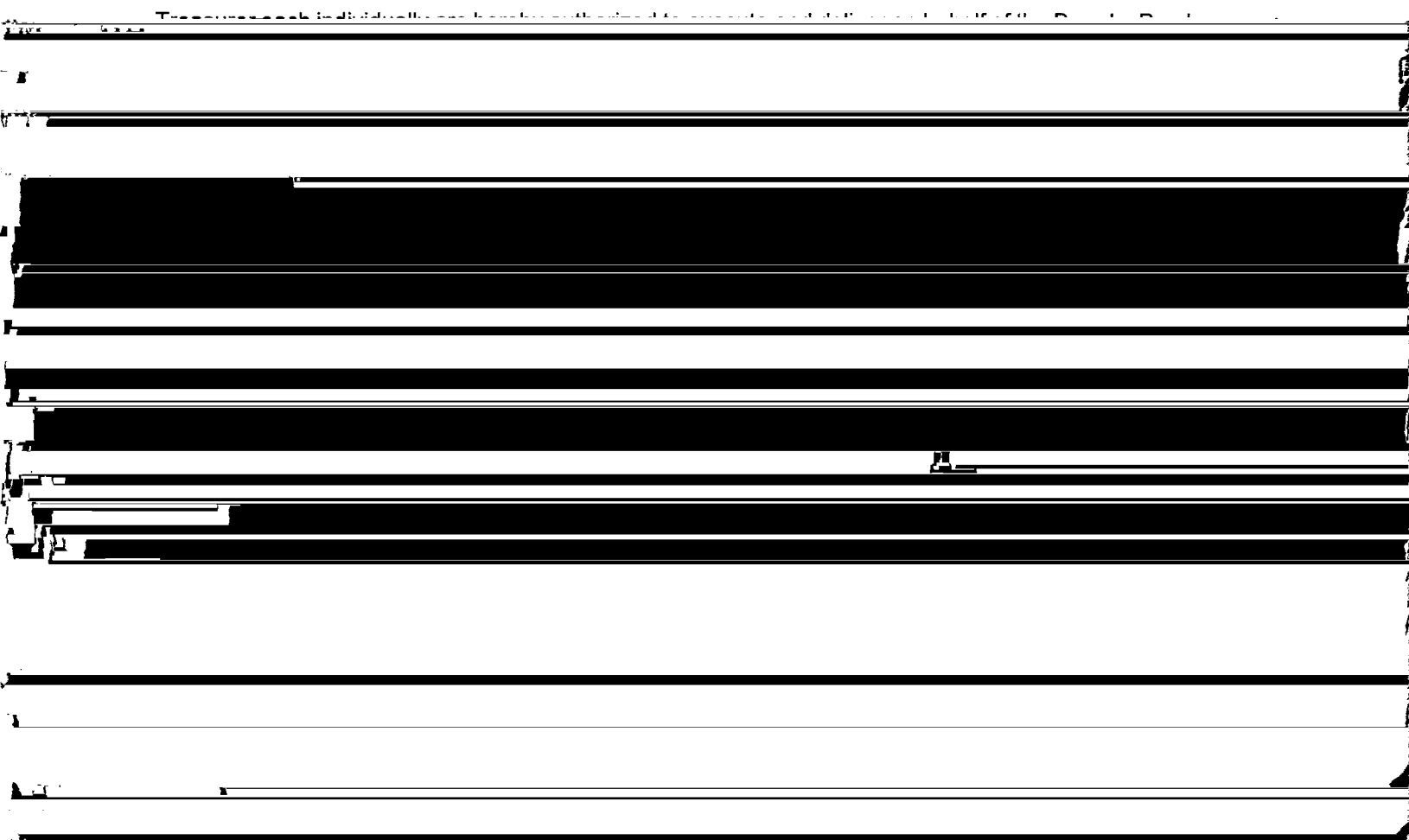
provided that in connection with the issuance of Variable Rate Bonds in furtherance of the general

obligation full faith and credit promise of the Board to pay the principal and redemption price of and interest

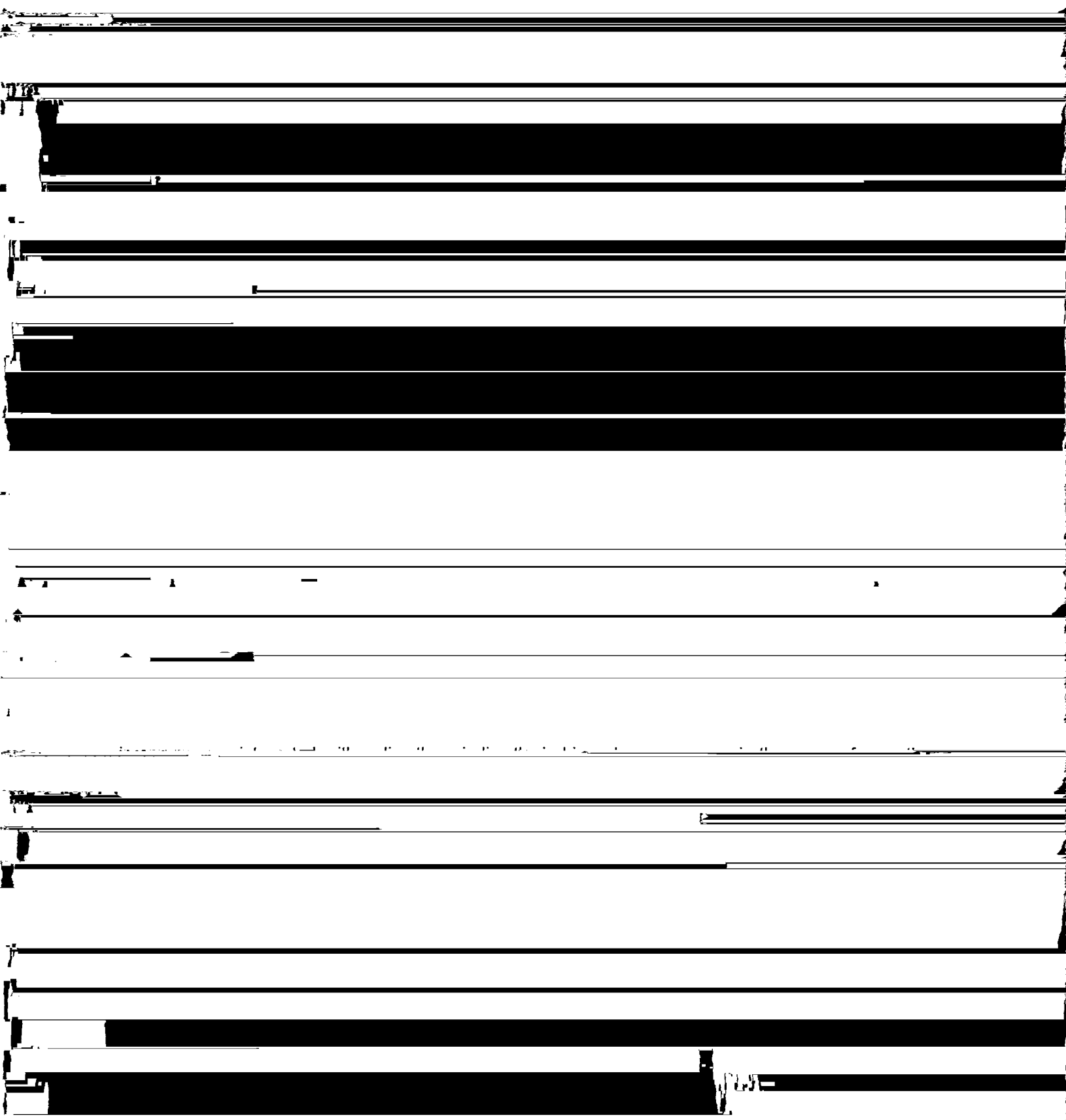
(c) At the time and in the manner set forth in each Indenture, the Board shall direct the abatement of the Pledged Debt Service Taxes in whole or in part.

(d) The notification of sale of any Series of the Bonds delivered by the Designated Officials pursuant to **Section 4(e)** of this Resolution may provide for the allocation of all or a portion of the Pledged Debt Service Taxes levied for any year pursuant to this Resolution to the payment of the principal and redemption price of and interest on such Series of the Bonds.

Section 4. Sale of the Bonds, Purchase and Sale Agreements. (a) Each Series of the Bonds shall be sold and delivered to the Purchasers, subject to the terms and conditions of the applicable Purchase and Sale Agreement; provided, (i) that the aggregate purchase price of any Current Interest Bonds or Variable Rate Bonds shall be not less than 97 percent of the principal amount thereof to be issued (less any original issue discount used in the marketing thereof) plus accrued interest from their date to the date of delivery thereof, (ii) that the aggregate purchase price of any Capital Appreciation Bonds or Convertible Bonds shall not be less than 97 percent of the aggregate original principal amount thereof and (iii) that the compensation paid to the Purchasers in connection with the sale of any Variable Rate Bonds shall not exceed 3 percent of the principal amount thereof. The Senior Vice President of Finance and the



net interest rate received upon the sale of such Bonds exceeds the maximum rate otherwise authorized by



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 shall be secured as provided in the applicable Indenture. The annual fee paid

to any Credit Provider for the provision of a Credit Facility shall not exceed 3 percent of the amount available to be drawn or advanced under such Credit Facility.

The Credit Agreement may provide that alternative interest rates or provisions will apply during

rate applicable from time to time to such Variable Rate Bonds, (vi) debt service schedules for the Bonds of each Series and for the Outstanding Bonds to be refunded by such Series, demonstrating that (i) the term of the Bonds of such Series is not longer than the term of the Outstanding Bonds to be refunded by such Series and (ii) the debt service payable in any year on the Bonds of such Series does not exceed the debt service payable in such year on the Outstanding Bonds for such year. (vii) the terms and provisions for the

conversion of the Compound Accrued Value of any Convertible Bonds issued hereunder into Current Interest Bonds. (viii) the application of the proceeds of such Bonds for the purposes and within the

amounts levied in **Section 3(a)** of this Resolution need be made nor must any certificate of tax abatement be filed as described in the preceding sentence until either or both of the Designated Officials have determined that any amount so levied in **Section 3(a)** of this Resolution will not be needed to secure the Bonds being sold at that time or any Series of Bonds to be sold in the future. Any certificate of abatement delivered pursuant to this paragraph shall refer to the amount of taxes levied pursuant to **Section 3(a)** of

this Resolution, shall indicate the amount of reduction in the amount of taxes levied by the Board resulting from the sale of such Bonds, which reduced amount is to be abated from such taxes, and shall further

indicate the remainder of such taxes which is to be extended for collection by the County Clerk. Each of

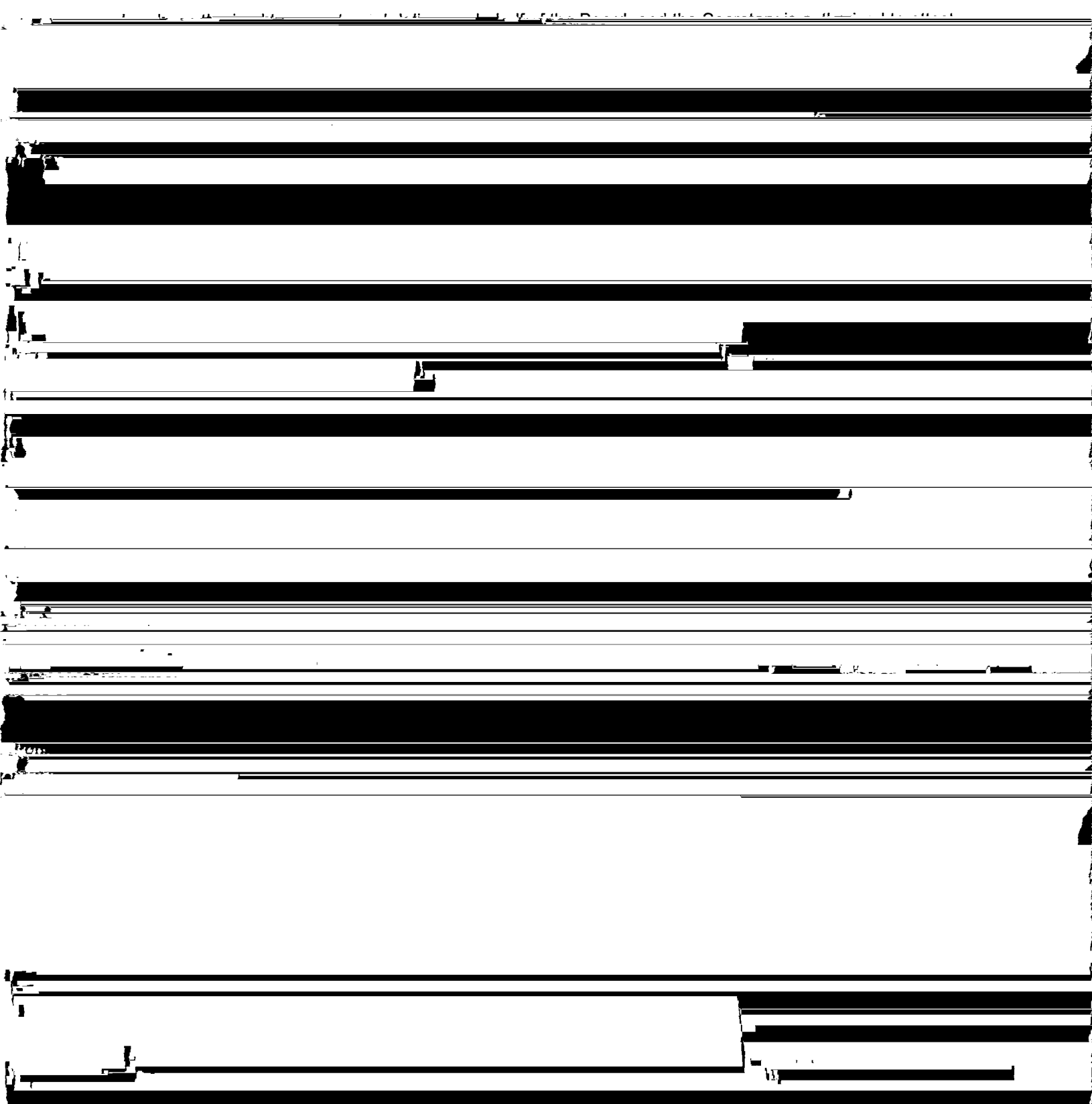
potential holders in connection with a public competitive sale of a Series of the Bonds and to take all actions

necessary to conduct any such sale.

(g) The proceeds from the sale of each Series of the Bonds shall be applied to (i) the payment

or sell to the Board specified securities on specific dates at predetermined prices, all as established at the time of execution of any such agreement.

Section 5. Escrow of Pledged Revenues and Pledged Debt Service Taxes. If deemed necessary and desirable to provide additional security for any Bonds, each of the Designated Officials is



Section 9

Conversion to Fixed Rate of Interest. With respect to the Series 2008A Bonds and

the Series 2008B Bonds, each of the Designated Officials is hereby delegated the authority to provide for

the conversion of such Outstanding Bonds to a fixed interest rate in accordance with the trust indenture

securing such Outstanding Bonds and in connection with such conversion to undertake actions and execute
and deliver documents, including (but not limited to) one or more supplemental indentures amending one

Section 11. *Further Acts.* Each of the Designated Officials, officials or officers of the Board are hereby authorized to execute and deliver such other documents and agreements and perform such other

~~_____ in connection with the Bonds, including, but not limited to, the~~

