

RESOLUTION PROVIDING FOR THE ISSUE OF LIMITED TAX GENERAL

**OBLIGATION REFUNDING BONDS (DEDICATED REVENUES), SERIES 2009, OF  
THE BOARD OF EDUCATION OF THE CITY OF CHICAGO IN AN AGGREGATE  
PRINCIPAL AMOUNT NOT TO EXCEED \$200,000,000, FOR THE PURPOSE OF  
PAYING THE COST OF REFUNDING CERTAIN OUTSTANDING BONDS OF SAID  
BOARD OF EDUCATION**

WHEREAS THE BOARD OF EDUCATION OF THE CITY OF CHICAGO HAS

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

provisions of the Debt Reform Act, the Board, on June 28, 2006, adopted a resolution (the **“2006 Authorization”**) authorizing the issuance of Alternate Bonds payable from any and all of the following revenue sources: (i) not more than \$125,000,000 of the State Aid payments to be made to the Board in

Order of the Board to sell the 2000 Auctioned Bonds, including the Bonds (see Board Order # 09-0527)

from time to time over a period of years; and

WHEREAS, notice of the Hearing was given by publication at least once not less than seven (7)

not more than thirty (30) days before the date of the Hearing in the Chicago Sun Times, the same being a

such as a replacement fund or set as may be created in the future. (iii) proceeds of other any

portion of a capital improvement tax levied and extended, and to be levied and extended by the Board pursuant to Article 34 of the School Code, (iv) any monies lawfully available to and validly accepted by the Board pursuant to any intergovernmental agreement by and between the School District and the City

the Outstanding Bonds, which costs may include the payment of any settlement, breakage or termination amount payable by the Board as a result of the termination, amendment or modification of a Swap Agreement in connection with the refunding of the Outstanding Bonds (any such payment being referred to as a "Termination Payment") (collectively, the "Refunding") and (ii) the costs of issuance of such Alternate 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 Alternate Bonds to be issued pursuant to this Resolution is accordance with the

WHEREAS, the Board has determined that the Pledged Revenues, together with estimated investment earnings thereon and moneys held in the funds and accounts pursuant to the Indenture will

provide in each year an amount not less than 1.10 times annual debt service on the Bonds to be paid from such governmental revenue sources and 1.25 times annual debt service on the Bonds to be paid

WHEREAS, it is necessary for the Board to authorize the sale and issuance of the Bonds and to approve and to authorize and direct the sale of the Bonds pursuant to one or more of the methods

described above, together with the execution of the Indenture, the Purchase and Sale Agreement and

certain other agreements and the performance of acts necessary or convenient in connection with the

implementation of this Resolution and the issuance of the Bonds;

Indenture on behalf of the Board, each such Indenture to be in substantially the respective form executed



for over 20 years until paid or defensed the general obligation of the Board for the payment of which its full

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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

(d) The Bonds of each Series may be redeemable prior to maturity at the option of the Board, in whole or in part on any date, at such times and at such redemption prices (to be expressed as a percentage of the principal amount of such Bonds being redeemed, plus accrued interest to the date of redemption) as shall be determined by a Designated Official at the time of the sale thereof. The Bonds

FOR THE LEVY YEAR

A TAX SUFFICIENT TO PRODUCE THE SUM OF

2009	\$25,000,000
2010	24,000,000
2011	24,000,000
2012	17,000,000

2013	17,000,000
2014	16,000,000
2015	16,000,000
2016	16,000,000
2017	16,000,000
2018	16,000,000

2019	16,000,000
2020	16,000,000
2021	16,000,000
2022	15,000,000
2023	15,000,000

2026	14,000,000
2027	13,000,000
2028	13,000,000
2029	13,000,000

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 set forth in each Indenture, the Board shall direct the abatement of the Pledged 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)** hereof may provide for the allocation of all or a portion of the Pledged 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.

4. *Sale of the Bonds, Bond Purchase Agreement.* (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 net proceeds from the sale of the Bonds, plus the original issue discount used in the marketing thereof, plus accrued interest from their date to the date of

have been sold at such price and bear interest at such rate that neither the true interest cost (yield) nor the net interest rate received upon the sale of such Bonds exceeds the maximum rate otherwise authorized by applicable law, 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, association, trust or corporation, in the Indenture, any escrow or similar agreement

line of credit or other credit or liquidity facility, including similar agreements with or facilities issued by a

~~Redesignated Official (a "Credit Facility") if determined by such Designated Official to be necessary~~

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

interest rates for the Bonds sold, (ii) a description of the specific Pledged Revenues pledged to the

payment of the principal of and redemption of interest on the Bonds of such Series, (iii) the amount of Bonds

Bonds of such Series, (iii) the principal amounts of the Bonds sold as Current Interest Bonds, Capital

Appropriation Bonds, Convertible Bonds and Variable Rate Bonds, respectively, (iv) in the case of Bonds



amendment or modification as authorized in the final paragraph of subsection (i) of this Section and the

Designated Official to serve as Refunding Escrow Agent pursuant to the authorization granted in paragraph (j) of this Section, (xvi) if an escrow or other similar agreement is to be executed and delivered as authorized in **Section 5** hereof, a copy of such agreement shall be attached to said notification of sale and (xvii) the identity of and the compensation paid to the Purchasers in connection with such sale.

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 15c2-12") and the proposed use by the Underwriters of 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

under the terms of the Indenture, the Investment Policy of the Board and applicable law, as in effect from time to time.

(i) Either of the Designated Officials is hereby authorized to execute and deliver from time to time one or more agreements with counterparties selected by either of the Designated Officials, the purpose of which is to provide to the Board an interest rate basis, cash flow basis or other basis from that provided in the Bonds for the payment of interest. The stated aggregate notional amount under all such

agreements authorized hereunder shall not exceed the principal amount of the Bonds issued hereunder

(net of offsetting transactions entered into by the Board). For purposes of the immediately preceding sentence, "offsetting transactions" shall include any transaction which is intended to hedge, modify or otherwise affect another outstanding transaction or its economic results. The offsetting transactions need

Each of the Designated Officials is hereby authorized to take all actions necessary to terminate

amend or modify all or a portion of the Swap Agreements upon a determination that such termination, amendment or modification is in the best financial interest of the Board. Any resultant Termination Payment due from the Board may be paid from proceeds of sale of the Bonds or any other lawfully available funds of the Board.

(j) 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

extended for collection directly with such agency agent designated pursuant to Section 5 in order to

secure the payment of the principal of and interest on the Bonds and (ii) to the extent necessary:

advising the County Collectors of the abatement of the Pledged Taxes. The Designated Officials are

authorized to file a certified copy of this Resolution with each of the County Collectors within 140 days

exercise following the delivery date of the Bonds of any power or authority delegated to such official under this Resolution with respect to the Bonds upon original issuance, but subject to any limitations on or restrictions of such power or authority as herein set forth.

*[Faint, illegible text, possibly a signature or header line]*

**EXHIBIT I**  
**OUTSTANDING BONDS**

1. \$75,410,000 Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2004C-1

2. \$52,020,000 Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2004D



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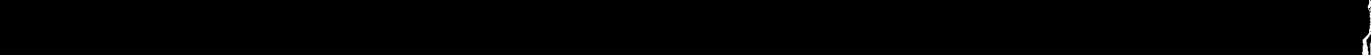
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3. \$44,730,000 Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2004E

3. \$20,625,000 Unlimited Tax General Obligation Refunding Bonds (Dedicated Revenues),  
Series 2005D-1

