

**RESOLUTION AUTHORIZING CERTAIN AMENDMENTS TO THE INDENTURES
SECURING OUTSTANDING UNLIMITED TAX GENERAL OBLIGATION BONDS
(DEDICATED REVENUES), SERIES 2000B, SERIES 2000C AND SERIES 2000D, OF
THE BOARD OF EDUCATION OF THE CITY OF CHICAGO AND MAKING CERTAIN
OTHER DETERMINATIONS WITH RESPECT TO SAID BONDS**

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, 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, on the 28th day of June 2000, the School Board adopted Resolution Number 00-0628-RS21 (the "*Bond Resolution*") authorizing the issuance of Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2000; and

WHEREAS, pursuant to the Bond Resolution, on the 7th day of September, 2000, the Board issued (i) its \$101,000,000 Unlimited Tax General Obligation Bonds (Dedicated Tax Revenues), Series 2000B (the "*2000B Bonds*"); (ii) its \$101,000,000 Unlimited Tax General Obligation Bonds (Dedicated Tax Revenues), Series 2000C (the "*2000C Bonds*") and (iii) its \$101,000,000 Unlimited Tax General Obligation Bonds (Dedicated Tax Revenues), Series 2000D (the "*2000D Bonds*") and together with the 2000B Bonds and the 2000C Bonds, the "*2000 Bonds*"; and

WHEREAS, each series of the 2000 Bonds is issued and secured under a separate trust indenture (each a "*Trust Indenture*") dated September 1, 2000 from the Board to Amalgamated Bank of Chicago, as trustee (the "*Trustee*"); and

WHEREAS, each Trust Indenture provides for the terms and conditions of the applicable series of the 2000 Bonds, including provisions that permit the 2000 Bonds to bear interest at variable interest rates that are adjusted and reset for various interest rate periods referred to as "*interest rate modes*;" and

WHEREAS, the School Board hereby determines that the interest cost to the Board of the 2000 Bonds and current liquidity facility costs of the 2000 Bonds may be reduced if each Trust Indenture is amended to permit the remarketing of one or more of the 2000 Bonds into a "*Term Mode*" that would permit the interest rate on 2000 Bonds to be established for periods in excess of one year.

WHEREAS, it is necessary for the Board to authorize the proposed amendment to each Trust Indenture and to authorize and direct the execution of Supplemental Indentures and the performance of acts necessary or convenient in connection with the implementation of this Resolution:

NOW, THEREFORE, Be It Hereby Resolved by the Chicago Board of Education of the Board of Education of the City of Chicago, as follows:

1. *Incorporation of Preambles.* The preambles of this Resolution are hereby incorporated into this text as if set out herein in full.

2. *Supplemental Authority.* This Resolution supplements the Bond Resolution. Every action and all authority delegated to the President of the School Board and the Chief Fiscal Officer (each a "*Designated Official*") pursuant to the Bond Resolution is confirmed and continued with respect to the 2000 Bonds, the amendment of the Trust Indentures and the remarketing of any 2000 Bonds, including the authority to enter into swap agreements as provided in Section 4(i) of the Bond Resolution.

3. *Indenture Amendment.* The Designated Officials are authorized and directed to undertake the amendment of one or more of the Trust Indentures to add a "*Term Rate Mode*" having a interest reset period or periods in excess of one year. Pursuant to Article XI of each Trust Indenture, the Designated Officials are authorized to enter into a "*Supplemental Indenture*" amending such Trust Indenture to incorporate therein the terms and conditions for the "*Term Rate Mode*," which Supplemental Indenture may include such additional provisions as the Designated Officials shall determine to be useful to facilitate the purposes of this Resolution. Each of the Designated Officials is hereby authorized to execute and deliver, and the Secretary is hereby authorized to attest, each such Supplemental Indenture on behalf of the Board.

4. *Flexible Mode Rate Period.* The minimum rate period for a series of 2000 Bonds in the "*Flexible Mode*" may be shortened to a minimum term of two days at the written direction of a Designated Official filed with the appropriate Trustee.

5. *Required Consents.* The Designated Officials are authorized to obtain such consents to the proposed amendments to each Trust Indenture as are required by the Trust Indenture or as are, in the judgment of the Designated Officials, necessary or useful to facilitate the purposes of this Resolution.

6. *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 acts as may be necessary or desirable in connection with this Resolution and the 2000 Bonds.

All actions of the officials or officers of the Board in conformity with the purposes and intent of, and heretofore taken in reliance on, the Bond Resolution are hereby in all respects ratified, approved, and confirmed.

7. *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.

8. *Repealer and Effective Date.* All resolutions or parts of resolutions in conflict herewith are, to the extent of such conflict, hereby repealed. This Resolution is effective immediately upon its adoption.