

RESOLUTION ABATING THE TAX HERETOFORE LEVIED FOR THE YEAR 2004 TO PAY DEBT SERVICE ON UNLIMITED TAX GENERAL OBLIGATION BONDS (DEDICATED TAX REVENUES), SERIES 2001-03, OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO

WHEREAS, the Board of Education of the City of Chicago (the "*Board*") has heretofore issued its Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2001C, dated December 11, 2001 (the "*Series 2001C Bonds*"); its Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2003A, dated February 5, 2003 (the "*Series 2003A Bonds*"); and its Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2003B, dated February 11, 2003 (the "*Series 2003B Bonds*", together with the Series 2001C Bonds and the Series 2003A Bonds, the "*Series 2001-03 Bonds*"), all pursuant to Resolution No. 01-1128-RS4, adopted by the Board on the 28th day of November 2001 (the "*Bond Resolution*"), and a certain Trust Indenture, dated as of December 1, 2001 (the "*Series 2001C Indenture*"), between the Board and Amalgamated Bank of Chicago (the "*Series 2001C Trustee*"), securing the Series 2001C Bonds; a certain Trust Indenture, dated as of January 1, 2003 (the "*Series 2003A Indenture*"), between the Board and BNY Midwest Trust Company (the "*Series 2003 Trustee*"), securing the Series 2003A Bonds; and a certain Trust Indenture, dated as of January 1, 2003 (the "*Series 2003B Indenture*"), between the Board and the Series 2003 Trustee, securing the Series 2003B Bonds; and

WHEREAS, pursuant to the Bond Resolution, the Board has levied a direct annual tax for the payment of the principal of and interest on the Series 2001-03 Bonds, and has directed the County Clerks of The Counties of Cook and DuPage, Illinois (the "*County Clerks*") to extend such taxes in amounts sufficient to pay such debt service as the same becomes due (the "*Pledged Taxes*") pursuant thereto; and

WHEREAS, Section 5.4(A) of the Series 2001C Indenture provides that once sufficient Pledged State Aid Revenues (as defined in the Indenture) have been deposited in the Pledged State Aid Revenues Account (as defined in the Indenture) in any calendar year in an amount sufficient to pay the interest on and the principal of the Series 2001C Bonds due during the Bond Year beginning on December 2 of such prior calendar year, the Series 2001C Trustee shall notify the Board of that fact, and the Board shall take such actions as are necessary to abate the Pledged Taxes levied and to be extended for the then-current calendar year in full; and

WHEREAS, Section 5.4(A) of the Series 2003A Indenture and Series 2003B Indenture provides that once sufficient Pledged State Aid Revenues (as defined in each respective Indenture) have been deposited in the Pledged State Aid Revenues Account (as defined in each respective Indenture) in any calendar year in an amount sufficient to pay the interest on and the principal of (i) the Series 2003A Bonds due during the Bond Year beginning on December 2 of such prior calendar year and (ii) the Series 2003B Bonds due during the Bond year beginning on March 2 of such calendar year, the Series 2003 Trustee shall notify the Board of that fact, and the Board shall take such actions as are necessary to abate the Pledged Taxes levied and to be extended for the then-current calendar year in full; and

WHEREAS, the Board has received the notices described in the preceding two paragraphs from the Series 2001C Trustee and the Series 2003 Trustee, respectively, evidencing the sufficiency of the Pledged State Aid Revenues deposited into the Pledged State Aid Revenues Account, and the Board hereby finds that it is necessary and in the best interests of the Board that the Pledged Taxes heretofore levied and to be extended for the year 2004 to pay such debt service on the Series 2001-03 Bonds be abated in full.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Education of the City of Chicago, as follows:

1. *Abatement of the Series 2001-03 Bonds Pledged Taxes.* The Pledged Taxes in the amount of \$100,000,000.00 heretofore levied for the year 2004 in the Bond Resolution and to be extended pursuant thereto are hereby abated in full.

2. *Filing of Resolution.* Forthwith upon the adoption of this Resolution, the Secretary of the Board shall cause a certified copy hereof to be filed with the County Clerks, and it shall be the duty of such officers to abate said Pledged Taxes levied and to be extended for the year 2004 in full, in accordance with the provisions hereof.

3. *Effective Date.* This Resolution shall be in full force and effect upon its adoption.