

**RESOLUTION PROVIDING FOR THE ISSUE OF UNLIMITED TAX
GENERAL OBLIGATION BONDS (DEDICATED REVENUES), SERIES 2015, OF
THE BOARD OF EDUCATION OF THE CITY OF CHICAGO IN AN
AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$1,040,000,000,
FOR THE PURPOSE OF PAYING COSTS OF CERTAIN
FUNDINGS, REFUNDINGS AND CAPITAL IMPROVEMENTS IN AND FOR SAID BOARD**

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 and administrative buildings, site improvements and other real and personal property in and for the School District (the "*Project*"), all in accordance with the estimates of cost, including the Board's Capital Improvement Program, as heretofore approved and from time to time amended by the Board; and

WHEREAS, for the purpose, among others, of providing funds to pay a portion of the cost of the Project, the cost of funding swap termination payments and fees or funding obligations or purchasing related investments of the Board (the "*Funding*") and the cost of refunding obligations of or issued on behalf of the Board (the "*Refunding*"), including legal, financial, bond discount, capitalized interest, termination payments and fees, printing and publication costs, reserves and other expenses, and in accordance with the provisions of the Local Government Debt Reform Act of the State of Illinois, as amended (the "*Act*"), the School Board, on July 22, 2015, adopted a resolution (the "*2015 Authorization*") authorizing the issuance of alternate bonds, being general obligation bonds payable from any or all of the following revenue sources (the "*Alternate Bonds*") in an aggregate principal amount not to exceed \$1,160,000,000 (the "*2015 Authorization Bonds*") (i) not more than \$230,000,000 of the State Aid

payments to be made to the Board in any year pursuant to Article 18 of the School Code, or such successor or replacement fund or act as may be enacted in the future, (ii) amounts allocated and paid to the Board from the Personal Property Tax Replacement Fund of the State of Illinois pursuant to 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, (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 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 (including, but not limited to, tax increment financing), or pursuant to an agreement with the Chicago Infrastructure Trust, (v) school construction project or debt service grants to be paid to the Board pursuant to the School Construction Law of the State of Illinois, the Riverboat Gambling Act or or such successor or replacement act as may be enacted in the future, (vi) investment returns and earnings from the Funding and the Refunding and the investment of any of the foregoing sources, (vii) rental income derived from Board property and (viii) grants and other payments to be paid to the Board by the United States of America or any department, agency or instrumentality thereof (collectively, the "*Pledged Revenues*"); and

WHEREAS, pursuant to and in accordance with the Act and the 2015 Authorization, the Board caused to be published on July 26, 2015 in *The Chicago Sun-Times*, a newspaper of general circulation within the School District (the "*Sun-Times*"), a copy of the 2015 Authorization and a notice that the Alternate Bonds are subject to a "*back-door referendum*" under the Act; and

WHEREAS, no petition asking that the issuance of the 2015 Authorization Bonds be submitted to referendum has ever been filed with the Secretary of the Board (the "*Secretary*") and the 2015 Authorization Bonds have been authorized to be issued; and

WHEREAS, pursuant to and in accordance with the provisions of the Bond Issue Notification Act of the State of Illinois, the Board called a public hearing (the "*Hearing*") for July 22, 2015, concerning the

intent of the Board to sell up to \$1,160,000,000 of the 2015 Authorization Bonds from time to time in one or more series; and

WHEREAS, notice of the Hearing was given by publication at least once not less than seven (7) nor more than thirty (30) days before the date of the Hearing in the *Sun-Times* and by posting a copy of the notice at least forty-eight (48) hours before the Hearing at the principal office of the Board; and

WHEREAS, the Hearing was held on July 22, 2015 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 July 22, 2015; and

WHEREAS, pursuant to the 2015 Authorization, the Board anticipates issuing its Unlimited Tax General Obligation Bonds (the "*2015 Authorization Bonds*"); and

WHEREAS, the Bonds authorized hereunder and any additional 2015 Authorization Bonds, shall not exceed \$1,160,000,000; and

WHEREAS, the Board desires at this time, pursuant to the 2015 Authorization, to adopt this Resolution providing for the issuance of Alternate Bonds in an amount not to exceed \$1,040,000,000 for the purpose of paying (i) costs of the Project, the Funding and the Refunding, (ii) capitalized interest on such Alternate Bonds, and (iii) 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 in accordance with the 2015 Authorization are herein referred to as the "*Bonds*"; and

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

WHEREAS, the Bonds may be issued as qualified zone academy bonds ("QZABs") pursuant to Sections 54A and 54E of the Internal Revenue Code on a taxable basis to provide federal income tax credits to the holders thereof in lieu of receiving all or a portion of periodic interest payments; and

WHEREAS, the Bonds of each such Series will be payable from (i) such of the Pledged Revenues as shall be determined by a Designated Official (as hereinafter defined) 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 Pledged Revenues and investment earnings thereon to pay the principal of and interest on the Bonds; 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 appointed to serve as trustee under the Indenture as provided in Section 2(a) hereof (the "*Trustee*"); and

WHEREAS, the Bonds will be further secured by the Funds, Accounts and Sub-Accounts established and pledged pursuant to the applicable Indenture; and

WHEREAS, the Board may elect to pay the debt service on the Bonds from time to time in the future from certain interest income, certain property tax revenues and other budgetary sources and in accordance with Section 13 of the Act, the Board may elect to pledge additional moneys of the Board, which may be deposited into one or more special funds of the Board, to pay the debt service on the Bonds; and

WHEREAS, certain of the Pledged Revenues constitute a "*governmental revenue source*" pursuant to the Act; and

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 from any 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 (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 Pledged Revenues to provide the School District with revenues, including without limitation amounts available to the School District in later years and estimated investment earnings thereon and moneys held in the funds and accounts pursuant to the Indenture, in an amount not less than 1.10 times annual debt service on the Bonds to be paid from governmental revenue sources and 1.25 times annual debt service on the Bonds to be paid from Pledged Revenues that do not constitute a governmental revenue source, which Audit the Board has heretofore accepted and approved and which Feasibility Report, if applicable, shall be accepted and approved on behalf of the Board by the Chief Financial Officer (including any interim Chief Financial Officer) of the Board (the "Chief Financial Officer") prior to the issuance of any Bonds supported by a revenue source not supported by the Audit; 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 with respect to one or more Series of the Bonds pursuant to a separate Contract of Purchase (each, a "Bond Purchase Agreement") between the Underwriters and the Board, (ii) in a private placement with an individual investor or group of investors to be designated by the Chief Financial Officer (the "Placement Purchasers") with respect to one or more Series of the Bonds pursuant to a separate Placement Agreement between the Placement Purchasers and the Board or other similar agreement for the sale and purchase of the Bonds (each, a "Placement Agreement") or (iii) following distribution of a Notice of Sale and a competitive bidding process, to a bidder or syndicate submitting an offer to purchase one or more Series of the Bonds determined by the Chief Financial Officer 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 Bond Purchase Agreement and the Placement Agreement, a "Purchase and Sale Agreement"); and

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 Indentures, the Purchase and Sale Agreements 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:

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

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

Section 2. Issuance of Bonds. (a) There shall be authorized the borrowing on the credit of and for and on behalf of the Board the aggregate principal amount of not to exceed \$1,040,000,000 for the purpose of paying (i) costs of the Project, (ii) costs of the Funding, (iii) costs of the Refunding, (iv) capitalized interest on the Bonds, and (v) costs of issuance of the Bonds, including the cost of bond insurance or other credit enhancement, and the Bonds may be issued from time to time, in one or more Series, in said aggregate principal amount, or such lesser aggregate principal amounts, as may be determined by either (i) the President of the School Board (the "President"), or (ii) the Vice President of the School Board or any Member of the Board is authorized to execute documents or take action in lieu of the President, or (iii) the Chief Financial Officer (each, a "Designated Official"). The Bonds of each Series shall be designated "Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2015_," with such additions, modifications or revisions as shall be determined to be necessary by either of the

Designated Officials 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 or Convertible Bonds (each as defined herein) and any other authorized features of such Bonds determined by either 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 appoint a Trustee for each Series of the Bonds so issued; *provided*, that such Trustee shall be a bank, trust company or national banking association doing business and having a corporate trust office in the State of Illinois and having capital and undivided surplus aggregating at least \$15,000,000 or shall be a wholly-owned subsidiary of such an entity. The Bonds of each Series shall be issued and secured pursuant to the terms of an Indenture authorizing Capital Appreciation Bonds, Current Interest Bonds or Convertible Bonds, as appropriate (a "*Fixed Rate Indenture*"). Each of the Designated Officials is hereby authorized to execute and deliver, and the Secretary is hereby authorized to attest to a Fixed Rate Indenture on behalf of the Board, such Indenture to be in substantially the respective form executed and delivered in connection with previous issues of Fixed Rate Bonds secured by some or all of the Pledged Revenues, but with such changes therein as shall be within the authorizations granted by this Resolution as shall be approved by the Designated Official executing the same, with such execution to constitute conclusive evidence of such Designated Official's approval and this Board's approval of any changes or revisions therein from the respective forms of Fixed Rate Indenture authorized hereby.

The details of the sale of the Bonds as described in the notification of sale of such Bonds delivered by a Designated Official pursuant to Section 4(e) hereof and all provisions relating to the authorized denomination, registration, transfer and redemption of such Bonds, within the limitations set forth herein, shall be set forth in each Indenture executed and delivered by a Designated Official as described herein.

Either of the Designated Officials is hereby authorized to select the particular outstanding bonds or other obligations to be refunded, to select the particular outstanding bonds or other obligations to be redeemed, and to determine the redemption date of each outstanding bond or other obligation to be redeemed.

(b) In order to secure the payment of the principal of, redemption price of, interest on and the Compound Accreted Value (as hereinafter defined) of each Series of the Bonds, the Board hereby pledges the Pledged Revenues 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 Bonds and the provision of an additional .10 times annual debt service in the case of Bonds to be paid from a governmental revenue source or an additional .25 times annual debt service in the case of Bonds to be paid from Pledged Revenues that do not constitute a governmental revenue source. The determination of the sufficiency of the Pledged Revenues and estimated investment earnings pursuant to this paragraph (b) is supported by the Audit or the Feasibility Report, as applicable, and acceptance of the Audit by the Board or of the Feasibility Report by the Chief Financial Officer, on behalf of the Board, if applicable, shall constitute conclusive evidence that the conditions of Section 15 of the Act have been met. Each of the Designated Officials is authorized to allocate all or a portion of the Pledged Revenues to the payment of the principal of, redemption price of, interest on and the Compound Accreted Value of each Series of the Bonds and the Indenture pursuant to which such Series of Bonds is issued and the notification of sale of such Series of the Bonds delivered by the Designated Officials pursuant to Section 4(e) hereof shall identify the specific Pledged Revenues allocated to such Series. Once issued, the Bonds shall be and forever remain until paid or defeased the general obligation of the Board, for the payment of which its full faith and credit are pledged, and shall be payable, in addition to the Pledged Revenues and investment

earnings as described herein, from the levy of the Pledged Taxes as provided in the Act and as set forth below.

(c) All or any portion of the Bonds may be issued as bonds payable in one payment on a fixed date (the "*Capital Appreciation Bonds*"). Any Bonds issued as Capital Appreciation Bonds shall be dated the date of issuance thereof and shall also bear the date of authentication, shall be in fully registered form, shall be numbered as determined by the Trustee and shall be in denominations equal to the original principal amounts of such *Capital Appreciation Bonds* or any integral multiple thereof, each such original principal 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 amount plus an investment return accrued to the date of such determination at a semiannual compounding rate which is necessary to produce the yield to maturity borne by such Capital Appreciation Bond.

All or any portion of the Bonds may be issued as Bonds bearing interest at fixed rates and paying interest semiannually (the "*Current Interest Bonds*"). The Current Interest Bonds shall be dated such date as shall be agreed upon by a Designated Official and the purchasers of the Current Interest Bonds, shall be in fully registered form, shall be in denominations of \$5,000 each and any integral multiple thereof, and shall be numbered as determined by the Trustee.

The Bonds may be initially issued as Capital Appreciation Bonds containing provisions for the conversion of the Compound Accreted Value of such Bonds into Current Interest Bonds (the "*Convertible Bonds*") at such time following the initial issuance as shall be approved by a Designated Official. While in the form of Capital Appreciation Bonds, such Convertible Bonds shall be subject to all of the provisions and limitations of this Resolution relating to Capital Appreciation Bonds and while in the form of Current Interest Bonds, such Convertible Bonds shall be subject to all of the provisions and limitations of this

Resolution relating to Current Interest Bonds. In connection with the issuance and sale of any Convertible Bonds, the terms and provisions relating to the conversion of the Compound Accreted 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.

The Bonds shall be dated as of a date not earlier than August 1, 2015, as determined by a Designated Official at the time of sale thereof. The principal of the Bonds shall become due and payable on any date not earlier than December 1, 2015 and not later than December 1, 2045.

Any Bonds issued as Current Interest Bonds, Capital Appreciation Bonds or Convertible Bonds shall bear interest (computed upon the basis of a 360-day year of twelve 30-day months) payable either (i) semiannually on each June 1 and December 1, commencing on or after December 1, 2015, or (ii) only at the maturity thereof, at a rate or rates not to exceed 9 percent per annum for any Bonds issued as tax-exempt Bonds or 13.5 percent per annum for any Bonds issued as taxable Bonds, all as shall be determined by a Designated Official at the time of sale of such Bonds.

(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 as shall be determined by a Designated Official at the time of the sale thereof. The Bonds of each Series may be made subject to extraordinary redemption prior to maturity, in whole or in part on any date, at such times and at such redemption prices and upon the occurrence of such conditions, all as shall be determined by a Designated Official at the time of the sale thereof. The Bonds of each Series may also be made subject to sinking fund redemption, at par and accrued interest to the date fixed for redemption, as determined by a Designated Official at the time of the sale thereof; *provided*, that such Bonds shall reach final maturity not later than the date set forth in Section 2(c) hereof.

(e) The Bonds of each Series may initially be issued in book-entry only form as provided in the applicable Indenture. The Bonds shall be executed by the manual or duly authorized facsimile signature

of the President and attested by the Secretary by the manual or duly authorized facsimile signature of the Secretary and prepared in the respective forms as provided in the applicable Indenture.

(f) For any outstanding bonds or other obligations refunded pursuant to and in accordance with Section 15(e) of the Act, the determination that the term of such refunding bonds is not longer than the term of the outstanding bonds or other obligations so refunded and that the debt service payable in any year on the refunding bonds does not exceed the debt service payable in such year on the *outstanding bonds or other obligations so refunded shall be made by either of the Designated Officials*, who shall also execute a certification attesting to said determination. In the event that a refunding of any or all outstanding bonds or other obligations is undertaken by this paragraph (f), either Designated Official is hereby authorized to pledge as payment for said refunding bonds any revenue sources identified in the 2015 Authorization, provided that any such pledge shall be consistent with existing bond covenants and restrictions and Board policies.

Section 3. Tax Levy; Pledged Taxes. (a) For the purpose of providing funds in addition to the Pledged Revenues to pay the principal of and interest on the Bonds, there is hereby levied upon all of the taxable property within the School District, in the years for which any of the Bonds are outstanding, a direct annual tax for each of the years while the Bonds or any of them are outstanding, in amounts sufficient for that purpose, and there be and there hereby is levied upon all of the taxable property in the School District the following direct annual taxes:

FOR THE LEVY YEAR	A TAX SUFFICIENT TO PRODUCE THE SUM OF:
2015	\$ 20,000,000
2016	160,000,000
2017	160,000,000
2018	160,000,000
2019	160,000,000
2020	160,000,000
2021	160,000,000
2022	160,000,000
2023	160,000,000
2024	160,000,000
2025	160,000,000
2026	160,000,000
2027	160,000,000
2028	\$160,000,000
2029	160,000,000
2030	160,000,000
2031	230,000,000
2032	230,000,000
2033	230,000,000
2034	230,000,000
2035	230,000,000
2036	230,000,000
2037	230,000,000
2038	230,000,000
2039	230,000,000
2040	230,000,000
2041	230,000,000
2042	230,000,000
2043	230,000,000
2044	230,000,000

(the taxes levied pursuant to this Section 3(a), being referred to herein as the "*Pledged Taxes*").

(b) After this Resolution becomes effective, a copy hereof, certified by the Secretary, shall be filed with each of the County Clerks of The Counties of Cook and DuPage, Illinois (the "*County Clerks*"); and the County Clerks shall in and for each of the years required, ascertain the rate percent required to produce the aggregate Pledged Taxes hereinbefore provided to be levied in each of said years; and the County Clerks shall extend the same for collection on the tax books in connection with other taxes levied in said year in and by the Board for general corporate purposes of the Board; and in said year the

Pledged Taxes shall be levied and collected by and for and on behalf of the Board in like manner as taxes for general corporate purposes of the Board for said years are levied and collected, and 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.

Section 4. Sale of the Bonds, Purchase and Sale Agreements. (a) Each Series of the Bonds shall be sold and delivered to the Purchasers thereof, 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 paid by the Purchaser 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 paid by the Purchaser 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 Chief Financial 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 shall be in substantially the form used in previous financings of the Board and (ii) in the case of a Placement Agreement or 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 provisions of such Purchase and Sale Agreement, as executed, including the execution of any documents and certificates incidental thereto or necessary to carry out the provisions thereof. The Chief Financial Officer shall make a finding in connection with the execution of each Purchase and Sale Agreement that (i) the Bonds sold thereunder 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 executed and delivered pursuant to Section 5 hereof, the applicable Purchase and Sale Agreement or any agreement with a Bond Insurer, Debt Reserve Credit Facility Provider or Credit Provider authorized by paragraphs (b), (c) and (d) of this Section, or in the issuance and sale of such Bonds, in accordance with the laws of the State of Illinois and the Code of Ethics of the Board (Board Rule No. 11-0525-P02, as amended).

(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, or with respect to specified or designated maturities of such Series of Bonds. Each Designated Official is also authorized to enter into such agreements and make such covenants with any Bond Insurer that such Designated

Official deems necessary and that are not inconsistent with the terms and provisions of this Resolution and to pay upfront or annual fees to the Bond Insurer in connection therewith.

(c) In lieu of, or in addition to, the deposit of proceeds of the Bonds of any Series or other funds into a debt service reserve fund as authorized in paragraph (g) of this Section, each of the Designated Officials is hereby authorized to obtain a debt reserve credit facility from such recognized provider as such Designated Official shall determine (the "*Debt Reserve Credit Facility Provider*") if such Designated Official determines such debt reserve credit facility to be desirable in providing for the funding of any required debt service reserve fund. Each Designated Official is also authorized to enter into such agreements and make such covenants with any Debt Reserve Credit Facility Provider that such Designated Official deems necessary and that are not inconsistent with the terms and provisions of this Resolution, including the payment of reasonable fees to any Debt Reserve Credit Facility Provider.

(d) In connection with the sale of the Bonds of any Series, to provide additional security and liquidity for such Bonds, each of the Designated Officials is hereby authorized to obtain a letter of credit, line of credit or other credit or liquidity facility, including similar agreements with or facilities issued by a Bond Insurer (a "*Credit Facility*"), if determined by such Designated Official to be desirable in 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 "*Credit Provider*") and to execute and deliver on behalf of the Board a credit, reimbursement or similar 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 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 such times as the Bonds constitute Bank Bonds or the Board has outstanding repayment obligations to the Credit Provider (the "*Credit Provider Rate*"), which Credit Provider Rate shall not exceed the maximum permitted by law, but in no event more than 15 percent per annum (the "*Maximum Credit Provider Rate*"). The Credit Agreement may further provide that to the extent the Credit Provider Rate determined at any time pursuant to the Credit Agreement exceeds the Maximum Credit Provider Rate, such excess may accrue at the then-applicable Credit Provider Rate (but in no event may such excess accrue at a rate in excess of 25 percent per annum) and be added to the Credit Provider Rate at such time or times thereafter as the Credit Provider Rate shall be less than the Maximum Credit Provider Rate; *provided*, that at no time shall the Credit Provider Rate per annum exceed the Maximum Credit Provider Rate.

Any Credit Facility obtained as provided herein shall cause the Bonds secured thereby to bear an investment grade rating from at least two nationally recognized rating services.

(e) Subsequent to the sale of the Bonds of any Series, either or both of the Designated Officials shall file in the office of the Secretary a notification of sale directed to the Board setting forth (i) the aggregate original principal amount of, maturity schedule, redemption provisions and interest rates for the Bonds sold, (ii) a description of the specific Pledged Revenues pledged to the payment of the principal of, redemption price of, interest on and the Compound Accreted Value of the Bonds of such Series, (iii) the principal amounts of the Bonds sold as Current Interest Bonds, Capital Appreciation Bonds and Convertible Bonds, respectively, (iv) in the case of Bonds sold as Capital Appreciation Bonds and Convertible Bonds, (A) the Original Principal Amounts of and Yields to Maturity on the Capital Appreciation Bonds and Convertible Bonds being sold, and (B) a table of Compound Accreted Value per

\$5,000 Maturity Amount for any Capital Appreciation Bonds and Convertible Bonds being sold, setting forth the Compound Accreted Value of each such Capital Appreciation Bond and Convertible Bonds on each semiannual compounding date, (v) the interest rates on the Current Interest Bonds sold, (vi) debt service schedules for the Bonds, together with determinable investment earnings from the investment of moneys held in the funds and accounts pursuant to the Indenture, demonstrating that the Pledged Revenues and said investment earnings and moneys held in the funds and accounts pursuant to the Indenture, are expected to be in an amount sufficient to provide the debt service coverage described in Section 2(b) hereof, (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 limitations set forth in paragraph (g) of this Section, (ix) if a bond insurance policy is obtained as authorized herein, the identity of the Bond Insurer issuing the bond insurance policy and the premium and any fees required to be paid thereto, (x) if a debt reserve credit facility is obtained as authorized herein, the identity of the Debt Reserve Credit Facility Provider issuing the debt reserve credit facility, (xi) if a Credit Facility is obtained as authorized herein, the identity of the Credit Provider issuing the Credit Facility, and a copy of the Credit Agreement between the Board and such Credit Provider shall be attached to said notification of sale, (xii) the identity of the Trustee designated pursuant to Section 2 hereof with respect to the Bonds, (xiii) the identification of the outstanding bonds or other obligations being refunded with proceeds of the Bonds and the applicable redemption date or dates of the outstanding bonds or other obligations being refunded, (xiv) if an escrow or other similar agreement is to be executed and delivered as authorized in Section 5 hereof, the identity of any bank, trust company or national banking association selected by a Designated Official to serve as escrow agent thereunder pursuant to the authorization granted in said Section 5, and a copy of such agreement shall be attached to said notification of sale and (xv) the identity of and the compensation paid to the Purchasers in connection with such sale.

In the event that the Designated Official executing such notification of sale determines that the Bonds have been sold in such principal amount or maturing or bearing interest so as to require the levy of taxes in any year less than the amount specified therefor in Section 3(a) hereof, then such Designated Official shall include, in the notification of sale described in this Section, the amount of reduction in the amount levied in Section 3(a) hereof for each year resulting from such sale, and in addition, either or both of the Designated Officials shall file in the respective offices of the County Clerks certificates of tax abatement for such years. No such reduction in the amounts levied in Section 3(a) hereof 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) hereof 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) hereof, 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 Clerks. Each of the Designated Officials is also authorized to file in the respective offices of the County Clerks certificates of tax abatement that reflect the refunding of any obligations of the Board.

(f) The distribution of a Preliminary Official Statement, Private Placement Memorandum, Limited Offering Memorandum or Notice of Public Sale relating to each Series of the Bonds (the "*Disclosure Document*") in substantially the respective forms delivered in connection with previous issues of Fixed Rate Bonds and previous issues secured by some or all of the Pledged Revenues, but with such changes as 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 or 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 execute the final Official Statement or other Disclosure Document on behalf of the Board. A Designated Official may also cause the preparation and circulation of a Disclosure Document with respect to short-term borrowings of the Board for secondary market purposes that have been previously authorized by the Board.

If determined to be necessary by a Designated Official in connection with the initial sale or subsequent reoffering of any obligations previously authorized by this Board, the preparation, use and distribution of a Disclosure Document relating to such obligations is hereby authorized and approved. The Designated Officials are each hereby authorized to execute and deliver such Disclosure Document on behalf of the Board. The Disclosure Document herein authorized shall contain a description of the terms and provisions of, and security for, such obligations, the use of proceeds of such obligations, financial information relating to the Board, and such other information as any Designated Officer determines to be advisable under the circumstances.

In connection with the sale of a Series of the Bonds, the Designated Officials are hereby authorized to provide to prospective Placement Purchasers such information regarding the Board's operations and finances as would typically be included in a Disclosure Document and to enter into such discussions and negotiations with such prospective Placement Purchasers as such Designated Officials shall deem appropriate. In addition, the Designated Officials are hereby authorized to prepare a Notice of Sale for distribution to potential bidders 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 the payment of (i) costs of the Project, (ii) costs of the Funding, (iii) costs of the Refunding, (iv) such interest to become due on such Bonds for such period not to exceed the greater of 2 years or a period ending 6 months after the estimated date of completion of the acquisition and construction of the Project as shall be determined by the Chief Financial Officer, and (v) the payment of the expenses related to the issuance of such Bonds, including, without limitation, fees to be paid to Bond Insurers or Credit Providers, and such proceeds shall be applied as provided in the applicable Indenture. In addition, proceeds from the sale of a Series of the Bonds in the amount of not to exceed 10% of the principal amount thereof may be deposited into a debt service reserve fund to be held under the applicable Indenture upon the direction of the Chief Financial Officer if it is determined that the creation of such debt service reserve fund is necessary and required in connection with the sale of such Bonds. All of such proceeds are hereby appropriated for the purposes specified in this paragraph.

(h) The Chief Financial Officer of the Board is hereby authorized to enter into or approve such agreements with investment providers as shall be necessary or advisable in connection with the investment of any funds on deposit under the Indenture, to the extent such investments are authorized under the terms of the Indenture, the Investment Policy of the Board and applicable law, as in effect from time to time.

Section 5. Escrow of Pledged Revenues. If deemed necessary and desirable to provide additional security for any Bonds, each of the Designated Officials is hereby authorized to execute and deliver on behalf of the Board, and the Secretary is authorized to attest, a form of escrow or other similar agreement with a bank, trust company or national banking association having the same qualifications as those set forth in Section 2(a) for a Trustee, reflecting the issuance of the Bonds and such segregation of Pledged Revenues and Pledged Taxes as the Designated Official executing such agreement shall deem appropriate.

Section 6. Pledged Taxes Escrow Direction. Each of the Designated Officials is hereby authorized, pursuant to authority contained in Section 20-90 of the Property Tax Code of the State of Illinois, as amended, to execute a written direction to the County Collectors of The Counties of Cook and DuPage, Illinois (the "*County Collectors*"), (i) to deposit the collections of the Pledged Taxes as and when extended for collection directly with such escrow 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 directed to file a certified copy of this Resolution with each of the County Collectors.

Section 7. Tax-Exemption and Non-Arbitrage. Each of the Designated Officials is hereby authorized to take any other actions and to execute any other documents and certificates necessary to assure that the interest payments with respect to the Bonds of each Series are excludable from gross income for federal income tax purposes, to assure that the Bonds do not constitute "*arbitrage bonds*" or "*private activity bonds*" under the Internal Revenue Code of 1986, as amended, and to effectuate the issuance and delivery of the Bonds, including but not limited to the execution and delivery of a Tax Agreement; *provided, however,* that any of the Bonds may be issued as Bonds the interest on which is includible in the gross income of the owner thereof for federal income tax purposes if determined by a Designated Official to be beneficial to the Board. If any of the Bonds are issued as QZABs, a Designated Official shall make such representations with respect thereto as are required by Section 54E of the Internal Revenue Code of 1986.

Section 8. Continuing Disclosure Undertaking. Each of the Designated Officials is hereby authorized to execute and deliver one or more Continuing Disclosure Undertakings (each, a "*Continuing Disclosure Undertaking*") evidencing the Board's agreement to comply with the requirements of Section (b)(5) of Rule 15c2-12, as applicable to the Bonds of each Series. Notwithstanding any other provision of this Resolution or any Indenture, the sole remedies for any failure by the Board to comply

with a Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order to cause the Board to comply with its obligations under the applicable Continuing Disclosure Undertaking. Each Continuing Disclosure Undertaking shall be in substantially the form used in previous financings of the Board, but with such changes therein as shall be approved by the Designated Official executing the same, with such execution to constitute conclusive evidence of such official's approval and this Board's approval of any changes or revisions therein from such form of Continuing Disclosure Undertaking.

Section 9. 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 the Bonds, including, but not limited to, the 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.

The General Counsel is hereby authorized to select and engage attorneys and other professionals to provide services related to the transactions described in this Resolution. The General Counsel may make such selection of professionals based upon substantial demonstrated prior experience. In addition, each of the Designated Officials is hereby authorized to execute and deliver any supplements or amendments deemed necessary in connection with the issuance, sale and delivery of the Bonds and other obligations of the Board which have heretofore been authorized, sold or delivered.

All actions of the officials or officers of the Board that are in conformity with the purposes and intent of this Resolution are hereby in all respects ratified, approved, and confirmed.

Section 10. Expiration of Authority. The Bonds authorized by this Resolution may not be issued after the date three years following the end of the petition period pursuant to the backdoor referendum with respect to the 2015 Authorization as provided in Section 17.5(a) of the Act.

Section 11. 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.

Section 12. 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.