

October 22, 2014

**RESOLUTION AUTHORIZING THE ISSUANCE OF EDUCATIONAL PURPOSES
TAX ANTICIPATION NOTES OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO,
ILLINOIS, IN AN AGGREGATE PRINCIPAL AMOUNT
NOT TO EXCEED \$500,000,000**

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, Illinois, constitutes one school district (the “**School District**”), which is a body politic and corporate by the name of Board of Education of the City of Chicago, which School District is governed by the Chicago Board of Education (the “**Board**”); and

WHEREAS, the 2014 tax levy of the Board for educational purposes (the “**2014 Tax Levy**”) will be \$2,315,000,000, and such levy is anticipated to be filed in the manner provided by law with the County Clerk of the County of Cook and the County Clerk of the County of DuPage; and

WHEREAS, pursuant to Section 34-23 of the School Code, the Board is authorized to issue tax anticipation warrants against and in anticipation of taxes levied for the payment of expenditures for educational purposes; and

WHEREAS, pursuant to Section 34-23.5 of the School Code and in lieu of issuing the tax anticipation warrants authorized by Section 34-23 of the School Code, the Board is authorized to issue notes, bonds, or other obligations (and in connection with that issuance, establish lines of credit with one or more banks) in anticipation of the receipt of the taxes levied for educational purposes; and

WHEREAS, the Board may authorize the issuance of notes, bonds, or other obligations in an amount not to exceed 85% of the 2014 Tax Levy; and

WHEREAS, no such notes, bonds, or other obligations have been issued in anticipation of the receipt of the 2014 Tax Levy for such purposes; and

WHEREAS, the Board has not issued tax anticipation warrants pursuant to Section 34-23 of the School Code in anticipation of the receipt of the 2014 Tax Levy; and

WHEREAS, the Board has not established a working cash fund pursuant to Sections 34-30 through 34-36 of the School Code.

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

1. *Incorporation of Preambles.* The Board hereby finds that all of the recitals contained in the preambles to this resolution are full, true and correct and does incorporate them into this resolution by this reference.

2. *Definitions.* For all purposes of this Resolution and in addition to the defined terms in the preambles to this Resolution, except as otherwise expressly provided or unless the context otherwise requires and in addition to the terms defined in the preambles hereto, the terms defined in this Section shall have the meanings set forth below, and shall include the plural as well as the singular.

"Designated Officials" shall mean the President and the Chief Financial Officer of the Board.

"Lending Agreement" means one or more agreements by and between the Board and one or more banks pursuant to which the banks will agree to establish one or more Lines of Credit.

"Line of Credit" shall mean any line of credit authorized under this Resolution and established with a bank for the benefit of the Board.

"Notes" shall mean the tax anticipation notes of the Board authorized to be issued under this Resolution.

"Tax Escrow Agreement" means the agreement by and among the Board, the trustee under each Trust Indenture and a bank, trust company or national banking association having trust powers and appointed by one of the Designated Officials to act as escrow agent under the Tax Escrow Agreement.

"Tax Receipts" means the tax revenue collected from the 2014 Tax Levy.

"Trust Indenture" means one or more agreements providing for the issuance of the Notes and for their repayment from property tax revenues, by and between the Board and a bank, trust company or national banking association having trust powers and appointed by one of the Designated Officials to act as trustee under the Trust Indenture.

3. *Determination to Authorize Borrowing and Lines of Credit.* It is necessary and in the best interests of the Board and the residents of the School District for the Board to enter into Lending Agreements with one or more banks for the provision of Lines of Credit for the Board and to evidence borrowings under such Lines of Credit by the issuance of one or more series of Notes. It is found and determined that the borrowing from time to time of moneys in anticipation of the Tax Receipts is necessary so that sufficient money will be in the treasury of the School District at all times to meet the

ordinary and necessary expenses of the School District for educational purposes and that establishing lines of credit with banks and authorizing tax anticipation notes will provide the needed access to funds to meet such ordinary and necessary expenses. The Board is hereby authorized to issue tax anticipation notes in anticipation of the collection of the taxes levied by the 2014 tax levy for educational purposes in an aggregate principal amount outstanding at any time of not to exceed \$500,000,000. Such Notes to be issued in accordance with the provisions of Section 34-23.5 of the School Code and the Local Government Debt Reform Act. It is hereby found and determined that no person holding an office of the Board, either by election or appointment, is in any manner interested, either directly or indirectly, in his own name or the name of any other person, association, trust or corporation, in the transactions contemplated by the Notes and the Lines of Credit.

4. *Authorization and Terms.* The Notes are hereby authorized to be issued and the Lines of Credit are hereby authorized to be established to defray the necessary expenses and liabilities of the School District incurred for educational purposes prior to the receipt of taxes levied for such purposes pursuant to the 2014 Tax Levy. The Notes shall be drawn against and in anticipation of the collection of the taxes levied for the year 2014 for educational purposes. The Notes shall be limited obligations of the Board payable solely from the Tax Receipts when collected.

Taxes comprising the 2014 Tax Levy are hereby assigned as security for the payment of the Notes and such taxes, when collected, shall be set apart and held for the payment of the Notes.

The Notes shall be dated as of the date of delivery thereof. All moneys borrowed pursuant to this Resolution shall be repaid exclusively from the Tax Receipts derived from the 2014 Tax Levy for educational purposes, and such payment shall be made, within 60 days after the Tax Receipts have been received by the Board provided, however, either of the Designated Officials are hereby authorized to determine, at their discretion, to retire the borrowing by the making of partial payments or payment in full. The Notes shall bear interest at a rate or rates, fixed or variable, as determined by either of the Designated Officials, not to exceed the maximum rate authorized by the Bond Authorization Act, from the date of issuance until paid.

5. *Execution.* The Notes shall be executed on behalf of the Board with the manual or duly authorized facsimile signatures of the President and Secretary of the Board, all as such officers shall

determine. In case any officer whose signature shall appear on the Notes shall cease to be such officer before the delivery of such Notes, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

6. *Tax 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 2014 Tax Levy for educational purposes as and when extended for collection directly with such escrow agent designated pursuant to **Section 7** of this Resolution in order to secure the payment of the principal of and interest on the Notes. The Designated Officials are authorized to file a certified copy of this Resolution with each of the County Collectors.

7. *Approval of Documents.* The form of Tax Escrow Agreement attached to this Resolution as *Exhibit A* is approved and, on behalf of the Board, each of the Designated Officials is authorized to enter into a Tax Escrow Agreement in substantially such form.

The form of Lending Agreement attached to this Resolution as *Exhibit B* is approved and, on behalf of the Board, each of the Designated Officials is authorized to enter into one or more Lending Agreements in substantially such form.

The form of Trust Indenture attached to this Resolution as *Exhibit C* is approved and, on behalf of the Board, each of the Designated Officials is authorized to enter into one or more Trust Indentures.

8. *Application of Proceeds and Other Moneys.* Proceeds of sale of the Notes are appropriated for the educational expenses of the Board and for the payment of costs of issuance of the Notes and related fees. A sum not to exceed \$10,788,000 has been appropriated from general funds of the Board as a reserve for the payment of other costs, expenses and charges related to the payment and security of the Notes and the establishment and use of the Lines of Credit.

9. *Further Acts.* Each of the Designated Officials, officials or officers of the Board are hereby authorized to execute and deliver the documents approved by **Section 7** of this Resolution, and such other documents and agreements and perform such other acts as may be necessary or desirable in connection with the Notes and the Lines of Credit, including, but not limited to, provisions relating to increased costs and indemnification, and the exercise following the delivery date of the Notes of any

power or authority delegated to such official under this Resolution with respect to the Notes and Lines of Credit, but subject to any limitations on or restrictions of such power or authority as herein set forth.

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.

10. *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.

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

EXHIBIT A
Form of Tax Escrow Agreement

FORM OF 2014 TAX ESCROW AGREEMENT

This 2014 Tax Escrow Agreement, dated as of _____, 2014, by and among the Board of Education of the City of Chicago (the “*Board*”); the _____, as trustee under the 2014A Indenture (herein defined), _____, as trustee under the 2014B Indenture (herein defined), and _____, as escrow agent (the “*Escrow Agent*”), in consideration of the mutual promises and agreements herein set forth:

W I T N E S S E T H:

ARTICLE I

Definitions

The following words and terms used in this Agreement shall have the following meanings unless the context or use indicates another or different meaning:

“*Act*” means Section 34-23.5 of the School Code, 105 Illinois Compiled Statutes 5/34-23.5 and the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350.

“*Additional Notes*” means any Series of Notes other than the 2014A Notes and the 2014B Notes.

“*Agreement*” means this 2014 Tax Escrow Agreement.

“*Allocable Percentage*” means, on any Business Day and with respect to a Series of Notes, the percentage determined when the numerator of the fraction is the principal amount of outstanding Notes of such Series and the denominator of the fraction is the principal amount of all outstanding Notes.

“Board” means the Board of Education of the City of Chicago governed by the Chicago Board of Education.

“Business Day” means any day other than a Saturday, a Sunday or any day on which banking institutions located in the city in which the designated office of the Escrow Agent or the designated office of the 2014A Trustee or of the 2014B Trustee is located.

“Collector” means the County Treasurers acting as the County Collectors of The Counties of Cook and DuPage, Illinois.

“District” means the school district administered by the Board.

“Escrow Account” means the special account created by Section 2.01 hereof for the purpose of holding and disbursing the Tax Receipts.

“Escrow Agent” means _____, Chicago, Illinois, as escrow agent, and any successor thereto as Escrow Agent.

“Note Maturity Date” means (i) October 1, 2015, if the Tax Penalty Date is on or prior to August 3, 2015 or (ii) the 60th day following the Tax Penalty Date if the Tax Penalty Date is later than August 3, 2015 but earlier than November 2, 2015 and (iii) December 31, 2015, if the Tax Penalty Date is on or later than November 2, 2015.

“Note Resolution” means the Resolution _____ adopted by the Board on October 22, 2014, authorizing the issuance of the Notes and the execution of this Agreement.

“Notes” means any one or more of the tax anticipation notes issued pursuant to the Act and the Note Resolution, including the 2014A Notes, the 2014B Notes and any Additional Notes.

“Permitted Investments” means any investment authorized by the laws of the State for the funds of the Board and permitted under the Board’s investment policy.

“Pledged Tax Receipts” means all of the money derived from the collection of the Pledged Taxes.

“Pledged Taxes” means the annual tax levied by the Board upon all taxable property located in the District for educational purposes for the year 2014.

“Series” means the 2014A Notes, the 2014B Notes and any Additional Notes so designated by the Board.

“State” means the State of Illinois.

“Tax Penalty Date” means the last day on which the second installment of the Pledged Taxes may be paid without penalty with respect to taxable property located in the County of Cook, Illinois.

“2014A Indenture” means the Trust Indenture securing the 2014A Notes dated as of _____, 2014 by and between the Board and the 2014A Trustee.

“2014A Notes” means the Educational Purposes Tax Anticipation Notes, Series 2014A, of the Board issued pursuant to the Act, the Note Resolution and the 2014A Indenture.

“2014A Trustee” means _____ and any successor trustee appointed pursuant to the 2014A Indenture.

“2014B Indenture” means the Trust Indenture securing the 2014B Notes by and between the Board and the 2014B Trustee.

“*2014B Notes*” means the Educational Purposes Tax Anticipation Notes, Series 2014B, of the Board issued pursuant to the Act, the Note Resolution and the 2014B Indenture.

“*2014B Trustee*” means _____ and any successor trustee appointed pursuant to the 2014B Indenture.

ARTICLE II

Creation of the Escrow Account

2.01. Establishment of the Escrow Account. The Escrow Account is hereby established with the Escrow Agent pursuant to the Note Resolution and this Agreement, separate and segregated from all other funds and accounts of the Board.

2.02. Pledged Tax Receipts. Pursuant to the Note Resolution and for the purpose of providing the funds required to pay the principal of and interest on the Notes when and as the same falls due, all of the Pledged Tax Receipts shall be paid to the Escrow Agent for deposit in the Escrow Account for the equal and ratable benefit of the holders of the Notes.

Pursuant to Section 13 of the Local Government Debt Reform Act, the Pledged Tax Receipts deposited or to be deposited into the Escrow Account, are pledged as security for the payment of the principal of and interest on the Notes. In accordance with Section 13 of the Local Government Debt Reform Act such Pledged Tax Receipts and the moneys held in the Escrow Account shall immediately be subject to the lien of such pledge without any physical delivery or further act and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Board irrespective of whether such parties have notice thereof.

ARTICLE III

Operation of the Escrow Account

3.01. Amounts Held in the Escrow Account. Moneys deposited in the Escrow Account shall be used solely and only for the purpose of paying principal and interest on the Notes and shall not be used for any other purpose so long as the Notes remain outstanding and unpaid. The holders of the Notes shall have a first and prior lien upon all present and future Pledged Tax Receipts when deposited in the Escrow Account until the principal and interest on the Notes are paid in full.

3.02. Allocation of Moneys. On each Business Day, the Escrow Agent shall allocate all of the moneys in the Escrow Account to the payment of each Series of Notes then outstanding and shall pay to the trustee of each Series its Allocable Percentage of all the money held in the Escrow Account. The Board shall provide to the Escrow Agent, the 2014A Trustee and the 2014B Trustee and any trustee for a Series of Additional Notes information concerning the outstanding principal amount of each Series of the Notes on each date of issuance of any Note and each date of payment or defeasance of any Note.

3.03. Investment of Moneys in the Escrow Account. Pending the allocation of moneys in the Escrow Account as provided in Section 3.02 hereof, said moneys may be invested by the Escrow Agent in Permitted Investments only in accordance with the written directions of the Chief Financial Officer of the Board or the Treasurer of the Board.

3.04. Monthly Reports. The Escrow Agent will submit to the Treasurer of the Board on or before the 10th day of each month, commencing in the month of _____, 20__, a statement, as of the last day of the prior month, itemizing all moneys received by it and all payments made by it under the provisions of this Agreement during the one month period ending

on such second day, and also listing the Permitted Investments on deposit therewith on the date of said report, including all moneys held by it received as interest on or profit from the Permitted Investments.

3.05. Daily Reports on Tax Receipts and Distributions. On each Business Day that Pledged Tax Receipts are received by the Escrow Agent, the Escrow Agent shall provide to the Treasurer of the Board a report detailing the amount of Pledged Taxes received by the Escrow Agent. On each Business Day that Pledged Tax Receipts are required to be allocated and distributed pursuant to Section 3.02, the Escrow Agent shall provide to the Treasurer of the Board a report detailing the amounts allocated and distributed to each trustee for each Series of Notes then outstanding.

3.06. Payment of Fees. The fees of the Escrow Agent shall be paid by the Board.

ARTICLE IV

Covenants

The Board and the Escrow Agent covenant and agree as follows:

The Escrow Agent shall have no responsibility or liability whatsoever for (a) any of the recitals herein (except those relating to its own organization); (b) the performance of or compliance with any covenant, condition, term or provision of the Notes, the Note Resolution, the 2014A Indenture or the 2014B Indenture; and (c) any undertaking or statement of the Board hereunder or under the Notes, the Note Resolution, the 2014A Indenture or the 2014B Indenture. The Escrow Agent is not a trustee for the Noteholders and has no obligation in its capacity as Escrow Agent to enforce the rights of the holders of the Notes under this Agreement.

The Escrow Agent has all the powers and duties herein set forth with no liability in connection with any act or omission to act hereunder, except for its own gross negligence or

willful misconduct, and shall be under no obligation to institute any suit or action or other proceeding under this Agreement or to enter any appearance in any suit, action or proceeding in which it may be a defendant or to take any steps in the enforcement of its, or any, rights and powers hereunder, nor shall it be deemed to have failed to take any such action, unless and until it shall have been indemnified by the Board to its satisfaction against any and all costs and expenses, outlays, counsel fees and other disbursements, including its own reasonable fees (provided notice is given to the Board of such costs and outlays within a reasonable time after they are incurred), and if any judgment, decree or recovery be obtained by the Escrow Agent, payment of all sums due it, as aforesaid, shall be a first charge against the amount of any such judgment, decree or recovery.

The Escrow Agent, in its separate capacity as a banking institution, may in good faith buy, sell or hold and deal in any of the Notes and may also, at the direction of the Chief Financial Officer of the Board or the Treasurer of the Board as provided in Section 3.03 hereof, invest for the Escrow Account in certificates of deposit issued by itself if such qualify as Permitted Investments and in other Permitted Investments purchased from itself.

All payments to be made by, and all acts, and things required to be done by, the Escrow Agent under the terms and provisions of this Agreement, shall be made and done by the Escrow Agent without any further direction or authority of the Board except as expressly provided herein.

The Escrow Agent shall not be personally liable for any act taken or omitted hereunder if taken or omitted by it in good faith and in the exercise of its own best judgment. The Escrow Agent shall also be fully protected in relying upon any written notice, demand, certificate or document which it in good faith believes to be genuine.

The Escrow Agent shall not be responsible for the sufficiency or accuracy of the form, execution, validity or genuineness of any securities now or hereafter deposited hereunder, or of any endorsement thereon, or for any lack of endorsement thereon, or for any description therein, nor shall it be responsible or liable in any respect on account of the identity, authority or rights of the persons executing or delivering or purporting to execute or deliver any such document, security or endorsement or this Escrow Agreement. The Escrow Agent shall not be liable for any depreciation or change in the value of such investments.

If the Escrow Agent reasonably believes it to be necessary to consult with counsel concerning any of its duties in connection with this Agreement, or in case it becomes involved in litigation on account of being Escrow Agent hereunder or on account of having received property subject hereto, then in either case, its costs, expenses, and reasonable attorneys' fees shall be paid by the Board, and upon timely notice thereof having been given.

This Agreement shall be construed, enforced, and administered in accordance with the laws of the State, and shall inure to, and be binding upon, the respective successors and assigns of the parties hereto.

ARTICLE V

Resignation or Removal of the Escrow Agent

The Escrow Agent may at any time resign as escrow agent under this Agreement by giving thirty days written notice to the Board, and such resignation shall take effect upon the appointment of a successor Escrow Agent by the Board. The Board may select as successor Escrow Agent any financial institution located within the State which is authorized to maintain trust accounts under Federal or State law.

If at any time the Escrow Agent is no longer legally authorized or qualified (by reason of any Federal or State law or any other law or regulation) to act as escrow agent hereunder, then the Board may remove the Escrow Agent and may select as successor Escrow Agent any financial institution which is authorized to maintain trust accounts under Federal or State law.

ARTICLE VI

Alteration and Termination of Agreement

The Board and the Escrow Agent may change and alter the terms of this Agreement for the following purposes:

(A) to correct errors, resolve ambiguities or insert inadvertently omitted material; or

(B) to alter the procedures of Article II of this Agreement and definitions pertaining thereto necessitated by changes in State law and procedures thereunder with respect to the collection and distribution of taxes;

provided, however, that such changes and alterations shall not materially affect the protections provided by this Agreement to the holders of the Notes.

This Agreement shall be binding on any successor to the Board during the term of this Agreement.

Upon the retirement or defeasance of all of the Notes and the filing with the Escrow Agent of a certificate of the Board signed by its Chief Financial Officer that no Notes will be issued or outstanding from and after the date specified in such certificate, the Escrow Agent, as of the date so specified in such certificate, will transfer any balance remaining in the Escrow Account to the Board, and thereupon this Agreement shall terminate.

IN WITNESS WHEREOF, the Board of Education of the City of Chicago has caused this Agreement to be executed by the President of the Board and attested by the Secretary of the Board and _____, in its capacities as hereinabove described, has caused this Agreement to be signed in its corporate name by one of its officers and to be attested by one of its officers, all as of the _____ day of _____, 2014.

BOARD OF EDUCATION OF THE CITY OF CHICAGO

By _____
President, Board of Education

Attest:

Secretary, Board of Education

By _____
Its _____

Attest:

Its _____

EXHIBIT B
Form of Lending Agreement

FORM OF CREDIT AGREEMENT

DATED AS OF
[], 2014

BETWEEN

BOARD OF EDUCATION OF THE CITY OF CHICAGO

AND

BMO HARRIS BANK N.A.

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CREDIT AGREEMENT

This Credit Agreement is entered into as of [____], 2014, by and between the BOARD OF EDUCATION OF THE CITY OF CHICAGO, a school district duly organized and existing under the laws of the State of Illinois (the "*Board*") and BMO HARRIS BANK N.A., a national banking association (the "*Bank*"). All capitalized terms used herein without definition shall have the same meanings herein as such terms are defined in Section 5.1 hereof.

PRELIMINARY STATEMENT

The Board has requested, and the Bank has agreed to extend, certain credit facilities on the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. THE CREDIT.

Section 1.1. Revolving Credit. Subject to the terms and conditions hereof, the Bank agrees to extend a revolving credit (the "*Revolving Credit*") to the Board which may be availed of by the Board from time to time during the period from and including the date hereof to but not including the Termination Date, at which time the commitment of the Bank to extend credit under the Revolving Credit shall expire. The Revolving Credit may be utilized by the Board prior to the Revolving Credit Termination Date in the form of loans (individually a "*Loan*" and collectively the "*Loans*"), provided that the aggregate principal amount of Loans outstanding at any one time shall not exceed \$120,000,000 (the "*Commitment*", as such amount may be reduced pursuant to the terms hereof). The Board may elect that each Loan be either a Base Rate Loan or LIBOR Rate Loan. Each Loan shall be in a minimum amount of \$[____]. The Loans shall be made against and evidenced by a single promissory note of the Board in the form (with appropriate insertions) attached to the Indenture as Exhibit A (the "*Note*"). The Note shall be dated the date of issuance thereof and be expressed to bear interest as set forth in Section 2 hereof. The Note, and all Loans evidenced thereby, shall mature and become due and payable in full on the Termination Date. Without regard to the principal amount of the Note stated on its face, the actual principal amount at any time outstanding and owing by the Board on account of the Note shall be the sum of all Loans made hereunder less all payments of principal actually received by the Bank. During the period from and including the date hereof to but not including the Termination Date, the Board may use the Commitment by borrowing, repaying, and reborrowing Loans in whole or in part, all in accordance with the terms and conditions of this Agreement.

Section 1.2. Manner and Disbursement of Loans. The Board shall give written or telephonic notice to the Bank (which notice shall be irrevocable once given and, if given by telephone, shall be promptly confirmed in writing) by no later than 11:00 a.m. (Chicago time) on the date the Board requests the Bank to make a Loan hereunder. Each such notice shall specify

the date of the Loan requested (which must be a Business Day), the amount of such Loan, and whether such Loan is to be a Tax-Exempt Base Rate Loan, a Taxable Base Rate Loan, a Tax-Exempt LIBOR Rate Loan or a Taxable LIBOR Rate Loan. Thereafter, subject to the terms and conditions hereof, the Board may from time to time elect to change the type of interest rate borne by each Loan, or a portion thereof, on any Business Day. The Board agrees that the Bank may rely upon any written or telephonic notice given by any person the Bank in good faith believes is an Authorized Representative of the Board without the necessity of independent investigation and, in the event any telephonic notice conflicts with the written confirmation, such telephonic notice shall govern if the Bank has acted in reliance thereon. Subject to the provisions of Section 9 hereof, the proceeds of each Loan shall be made available to the Board at the principal office of the Bank in Chicago, Illinois, in immediately available funds, in accordance with the terms of the written disbursement instructions of the Board.

Section 1.3. Maximum Principal Amount. The Board agrees that the maximum principal amount at any one time outstanding hereunder and under any other note, instrument or agreement secured by the Pledged Taxes shall not exceed seventy five percent (75%) of the uncollected amount of the Pledged Taxes not otherwise dedicated to the payment of the Board's outstanding indebtedness or pension obligations (the "*Maximum Principal Amount*").

Section 1.4. Pro Rata Basis. The Board shall request Loans hereunder on a pro rata basis with loans requested pursuant to other Bank Agreements. Repayment of the Loans shall be made on a pro rata basis with respect to this Agreement and the other Bank Agreements.

SECTION 2. INTEREST.

Section 2.1. Base Rate Loans. The outstanding principal balance of each Tax-Exempt Base Rate Loan shall bear interest (which the Board hereby promises to pay) at the rate per annum equal to the product of .74% times the Base Rate as in effect from time to time, plus the Applicable Margin for Tax-Exempt Base Rate Loans as in effect from time to time from the date such Loan is advanced or created by conversion from a LIBOR Rate Loan, until maturity (whether by acceleration or otherwise). Any change in the interest rate on the Base Rate Loans resulting from a change in the Base Rate shall be effective on the date of the relevant change in the Base Rate. Notwithstanding the foregoing, if the Board is unable to deliver the opinion described in Section 9.1(e) hereof with respect to any Base Rate Loan requested hereunder, such Loan (a "Taxable Base Rate Loan") shall bear interest at the Base Rate plus the Applicable Margin for Taxable Base Rate Loans. The interest rate payable hereunder shall be subject, however, to the limitation that such interest rate shall never be paid in excess of the Statutory Maximum Rate.

Section 2.2. LIBOR Rate Loans. The outstanding principal balance of each Tax-Exempt LIBOR Rate Loan shall bear interest (which the Board hereby promises to pay) at the rate per annum equal to the product of .74% times the LIBOR Rate as in effect from time to time, plus the Applicable Margin for Tax-Exempt LIBOR Loans. The LIBOR Rate shall be reset each Business Day (herein, a "*Change Date*") and remain in effect until the next Change Date. For purposes hereof, the term "*LIBOR Rate*" means the one-month London Interbank Offered Rate (LIBOR) as reported on Bloomberg Financial Market's terminal screen entitled "*Official ICE*

LIBOR Fixings” as reported on the relevant Change Date (or, if such Change Date is not a Business Day, on the immediately prior Business Day), unless such rate is no longer available or published, in which case such rate shall be at a comparable index rate selected by the Bank with notice to the Board. The Bank shall determine the interest rate applicable to the Loans based on the foregoing, and its determination thereof shall be conclusive and binding except in the case of manifest error. The interest rate payable hereunder shall be subject, however, to the limitation that such interest rate shall never be paid at a rate in excess of the Statutory Maximum Rate. Upon the occurrence of an Event of Default, all Loans shall be converted to Base Rate Loans and no LIBOR Rate Loans shall be advanced thereafter. Notwithstanding the foregoing, if the Board is unable to deliver an opinion described in Section 9.1(e) hereof with respect to any LIBOR Rate Loan, such Loan (a “*Taxable LIBOR Rate Loan*”) shall bear interest at the LIBOR Rate plus the Applicable Margin for Taxable LIBOR Rate Loans.

Section 2.3. Manner of Rate Selection. The Board shall notify the Bank by 11:00 a.m. (Chicago time) at least 1 Business Day prior to the date upon which the Borrower requests that any LIBOR Rate Loan be converted into a Base Rate Loan or a Base Rate Loan be converted to a LIBOR Rate Loan. All requests for the conversion of Loans under this Agreement shall be irrevocable. Such requests may be written or oral and the Bank is hereby authorized to honor telephonic requests for conversions received by it from any person the Bank in good faith believes to be an Authorized Representative of the Board without the necessity of independent investigation, the Board hereby indemnifying the Bank from any liability or loss ensuing from so acting.

Section 2.4. Interest Payment. Interest on the Loans shall be payable in arrears on each Interest Payment Date and all outstanding interest shall be paid in full on the Termination Date. Interest after maturity shall be due and payable upon demand. Interest on the LIBOR Rate Loans shall be computed on the basis of a year of 360 days for the actual number of days elapsed.

Section 2.5. Inability to Ascertain or Inadequacy of LIBOR Rate. If the Bank determines that deposits in U.S. Dollars (in the applicable amounts) are not being offered to it in the interbank eurodollar market, or that by reason of circumstances affecting the interbank eurodollar market adequate and reasonable means do not exist for ascertaining the applicable LIBOR Rate, or (i) the LIBOR Rate will not adequately and fairly reflect the cost to such Bank of funding LIBOR Rate Loans or (ii) that the making or funding of LIBOR Rate Loans becomes impracticable, then the Bank shall forthwith give notice thereof to the Board, whereupon until the Bank notifies the Board, that the circumstances giving rise to such suspension no longer exist, the obligations of the Bank to make LIBOR Rate Loans shall be suspended and all outstanding LIBOR Rate Loans shall be converted to Base Rate Loans.

Section 2.6. Maximum Rate. (i) If the amount of interest payable on the Note or with respect to any other Obligation for any period in accordance with the terms hereof exceeds the amount of interest that would be payable for such period had interest for such period been calculated at the Statutory Maximum Rate, then interest for such period shall be payable in an amount calculated at the Statutory Maximum Rate.

(ii) Any interest that would have been due and payable for any period but for the operation of the immediately preceding subclause (i) shall accrue and be payable as provided in this subclause (ii) and shall, less interest actually paid to the Bank for such period, constitute the "*Excess Amount*." If there is any accrued and unpaid Excess Amount as of any date, then, to the extent permitted by law, the Board will pay to the Bank, at the time interest is paid, an additional amount equal to the difference between interest on the Note computed at the Maximum Rate and the amount of interest actually due for such period, until payment to the Bank of the Excess Amount.

Section 2.7. Default Rate. Subject to Section 2.6 hereof, during the existence of an Event of Default, all Loans shall bear interest at the Default Rate.

Section 2.8. Determination of Taxability. (a) From and after the Taxable Date, the Loans shall bear interest at the Taxable Rate.

(b) (i) In the event a Determination of Taxability occurs, the Board hereby agrees to pay to the Bank (and if applicable, each participant) on demand therefor (1) an amount equal to the difference between (A) the amount of interest that would have been paid to the Bank (and if applicable, each participant) on the Loans during the period for which interest on the Loans is included in the gross income of the Bank (and if applicable, each participant) if the Loans had borne interest at the Taxable Rate, beginning on the Taxable Date (the "*Taxable Period*"), and (B) the amount of interest actually paid to the Bank (and if applicable, each participant) during the Taxable Period, and (2) an amount equal to any interest, penalties or charges owed by the Bank (and if applicable, each participant) as a result of interest on the Loans becoming included in the gross income of the Bank (and if applicable, each participant), together with any and all reasonable attorneys' fees, court costs, or other out-of-pocket costs incurred by the Bank (and if applicable, each participant) in connection therewith.

(ii) Subject to the provisions of clause (iii) below, the Bank (and if applicable, each participant) shall afford the Board the opportunity, at the Board's sole cost and expense, to contest (1) the validity of any amendment to the Code which causes the interest on the Loans to be included in the gross income of the Bank (and if applicable, each participant) or (2) any challenge to the validity of the tax exemption with respect to the interest on the Loans, including the right to direct the necessary litigation contesting such challenge (including administrative audit appeals); and

(iii) As a condition precedent to the exercise by the Board of its right to contest set forth in clause (ii) above, the Board shall, on demand, immediately reimburse the Bank for any and all expenses (including reasonable attorneys' fees for services that may be required or desirable, as determined by the Bank in its sole discretion) that may be incurred by the Bank in connection with any such contest, and shall, on demand, immediately reimburse the Bank for any and all penalties or other charges payable by the Bank (and if applicable, each participant) for failure to include such interest in its gross income.

SECTION 3. FEES, PREPAYMENTS, TERMINATIONS, APPLICATIONS, AND CAPITAL ADEQUACY.

Section 3.1. Commitment Fee. The Board hereby agrees to pay or cause to be paid to the Bank in arrears on _____, 2014, for the period commencing on the Closing Date, and ending on _____, 2014, and quarterly in arrears on the first Business Day of each _____, _____, and _____ occurring thereafter to the Termination Date, and on the Termination Date, for each day during the immediately preceding quarterly fee period, a non-refundable commitment fee (the "*Commitment Fee*") in an amount equal to the product of the average daily unused portion of the Commitment and the rate per annum equal to 0.15%. Such Commitment Fee shall be payable in immediately available funds and computed on the basis of a year of 360 and the actual number of days elapsed.

Section 3.2. Voluntary Prepayments. The Board shall have the privilege of prepaying without premium or penalty and in whole or in part (but if in part, then in an amount not less than \$100,000) the Note at any time upon notice to the Bank prior to 11:00 a.m. (Chicago time) on the date fixed for prepayment. If such prepayment prepays the Note in full and is accompanied by the termination of the Commitment in whole, such prepayment shall be made together with accrued interest thereon to the date of prepayment.

Section 3.3. Terminations. The Board shall have the right, at any time and from time to time, upon 3 Business Days prior notice to the Bank, to terminate without premium or penalty and in whole or in part (but if in part, then in an amount not less than \$500,000) the Commitment, provided that the Commitment may not be reduced to an amount less than the aggregate principal amount of the Loans then outstanding. Any termination of the Commitment pursuant to this Section may not be reinstated.

Section 3.4. Place and Application of Payments. All payments of principal, interest, fees, and all other Obligations payable under the Loan Documents shall be made to the Bank at its office at 111 West Monroe Street, Chicago, Illinois (or at such other place as the Bank may specify) no later than 1:00 p.m. (Chicago time) on the date any such payment is due and payable. Payments received by the Bank after 1:00 p.m. (Chicago time) shall be deemed received as of the opening of business on the next Business Day. All such payments shall be made in lawful money of the United States of America, in immediately available funds at the place of payment, without set-off or counterclaim and without reduction for, and free from, any and all present or future taxes, levies, imposts, duties, fees, charges, deductions, withholdings, restrictions, and conditions of any nature imposed by any government or any political subdivision or taxing authority thereof (but excluding any taxes imposed on or measured by the net income of the Bank).

Section 3.5. Notations. The amount and date of each Loan and the amount and date of each payment of principal and interest thereon shall be recorded by the Bank on its books and records or, at its option, recorded on a schedule to the Note, and the amount of principal and interest shown on such books and records or such schedule as owing on the Note from time to time shall be prima facie evidence, absent manifest error, in any court or other proceeding brought to enforce the Note of the principal amount remaining unpaid thereon and the interest applicable thereto; *provided* that the failure of the Bank to record any of the foregoing shall not

limit or otherwise affect the obligation of the Board to repay the principal amount owing on the Note together with accrued interest thereon.

Section 3.6. Increased Payments. (a) *Increased Costs.* (i) If, on or after the Closing Date, the adoption of any law or any governmental or quasi-governmental rule, regulation, policy, guideline or directive (whether or not having the force of law), or any change in the interpretation, promulgation, implementation or administration thereof by any governmental or quasi-governmental authority, central bank or comparable agency charged with the interpretation or administration thereof including, notwithstanding the foregoing, all requests, rules, guidelines or directives in connection with Dodd-Frank Wall Street Reform and Consumer Protection Act, or promulgated by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) pursuant to Basel III or any successor Basel accord regardless of the date enacted, adopted or issued, or compliance by the Bank or any participant with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency:

(A) subjects the Bank or any participant to any Taxes, or changes the basis of taxation of payments (other than with respect to Excluded Taxes) to the Bank or any other participant hereunder or with respect to the Bonds, or

(B) imposes or increases or deems applicable any reserve, liquidity ratio, assessment, insurance charge, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by the Bank or any other participant, or

(C) imposes any other condition the result of which is to increase the cost to the Bank or any participant with respect to this Agreement, the Note or its making, maintenance or funding of the Loans or any security therefor, or reduces any amount receivable by the Bank or any other participant with respect to this Agreement, the Bonds, or the making, maintenance or funding of any loan, or requires any Bank to make any payment calculated by reference to any amount received with respect to this Agreement, the Note, or the making, maintenance or funding of any loan, by an amount deemed material by such Bank or other participant as the case may be,

and the result of any of the foregoing is to increase the cost to such Bank or any participant with respect to this Agreement, the Note, making the Loans or of participating in the same, or to reduce the return received by such Bank or participant, as the case may be, in connection with the same, then, to the extent permitted by law, within ninety (90) days of demand by such Bank or participant, as the case may be, the Board shall pay such Bank or participant such additional amount or amounts as will compensate such Bank or participant for such increased cost or reduction in amount received.

(ii) If a Bank or participant determines the amount of capital required or expected to be maintained by such Bank or participant or any corporation controlling such Bank or participant is increased as a result of a Change (as hereinafter defined), then, within ninety (90) days of demand by such Bank or participant, the Board shall, to the extent permitted by law, pay such

Bank or participant the amount necessary to compensate for any shortfall in the rate of return on the portion of such increased capital which such Bank or participant reasonably determines is attributable to this Agreement or the Note, as the case may be, hereunder (after taking into account such Bank or participant's policies as to capital adequacy). "Change" means (i) any change after the date of this Agreement in the Risk-Based Capital Guidelines or (ii) any adoption of or change in any other law, governmental or quasi-governmental rule, regulation, policy, guideline, interpretation, or directive (whether or not having the force of law) or in the interpretation, promulgation, implementation or administration thereof after the date of this Agreement which affects the amount of capital required or expected to be maintained by any Bank or participant or any corporation controlling any such Bank or participant. Notwithstanding the foregoing, for purposes of this Agreement, all requests, rules, guidelines or directives in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act shall be deemed to be a Change regardless of the date enacted, adopted or issued and all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) pursuant to Basel III or any successor Basel accord or the United States financial regulatory authorities shall be deemed to be a Change regardless of the date adopted, issued, promulgated or implemented.

(iii) In connection with any costs imposed upon the Board by the Bank or participant pursuant to this Section 3.6, the Bank or participant shall (A) promptly notify the Board of such costs and (B) provide the Board with a certificate as to such increased cost, increased capital or reduction in return incurred by the Bank or participant as a result of any event mentioned in clause (i) or (ii) of this Section 3.6 setting forth, in reasonable detail, the basis for such calculation and the amount of such calculation submitted by the Bank or participant to the Board which calculation shall be conclusive (absent manifest error) as to the amount thereof. In making the determinations contemplated by the above referenced certificate, the Bank or participant may make such reasonable estimates, assumptions, allocations and the like that the Bank or participant in good faith determines to be appropriate; *provided* that the Board shall not be required to compensate the Bank or any participant pursuant to this Section for any increased costs incurred or reductions suffered more than one hundred eighty (180) days prior to the date that the Bank or any such participant, as the case may be, notifies the Board of the Change giving rise to such increased costs or reductions, and of the Bank's or any such Bondholder's intention to claim compensation therefor (except that if the Change giving rise to such increased costs or reductions is retroactive, then the one hundred eighty (180) day period referred to above shall be extended to include the period of retroactive effect thereof). No participant shall have the right to recover amounts pursuant to this Section 3.6 in an amount greater than BMO Harris Bank N.A. would have been entitled to recover hereunder.

(b) *Taxes.* If any payments to the Bank under this Agreement are made from outside the United States, the Board will not deduct any foreign taxes from any payments it makes to the Bank. If any such taxes are imposed on any payments made by the Board (including payments under this paragraph), the Board will pay the taxes and will also pay to the Bank, at the time interest is paid, any additional amount which the Bank specifies as necessary to preserve the after-tax yield the Bank would have received if such taxes had not been imposed. The Board

will confirm that it has paid the taxes by giving the Bank official tax receipts (or notarized copies) within thirty (30) days after the due date.

SECTION 4. COLLATERAL AND TAX INTERCEPT.

Section 4.1. Collateral. The Obligations constituting principal of and interest on the Note and any fees payable pursuant to Section 3.1 hereof shall be secured by a pledge of the Pledged Taxes and the funds on deposit in the Escrow Account and the Debt Service Fund, which shall also secure such obligations under other Bank Agreements on a pro rata basis.

Section 4.2. Tax Intercept. The Board has directed the County Collector to deposit all collections of the Pledged Taxes directly with the Escrow Agent for deposit into the Escrow Account. The proceeds of such account shall be disbursed in accordance with the terms of the Escrow Agreement.

SECTION 5. DEFINITIONS; INTERPRETATION.

Section 5.1. Definitions. The following terms when used herein shall have the following meanings:

“Affiliate” means any Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, another Person. A Person shall be deemed to control another Person for purposes of this definition if such Person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of the other Person, whether through the ownership of voting securities, common directors, trustees or officers, by contract or otherwise.

“Agreement” means this Credit Agreement, as the same may be amended, modified, or restated from time to time in accordance with the terms hereof.

“Applicable Margin” means, the LIBOR Applicable Margin or the Base Rate Applicable Margin, as applicable, subject to increases, on a cumulative basis, as set forth in the following table based on the Board’s Ratings. If the Board’s Ratings are then in effect (i) from any two of Moody’s, S&P or Fitch, then the Applicable Margin shall correspond to the lower Rating as set forth in the following table and (ii) from all of Moody’s, S&P and Fitch, then the Applicable Margin shall correspond to the lower of the two highest ratings as set forth in the following table. References in this definition are to rating categories as presently determined by the Rating Agencies, and in the event of the adoption of any new or changed rating system or the adoption of a “global” rating scale by any such Rating Agency, the rating categories in the following table shall be adjusted accordingly to a new rating which most closely approximates the rating scale set forth in the following table:

<u>Moody's Rating</u>	<u>S&P Rating</u>	<u>Fitch Rating</u>	<u>Increase in Applicable Margin</u>
Baa1	BBB+	BBB+	0.10%
Baa2	BBB	BBB	0.10%
Baa3	BBB-	BBB-	0.10%
Ba1 or below	BB+ or below	BB+ or below	Default Rate

Any change in the Applicable Margin shall be effective from and after the date on which any rating action occurs and shall be on a cumulative basis in addition to prior increases.

"Authorized Representative" means those persons shown on the list of officers provided by the Board pursuant to Section 9.2 hereof, or on any update of any such list provided by the Board to the Bank, or any further or different officer of the Board so named by any Authorized Representative of the Board in a written notice to the Bank.

"Bank" is defined in the introductory paragraph hereof.

"Bank Agreement" means any agreement entered into with any lender, creditor or holder of Indebtedness under which the Board has pledged the Pledged Taxes to secured its obligations, including, without limitation[, **specifically describe other agreement to be entered into at closing.**]

"Base Rate" means the greatest of (i) the Prime Rate, (ii) the Federal Funds Rate plus 0.50%, and (ii) the LIBOR Quoted Rate plus 1%.

"Base Rate Applicable Margin" means (i) 0.60% during the first 120 days that a Tax-Exempt Base Rate Loan is outstanding, and 1.20% thereafter, and (ii) 0.70% during the first 120 days that a Taxable Base Rate Loan is outstanding and 1.40% thereafter.

"Base Rate Loan" means a Tax-Exempt Base Rate Loan or a Taxable Base Rate Loan, in either case bearing interest as specified in Section 2.1 hereof.

"Board" is defined in the introductory paragraph hereof.

"Bond Authorization Act" means the Bond Authorization Act (30 ILCS 305), as amended from time to time.

"Business Day" means any day other than a Saturday or Sunday on which the Bank is not authorized or required to close in Chicago, Illinois, and if the applicable Business Day relates to the advance or conversion into, or payment of a LIBOR Rate Loan, a day on which banks are dealing in U.S. dollar deposits in the interbank market in London, England.

"Capital Lease" means any lease of Property which in accordance with GAAP is required to be capitalized on the balance sheet of the lessee.

"Closing Date" means _____, 2014.

“*Code*” means the Internal Revenue Code of 1986, as amended, and any successor statute thereto.

“*Commitment*” is defined in Section 1.1 hereof.

“*Controlled Group*” means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the Board, are treated as a single employer under Section 414 of the Code.

“*County Collector*” means the County Treasurer of The County of Cook, Illinois in its capacity as county collector, or such other officer as may lawfully be appointed in the future to serve as county collector in such county.

“Debt Service Fund” has the meaning set forth in the Indenture.

“*Default*” means any event or condition the occurrence of which would, with the passage of time or the giving of notice, or both, constitute an Event of Default.

“Default Base Rate” means the greatest of (i) the Prime Rate, the Federal Funds Rate plus 1.5%, (iii) the LIBOR Quoted Rate plus 3.5%, and (iv) five percent (5%).

“*Default Rate*” means, for the first sixty days after the occurrence of an Event of Default, the rate per annum equal to four percent (4%) plus the Default Base Rate, and thereafter, the Statutory Maximum Rate.

“*Determination of Taxability*” means and shall be deemed to have occurred on the first to occur of the following:

- (i) on the date when the Board files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;

- (ii) on the date when the Board notifies the Bank that it has requested and received a written opinion by a nationally recognized attorney or firm of attorneys of substantial expertise on the subject of tax-exempt municipal finance to the effect that an Event of Taxability shall have occurred unless, within one hundred eighty (180) days after receipt by the Bank of such notification from the Board, the Board shall deliver to the Bank a ruling or determination letter issued to or on behalf of the Board by the Commissioner or any District Director of the Internal Revenue Service (or any other governmental official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

- (iii) on the date when the Board shall be advised in writing by the Commissioner or any District Director of the Internal Revenue Service (or any other

government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings of the Board, or upon any review or audit of the Board or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(iv) on the date when the Board shall receive notice from the Bank that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of the Bank the interest on the Loan due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (iii) or (iv) above unless the Board has been afforded the opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined after taking into account any permitted appeals; *provided further, however*, that upon demand from the Bank, the Board shall promptly reimburse the Bank for any payments, including any taxes, interest, penalties or other charges, the Bank shall be obligated to make as a result of the Determination of Taxability.

“EMMA” means the Electronic Municipal Market Access as provided by the Municipal Securities Rulemaking Board.

“Escrow Account” means a segregated account held by the Escrow Agent and pledged to secure the Board’s Obligations, into which the proceeds of the Pledged Taxes will be deposited.

[“Escrow Agent” means _____.]

“Escrow Agreement” means the 2014 Escrow Agreement dated as of _____, 2014, by and between the Board, the Trustee, the Series 2014B Trustee and the Escrow Agent, as amended from time to time.

“Event of Default” means any event or condition identified as such in Section 8.1 hereof.

“Event of Taxability” means a (i) a change in law or judicial or administrative interpretation thereof, the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the Board, or the failure to take any action by the Board, or the making by the Board of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of the Note) which has the effect of causing interest paid or payable on the Note to become includable, in whole or in part, in the gross income of the Bank for federal income tax purposes, whether as a result of a claim by the Internal Revenue Service that interest on the Note is includable in the gross income of Bank for federal income tax purposes, or an opinion of note counsel, or (ii) the entry of any decree or judgment by a court of competent jurisdiction, or the taking of any official action by the Internal Revenue Service or the Department of the Treasury, which decree, judgment or action shall be final under applicable procedural law, in either case, which has the effect of causing interest paid

or payable on the Note to become includable, in whole or in part, in the gross income of the Bank for federal income tax purposes with respect to the Note.

“Excluded Taxes” means, with respect to the Bank or any participant, taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction (or any political subdivision thereof) under the Laws of which such recipient is organized or in which its principal office is located.

“Federal Funds Rate” means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; *provided* that: (a) if such day is not a Business Day, then the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day; and (b) if no such rate is so published on such next succeeding Business Day, then the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of one-hundredth of one percent) charged to the Bank on such day on such transactions as determined by the Bank.

“Fiscal Year” means each twelve month period from July 1 through the following June 30.

“Fitch” means Fitch, Inc., and any successor rating agency.

“FRB” means the Board of Governors of the Federal Reserve System of the United States, together with any successors thereof.

“GAAP” means generally accepted accounting principles set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the U.S. accounting profession), which are applicable to the circumstances as of the date of determination.

“General Obligation Indebtedness” means Indebtedness constituting general obligation Indebtedness of the Board and payable from moneys, revenues, receipts, income, assets or funds available therefor.

“Governmental Authority” any federal, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, bureau or entity (including any zoning authority, the Federal Deposit Insurance Corporation or the Federal Reserve Board, any central bank or any comparable authority), or any arbitrator with authority to bind a party at law.

“Guarantee” means, as to any Person, any (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the *“primary obligor”*) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term *“Guarantee”* as a verb has a corresponding meaning.

“Indebtedness” means, with respect to any Person, (i) all obligations of such Person for money borrowed and reimbursement obligations under letters of credit which are not contingent, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable incurred in the ordinary course of business, (iv) all obligations of such Person under Capital Leases, (v) all Guarantees of such Person of the Indebtedness of other Persons, and (vi) all net obligations of such person under any Swap Agreement.

“Indenture” means the Trust Indenture dated as of the date hereof by and between the Board and the Trustee.

“Interest Payment Date” shall have the meaning set forth in the Indenture.

“Investment Policy” means the investment policy of the Board delivered pursuant to Section 9.1 hereof.

“Laws” means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"LIBOR Applicable Margin" means (i) 0.60% during the first 120 days that a Tax-Exempt LIBOR Rate Loan is outstanding, and 1.20% thereafter, and (ii) 0.70% during the first 120 days that a Taxable LIBOR Rate Loan is outstanding and 1.40% thereafter.

"LIBOR Quoted Rate" means, for any day, the rate per annum equal to the rate per annum (rounded upwards, if necessary, to the next higher one hundred-thousandth of a percentage point) for deposits in U.S. Dollars for a one-month interest period which appears on the LIBOR01 Page as of 11:00 a.m. (London, England time) on such day (or, if such day is not a Business Day, on the immediately preceding Business Day).

"LIBOR Rate Loan" means a Loan bearing interest as specified in Section 2.2 hereof.

"Lien" means any mortgage, lien, security interest, pledge, charge, or encumbrance of any kind in respect of any Property, including the interests of a vendor or lessor under any conditional sale, Capital Lease or other title retention arrangement.

"Loan" and *"Loans"* each is defined in Section 1.1 hereof.

"Loan Documents" means this Agreement, the Note, the Resolution, the Indenture, the Escrow Agreement and each other instrument or document to be delivered hereunder or thereunder or otherwise in connection therewith.

"Margin Stock" has the meaning ascribed to such term in Regulation U promulgated by the FRB, as now and hereafter from time to time in effect.

"Material Adverse Effect" means (a) a material adverse change in, or material adverse effect upon, the financial condition, operations, Property, condition (financial or otherwise) or assets of the Board, (b) a material impairment of the ability of the Board to perform its obligations under any Loan Document or the security for the Note, or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against the Board of any Loan Document or the rights and remedies of the Bank thereunder.

"Maturity Date" has the meaning set forth in the Indenture. [364 day issue.]

"Moody's" means Moody's Investors Service, Inc.

"Note" is defined in Section 1.1 hereof.

"Obligations" means all obligations of the Board to pay principal and interest on the Loans, all fees and charges payable hereunder, and all other payment obligations of the Board arising under or in relation to any Loan Document, in each case whether now existing or hereafter arising, due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held, or acquired.

"OFAC" means the United States Department of Treasury Office of Foreign Assets Control.

“OFAC Sanctions Programs” means all laws, regulations, and Executive Orders administered by OFAC, including without limitation, the Bank Secrecy Act, anti-money laundering laws (including, without limitation, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. 107-56 (a/k/a the USA Patriot Act)), and all economic and trade sanction programs administered by OFAC, any and all similar United States federal laws, regulations or Executive Orders, and any similar laws, regulators or orders adopted by any State within the United States.

“OFAC SDN List” means the list of the Specially Designated Nationals and Blocked Persons maintained by OFAC.

“Parity Indebtedness” means any Indebtedness heretofor or hereafter issued or incurred by the Board that is secured by the Pledged Taxes.

“Person” means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization, or any other entity or organization, including a government or agency or political subdivision thereof.

“Plan” means any employee pension benefit plan covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code that either (a) is maintained by a member of the Controlled Group for employees of a member of the Controlled Group or (b) is maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

“Pledged Taxes” mean the annual tax levied by the Board upon all taxable property within its boundaries for educational purposes for the year 2014.

“Prime Rate” means for any day the rate of interest announced by the Bank from time to time as its prime commercial rate for U.S. dollar loans, or equivalent, as in effect on such day, with any change in the Prime Rate resulting from a change in said prime commercial rate to be effective as of the date of the relevant change in said prime commercial rate.

“Property” means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

“Rating” means the debt rating of the Board’s unenhanced General Obligation Indebtedness.

“Rating Agency” means any of Moody’s, S&P and Fitch, as applicable.

“Resolution” means Resolution No. [] adopted by the Board on October 24, 2014, which authorized the Board to enter into this Agreement and the Loan Documents to which it is a party.

“Revolving Credit” is defined in Section 1.1 hereof.

“S&P” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, and any successor rating agency.

“School Code” means the School Code of the State of Illinois, as amended.

“Series 2014B Indenture” means the Trust Indenture dated as of the date hereof between the Board and the Series 2014B Trustee.

“Series 2014B Trustee” means the trustee as defined in the Series 2014B Indenture.

“State” means the State of Illinois.

“Statutory Maximum Rate” means the maximum rate of interest on the relevant obligation permitted from time to time pursuant to applicable law, including the Bond Authorization Act.

“Swap Agreement” means (a) any and all rate swap transactions, basis swaps, total return swaps, credit derivative transactions, forward rate transactions, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, cap transactions, floor transactions, collar transactions, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a *“Master Agreement”*), including any such obligations or liabilities under any Master Agreement.

“Tax Penalty Date” has the meaning set forth in the Indenture.

“Taxable Base Rate Loan” has the meaning set forth in Section 2.1 hereof.

“Taxable Date” means the date on which interest on any Loan is first includable in the gross income of the Bank or any participant as a result of an Event of Taxability as such date is established pursuant to a Determination of Taxability.

“Taxable LIBOR Rate Loan” has the meaning set forth in Section 2.2 hereof.

“Taxable Rate” means the product of (i) the interest rate that would otherwise be applicable to the Note multiplied by (ii) 1.54%.

“*Taxes*” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“*Tax-Exempt Base Rate Loan*” means a Base Rate Loan for which an opinion described in Section 9.1(e) hereof is applicable.

“*Tax-Exempt LIBOR Rate Loan*” means a LIBOR Rate Loan for which an opinion described in Section 9.1(e) hereof is applicable.

“*Termination Date*” means the earlier of (i) the Maturity Date, or (ii) such earlier date on which the Commitment is terminated in whole pursuant to Section 3.3, 8.2, or 8.3 hereof.

“*Trust Estate*” has the meaning set forth in the Indenture.

Section 5.2. Interpretation. The foregoing definitions are equally applicable to both the singular and plural forms of the terms defined. The words “*hereof*”, “*herein*”, and “*hereunder*” and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. All references to time of day herein are references to Chicago, Illinois time unless otherwise specifically provided. Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made for the purposes of this Agreement, it shall be done in accordance with GAAP except where such principles are inconsistent with the specific provisions of this Agreement.

SECTION 6. REPRESENTATIONS AND WARRANTIES.

The Board makes the following representations and warranties to each Bondholder:

Section 6.01. Due Authorization. The Board has full legal right, power and authority to (i) adopt the Resolution and (ii) enter into, to execute and deliver this Agreement and the other Loan Documents to which it is a party as provided herein and in the Resolution. The Board has duly authorized and approved the execution and delivery of this Agreement and the other Loan Documents to which it is a party.

Section 6.02. Enforceability. No further authorization or approval is required for the Board’s execution and delivery of this Agreement or the other Loan Documents to which it is a party, and this Agreement and the other Loan Documents to which the Board is a party constitute legal, valid and binding obligations of the Board, enforceable in accordance with their respective terms, except as such enforcement may be limited by bankruptcy, reorganization, insolvency, moratorium or other laws relating to or affecting the enforcement of creditors’ rights generally or by general principles of equity; and no further authorization or approval is required with respect to the enforceability of the Board’s obligations hereunder or thereunder.

Section 6.03. Resolution. The Board has duly adopted the Resolution, which is in full force and effect. The Indenture has been duly authorized, has been duly executed and delivered

by authorized officers of the Board, and is in full force and effect. In connection with the issuance of the Note and the execution and delivery of the Loan Documents, the Board has complied in all material respects with the Resolution, the Indenture and the laws of the State.

Section 6.04. Consents. All approvals, consents registrations, declarations and filings (except, if any, under applicable state blue sky or securities laws) with, any federal, state or other governmental body or instrumentality, having jurisdiction which would constitute a condition precedent to the performance by the Board of its obligations hereunder, under the Resolution or under the other Loan Documents to which the Board is a party have been obtained or made.

Section 6.05. No Violation. The adoption of the Resolution and compliance with the provisions thereof do not, and the execution and delivery of this Agreement and the other Loan Documents do not and will not (a) violate, in any material respect, any existing law or administrative regulation of the State or of any department, division, agency or instrumentality thereof or of the United States, or any court or administrative regulation, judgment, decree or order to which the Board is subject, (b) conflict with in a material manner or constitute on the part of the Board a material breach of, or a material default under, any material provision of any agreement, indenture, mortgage, lease, note, resolution, agreement or other instrument to which the Board is subject or by which it is bound, (c) contravene the Board's authorizing legislation, (d) require any consent or approval of any creditor of the Board or (e) result in or require the creation or imposition of any Lien upon or with respect to any Property now owned or hereafter acquired by the Board or any Affiliate thereof except such Liens, if any, expressly created by any Loan Document.

Section 6.06. Litigation. Except as disclosed in writing to the Bank prior to the Closing Date, no action, suit or proceeding, at law or in equity, or before any court, public board or body is pending (or to the knowledge of the Board threatened) against the Board or any officers of the Board in their respective capacities as such (i) to restrain or enjoin the delivery by the Board of the Note, or (ii) questioning the authority of the Board to adopt the Resolution or to issue, or the issuance or validity of, the Note or the other Loan Documents or any other Debt of the Board or (iii) questioning the constitutionality of any statute or the validity of any proceedings authorizing the issuance of the Note, the Loan Documents, or (iv) questioning the validity or enforceability of the Resolution or the Indenture, or (v) questioning in any manner the Board's pledge of the Pledged Taxes, or (vi) which could reasonably be expected to result in a Material Adverse Effect.

Section 6.07. Security. Pursuant to the Resolution, the Note and the fees payable pursuant to Section 3.01 hereof shall be secured by the Pledged Taxes and the Board shall pay such fees and the principal of and interest on the Note from the Pledged Taxes and the funds in the Escrow Account and the Debt Service Fund as provided in the Indenture. All other Obligations hereunder not constituting principal of and interest on the Note shall be payable from legally available funds of the Board. The Board covenants and agrees to include any amount necessary to pay such Obligations in the annual budget of the Board and to use its best efforts to assure such annual appropriations are made.

Section 6.08. Trust Estate. The moneys pledged pursuant to the granting clauses of the Indenture for payment of the Note have not been, and will not be, pledged by the Board to the payment of any other obligations, except as permitted by the Indenture and the Resolution.

Section 6.09. Validity of Lien. The lien granted under the Indenture on the Trust Estate is a valid and enforceable lien securing the payment of the Note and any Parity Indebtedness, and there is no Lien on the Trust Estate securing Indebtedness on a basis senior to the Note.

Section 6.10. Organization. The Board is a school district duly organized and validly existing under the laws of the State and has the power and authority to own its properties and to carry on its businesses as now being conducted and as currently contemplated to be conducted hereafter.

Section 6.11. Financial Statements. The most recent audited financial statements of the Board delivered to the Bank fairly present the financial position and results of operation of the Board as of June 30, 2013, and the financial statements have been prepared in accordance with GAAP as consistently applied to governmental units, except as otherwise noted therein. Except as otherwise disclosed to the Bank in writing, to the best knowledge of the Board, no material adverse change in the financial position of the Board as shown on such financial statements has occurred since June 30, 2013.

Section 6.12. Absence of Default. The Board is not in default under any material provision of the Resolution, the Indenture or under any other Loan Document to which the Board is a party. The Board is not in default under any material agreements or instruments to the extent such default would have a Material Adverse Effect. No default by the Board has occurred and is continuing in the payment of the principal of or premium, if any, or interest on any Parity Indebtedness. No bankruptcy, insolvency or other similar proceedings pertaining to the Board or any agency or instrumentality of the Board are pending or presently contemplated. No Default or Event of Default has occurred and is continuing hereunder. The Board is not in violation of any material term of the organizational documents or authorizing legislation applicable to the Board or any material term of any indenture or agreement to which it is a party or by which any of its Property is bound which could reasonably be expected to result in a Material Adverse Effect.

Section 6.13. Absence of Pledges. The proceeds of the Pledged Taxes pledged pursuant to the Indenture have not been, and will not be, pledged by the Board in a manner inconsistent with the Indenture, the Escrow Agreement, the Series 2014B Indenture and the Resolution.

Section 6.14. No Proposed Legal Changes. Except as disclosed to the Bank in writing, there is no amendment, or to the knowledge of the Board, proposed amendment certified for placement on a statewide ballot, to the Constitution of the State or any published administrative interpretation of the Constitution of the State or any State law, or any legislation that has passed either house of the State legislature, or any published judicial decision interpreting any of the foregoing, the effect of which is to have a Material Adverse Effect.

Section 6.15. Incorporation of Representations and Warranties. The Board hereby makes to the Bank the same representations and warranties as were made by it in each Loan Document to which it is a party, which representations and warranties, together with the related definitions of terms contained therein, are hereby incorporated by reference with the same effect as if each and every such representation and warranty and definition were set forth herein in its entirety. No amendment to or waiver of such representations and warranties or definitions made pursuant to the relevant Loan Document or incorporated by reference shall be effective to amend such representations and warranties and definitions as incorporated by reference herein without the prior written consent of the Bank.

Section 6.16. Investment Company. The Board is not an “investment company” or a company “controlled” by an “investment company,” as such terms are defined in the Investment Company Act of 1940, as amended.

Section 6.17. Margin Stock. The Board is not engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock, and no part of the proceeds of any Loan will be used to purchase or carry any such Margin Stock or extend credit to others for the purpose of purchasing or carrying any such Margin Stock.

Section 6.18. Tax-Exempt Status. The Board has not taken any action or omitted to take any action, and has no actual knowledge of any action taken or omitted to be taken by any other Person, which action, if taken or omitted, would adversely affect the exclusion of interest on the Loans from gross income for federal income tax purposes.

Section 6.19. No Immunity. Under existing law, sovereign immunity does not prevent the enforcement by the Bank of this Agreement, any Loan Document to which the Board is a party or the Note.

Section 6.20. No Public Vote or Referendum. There is no public vote or referendum pending or concluded, the results of which could reasonably be expected to result in a Material Adverse Effect.

Section 6.21. Swap Agreements. The Board has not entered into any Swap Agreement relating to Indebtedness (i) wherein any termination payment thereunder is senior to or on a parity with the payment of the Note or (ii) which requires the Board to post cash collateral to secure its obligations thereunder.

Section 6.22. Pledged Taxes. The Board represents that as of the Closing Date, calculated by reference to the assessment roll of the County Clerk for the 2013 tax year, the levy of taxes for property tax levy year 2014 for educational purposes of the Board, the proceeds of which have not been dedicated to other indebtedness (other than Parity Indebtedness) or pension obligations is \$_____.

Section 6.23. Anti-Terrorism Laws. The Board is not in violation of any Laws relating to terrorism or money laundering (“Anti-Terrorism Laws”), including Executive Order No. 13224

on Terrorist Financing, effective September 24, 2001 (the “*Executive Order*”), and the Patriot Act;

(a) The Board is not any of the following:

(i) a Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(ii) a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(iii) a Person with which the Bank is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law;

(iv) a Person that commits, threatens or conspires to commit or supports “terrorism” as defined in the Executive Order; or

(v) a Person that is named as a “specially designated national and blocked person” on the most current list published by the Office of Foreign Asset Control (“*OFAC*”) or any list of Persons issued by OFAC pursuant to the Executive Order at its official website or any replacement website or other replacement official publication of such list;

(b) The Board does not (i) conduct any business or engage in making or receiving any contribution of funds, goods or services to or for the benefit of any Person described in subsection (a)(ii) above, (ii) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order or (iii) engage in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

SECTION 7. COVENANTS OF THE BOARD

The Board covenants and agrees, until the full and final payment and satisfaction of all of the Obligations, except in any instance in which the Bank specially agrees in writing to any performance or noncompliance, that:

Section 7.1. Further Assurances. The Board shall execute, acknowledge where appropriate, and deliver, and cause to be executed, acknowledged where appropriate, and delivered, from time to time promptly at the request of the Bank, all such instruments and documents as in the reasonable judgment of the Bank are necessary to comply with this Agreement, the Note and the Indenture.

Section 7.2. Information. The Board will deliver or cause to be delivered to the Bank as soon as available, the following documents:

(i) within two hundred ten (210) days after the close of each of its fiscal years, the audited financial statements of the Board certified by independent certified public accountants covering the operations of the Board for such fiscal year and containing balance sheets, statements of revenues, expenses and changes in retained earnings and statements of cash flows of the Board for such fiscal year, all prepared in accordance with generally accepted accounting principles, and a Compliance Certificate signed by an Authorized Representative stating that no Event of Default or Default has occurred, or if such Event of Default or Default has occurred, specifying the nature of such Event of Default or Default, the period of its existence, the nature and status thereof and any remedial steps taken or proposed to correct such Event of Default or Default;

(ii) within forty-five (45) days of its passage by the Board, the Board's annual budget appropriation resolution, which shall include the budget;

(iii) within five (5) days of the end of each calendar month, a report as to the balance in the Escrow Account as of the end of such month; and

(iv) from time to time, with reasonable promptness, such additional information regarding the financial condition of the Board as the Bank may reasonably request in writing.

Section 7.3. Book and Records; Inspection of Records. The Board shall keep adequate records and books of account, in which complete entries will be made, reflecting all material financial transactions of the Board. Upon the reasonable request of the Bank and during normal business hours, the Board will give the Bank, or any attorney-in-fact or counsel therefor, access to and permission to examine, copy or make excerpts from, any and all books, records and documents under control of the Comptroller relating to the financial condition of the Board, and to the extent permitted by applicable law, visit, the properties of the Board to discuss the affairs, finances and accounts of the Board with any of the Board's officers and trustees. All material financial data required to be submitted pursuant to this Agreement shall be prepared in conformity with GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the financial statements, except as otherwise specifically prescribed herein. Except as provided in the immediately preceding sentence, in preparing any financial data or statements contemplated or referred to in this Agreement, the Board shall not vary or modify the accounting methods or principles from the accounting standards employed in the preparation of its audited financial statements described in Section 6.11 hereof. The foregoing shall not be construed to require the Board to provide the Bank with access to personnel records or information that is confidential under applicable law.

Section 7.4. Compliance With Laws. The Board shall comply in all material respects with the School Code and with all laws, resolutions, investment policies, orders, rules and regulations that may be applicable to it if the failure to comply would have a material adverse

effect on the security for the Note, or the Board's ability to repay when due its obligations under this Agreement, the Note, or the other Loan Documents.

Section 7.5. Notices. The Board will promptly furnish, or cause to be furnished, to the Bank (i) notice of the occurrence of any Event of Default or Default as defined herein or in the Resolution which is known to the Board, (ii) notice of the failure by the Escrow Agent to perform any of its obligations under the Escrow Agreement or the Trustee to perform any of its obligations under the Indenture, in each case, which is known to the Board, (iii) notice of the failure by the Trustee to perform any of its obligations under the Indenture which is known to the Board, (iv), each notice required to be given by the Board to the Bank pursuant to the Resolution, (v) notice of any litigation or administrative proceeding which, if adversely determined, could result in a Material Adverse Effect, and (vi) such further financial and other information with respect to the Board and its affairs as the Bank may reasonably request from time to time.

Section 7.6. Maintenance of Approvals; Filings, Etc. The Board shall at all times maintain in effect, renew and comply with all the terms and conditions of all consents, licenses, approvals and authorizations as may be necessary under any applicable law or regulation for its execution and delivery of (i) this Agreement and (ii) with respect to the other Loan Documents to the extent that failure to do so would have a material adverse effect on the security for the Note or the Board's ability to pay when due its Obligations under this Agreement or with respect to the Note.

Section 7.7. Credit Facilities. In the event that the Board shall, directly or indirectly, enter into or otherwise consent to any amendment, supplement or other modification of any Bank Agreement which includes more favorable covenants or greater rights and remedies, including the right to accelerate the payment of the Obligations, the Board shall give prompt written notice thereof to the Bank, and the Board and the Bank shall promptly enter into an amendment to this Agreement, and negotiate in good faith, to give the Bank the same covenants, rights and remedies, under substantially similar conditions, as are set forth in such other Bank Agreement, and in the case of rights and remedies, upon the occurrence of an Event of Default hereunder. The foregoing shall not be construed to give the Bank the benefit of more favorable fees or interest rates set forth in any other Bank Agreement.

Section 7.8. Maintenance of Tax-Exempt Status of the Note. The Board will not take any action or omit to take any action which, if taken or omitted, would adversely affect the exclusion of interest on the Note (subject to the inclusion of any exception contained in the opinions of Note Counsel delivered upon the original issuance of such Note) under the Resolution from gross income for purposes of federal income taxation; *provided* that failure to comply with this provision shall not constitute an Event of Default hereunder.

Section 7.9. Amendments to Loan Documents. The Board shall not amend or modify or permit to be amended or modified any of the Loan Documents in a manner relating in any way to this Agreement or the Bank or having a material adverse effect on the security or the Note or the Board's ability to pay its obligations hereunder, without the prior written consent of the Bank.

Section 7.10. Escrow Agent; Trustee. Prior to appointing any successor Escrow Agent or Trustee, the Board shall notify the Bank and request its approval of such successor, which approval shall not be unreasonably withheld, conditioned or delayed. The Bank shall object to or approve of such successor Escrow Agent or Trustee within 10 days of the Bank's receipt of such request. Any rejection of such request shall be in writing and shall include a statement of the Bank's reason for such objection.

Section 7.11. Underlying Rating. The Board shall at all times maintain a Rating from at least one Rating Agency. The Board covenants and agrees that it shall not at any time withdraw any Rating from any of Fitch, Moody's or S&P if the effect of such withdrawal would be to cure a Default or an Event of Default under this Agreement.

Section 7.12. Compliance with other Covenants. From and after the date hereof and so long as this Agreement is in effect or any Obligations are outstanding hereunder, except to the extent compliance in any case or cases is waived in writing by the Bank, the Board agrees that it will, for the benefit of the Bank, comply with in all material respects abide by all material agreements, covenants, obligations and undertakings contained in each of the Loan Documents, including, without limitation, the Resolution, it being understood that no amendment or waiver with respect to the foregoing Sections shall be effective as to this Agreement unless and until specifically agreed to in writing by the Bank with reference to this Agreement.

Section 7.13. Existence, Etc. The Board shall maintain its existence pursuant to its authorizing legislation and the laws of the State.

Section 7.14. Compliance With Documents. The Board agrees that it will perform and comply with each and every covenant and agreement required to be performed or observed by it in the Resolution and each of the other Loan Documents to which it is a party, which provisions, as well as related defined terms contained therein, are hereby incorporated by reference herein with the same effect as if each and every such provision were set forth herein in its entirety all of which shall be deemed to be made for the benefit of the Bank and shall be enforceable against the Board. To the extent that any such incorporated provision permits any other party to waive compliance with such provision or requires that a document, opinion or other instrument or any event or condition be acceptable or satisfactory to the Board or any other party, for purposes of this Agreement, such provision shall be complied with unless it is specifically waived by the Bank in writing and such document, opinion or other instrument and such event or condition shall be acceptable or satisfactory only if it is acceptable or satisfactory to the Bank which shall only be evidenced by the written approval by the Bank of the same. Except as permitted by Section 7.9 hereof, no termination or amendment to such covenants and agreements or defined terms or release of the Board with respect thereto made pursuant to the Resolution or any of the other Loan Documents to which the Board is a party, shall be effective to terminate or amend such covenants and agreements and defined terms or release the Board with respect thereto in each case as incorporated by reference herein without the prior written consent of the Bank. Notwithstanding any termination or expiration of the Resolution or any such other Loan Document to which the Board is a party, the Board shall continue to observe the covenants therein contained for the benefit of the Bank until the termination of this Agreement and the payment in full of the Note and all other Obligations.

Section 7.15. No Impairment. The Board will neither take any action, nor cause the Escrow Agent to take any action, under the Indenture or any other Loan Document which would materially adversely affect the rights, interests, remedies or security of the Bank under this Agreement or any other Loan Document.

Section 7.16. Disclosure to Participants. The Board shall permit the Bank to disclose the financial information received by it pursuant to this Agreement to each participant of the Bank, subject to confidentiality restrictions and use restrictions customary for financial institutions.

Section 7.17. Investment Policy. All investments of the Board have been and will be made in accordance with the terms of the Investment Policy.

Section 7.18. Escrow Agreement. The Board has directed the County Collector of the County of Cook, Illinois, to directly deposit the Pledged Taxes as received in a segregated account with the Escrow Agent. The Board shall cause the Escrow Agent to make payment of the funds held in the Escrow Account in accordance with the terms of the Escrow Agreement. After the Tax Penalty Date, the Board shall not permit any funds to be disbursed from the Escrow Account other than for the payment of principal and interest on the Loans outstanding hereunder and under any Bank Agreement, until all the outstanding Loans hereunder and under any other Bank Agreement have been paid in full.

Section 7.19. Federal Reserve Board Regulations. The Board shall not use any portion of the proceeds of the Note for the purpose of carrying or purchasing any Margin Stock and shall not incur any Indebtedness which is to be reduced, retired or purchased by the Board out of such proceeds.

Section 7.20. Liens. The Board shall not, directly or indirectly, incur, create or permit to exist any Lien on the Pledged Taxes or the Escrow Account, other than the Liens created for the benefit of the Note and other Parity Indebtedness that has heretofore or may hereafter be issued. No other Person shall be granted a Lien on the Pledged Taxes senior to that of the Lien in favor of the Bank.

Section 7.21. Parity Indebtedness. The Board shall not issue Parity Indebtedness in an aggregate principal amount outstanding at any time in excess of **[75% of the amount of uncollected Pledged Taxes.]**

Section 7.22. Pledged Taxes. The Board has directed the County Collector to deposit all collections of the Pledged Taxes directly with the Escrow Agent for application in accordance with the provisions of the Escrow Agreement. As long as any of the Obligations remain outstanding or the Bank is obligated to advance Loans hereunder, the Board will not modify or amend such direction.

SECTION 8. EVENTS OF DEFAULT

Section 8.1. Events of Default. The occurrence of any of the following events (whatever the reason for such event and whether voluntary, involuntary, or effected by operation of law) shall be an “Event of Default” hereunder, unless waived in writing by the Bank:

(a) the Board fails to pay, or cause to be paid, when due: (i) the principal of or interest on any Note (whether by scheduled maturity, required prepayment, redemption or otherwise); or (ii) any other Obligation owing to the Bank hereunder and such failure continues for a period of five (5) Business Days;

(b) any representation, warranty or statement made by or on behalf of the Board herein or in the Indenture, the Resolution or the Escrow Agreement or in any certificate delivered pursuant hereto or thereto shall prove to be untrue in any material respect on the date as of which made or deemed made; or the documents, certificates or statements of the Board (including unaudited financial reports, budgets, projections and cash flows of the Board) furnished to the Bank by or on behalf of the Board in connection with the transactions contemplated hereby, when taken as a whole, are materially inaccurate in light of the circumstances under which they were made and as of the date on which they were made;

(c) (i) the Board fails to perform or observe any term, covenant or agreement contained in Sections 7.2(iv), 7.3, 7.4, 7.5(i), 7.8, 7.9, 7.10, 7.11, 7.12, 7.13, 7.14, 7.15, 7.18, 7.20, 7.21 or 7.22 hereof; or (ii) the Board fails to perform or observe any other term, covenant or agreement contained in this Agreement (other than those referred to in Sections 7.1(a) and (c)(i)) and any such failure cannot be cured or, if curable, remains uncured for thirty (30) days after written notice thereof to the Board;

(d) the Board shall (i) default on the payment of the principal of or interest on any Parity Indebtedness including, without limitation, any regularly scheduled payments on Swap Agreements which constitute Parity Indebtedness, beyond the period of grace, if any, provided in the instrument or agreement under which such Parity Indebtedness was created or incurred; or (ii) default in the observance or performance of any agreement or condition relating to any Parity Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other default, event of default or similar event shall occur or condition exist; or

(e) any material provision of this Agreement or any Loan Document shall at any time for any reason cease to be valid and binding on the Board or any other party thereto or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by an Authorized Representative of the Board or such other party thereto or by any Governmental Authority having jurisdiction, or the Board or such other party shall deny that it has any or further liability or obligation under any such document and the occurrence of any such event would have a material adverse effect on the security for the Note or the Board’s ability to pay its obligations under this Agreement;

(f) any provision of the Indenture or the Resolution relating to the Board's ability to pay the Obligations or perform its obligations hereunder or the rights and remedies of the Bank, or any Loan Document to which the Board is a party, or any material provision thereof shall cease to be in full force or effect, or any Authorized Representative of the Board shall deny or disaffirm the Board's obligations under the Indenture or any other Loan Document to which the Board is a party;

(g) One or more final, unappealable judgments against the Board not covered by insurance, or attachments against the property of the Board, the operation or result of which, individually or in the aggregate, equal or exceed \$5,000,000 shall remain unpaid, unstayed, undischarged, unappealed, unbonded or undismissed for a period of sixty (60) days;

(h) (i) a debt moratorium, debt restructuring, debt adjustment or comparable restriction is imposed on the repayment when due and payable of the principal of or interest on any debts of the Board; (ii) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors, the Board seeks to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or bankrupt or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts; (iii) the Board seeks appointment of a receiver, trustee, custodian or other similar official for itself or for any substantial part of the Board's property, or the Board shall make a general assignment for the benefit of its creditors; (iv) there shall be commenced against the Board any case, proceeding or other action of a nature referred to in clause (ii) above and the same shall remain undismissed; (v) there shall be commenced against the Board any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its property which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal, within sixty (60) days from the entry thereof; (vi) the Board takes action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), (iii), (iv) or (v) above; or (vii) the Board shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or

(i) any of Fitch, Moody's or S&P (so long as such Rating Agencies otherwise maintain ratings on the Board's General Obligation Indebtedness) shall have downgraded the Board's Rating to below "BBB-" (or its equivalent), "Baa3" (or its equivalent), or "BBB-" (or its equivalent), respectively, or suspended or withdrawn its rating of the same; or

(j) dissolution or termination of the existence of the Board; and

(k) any "event of default" under the Indenture (as defined therein) shall have occurred.

(l) any event of default shall have occurred as defined in the Continuing Covenant Agreement dated as of December 1, 2013 between the Bank and the Board.

Section 8.2. Consequences of an Event of Default. If an Event of Default specified in Section 8.1 hereof shall occur and be continuing, the Bank may take one or more of the following actions at any time and from time to time (regardless of whether the actions are taken at the same or different times):

(a) notify the Trustee, the Escrow Agent and the Board of such Event of Default, and upon the occurrence of such Event of Default all Obligations hereunder and under the Note shall bear interest at the Default Rate during the continuance thereof and no additional Loans shall be made hereunder;

(b) deliver a written notice to the Escrow Agent, the Trustee and the Board that an Event of Default has occurred and is continuing and direct the Escrow Agent and the Board, as applicable, to take such remedial action as is provided for in the Loan Documents, and thereafter the Escrow Agent shall not disburse any funds to the Board from the Escrow Account until all Obligations hereunder and under the Note shall be paid in full and the Bank has no further obligation to disburse funds hereunder;

(c) either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by a court in any appropriate action or proceeding, take whatever action at law or in equity may appear necessary or desirable to collect the amounts due and payable hereunder, under the Note and under the Indenture or to enforce performance or observance of any obligation, agreement or covenant of the Board under the Loan Documents, whether for specific performance of any agreement or covenant of the Board or in aid of the execution of any power granted to the Bank in the Loan Documents; and

(d) exercise, or cause to be exercised, any and all remedies as it may have under the Loan Documents and as otherwise available at law and at equity.

Section 8.3. Remedies Cumulative; Solely for the Benefit of Bank. To the extent permitted by, and subject to the mandatory requirements of, applicable Law, each and every right, power and remedy herein specifically given to the Bank in the Loan Documents shall be cumulative, concurrent and nonexclusive and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy (whether specifically herein given or otherwise existing) may be exercised from time to time and as often and in such order as may be deemed expedient by the Bank, and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy.

The rights and remedies of the Bank specified herein are for the sole and exclusive benefit, use and protection of the Bank, and the Bank is entitled, but shall have no duty or obligation to the Board, the Escrow Agent, the Trustee or any other Person or otherwise, to

exercise or to refrain from exercising any right or remedy reserved to the Bank hereunder or the Indenture.

Section 8.4. Waivers or Omissions. No delay or omission by the Bank in the exercise of any right, remedy or power or in the pursuit of any remedy shall impair any such right remedy or power or be construed to be a waiver of any default on the part of the Bank or to be acquiescence therein. No express or implied waiver by the Bank of any Event of Default shall in any way be a waiver of any future or subsequent Event of Default.

Section 8.5. Discontinuance of Proceedings. In case the Bank shall proceed to invoke any right, remedy or recourse permitted hereunder or under the Indenture and shall thereafter elect to discontinue or abandon the same for any reason, the Bank shall have the unqualified right so to do and, in such event, the Board and the Bank shall be restored to their former positions with respect to the Obligations, the Loan Documents and otherwise, and the rights, remedies, recourse and powers of the Bank hereunder shall continue as if the same had never been invoked.

SECTION 9. CONDITIONS PRECEDENT.

The obligation of the Bank to make any extension of credit under this Agreement is subject to the following conditions precedent:

Section 9.1. All Advances. As of the time of the making of each extension of credit (including the initial extension of credit) hereunder:

(a) each of the representations and warranties set forth in Section 6 hereof and in the other Loan Documents shall be true and correct as of such time, except to the extent the same expressly relate to an earlier date;

(b) no Default or Event of Default shall have occurred and be continuing or would occur as a result of making such extension of credit;

(c) such extension of credit shall not violate any order, judgment, or decree of any court or other authority or any provision of law or regulation applicable to the Bank (including, without limitation, Regulation U of the Board of Governors of the Federal Reserve System) as then in effect;

(d) the Board shall deliver a certificate to the Bank demonstrating that the principal amount of such Loan, when added to the aggregate principal amount of all other outstanding Loans hereunder and the aggregate amount of all outstanding loans under any other Bank Agreement, does not exceed 80% of the uncollected Pledged Taxes; and

[(e) the Bank shall have received an opinion from outside counsel to the Issuer that interest on the loan is not includable in gross income of the Bank.]

The Board's request for any extension of credit hereunder shall constitute its warranty as to the facts specified in subsections (a) through (e), both inclusive, above.

Section 9.2. Initial Advance. At or prior to the making of the initial extension of credit hereunder, the following conditions precedent shall also have been satisfied:

(a) the Bank shall have received the following (and, with respect to all documents, each to be properly executed and completed) and the same shall have been approved as to form and substance by the Bank:

(i) duly executed copies of the Note, this Agreement and the Loan Documents;

(ii) copies (executed or certified as may be appropriate) of the Resolution of the Board of Directors or other governing body of the Board authorizing the execution, delivery, and performance of the Loan Documents;

(iii) an incumbency certificate containing the name, title and genuine signature of the Board's Authorized Representatives;

(iv) a duly completed Internal Revenue Service Form W-9 for the Board;

(b) legal matters incident to the execution and delivery of the Loan Documents and to the transactions contemplated hereby shall be satisfactory to the Bank and its counsel; and the Bank shall have received the favorable written opinion of outside counsel for the Board in form and substance satisfactory to the Bank and its counsel, including as to the tax-exempt nature of interest on the Loan;

(c) the Bank shall have received a copy of the Board's investment policy;

(d) the Board shall certify that (i) no Default or Event of Default shall have occurred and be continuing as of the date hereof or will result from the execution and delivery by the Board of this Agreement; (ii) the representations and warranties and covenants made by the Board in Section 6 and 7 hereof or incorporated herein by reference shall be true and correct in all material respects on and as of the Closing Date, as if made on and as of such date; (iii) neither the making of any Loans nor the consummation of any of the transactions contemplated by the Indenture, the Loan Documents or this Agreement will violate in any material respect any law, rule or regulation applicable to the Board or the Board's obligations under this Agreement; (iv) that there has been no event or circumstance since June 30, 2013, that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect; (v) that all actions required to be taken by, and all resolutions required to be adopted by, the Board under applicable law have been done and adopted; and (vi) that since the dated date of the Rating Documentation, the Ratings have not been reduced, withdrawn, suspended or reduced.

(e) *Ratings.* The Bank shall have received evidence that the Rating assigned by Moody's, S&P and Fitch to any general obligation Debt is at least "Baa1," "A+" and "A-," respectively (the "*Rating Documentation*").

(f) the Bank shall have received such other agreements, instruments, documents, certificates and opinions as the Bank may reasonably request.

SECTION 10. MISCELLANEOUS.

Section 10.1. Non-Business Days. If any payment hereunder becomes due and payable on a day which is not a Business Day, the due date of such payment shall be extended to the next succeeding Business Day on which date such payment shall be due and payable. In the case of any payment of principal falling due on a day which is not a Business Day, interest on such principal amount shall continue to accrue during such extension at the rate per annum then in effect, which accrued amount shall be due and payable on the next scheduled date for the payment of interest.

Section 10.2. No Waiver, Cumulative Remedies. No delay or failure on the part of the Bank or on the part of the holder of the Obligations in the exercise of any power or right shall operate as a waiver thereof or as an acquiescence in any default, nor shall any single or partial exercise of any power or right preclude any other or further exercise thereof or the exercise of any other power or right. The rights and remedies hereunder of the Bank and of the holder of the Obligations are cumulative to, and not exclusive of, any rights or remedies which any of them would otherwise have.

Section 10.3. Amendments, Etc. No amendment, modification, termination or waiver of any provision of this Agreement or of any other Loan Document, nor consent to any departure by the Board therefrom, shall in any event be effective unless the same shall be in writing and signed by the Bank. No notice to or demand on the Board in any case shall entitle the Board to any other or further notice or demand in similar or other circumstances.

Section 10.4. Costs and Expenses; Indemnification. (a) The Board agrees to pay on demand the costs and expenses of the Bank in connection with the negotiation, preparation, execution and delivery of this Agreement, the other Loan Documents and the other instruments and documents to be delivered hereunder or thereunder, and in connection with the transactions contemplated hereby or thereby, and in connection with any consents hereunder or waivers or amendments hereto or thereto, including the reasonable fees and expenses of counsel for the Bank with respect to all of the foregoing (whether or not the transactions contemplated hereby are consummated). The Board further agrees to pay to the Bank or any other holder of the Obligations all costs and expenses (including court costs and reasonable attorneys' fees), if any, incurred or paid by the Bank or any other holder of the Obligations in connection with any Default or Event of Default or in connection with the enforcement of this Agreement or any of the other Loan Documents or any other instrument or document delivered hereunder or thereunder (including, without limitation, all such costs and expenses incurred in connection with any proceeding under the United States Bankruptcy Code involving the Board or any guarantor). The Board further agrees to indemnify the Bank, and any security trustee, and their respective

directors, officers and employees, against all losses, claims, damages, penalties, judgments, liabilities and expenses (including, without limitation, all expenses of litigation or preparation therefor, whether or not the indemnified Person is a party thereto) which any of them may pay or incur arising out of or relating to any Loan Document or any of the transactions contemplated thereby or the direct or indirect application or proposed application of the proceeds of any extension of credit made available hereunder, other than those which arise from the gross negligence or willful misconduct of the party claiming indemnification. The Board, upon demand by the Bank at any time, shall reimburse the Bank for any legal or other expenses incurred in connection with investigating or defending against any of the foregoing except if the same is directly due to the gross negligence or willful misconduct of the party to be indemnified. The obligations of the Board under this Section shall survive the termination of this Agreement.

(b) The Board unconditionally agrees to forever indemnify, defend and hold harmless, and covenants not to sue for any claim for contribution against, the Bank for any damages, costs, loss or expense, including without limitation, response, remedial or removal costs, arising out of any of the following: (i) any presence, release, threatened release or disposal of any hazardous or toxic substance or petroleum by the Board or otherwise occurring on or with respect to their Property, (ii) the operation or violation of any environmental law, whether federal, state, or local, and any regulations promulgated thereunder, by the Board or otherwise occurring on or with respect to their Property, (iii) any claim for personal injury or property damage in connection with the Board or otherwise occurring on or with respect to their Property, and (iv) the inaccuracy or breach of any environmental representation, warranty or covenant by the Board made herein or in any mortgage, deed of trust, security agreement, or any other instrument or document evidencing or securing any indebtedness, obligations, or liabilities of the Board owing to the Bank or setting forth terms and conditions applicable thereto or otherwise relating thereto, except for damages arising from the Bank's willful misconduct or gross negligence. This indemnification shall survive the payment and satisfaction of all Obligations owing to the Bank and the termination of this Agreement, and shall remain in force beyond the expiration of any applicable statute of limitations and payment or satisfaction in full of any single claim under this indemnification. This indemnification shall be binding upon the successors and assigns of the Board and shall inure to the benefit of Bank and its directors, officers, employees, agents, and collateral trustees, and their successors and assigns.

Section 10.5. Documentary Taxes. The Board agrees to pay on demand any documentary, stamp or similar taxes payable in respect of this Agreement or any other Loan Document, including interest and penalties, in the event any such taxes are assessed, irrespective of when such assessment is made and whether or not any credit is then in use or available hereunder.

Section 10.6. Survival of Representations. All representations and warranties of the Board made herein or in any of the Indenture or in certificates given pursuant hereto or thereto shall survive the execution and delivery of this Agreement and the other Loan Documents, and shall continue in full force and effect with respect to the date as of which they were made as long as any credit is in use or available hereunder.

Section 10.7. Notices. Except as otherwise specified herein, all notices hereunder shall be in writing (including, without limitation, notice by telecopy) and shall be given to the relevant party at its address or telecopier number set forth below, or such other address or telecopier number as such party may hereafter specify by notice to the other given by courier, by United States certified or registered mail, by telecopy or by other telecommunication device capable of creating a written record of such notice and its receipt. Notices hereunder shall be addressed:

to the Board at:

Board of Education of the City of Chicago
Office of the Chief Financial Officer
125 South Clark Street
Chicago, Illinois 60603
Attention: Chief Financial Officer
Telephone: (773) 553-2700
Telecopy: (773) 553-2701

to the Bank at:

BMO Harris Bank N.A.
111 West Monroe Street
Chicago, Illinois 60603
Attention: Mark Mitrovich
Telephone: (312) []
Telecopy: (312) 293-5811

Each such notice, request or other communication shall be effective (i) if given by telecopier, when such telecopy is transmitted to the telecopier number specified in this Section and a confirmation of such telecopy has been received by the sender, (ii) if given by mail, five (5) days after such communication is deposited in the mail, certified or registered with return receipt requested, addressed as aforesaid or (iii) if given by any other means, when delivered at the addresses specified in this Section; provided that any notice given pursuant to Section 1 hereof shall be effective only upon receipt.

Section 10.8. Construction. The provisions of this Agreement relating to Subsidiaries shall only apply during such times as the Board has one or more Subsidiaries. NOTHING CONTAINED HEREIN SHALL BE DEEMED OR CONSTRUED TO PERMIT ANY ACT OR OMISSION WHICH IS PROHIBITED BY THE TERMS OF ANY OF THE OTHER LOAN DOCUMENTS, THE COVENANTS AND AGREEMENTS CONTAINED HEREIN BEING IN ADDITION TO AND NOT IN SUBSTITUTION FOR THE COVENANTS AND AGREEMENTS CONTAINED IN THE OTHER LOAN DOCUMENTS.

Section 10.9. Headings. Section headings used in this Agreement are for convenience of reference only and are not a part of this Agreement for any other purpose.

Section 10.10. Severability of Provisions. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 10.11. Counterparts. This Agreement may be executed in any number of counterparts, and by different parties hereto on separate counterpart signature pages, and all such counterparts taken together shall be deemed to constitute one and the same instrument.

Section 10.12. Binding Nature, Governing Law, Etc. This Agreement shall be binding upon the Board and its successors and assigns, and shall inure to the benefit of the Bank and the benefit of its successors and assigns, including any subsequent holder of the Obligations. The

Board may not assign its rights hereunder without the written consent of the Bank. This Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof and any prior agreements, whether written or oral, with respect thereto are superseded hereby. THIS AGREEMENT AND THE RIGHTS AND DUTIES OF THE PARTIES HERETO SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF ILLINOIS WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS.

Section 10.13. Submission to Jurisdiction; Waiver of Jury Trial. The Board hereby submits to the nonexclusive jurisdiction of the United States District Court for the Northern District of Illinois and of any Illinois State court sitting in the City of Chicago for purposes of all legal proceedings arising out of or relating to this Agreement, the other Loan Documents or the transactions contemplated hereby or thereby. The Board irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. THE BOARD AND THE BANK HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED THEREBY.

Section 10.14. USA Patriot Act. The Bank hereby notifies the Board that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “Act”), it is required to obtain, verify, and record information that identifies the Board, which information includes the name and address of the Board and other information that will allow the Bank to identify the Board in accordance with the Act.

Section 10.15. No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Board acknowledges and agrees: (i) (A) the Board has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (B) the Board is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) the Bank has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, including, without limitation, a “Municipal Advisor” as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the “Municipal Advisor Rules”), agent or fiduciary for the Board or any of its Affiliates, or any other Person and (B) the Bank has no obligation to the Board or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Bank and its respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Board and its Affiliates, and the Bank has no obligation to disclose any of such interests to the Board or its Affiliates. To the fullest extent permitted by law, the Board hereby waives and releases any claims that it may have against the Bank with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

[SIGNATURE PAGE TO FOLLOW]

This Credit Agreement is entered into between us for the uses and purposes hereinabove set forth as of the date first above written.

“BOARD”

BOARD OF EDUCATION OF THE CITY OF CHICAGO

By _____
Name _____
Title _____

“BANK”

BMO HARRIS BANK N.A.

By _____
Name _____
Title _____

EXHIBIT A
REVOLVING NOTE

\$[_____]

Chicago, Illinois
[_____] , 2014

On the Termination Date, for value received, the undersigned, the BOARD OF EDUCATION OF THE CITY OF CHICAGO, a school district duly organized and existing under the laws of the State of Illinois (the "*Board*"), hereby promises to pay to the order of BMO HARRIS BANK N.A. (the "*Bank*") at its office at 111 West Monroe Street, Chicago, Illinois, the principal sum of (i) [_____] Million and no/100 DOLLARS (\$[_____]), or (ii) such lesser amount as may at the time of the maturity hereof, whether by acceleration or otherwise, be the aggregate unpaid principal amount of all Loans owing from the Board to the Bank under the Revolving Credit provided for in the Credit Agreement hereinafter mentioned.

This Note evidences Loans made and to be made to the Board by the Bank under the Revolving Credit provided for under that certain Credit Agreement dated as of [_____] , 2014, between the Board and the Bank (said Credit Agreement, as the same may be amended, modified or restated from time to time, being referred to herein as the "*Credit Agreement*"), and the Board hereby promises to pay interest at the office described above on such Loans evidenced hereby at the rates and at the times and in the manner specified therefor in the Credit Agreement.

This Note is issued by the Board under the terms and provisions of the Credit Agreement and this Note and the holder hereof are entitled to all of the benefits and security provided for thereby or referred to therein, to which reference is hereby made for a statement thereof. This Note may be declared to be, or be and become, due prior to its expressed maturity, voluntary prepayments may be made hereon, all in the events, on the terms and with the effects provided in the Credit Agreement. All capitalized terms used herein without definition shall have the same meanings herein as such terms are defined in the Credit Agreement. **[The Board's Obligations hereunder are supported by a pledge of the Pledged Taxes and the Escrow Account, as described in the Credit Agreement.]**

The Board hereby promises to pay all costs and expenses (including reasonable attorneys' fees) suffered or incurred by the holder hereof in collecting this Note or enforcing any rights in any collateral therefor. The Board hereby waives presentment for payment and demand. THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH, AND GOVERNED BY, THE INTERNAL LAWS OF THE STATE OF ILLINOIS WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS.

BOARD OF EDUCATION OF THE CITY OF CHICAGO

By _____
Name _____
Title _____

Do not Sign

EXHIBIT B

**BOARD OF EDUCATION OF THE CITY OF CHICAGO
COMPLIANCE CERTIFICATE**

To: BMO Harris Bank N.A.

This Compliance Certificate is furnished to BMO Harris Bank N.A. (the "*Bank*") pursuant to that certain Credit Agreement dated as of [____], 2014, between the Board of Education of the City of Chicago and the Bank (the "*Credit Agreement*"). Unless otherwise defined herein, the terms used in this Compliance Certificate have the meanings ascribed thereto in the Credit Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the duly elected _____ of the Board;
2. I have reviewed the terms of the Credit Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the Board during the accounting period covered by the attached financial statements;
3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or the occurrence of any event which constitutes a Default or Event of Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate, except as set forth below;
4. The financial statements required by Section 7.2 of the Credit Agreement and being furnished to you concurrently with this certificate are, to the best of my knowledge, true, correct and complete as of the dates and for the periods covered thereby; and
5. The Attachment hereto sets forth financial data and computations evidencing the Board's compliance with certain covenants of the Credit Agreement, all of which data and computations are, to the best of my knowledge, true, complete and correct and have been made in accordance with the relevant Sections of the Credit Agreement.

Described below are the exceptions, if any, to paragraph 3 by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which the Board has taken, is taking, or proposes to take with respect to each such condition or event:

The foregoing certifications, together with the computations set forth in the Attachment hereto and the financial statements delivered with this Certificate in support hereof, are made and delivered this _____ day of _____, ____.

BOARD OF EDUCATION OF THE CITY OF CHICAGO

By _____
Name _____
Title _____

EXHIBIT C
Form of Trust Indenture

FORM OF TRUST INDENTURE

by and between

BOARD OF EDUCATION OF THE CITY OF CHICAGO

and

as trustee

dated as of _____ 1, 2014

securing

\$____,000,000

Educational Purposes Tax Anticipation Notes, Series 2014A

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THIS TRUST INDENTURE dated as of _____ 1, 2014 (the "*Indenture*"), by and between the BOARD OF EDUCATION OF THE CITY OF CHICAGO, a school district organized and existing under the laws of the State of Illinois, and _____, a duly organized trust company, existing and authorized to accept and execute trusts of the character set forth herein (the "*Trustee*").

WITNESSETH:

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 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," governed by the Chicago Board of Education (the "*Board*"); and

WHEREAS, the 2014 tax levy of the Board for educational purposes (the "*2014 Tax Levy*") is in the amount of \$2,205,000,000 and such levy has been duly adopted by the Board and filed in the manner provided by law with the County Clerk of the County of Cook, Illinois and the County Clerk of the County of DuPage, Illinois; and

WHEREAS, in accordance with the provisions of Section 34-23.5 of the School Code and the Local Government Debt Reform Act of the State of Illinois, as amended (the "*Act*"), the Board, on the 22nd day of October, 2014 adopted Resolution No. 14-1022-RS__ (the "*Note Resolution*") authorizing the Board to enter into one or more lending agreements with banks establishing lines of credit to enable the Board to borrow money in anticipation of the tax revenue to be derived from the 2014 Tax Levy and to issue and have outstanding tax anticipation notes (the "*Tax Anticipation Notes*") in anticipation of such tax revenue in an aggregate principal amount outstanding from time to time of not to exceed \$500,000,000; and

WHEREAS, the 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 issue the Tax Anticipation Notes from time to time to provide funds for the payment of ordinary and necessary expenditures for educational purposes; and

WHEREAS, pursuant to authority granted in the Note Resolution, the Board has appointed _____ to act as Trustee under this Indenture; and

WHEREAS, pursuant to the Note Resolution, the Board has duly authorized the issuance of a series of Tax Anticipation Notes designated as its Educational Purposes Tax Anticipation Notes, Series 2014A (the "*Notes*") in the aggregate principal amount of not to exceed \$____,000,000 for the purpose of paying such ordinary and necessary expenditures of educational purposes and paying costs of issuance of the Notes; and

WHEREAS, the Notes will be payable from the tax revenue collections from the 2014 Tax Levy (the "*Pledged Tax Receipts*"); and

WHEREAS, the Notes will be further secured by the other moneys, securities and funds pledged under this Indenture; and

WHEREAS, the Board has entered into a credit agreement with _____ establishing a line of credit for the benefit of the Board in the maximum amount of \$ _____; and

WHEREAS, the Board, the Trustee, _____ and _____ (the "*Escrow Agent*") have entered into the 2014 Tax Escrow Agreement dated _____ (the "*Tax Escrow Agreement*") with respect to the administration of the Pledged Tax Receipts and the Board has authorized the direct deposit to the Escrow Agent of the Pledged Tax Receipts; and

WHEREAS, all things necessary to make the Notes, when authenticated by the Trustee and issued as in this Indenture provided, the valid, binding and legal limited obligations of the Board according to the import thereof, and to constitute this Indenture a valid pledge of and grant of a lien on the Pledged Tax Receipts to secure the payment of the principal of, premium, if any, and interest on the Notes have been done and performed, in due form and time, as required by law; and

WHEREAS, the execution and delivery of this Indenture and the execution and issuance of the Notes, subject to the terms hereof, have in all respects been duly authorized.

GRANTING CLAUSES

NOW, THEREFORE, THIS TRUST INDENTURE WITNESSETH:

That in order to secure the payment of the principal of, premium, if any, and interest on all Notes issued hereunder, according to the import thereof, and the performance and observance of each and every covenant and condition herein and in the Notes contained, and for and in consideration of the premises and of the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Notes by the respective Owners (as hereinafter defined) thereof, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the Notes shall be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become Owners thereof, the Board does hereby pledge and grant a lien upon the following Trust Estate to the Trustee and its successors in trust and assigns, for the benefit of the Owners to the extent provided in this Indenture:

(a) The Pledged Tax Receipts, provided that the pledge of the Pledged Tax Receipts to the Notes is on a parity with the pledge of the Pledged Tax Receipts to any Tax Anticipation Notes; and

(b) All moneys and securities and earnings thereon held in the Escrow Account maintained under the Tax Escrow Agreement, provided that such pledge to the Notes is on a parity with the pledge of the moneys and securities held in the Escrow Account for the benefit and security of any other Tax Anticipation Notes and is subject to the allocation of the moneys and securities in the Escrow Account in accordance with the terms and provisions of the Tax Escrow Agreement; and

(c) All moneys and securities and earnings thereon in all Funds, Accounts and Sub-Accounts established pursuant to this Indenture; and

(d) Any and all other moneys, securities and property furnished from time to time to the Trustee by the Board or on behalf of the Board or by any other persons to be held by the Trustee under the terms of this Indenture;

BUT IN TRUST NEVERTHELESS, and except as herein otherwise provided, for the equal and proportionate benefit and security of the Notes issued hereunder and secured by this Indenture, without preference, priority or distinction as to participation in the lien, benefit and protection hereof of any one Note over any other or from the others by reason of priority in the issue or negotiation thereof or by reason of the date or dates of maturity thereof, or for any other reason whatsoever, so that each and all of the Notes shall have the same right, lien and privilege under this Indenture and shall be equally secured hereby, with the same effect as if the same had all been made, issued and negotiated upon the delivery hereof.

PROVIDED FURTHER, HOWEVER, that the Board has reserved the right, upon compliance with the provisions of Section 6.4, to issue Additional Notes (as hereinafter defined) on a parity with and sharing ratably and equally in the Pledged Tax Receipts with the Notes.

PROVIDED FURTHER, HOWEVER, that these presents are upon the condition that, if the Board, or its successors, shall well and truly pay or cause to be paid, or provide, pursuant to Section 11.1, for the payment of all principal, premium, if any, and interest on the Notes due or to become due thereon and all other amounts secured hereby, at the times and in the manner stipulated therein and herein, then this Indenture and the rights hereby granted shall cease, terminate and be void, but shall otherwise be and remain in full force.

AND IT IS HEREBY COVENANTED AND AGREED by and among the Board, the Trustee and the Owners of the Notes from time to time, that the terms and conditions upon which the Notes are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become the Owners thereof, and the trusts and conditions upon which the moneys and securities hereby pledged are to be held and disposed of, which trusts and conditions the Trustee hereby accepts, are as follows:

ARTICLE I

Definitions and Construction

Section 1.1. Definitions. The following terms shall, for all purposes of this Indenture, have the following meanings unless a different meaning clearly appears from the context:

“*Act*” means the Local Government Debt Reform Act of the State, as amended.

“*Additional Notes*” means any Tax Anticipation Notes issued by the Board in accordance with the provisions of the School Code and the Act on a parity with and sharing ratably and

equally in all or any portion of the Pledged Tax Receipts with the Notes and any other Tax Anticipation Notes secured by such Pledged Tax Receipts.

“*Advance*” means either the Initial Advance or a Supplemental Advance.

[“*Applicable Spread*” means, 0.60% initially, but will increase by .10% for each level downgrade of the Board’s long-term unenhanced debt ratings (each a “*Rating*”), based on the following:

<u>Level</u>	<u>S & P Rating</u>	<u>Moody’s Rating</u>	<u>Fitch Rating</u>	<u>Applicable spread increases by</u>
1	BBB+	Baa1	BBB+	10 bps
2	BBB	Baa2	BBB	10 bps
3	BBB-	Baa3	BBB-	10 bps

If Ratings are then in effect (i) from only one of Moody’s, S&P or Fitch, the Applicable Spread will increase by the increase corresponding to the level set forth above corresponding to the Rating from such Rating Service, (ii) from two of Moody’s, S&P or Fitch, the Applicable Spread will increase by the increase corresponding to the level set forth above corresponding to the lower Rating from either of such Rating Agencies and (iii) from all three of Moody’s, S&P and Fitch, the Applicable Spread will increase by the increase corresponding to the Level set forth above corresponding to the lower of the two highest Ratings from the Rating Services. References in this definition are to rating categories as presently determined by the Rating Services, and in the event of the adoption of any new or changed rating system or a “global” rating scale by any such Rating Service, the rating categories shall be adjusted accordingly to a new rating which most closely approximates the requirements as set forth herein.]

“*Authorized Denominations*” means, \$5,000 and any integral multiple thereof.

“*Authorized Officer*” means (a) any Designated Official, (b) the Controller and Chief Operating Officer of the Board acting together, or (c) any other officer or employee of the Board authorized to perform specific acts or duties hereunder by resolution duly adopted by the Board.

[“*Base Rate*” means for any day, the rate per annum equal to the greatest of: (a) the rate of interest announced or otherwise established by the Purchaser from time to time as its prime commercial rate as in effect on such day, with any change in the Base Rate resulting from a change in said prime commercial rate to be effective as of the date of the relevant change in said prime commercial rate (it being acknowledged and agreed that such rate may not be the Purchaser’s best or lowest rate), (b) the sum of (i) the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published by the Federal Reserve System of New York on the Business Day next succeeding such day; *provided* that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be the rate on such transactions on the next proceeding Business Day as so published on the next succeeding

Business Day, and (b) if no such rate is published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to the Purchaser on such transactions as determined by the Purchaser, *plus* (ii) 150 basis points, (c) the LIBOR Quoted Rate for such day *plus* 3.00%, or (d) five percent (5.00%). As used herein, the term “*LIBOR Quoted Rate*” means, for any day, the rate per annum equal to the quotient of (i) the rate per annum (rounded upwards, if necessary, to the next higher one hundred-thousandth of a percentage point) for deposits in U.S. Dollars for a one-month interest period which appears on the LIBOR01 Page as of 11:00 a.m. (London, England time) on such day (or, if such day is not a Business Day, on the immediately preceding Business Day) divided by (ii) one (1) minus the Reserve Percentage.]

“*Board*” means the school district coterminous with the City of Chicago, which is a body politic and corporate by the name of the “Board of Education of the City of Chicago,” governed by the Chicago Board of Education.

“*Bond Authorization Act*” means the Bond Authorization Act of the State, as amended.

“*Bond Counsel*” means the firm of Katten Muchin Rosenman LLP, Chicago, Illinois, or any other law firm designated by the Board having a national reputation in the field of municipal law whose opinions are generally accepted by purchasers of municipal notes, acceptable to the Trustee.

“*Business Day*” means any day other than (a) a Saturday, Sunday or (b) a day on which banking institutions located (i) in the city in which the designated office of the Trustee is located, (ii) in the city in which the designated office of the Escrow Agent is located or (c) a day on which the principal office of the Calculation Agent or the principal office of the Purchaser is closed.

[“*Calculation Agent*” means the Purchaser, provided that the Board may confirm any calculations made hereunder.]

“*Code*” or “*Code and Regulations*” means the Internal Revenue Code of 1986, as amended, and the regulations promulgated or proposed pursuant thereto as the same may be in effect from time to time.

“*Counsel’s Opinion*” or “*Opinion of Counsel*” means an opinion signed by an attorney or firm of attorneys of recognized standing in the area of law to which the opinion relates, who may be counsel to the Board (including the internal counsel to the Board) or Bond Counsel.

“*County Collectors*” means, collectively, the County Treasurers of The Counties of Cook and DuPage, Illinois, in their respective capacities as county collector, or, respectively, such other officer as may be lawfully appointed in the future to serve as county collector in either of said counties.

“*Credit Agreement*” means the Credit Agreement dated as of _____ 1, 2014, by and between the Board and the Purchaser, or any successor agreement, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Date of Issuance" means the date of original, initial issuance and delivery of Initial Advance of the Notes hereunder.

"Default Rate" means, with respect to Notes the Base Rate + 4.00% for the first 60 days after an Event of Default hereunder has occurred, and thereafter shall be the Maximum Interest Rate provided such Default Rate may never exceed the Maximum Interest Rate.

"Defaulted Interest" means interest on any Note which is payable but not duly paid on the date due.

"Defeasance Obligations" means Government Obligations which are not subject to redemption other than at the option of the holder thereof.

"Designated Official" means (i) the President of the Board, (ii) the Chief Financial Officer of the Board, (iii) the Treasurer of the Board, or (iv) any other officer of the Board authorized to perform specific acts and duties under this Indenture by a resolution of the Board.

"Determination of Taxability" means and shall be deemed to have occurred on the first to occur of the following:

(i) on that date when the Board files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;

(ii) on the date when the Board notifies any Noteholder or any former Noteholder that it has requested and received a written opinion by a nationally recognized attorney or firm of attorneys of substantial expertise on the subject of tax-exempt municipal finance to the effect that an Event of Taxability shall have occurred unless, within one hundred eighty (180) days after receipt by the Noteholder of such notification from the Board, the Board shall deliver to the Noteholder and any former Noteholder a ruling or determination letter issued to or on behalf of the Board by the Commissioner or any District Director of the Internal Revenue Service (or any other governmental official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(iii) on the date when the Board shall be advised in writing by the Commissioner or any District Director of the Internal Revenue Service (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings of the Board, or upon any review or audit of the Board or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(iv) on that date when the Board shall receive notice from the Noteholder or any former Noteholder that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of such Noteholder or such former Noteholder the interest on the Notes due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (iii) or (iv) hereunder unless the Board has been afforded the opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined; *provided further, however*, that upon demand from the Noteholder or former Noteholder, the Board shall promptly reimburse, but solely from payments made by the Board, such Noteholder or former Noteholder for any payments, including any taxes, interest, penalties or other charges, such Noteholder (or former Noteholder) shall be obligated to make as a result of the Determination of Taxability.

“DTC” means The Depository Trust Company, New York, New York.

“Escrow Agent” means _____, or its successor as escrow agent under the Tax Escrow Agreement.

“Event of Default” means any event so designated and specified in Section 8.1.

“Event of Taxability” means a (i) a change in law or judicial or administrative interpretation thereof, the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the Board, or the failure to take any action by the Board, or the making by the Board of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of the Notes) which has the effect of causing interest paid or payable on the Notes to become includable, in whole or in part, in the gross income of the Noteholder or any former Noteholder for federal income tax purposes, whether as a result of a claim by the Internal Revenue Service that interest on the Notes is includable in the gross income of Noteholder or any former Noteholder for federal income tax purposes, or an opinion of note counsel, or (ii) the entry of any decree or judgment by a court of competent jurisdiction, or the taking of any official action by the Internal Revenue Service or the Department of the Treasury, which decree, judgment or action shall be final under applicable procedural law, in either case, which has the effect of causing interest paid or payable on the Notes to become includable, in whole or in part, in the gross income of the Noteholder or any former Noteholder for federal income tax purposes with respect to the Notes.

“Fiduciary” or “Fiduciaries” means the Trustee, the Registrar, the Calculation Agent and the Paying Agent, or any or all of them, as may be appropriate.

“Financing Documents” means this Indenture and the Credit Agreement.

“Fitch” means Fitch Ratings, its successors and assigns, and, if Fitch shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Board by notice to the Trustee.

“Forward Supply Contract” means any contract entered into between the Board and a supplier of Investment Securities selected by or pursuant to the direction of the Board (a “Counterparty”) pursuant to which the Counterparty agrees to sell to the Board (or to the Trustee on behalf of the Board) and the Board (or the Trustee on behalf of the Board) agrees to purchase specified Investment Securities on specific dates at specific purchase prices, all as established at the time of the execution and delivery of such contract and as set forth in such contract. Any

amounts due and owing from the Board to the Counterparty pursuant to any Forward Supply Contract (other than the specified purchase prices of the Investment Securities set forth therein) shall be treated as current operating expenses of the Board subject to annual appropriation, and shall not constitute indebtedness of the Board.

“Government Obligations” means (a) any direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America and (b) certificates of ownership of the principal of or interest on obligations of the type described in clause (a) of this definition, (i) which obligations are held in trust by a commercial bank which is a member of the Federal Reserve System in the capacity of a custodian, (ii) the owner of which certificate is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying obligations, and (iii) for which the underlying obligations are held in safekeeping in a special account, segregated from the custodian’s general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated.

“Immediate Notice” means notice by telephone, telex or telecopier or by facsimile transmission or other similar electronic means of communication, not including electronic mail transmission, proving evidence of transmission to such address as the addressee shall have directed in writing, promptly followed by written notice by first class mail, postage prepaid; *provided, however*, that if any person required to give an Immediate Notice shall not have been provided with the necessary information as to the telephone, telex, telecopier, facsimile or other similar electronic address of an addressee, Immediate Notice shall mean written notice by first class mail, postage prepaid.

“Indenture” means this Trust Indenture, dated as of _____ 1, 2014, by and between the Board and the Trustee, as from time to time amended and supplemented.

“Index” means One Month LIBOR.

[*“Index Floating Rate”* means for the Notes, the sum of [70%] of One Month LIBOR, plus the Applicable Spread.]

“Initial Advance” means the Advance of \$____,000 of proceeds made to the Board on the Date of Issuance pursuant to Section 2.1.

“Interest Payment Date” means each date that interest on the Notes is paid pursuant to Section 4.3(B), each redemption date with respect to the Notes redeemed and the Maturity Date.

“Investment Policy” means the Investment Policy approved by the Board, as currently in effect and as may be amended from time to time.

“Investment Securities” means any of the following securities authorized by law and the Investment Policy as permitted investments of Board funds at the time of purchase thereof:

- (a) Government Obligations;

(b) Obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including:

- Export-Import Bank
- Farm Credit System Financial Assistance Corporation
- Farmers Home Administration
- General Services Administration
- U.S. Maritime Administration
- Small Business Administration
- Government National Mortgage Association (GNMA)
- U.S. Department of Housing & Urban Development (PHA's)
- Federal Housing Administration;

(c) Senior debt obligations issued by the Fannie Mae or the Federal Home Loan Mortgage Corporation and senior debt obligations of other government agencies which at the time of purchase are rated within the 4 highest general classifications established by a rating service of nationally recognized expertise or are expressly secured by the full faith and credit of the United States of America;

(d) U.S. dollar denominated deposit accounts, certificates of deposit (including those placed by a third party pursuant to an agreement between the Trustee and the Board), demand deposits, including interest bearing money market accounts, trust deposits, time deposits, federal funds and banker's acceptances with domestic commercial banks (including the Trustee and its affiliates) which on the date of purchase have any two of the following ratings on their short-term certificates of deposit: "A-1" or "A-1+" by S&P, "P-1" by Moody's and "F1" or "F1+" by Fitch, and maturing no more than 360 days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);

(e) Commercial paper which at the time of purchase has any two of the following ratings: "A-1" or above by S&P, "P-1" by Moody's and "F1" by Fitch, and which matures not more than 180 days after the date of purchase;

(f) Investments in a money market fund which at the time of purchase is rated "AAAm" or "AAAm-G" or better by S&P, including those for which the Trustee or an affiliate performs services for a fee, whether as a custodian, transfer agent, investment advisor or otherwise;

(g) Repurchase Agreements; and

(h) Forward Supply Contracts.

Ratings of Investment Securities referred to herein shall be determined at the time of purchase of such Investment Securities and without regard to ratings subcategories.

"Investor Letter" means a letter in the form attached hereto as Exhibit F or in a form otherwise approved by a Designated Official.

“Letter of Representations” means the Blanket Issuer Letter of Representations dated March 15, 2002, between the Board and DTC, relating to the book-entry only system for the Notes described in Section 2.9.

“Maturity Date” means (i) October 1, 2015, if the Tax Penalty Date is on or prior to August 3, 2015 or (ii) the 60th day following the Tax Penalty Date if the Tax Penalty Date is later than August 3, 2015 but earlier than November 2, 2015 or (iii) December 31, 2015, if the Tax Penalty Date is on or later than November 2, 2015.

“Maximum Interest Rate” means, with respect to any of the Notes at any time, the lesser of (i) the Statutory Maximum Rate, or (ii) _____ % per annum.

“Moody’s” means Moody’s Investors Service, its successors and assigns, and, if Moody’s shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, *“Moody’s”* shall be deemed to refer to any other nationally recognized securities rating agency designated by the Board by notice to the Trustee.

“Note Resolution” means Resolution No. 14-1022-RS__, adopted by the Board on October 22, 2014, authorizing the issuance of the Notes.

“Notes” means the Notes issued pursuant to Section 2.1(A) and any Notes issued hereunder in substitution or replacement therefor.

“One Month LIBOR” means the rate per annum (rounded upwards, if necessary, to the next higher one hundred-thousandth of a percentage point) for deposits in U.S. Dollars for a period equal to one month, which appears on the LIBOR01 Page as of 11:00 a.m. (London, England time) on the Rate Determination Date, and if such rate is unavailable or cannot be determined, the arithmetic average of the rates of interest per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%) at which deposits in U.S. Dollars in immediately available funds are offered to the Purchaser at 11:00 a.m. (London, England time) on the Rate Determination Date by three (3) or more major banks in the interbank Eurodollar market selected by the Purchaser for delivery on the Reset Date and for a period equal to one month and in an amount equal or comparable to the principal amount of the Note. “LIBOR01 Page” means the display designated as “LIBOR01 Page” on the Reuters Service (or on any successor or substitute page of such service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Calculation Agent from time to time for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market).

If at least two such quotations are provided, One Month LIBOR will be the arithmetic mean of such quotations. If fewer than two quotations are provided, One Month LIBOR will be the arithmetic mean of the rates quoted by three (if three quotations are not provided, two or one, as applicable) major banks in New York City, selected by the Calculation Agent, at approximately 11:00 A.M., New York City time, two Business Days prior to the Rate Determination Date for loans in U.S. dollars to leading European banks in a principal amount of at least U.S. \$1,000,000 having a one-year maturity. If none of the banks in New York City selected by the Trustee is then quoting rates for such loans, then One Month LIBOR for the

ensuing interest period will mean One Month LIBOR then in effect in the immediately preceding Index Floating Rate Period.

“Opinion of Bond Counsel” means a written opinion of Bond Counsel in form and substance acceptable to the Board and the Trustee, which opinion may be based on a ruling or rulings of the Internal Revenue Service.

“Outstanding” means, as of any date, all Notes theretofore or thereupon being authenticated and delivered under this Indenture except:

- (i) Any Notes canceled by the Trustee at or prior to such date;
- (ii) Notes (or portions of Notes) for the payment (including through Repaid Advances pursuant to Section 2.11) or redemption of which moneys and/or Defeasance Obligations, equal to the principal amount or Redemption Price thereof, as the case may be, with interest to the date of maturity or date fixed for redemption, are held in trust under this Indenture and set aside for such payment or redemption (whether at or prior to the maturity or redemption date), provided that if such Notes (or portions of Notes) are to be redeemed, notice of such redemption shall have been given as in Article III provided or provision satisfactory to the Trustee shall have been made for the giving of such notice;
- (iii) Notes in lieu of or in substitution for which other Notes shall have been authenticated and delivered pursuant to Article II, Section 3.3(C) or Section 10.6; and
- (iv) Notes deemed to have been paid as provided in Section 11.1(B).

“Owner” or *“Noteholder”* means any person who shall be the registered owner of any Note or Notes.

“Participant,” when used with respect to any Securities Depository, means any participant of such Securities Depository.

“Paying Agent” means the Trustee and any other bank, national banking association or trust company designated by a Designated Official pursuant to Section 8.2, respectively, hereof as a paying agent for the Notes, and any successor or successors appointed by a Designated Official or the Trustee under this Indenture.

“Person” means and includes an association, unincorporated organization, a limited liability company, a corporation, a partnership, a joint venture, a business trust, or a government or an agency or a political subdivision thereof, or any other public or private entity, or a natural person.

“Pledged Tax Receipts” means all of the money derived from the collection of the Pledged Taxes.

“Pledged Taxes” means the annual tax levied by the Board upon all taxable property located in the School District for educational purposes for the year 2014.

“Principal Payment Date” means each date that principal on the Notes is paid pursuant to Section 4.3(B), each redemption date with respect to the Notes redeemed and the Maturity Date.

“Purchaser” means [] or its successors and assigns, so long as it (or any successor or assignee) owns at least a majority in aggregate principal amount of the Notes then outstanding.

“Rating Services” means the nationally recognized rating services, or any of them, that shall have assigned ratings to any Notes Outstanding as requested by or on behalf of the Board, and which ratings are then currently in effect.

“Record Date” means, with respect to a Note, for payment of interest, the Business Day immediately preceding each Interest Payment Date for such Note and for payment of principal, the Business Day immediately preceding each Principal Payment Date.

“Redemption Price” means, with respect to any Note, the principal amount thereof plus the applicable premium, if any, payable upon the date fixed for redemption.

“Reference Bank” means, with respect to an Index, any of the four largest United States banks with an office in London, based upon consolidated total asset size, as listed by the Federal Reserve in its most current (as of such date) statistical release on its website with respect thereto.

“Registrar” means the Trustee and any other bank, national banking association or trust company appointed by a Designated Official under this Indenture and designated as registrar for the Notes, and its successor or successors.

“Repaid Advances” means any Advance or portion thereof made hereunder in accordance with Section 2.12 which is paid back by the Board and deposited with the Trustee and transferred to the Owners on a pro rata basis.

“Repurchase Agreements” means repurchase agreements of government securities having the meaning set out in the Government Securities Act of 1986 subject to the provisions of said Act and the Regulations issued thereunder. The government securities that are the subject of such repurchase agreements, unless registered or inscribed in the name of the Board, shall be purchased through banks or trust companies authorized to do business in the State of Illinois.

“Reserve Percentage” means, for any day, the maximum reserve percentage, expressed as a decimal, at which reserves (including, without limitation any emergency, marginal, special and supplemental reserves) are imposed by the Board of Governors of the Federal Reserve System (or any successor thereto) for “Eurocurrency Liabilities” (as defined in Regulation D of the Federal Reserve Board, as amended, or any successor thereto), (subject to any amendments of such reserved requirement by such Board or its successor, taking into account any transitional adjustments thereto, without benefit or credit for any prorations, exemptions or offsets under Regulation D and adjusted automatically on and as of the effective date of any change in any such reserve percentage). The Reserve Percentage as of the date of this Indenture is 0.0%, but is subject to change.

“School Code” means the School Code of the State of Illinois, as amended.

“*School District*” means the school district constituted by the City of Chicago pursuant to Article 34 of the School Code, and governed by the Chicago Board of Education.

“*Securities Depository*” means DTC and any other securities depository registered as a clearing agency with the Securities and Exchange Commission pursuant to Section 17A of the Securities Exchange Act of 1934, as amended, and appointed as the securities depository for the Notes.

“*Series 2014B Bonds*” means the Educational Purposes Tax Anticipation Notes, Series 2014B, of the Board.

“*SLGS*” means United States Treasury Certificates of Indebtedness, Notes and Bonds – State and Local Government Series.

“*Special Record Date*” means the date fixed by the Trustee pursuant to Section 2.2(G) for the payment of Defaulted Interest.

“*S&P*” means Standard & Poor’s, a Division of The McGraw-Hill Companies, Inc., its successors and assigns, and, if S&P shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “*S&P*” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Board by notice to the Trustee.

“*State*” means the State of Illinois.

“*Statutory Maximum Rate*” means the maximum rate of interest permitted for the Notes from time to time pursuant to applicable law, including the Bond Authorization Act of the State, as amended.

“*Supplemental Advance*” means any additional advance of the principal amount of the Notes outstanding subsequent to the Initial Advance pursuant to Section 2.1, each of which shall be in an amount not less than \$_____.

“*Supplemental Indenture*” means any Supplemental Indenture between the Board and the Trustee authorized pursuant to Article XI.

“*Tax Agreement*” means the Tax Compliance Agreement, dated the date of issuance of the Notes, executed by the Board and the Trustee.

“*Tax Anticipation Notes*” means any one or more of the tax anticipation notes issued pursuant to the Act, including the Notes, the Series 2014B Notes and any Additional Notes.

“*Tax Escrow Agreement*” means the 2014 Tax Escrow Agreement dated as of _____, 2014 _____.

“*Tax Penalty Date*” means the last day on which the second installment of the Pledged Taxes may be paid without penalty with respect to taxable property located in the County of Cook, Illinois.

“*Taxable Date*” means the date as of which interest on the Notes is first includable in the gross income of the Owner (including, without limitation, any previous Owner) thereof as a result of an Event of Taxability as such date is established pursuant to a Determination Taxability.

“*Taxable Rate*” means an interest rate per annum at all times equal to the product of the Index Floating Rate then in effect multiplied by the Taxable Rate Factor but in no case shall such rate exceed the Maximum Interest Rate.

“*Taxable Rate Factor*” means 1.54.

“*Trust Estate*” means the Pledged Tax Receipts and all other property pledged to the Trustee pursuant to the Granting Clauses of this Indenture.

“*Trustee*” means _____ and any successor or successors appointed under this Indenture as hereinafter provided. The “*designated office*” of the Trustee means _____, Chicago, Illinois 606 __, or such other address as is provided by the Trustee.

“*Undelivered Notes*” means Notes that are not presented to the Trustee for payment of principal thereof and interest thereon when due, or purchase price thereon when due and for which sufficient moneys are on deposit with the Trustee to pay such principal and interest or purchase price.

“*Year*” or “*year*” means a calendar year.

Section 1.2. Miscellaneous Definitions. As used herein, and unless the context shall otherwise indicate, the words “*Note*,” “*Owner*,” and “*Person*” shall include the plural as well as the singular number.

As used herein, the terms “*herein*,” “*hereunder*,” “*hereby*,” “*hereto*,” “*hereof*” and any similar terms refer to this Indenture.

Unless the context shall otherwise indicate, references herein to articles, sections, subsections, clauses, paragraphs and other subdivisions refer to the designated articles, sections, subsections, clauses, paragraphs and other subdivisions of this Indenture as originally executed.

ARTICLE II

Authorization and Issuance of Notes

Section 2.1. Authorization and Issuance of Notes.

(A) The Board shall not issue any Notes under the provisions of this Indenture except in accordance with the provisions of this Article II. The total principal amount of Notes that may be Outstanding hereunder at any one time is expressly limited to \$250,000,000. The Notes shall be issued in multiple Advances in one series.

(B) The Notes shall be issued in the amount of the Initial Advance on the Date of Issuance. From time to time after the Date of Issuance and the Initial Advance of a portion of the proceeds of the Notes, the Board may issue additional Notes hereunder in the aggregate amount of Supplemental Advances; *provided, however* that no Notes shall be issued and no Supplemental Advances shall be made (a) unless (i) the aggregate principal amount of all Outstanding Notes, including the principal amount of Notes to be issued in connection with such Supplemental Advance, does not exceed \$250,000,000 and (ii) the aggregate principal amount of all Outstanding Notes, including the principal amount of Notes to be issued in connection with such Supplemental Advance, does not exceed seventy five percent (75%) of the remaining uncollected amount of the Pledged Taxes at the time of such Supplemental Advance; and (b) all conditions under the Credit Agreement and Sections 2.1 and 2.10 hereof are satisfied. Each Advance referenced herein is intended to be treated as being part of a single issue of Notes for which the issue date is the Date of Issuance.

(C) The Notes shall be issuable as fully registered notes, without coupons, in Authorized Denominations, substantially in the form attached as Exhibit A hereto, with such appropriate variations, omissions and insertions as are permitted or required by this Indenture. Unless the Board shall otherwise direct, the Notes shall be lettered and numbered from R-1 and upwards. The Notes, as initially issued, shall be dated the date of issuance and shall mature, subject to optional redemption as provided in Article III hereof. The Notes shall be held by the Trustee, as agent of the Owners. The Trustee, upon the written request of an Owner, shall deliver such Note to the Owner thereof; *provided, however*, that such Owner shall present such Note to the Trustee at the time of each Supplemental Advance and each Repaid Advance so that Exhibit A to the Note may be modified accordingly by the Trustee. Only the Trustee is authorized to modify Exhibit A to the Note.

(D) Each Note authenticated prior to the first Interest Payment Date thereon shall bear interest from its date of issue and thereafter interest shall accrue from the preceding Interest Payment Date except that if, as shown by the records of the Trustee, interest on such Note shall be in default, any Note issued in exchange for or upon the registration of transfer of such Note shall bear interest from the date to which interest has been paid in full on such Note or, if no interest has been paid on such Note, its date of issue. Each Note shall bear interest on overdue principal and, to the extent permitted by law, and interest at the rate borne by such Note on the date on which such principal or interest came due and payable, or, if applicable and greater, the Default Rate.

(E) Interest on Notes shall be payable on each Interest Payment Date. The principal of the Notes shall be payable in applicable amounts on each Principal Payment Date.

(F) The principal and interest on the Notes shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts.

(G) Payment of interest on Notes shall be paid on each Interest Payment Date to the person appearing on the note register as the Owner thereof as of the close of business of the Trustee on the Record Date (i) to the Purchaser by Automated Clearing House transfer and (ii) to any other Owner by wire transfer to such Owner to the wire transfer address within the United

States to which such Owner wishes to have such wire directed, as most recently provided to the Trustee not later than the Business Day next preceding the Record Date. Payment of principal on any Note shall be made on the applicable Principal Payment Date, to the Owner as of the close of business of the Trustee on the Record Date, (i) to the Purchaser by Automated Clearing House transfer and (ii) to any other Owner by wire transfer to such Owner on the applicable Principal Payment Date at the wire transfer address within the United States as most recently provided to the Trustee not later than the Business Day next preceding the Record Date.

(H) The net proceeds of the Notes, upon receipt, shall be applied as provided in Section 2.11.

Section 2.2. Interest on Notes.

(A) The Notes shall bear interest from and including the Date of Issuance until payment of the principal or Redemption Price thereof shall have been made or provided for in accordance with the provisions hereof, whether at the Maturity Date, upon redemption, or otherwise. The Notes shall be issued in multiple Advances bearing interest at the Index Floating Rate. [Interest accrued on the Notes shall be paid in arrears on each Interest Payment Date. Interest on the Notes shall be computed upon the basis of a 360-day year and the actual number of days elapsed.]

(B) From and after any Taxable Date, the interest rate on the Notes shall be established at the Taxable Rate.

(C) If an Event of Default shall occur and shall not have been remedied, then the Notes shall bear interest at the Default Rate.

(D) At any time the Calculation Agent determines any interest rate with respect to the Notes in excess of 9%, the Trustee or Calculation Agent, as the case may be, shall confirm that such rate is not in excess of the then applicable Maximum Interest Rate. The Trustee shall give Immediate Notice to the Board of any interest rate so determined in excess of 9%.

Section 2.3. Execution and Authentication.

(A) The Notes shall be executed in the name of the Board by the manual or facsimile signatures of its President (or in the event of a vacancy in the office of the President, the Vice President) and attested by the manual or facsimile signature of its Secretary. In case any one or more of the officers who shall have signed any of the Notes shall cease to be such officer before the Notes so signed shall have been authenticated and delivered by the Trustee, such Notes may, nevertheless, be authenticated and delivered as herein provided, and may be issued as if the persons who signed such Notes had not ceased to hold such offices. Any Note may be signed on behalf of the Board by such persons who at the time of the execution of such Note shall hold the proper office of the Board, although at the date of such Note such persons may not have been so authorized or have held such office.

(B) The Notes shall bear a certificate of authentication, in the form set forth in this Indenture, executed manually by the Trustee. Only such Notes as shall bear such certificate of authentication shall be entitled to any right or benefit under this Indenture, and no such Note

shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any such Note executed on behalf of the Board shall be conclusive evidence that the Note so authenticated has been duly authenticated and delivered under this Indenture and that the Owner thereof is entitled to the benefits of this Indenture.

Section 2.4. Interchangeability of Notes. Subject to the provisions of Section 2.5, any Note, upon surrender at the designated office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Owner or its duly authorized attorney, may, at the option of the Owner and upon payment of any taxes, fees or charges as provided in Section 2.5, be exchanged for an equal aggregate principal amount of fully registered Notes having the same Maturity Date and tenor of any other Authorized Denominations.

Section 2.5. Negotiability, Transfer and Registration.

(A) Subject to the limitations contained in subsection (C) of this Section, upon surrender for registration of transfer of any Note at the designated office of the Trustee, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Trustee and duly executed by the Owner or such Owner's attorney duly authorized in writing, the Board shall execute, and the Trustee shall authenticate and deliver, in the name of the transferee or transferees a new Note or Notes of like date and tenor in Authorized Denominations of the same Maturity Date for the aggregate principal amount which the Owner is entitled to receive bearing numbers not contemporaneously Outstanding. Subject to the limitations contained in subsection (C) of this Section, Notes may be exchanged at such times at such designated office of the Trustee upon surrender thereof together with an assignment duly executed by the Owner thereof or such Owner's attorney in such form and with guarantee of signature as shall be satisfactory to the Trustee for an equal aggregate principal amount of Notes of like date and tenor of any Authorized Denomination as the Notes surrendered for exchange bearing numbers not contemporaneously Outstanding. The execution by the Board of any Note of any Authorized Denomination shall constitute full and due authorization of such Authorized Denomination, and the Trustee shall thereby be authorized to authenticate and deliver such registered Note.

(B) No service charge shall be imposed upon the Owners for any exchange or transfer of Notes. The Board and the Trustee may, however, require payment by the person requesting an exchange or transfer of Notes of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto, except in the case of the issuance of a Note or Notes for the unredeemed portion of a Note surrendered for redemption in part.

(C) Notes delivered upon any registration of transfer or exchange as provided herein or as provided in Section 2.6 shall be valid limited obligations of the Board, evidencing the same debt as the Notes surrendered, shall be secured by this Indenture and shall be entitled to all of the security and benefits hereof to the same extent as the Note surrendered.

(D) The Board, the Trustee and any Paying Agent may treat the Owner of any Note as the absolute owner thereof for all purposes, whether or not such Note shall be overdue, and shall not be bound by any notice to the contrary. All payments of or on account of the principal of,

premium, if any, and interest on any such Note as herein provided shall be made only to or upon the written order of the Owner thereof or such Owner's legal representative, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

(E) Unless the Board directs the Trustee otherwise, Trustee shall not register the transfer of any Note in the name of a new Owner unless (i) it has received from such new Owner an executed copy of an Investor Letter of such new Owner substantially in the form attached hereto as Exhibit F or (ii) such new owner is an affiliate of the initial Purchaser.

Section 2.6. Notes Mutilated, Destroyed, Stolen or Lost. In case any Note shall become mutilated or be destroyed, stolen or lost, the Board shall execute, and thereupon the Trustee shall authenticate and deliver, a new Note of like Maturity Date and principal amount, as the Notes so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Note, upon surrender and cancellation of such mutilated Note or in lieu of and substitution for the Note destroyed, stolen or lost, upon filing with the Trustee evidence satisfactory to the Board and the Trustee that such Note has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Board and the Trustee with indemnity satisfactory to them and complying with such other reasonable regulations as the Board or the Trustee may prescribe and paying such expenses as the Board and Trustee may incur. All Notes so surrendered to the Trustee shall be canceled by the Trustee in accordance with Section 11.5. Any such new Notes issued pursuant to this Section in substitution for Notes alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Board, whether or not the Notes so alleged to be destroyed, stolen or lost shall be found at any time or be enforceable by anyone, shall be entitled to equal and proportionate benefits with all other Notes issued under this Indenture and shall be equally secured by the moneys or securities held by the Trustee for the benefit of the Owners.

Section 2.7. Temporary Notes.

(A) Until the definitive Notes are prepared, the Board may execute, in the same manner as is provided in Section 2.3, and, upon the request of the Board, the Trustee shall authenticate and deliver, in lieu of definitive Notes, but subject to the same provisions, limitations and conditions as the definitive Notes except as to exchangeability, one or more temporary Notes substantially of the tenor of the definitive Notes in lieu of which such temporary Note or Notes are issued, in Authorized Denominations, and with such omissions, insertions and variations as may be appropriate to temporary Notes. The Board shall prepare and execute and, upon the surrender of such temporary Notes the Trustee shall authenticate and, without charge to the Owner thereof, deliver in exchange therefor, definitive Notes of the same aggregate principal amount and Maturity Date as the temporary Notes surrendered in Authorized Denominations. Until so exchanged, the temporary Notes shall in all respects be entitled to the same benefits and security as definitive Notes authenticated and issued pursuant to this Indenture.

(B) The Owner of any temporary Note or Notes may, at its option, surrender the same to the Trustee in exchange for another temporary Note or Notes of like aggregate principal amount and Maturity Date of any Authorized Denominations, and thereupon the Board shall

execute and the Trustee shall authenticate and, in exchange for the temporary Note or Notes so surrendered and upon payment of the taxes, fees and charges provided for in Section 2.5(B), shall deliver a temporary Note or Notes of like aggregate principal amount and maturity in such other Authorized Denominations as shall be requested by such Owner.

(C) All temporary Notes surrendered in exchange either for another temporary Note or Notes or for a definitive Note or Notes shall be forthwith canceled by the Trustee.

Section 2.8. Required Information in Note Form. On each date on which the Trustee authenticates and delivers a Note, makes a Supplemental Advance or receives a Repayment Advance, it shall complete the information required to be inserted by the Note form or Exhibit A thereto and shall keep a record of such information.

Section 2.9. Book-Entry Provisions. The Notes as initially issued shall be certificated and shall not be in book-entry form unless and until the Board or the Purchaser requests the Trustee to convert the Notes to book-entry form. The provisions of this Section shall only apply if the Notes are ever maintained in book-entry form with DTC or another Securities Depository, any provisions of this Indenture to the contrary notwithstanding.

(A) The Notes shall be payable to the Securities Depository, or its nominee, as the Owner of the Notes, in same day funds on each date on which the principal of, premium, if any, and interest on the Notes is due as set forth in this Indenture and the Notes. Such payments shall be made to the offices of the Securities Depository specified by the Securities Depository to the Board and the Trustee in writing. Without notice to or the consent of the beneficial owners of the Notes, the Board and the Securities Depository may agree in writing to make payments of principal and interest in a manner different from that set forth herein. If such different manner of payment is agreed upon, the Board shall give the Trustee written notice thereof, and the Trustee shall make payments with respect to the Notes in the manner specified in such notice as set forth herein. Neither the Board nor the Trustee shall have any obligation with respect to the transfer or crediting of the principal of, premium, if any, and interest on the Notes to Participants or the beneficial owners of the Notes or their nominees.

(B) The Owners of the Notes have no right to the appointment or retention of a Securities Depository for the Notes. If (i) the Board determines, or (ii) the Board receives notice that the Securities Depository has received notice from its Participants having interests in at least 50 percent in principal amount of the Notes that the Securities Depository or its successor is incapable of discharging its responsibilities as a securities depository, or that it is in the best interests of the beneficial owners that they obtain certificated Notes, the Board may (or, in the case of clause (ii) of this subsection (B), the Board shall) cause the Trustee to authenticate and deliver Note certificates. The Board shall have no obligation to make any investigation to determine the occurrence of any events that would permit the Board to make any determination described in this paragraph.

(C) If, following a determination or event specified in subsection (B) of this Section, the Board discontinues the maintenance of the Notes in book-entry form with the then current Securities Depository, the Board will issue replacement Notes to the replacement Securities Depository, if any, or, if no replacement Securities Depository is selected for the Notes, directly

to the Participants as shown on the records of the former Securities Depository or, to the extent requested by any Participant, to the beneficial owners of the Notes shown on the records of such Participant. Replacement Notes shall be in fully registered form and in Authorized Denominations. Principal and premium, if any, on the replacement Notes are payable only upon presentation and surrender of such replacement Note or Notes at the designated office of the Trustee.

(D) The Securities Depository and its Participants, and the beneficial owners of the Notes, by their acceptance of the Notes, agree that the Board and the Trustee shall not have liability for the failure of such Securities Depository to perform its obligations to the Participants and the beneficial owners of the Notes, nor shall the Board or the Trustee be liable for the failure of any Participant or other nominee of the beneficial owners to perform any obligation of the Participant to a beneficial owner of the Notes.

(E) As long as Cede & Co. is the Owner of the Notes, as nominee of DTC, references herein to the Owners of the Notes shall mean Cede & Co. and shall not mean the beneficial owners of the Notes.

(F) As long as Cede & Co. is the Owner of the Notes:

(i) election of Notes to be redeemed upon partial redemption, presentation of Notes to the Trustee upon partial redemption, delivery of Notes to the Trustee in connection with an optional or mandatory tender, shall be deemed made when the right to exercise ownership rights in such Notes through DTC or DTC's Participants is transferred by DTC on its books;

(ii) any notices of the interest rate on the Notes to be provided by the Trustee shall be provided to anyone identifying itself to the Trustee as a person entitled to exercise ownership rights with respect to such Notes through DTC or its Participants;

(iii) DTC may present notices, approvals, waivers or other communications required or permitted to be made by Owners under the Indenture on a fractionalized basis on behalf of some or all of those persons entitled to exercise ownership rights in the Notes through DTC or its Participants.

Section 2.10. Delivery of Notes.

(A) **Initial Advance.** Upon the written order of the Board, the Board shall execute and deliver to the Trustee and the Trustee shall authenticate the Notes to be issued in the aggregate principal amount of the Initial Advance and shall deliver them to or upon the order of the Board as hereinafter in this Section 2.10 provided.

Prior to the delivery by the Trustee of any of the Notes, representing the Initial Advance, there shall be filed with the Trustee:

(1) A copy, duly certified by the Secretary of the Board, of (i) the Note Resolution (ii) incumbency certificate and (iii) the Investment Policy.

(2) Original executed counterparts of this Indenture, the Credit Agreement, the Tax Escrow Agreement and the Tax Agreement.

(3) An Opinion of Bond Counsel as to the validity and tax-exempt status of the Notes.

(4) An Opinion of Counsel for the Board in form and substance satisfactory to Bond Counsel and the purchasers of the Notes.

(5) A written direction from the Board to the Trustee requesting the Trustee to authenticate and deliver the Notes to the Purchaser in the aggregate principal amount of \$_____ upon payment to the Board of the proceeds from the sale of the Notes specified in such written direction.

(6) An Investment Letter in the form attached hereto as Exhibit F.

(7) Such other instruments, documents and showings as may be required by the Board, the Trustee or Bond Counsel in connection with the issuance of the Notes.

The proceeds of the Notes shall be paid over to the Trustee and deposited to the credit of various funds as hereinafter provided under Section 2.11.

(B) ***Supplemental Advances.*** The ability of the Board to incur any Supplemental Advance hereunder and under the Credit Agreement is subject to the following conditions precedent in addition to Section 2.1: receipt by the Trustee and the Purchaser (with a copy to Bond Counsel) no later than 11:00 A.M. Chicago time, two Business Days prior to the date of any such Supplemental Advance, of (1) irrevocable Instructions From Board Regarding Supplemental Advance in substantially the form of Exhibit C hereto, with such changes as may be reasonable, necessary or appropriate, executed by the Board; and (2) an executed Certificate of the Board Regarding Supplemental Advance in substantially the form of Exhibit D hereto, with such changes, additions or modifications as may be reasonably acceptable to the Trustee and the Purchaser, with respect to such Supplemental Advance, upon which the Trustee and the Purchaser may conclusively rely in connection with any Supplemental Advance.

At least one Business Day prior to the date of such Supplemental Advance, by 11:00 A.M. Chicago time, the Trustee shall deliver to the Purchaser and the Board an executed Certificate of Trustee Regarding Supplemental Advance in substantially the form of Exhibit D hereto, with such changes, additions or modifications as are acceptable to the Board and the Purchaser; and

On the date of such Supplemental Advance, the Trustee shall enter the amount of such Supplemental Advance on Exhibit A of the Note held by the Trustee, as agent of the Owners, upon receipt of the proceeds of such Supplemental Advance from the Purchaser.

Section 2.11. Application of Proceeds of Advances. On the Date of Issuance, the Trustee shall pay to or upon the order of the Board all of the proceeds of sale of the Initial Advance. On the date of issuance of each Supplemental Advance, the Trustee shall pay to or upon the order of the Board all of the proceeds of sale of the Supplemental Advance.

Section 2.12. Repayments of Principal Advances. In addition to principal repayments made from the Debt Service Fund pursuant to Section 4.3(B), the Board may make principal repayments to the Trustee at the option of the Board on any Business Day provided that the Board provide at least two Business Days' notice to the Trustee and the Purchaser of its intent to repay an Advance. Upon such payment to the Owners, the Trustee shall make a notation of such Repaid Advance on Exhibit A to the Note. All principal repayments shall be in a principal amount which is an Authorized Denomination. Any amounts representing a principal repayment deposited by the Board with the Trustee pursuant to this Section shall be accompanied by a Certificate and Direction Regarding Repaid Advances, in substantially the form set forth in Exhibit E hereto, which Certificate shall be delivered to the Trustee. Each such optional principal repayment shall be deposited into the Repaid Advance Fund and transferred to the Owners on a pro rata basis, as directed in such Certificate and Direction.

ARTICLE III

Redemption of Notes

Section 3.1. Optional Redemption. The Notes shall be subject to redemption prior to their Maturity Date at the option of the Board, in whole or in part (and, if in part, in an Authorized Denomination) on any Business Day, at a redemption price equal to 100 percent of the principal amount thereof plus accrued interest, if any, to the redemption date.

Any redemption of less than all of the Notes outstanding shall be made in such a manner that all Notes outstanding after such redemption are in Authorized Denominations. In the event notice of redemption shall have been given as in Section 3.2 provided, (i) there shall be paid on or prior to the specified redemption date to the Trustee an amount in cash and/or Government Obligations maturing on or before the specified redemption date which, together with other moneys, if any, available therefor held by the Trustee, will be sufficient to redeem all of the Notes to be redeemed on the specified redemption date at their Redemption Price plus interest accrued and unpaid to the date fixed for redemption; such amount and moneys shall be held in a separate, segregated account for the benefit of the Owners of the Notes so called for redemption, or (ii) such redemption notice given under Section 3.2 shall state that any redemption is conditional on such funds being deposited on the redemption date, and that failure to deposit such funds shall not constitute an Event of Default under this Indenture.

Notes may be called for redemption by the Trustee pursuant to Section 3.2, upon receipt by the Trustee at least 10 days prior to the redemption date (or such shorter period as shall be acceptable to the Trustee) of a written request of the Board requesting such redemption.

Section 3.2. Notice of Redemption.

(A) Except as hereinafter provided, a copy of the notice of the call for any redemption identifying the Notes to be redeemed shall be given by first class mail, postage prepaid, not less than seven days prior to the date fixed for redemption and shall be given by first class mail, postage prepaid, or by facsimile transmission. Such notice shall specify the redemption date, the redemption price, the place and manner of payment, and that from the redemption date interest

will cease to accrue on the Notes which are the subject of such notice, and shall include such other information as the Trustee shall deem appropriate or necessary at the time such notice is given to comply with any applicable law, regulation or industry standard. Pursuant to Section 3.1, such notice may state whether the redemption is conditioned upon sufficient funds being available on the redemption date or any other condition, and that failure to deposit such funds shall not constitute an Event of Default under this Indenture; any funds so deposited with the Trustee and held in the Redemption Fund shall be invested solely in Government Obligations maturing no later than the redemption date.

(B) In addition to the requirements of Section 3.2(A), notice of the redemption of Notes or any portion thereof identifying the Notes or portions thereof to be redeemed shall specify (i) the series name and designation and certificate numbers of Notes being redeemed, (ii) CUSIP numbers of the Notes being redeemed, (iii) the principal amount of Notes being redeemed and the redeemed amount for each certificate (for partial calls), (iv) the redemption date, and (v) the redemption price.

(C) Failure to give notice in the manner prescribed in Section 3.2(A) and Section 3.2(B) with respect to any Note, or any defect in such notice, shall not affect the validity of the proceedings for redemption for any Note with respect to which notice was properly given.

(D) If any Note is transferred or exchanged on the note register after notice has been given calling such Note for redemption, the Trustee will attach a copy of such notice to the Note issued in connection with such transfer or exchange.

Section 3.3. Selection of Notes for Redemption. If less than all the Notes shall be called for redemption under any provision of this Indenture permitting or requiring such partial redemption, the particular Notes or portions thereof to be redeemed shall be selected in direct order of their date of issuance and, with respect to Notes having the same date of issuance, by lot in such manner as the Trustee may determine among such Notes, and the portion of any Note to be redeemed shall be in a principal amount equal to an Authorized Denomination. In selecting Notes for redemption, the Trustee shall treat each Note as representing that number of Notes which is obtained by dividing the principal amount of such Note by the minimum Authorized Denomination. If it is determined that one or more, but not all, of the integral multiples of the Authorized Denomination of principal amount represented by any Note is to be called for redemption, then, upon notice of intention to redeem such integral multiple of an Authorized Denomination, the Owner of such Note shall forthwith surrender such Note to the Trustee for (a) payment to such Owner of the redemption price of the integral multiple of the Authorized Denomination of principal amount called for redemption, and (b) delivery to such Owner of a new Note or Notes in the aggregate principal amount of the unredeemed balance of the principal amount of such Note. New Notes representing the unredeemed balance of the principal amount of such Note shall be issued to the Owner thereof without charge therefor.

Section 3.4. Deposit of Funds. For the redemption of any of the Notes, the Board shall cause to be deposited in the Redemption Fund or if determined by the Board to be necessary or appropriate, in a separate escrow account to be established by the Board with the Trustee, moneys sufficient to pay when due the principal of, and premium, if any, and interest

on, the Notes to be redeemed on the applicable redemption date, which moneys shall be applied in accordance with the provisions hereof.

ARTICLE IV

Pledge of Trust Estate and Applications of Funds

Section 4.1. The Pledge Effected by this Indenture. There are hereby pledged for the payment of the principal of and interest on the Notes in accordance with their respective terms and the provisions of this Indenture, and a lien is hereby granted for such purpose, for the purposes and on the terms and conditions set forth in this Indenture, on the Trust Estate as described in the Granting Clauses hereto.

Pursuant to Section 13 of the Act, the moneys, securities and properties hereby pledged and received by the Board shall immediately be subject to the lien and pledge hereof without any physical delivery or further act, and the lien and pledge hereof shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Board, irrespective of whether such parties have notice hereof.

The Notes are limited obligations of the Board payable from the Pledged Tax Receipts and do not represent or constitute a debt of the Board within the meaning of any constitutional or any statutory limitation. Neither the full faith and credit nor the taxing power of the Board is pledged to the payment of the Notes.

Section 4.2. Establishment of Funds. The Debt Service Fund, the Repaid Advance Fund, the Redemption Fund and the Program Fund are hereby established as special funds of the Board to be held by the Trustee.

Section 4.3. Deposit and Application of Pledged Tax Receipts.

(A) All Pledged Tax Receipts shall be deposited with the Escrow Agent for application in accordance with the Tax Escrow Agreement. All Pledged Tax Receipts paid to the Trustee shall be deposited immediately into the Debt Service Fund.

(B) (i) On each Business Day prior to the Maturity Date on which the sum held in the Debt Service Fund is equal to or more than the sum of the interest accrued and unpaid on all Outstanding Notes and (ii) on the Maturity Date, the Trustee shall apply the moneys in the Debt Service Fund in the following order of priority:

First: to the Noteholders, for the payment of the accrued and unpaid interest on their Notes.

Second: to the Noteholders, for the prepayment of principal of their Notes in direct order of the date of issuance of their Notes and pro-rata among Notes having the same date of issuance when the sum available is not sufficient to retire all of such Notes having the same date of issuance, *provided, however* that

the principal amount paid of any Note prepaid in part shall be in an amount equal to an Authorized Denomination.

Third: pursuant to the directions of a Designated Official, to the Purchaser, the amount of any accrued and unpaid fees for the unutilized amount under the Credit Agreement.

Fourth: to the Board, any amount remaining in the Debt Service Fund after the payment of all interest on and principal of the Notes as provided in Clause First, Clause Second and Clause Third of this paragraph.

(C) On any Business Day that no Notes are then Outstanding and no requested Advance is awaiting funding, any moneys held in the Debt Service Fund and any Pledged Tax Receipts received by the Trustee on that Business Day shall immediately be paid to the Board, free from the lien of this Indenture.

(D) On each Business Day on which money is paid to the Board pursuant to Section 4.3(B) or Section 4.3(C), the Trustee shall provide to the City Treasurer of the City of Chicago, as custodian of the Board's tax moneys, notice of the date and amount of such payment to the Board.

Section 4.4. Repaid Advance Fund. Amounts paid to the Trustee by the Board and accompanied by a Certificate and Direction Regarding Repaid Advances shall be deposited into the Repaid Advance Fund for transfer to the Purchaser, as directed in such Certificate and Direction.

Section 4.5. Redemption Fund. Amounts paid to the Trustee by the Board for the redemption of Notes shall be deposited into the Redemption Fund and applied on the applicable redemption date for the payment of the redemption price and accrued interest on the Notes to be redeemed pursuant to Section 3.1.

Section 4.6. Program Expense Fund. The Board may, at its option, deposit moneys in the Program Expense Fund from time to time. Any moneys on deposit in the Program Expense Fund shall be paid out by the Trustee, at the direction of the Board, to pay cost of issuance of the Notes, and to pay the ongoing fees of the Purchaser, including fees for the unutilized amount under the Credit Agreement, and the Fiduciaries as and when such fees come due. Notwithstanding the foregoing, the Board may at any time direct the Trustee to withdraw any or all amounts on deposit in the Program Expense Fund and the Trustee shall promptly pay such amounts to the Board.

ARTICLE V

Investments of Funds

Section 5.1. Investment of Moneys.

(A) Moneys held in the Debt Service Fund, Repaid Advance Fund, Redemption Fund and Program Expense Fund shall be invested and reinvested by the Trustee at the written direction of a Designated Official in Investment Securities within the parameters of the Investment Policy which mature no later than necessary to provide moneys when needed for payments to be made from such Fund. The Trustee may conclusively rely upon such instructions as to both the suitability and legality of the directed investments. Nothing contained in this Indenture shall be construed to prevent such Designated Official from directing the Trustee to make any such investments or reinvestments through the use of a Forward Supply Contract, to the extent permitted by Illinois law and the Investment Policy, and the Trustee shall comply with the terms and provisions of any such Forward Supply Contract or Repurchase Agreement. The Trustee may make any and all such investments through its trust department or the note department of any bank or trust company under common control with the Trustee. The Board has provided a certified copy of the Investment Policy to the Trustee in connection with the initial delivery of the Notes and the Board covenants and agrees to provide to the Trustee in a timely fashion any amendments to or revisions of such Investment Policy. The Trustee shall be entitled to conclusively rely on the Investment Policy provided to it by the Board as the Investment Policy in effect at the time any investment is made. All investment income shall be retained in the Fund to which the investment is created from which such income is derived.

(B) The Board covenants and agrees that all investments made under this Indenture shall be consistent with the expectations expressed in the Tax Agreement.

(C) The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades, including cash sweep account fees. In the absence of investment instructions from the Board, the Trustee shall not be responsible or liable for keeping the moneys held by it hereunder fully invested in Investment Securities. The Trustee shall notify the Board in the event any moneys are being held uninvested pursuant hereto. The Trustee shall not be liable or responsible for the performance or adverse tax consequences of, or any losses on, any investment made pursuant to this Section. Although the Board recognizes that they may obtain a broker confirmation or written statement containing comparable information at no additional cost, the Board hereby agrees that confirmations of Investment Securities are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month.

Section 5.2. Valuation and Sale of Investments.

(A) Investment Securities in any Fund created under the provisions of this Indenture shall be deemed at all times to be part of such Fund and any profit realized from the liquidation

of such investment shall be credited to such Fund and any loss resulting from liquidation of such investment shall be charged to such Fund.

(B) Valuations of Investment Securities held in the Funds established hereunder shall be made by the Trustee as often as may be necessary or requested by the Board to determine the amounts held therein. In computing the amounts in such Funds, Investment Securities therein shall be valued as provided in Section 5.2(C).

(C) The value of Investment Securities shall mean the fair market value thereof, *provided, however*, that all SLGS shall be valued at par and those obligations which are redeemable at the option of the holder shall be valued at the price at which such obligations are then redeemable.

(D) Except as otherwise provided in this Indenture, the Trustee at the written direction of a Designated Official shall sell at the best price reasonably obtainable, or present for redemption, any Investment Securities held in any Fund held by the Trustee whenever it shall be necessary to provide moneys to meet any payment or transfer from such Fund as the case may be.

ARTICLE VI

Particular Covenants and Representations of the Board

Section 6.1. Payment of Notes.

(A) The Board covenants and agrees that it will pay solely from the Pledged Tax Receipts the principal of every Outstanding Note and the interest thereon, at the places, on the dates and in the manner provided in this Indenture, the Credit Agreement and in the Notes.

(B) If the maturity of any Note or installment of interest shall be extended pursuant to the written consent of the Owner thereof, such Note or installment of interest shall not be entitled, in case of any default under this Indenture, to the benefit of this Indenture or to payment out of the Trust Estate (except moneys held in trust for the payment of such Note or installment of interest) until the prior payment of the principal of all Notes Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Notes as shall not be represented by such extended claims for interest.

Section 6.2. Further Assurance. At any and all times the Board shall, as far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further indentures, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, pledging, assigning and confirming, all and singular, the rights, and the Pledged Tax Receipts and other moneys, securities and funds hereby pledged or assigned, or which the Board may become bound to pledge or assign.

Section 6.3. Power to Issue Notes and Pledge Trust Estate. The Board is duly authorized under all applicable laws to issue the Notes, to execute and deliver this Indenture, to

pledge the Pledged Tax Receipts and to grant the lien granted by this Indenture thereon in the manner and to the extent provided in this Indenture. The Notes and the provisions of this Indenture are and will be valid and legally enforceable limited obligations of the Board in accordance with their terms and the terms of this Indenture, except to the extent enforceability may be limited by bankruptcy, insolvency and other laws affecting conditions, rights or remedies and the availability of equitable remedies generally. The Board covenants that upon the date of issuance of any of the Notes, all conditions, acts and things required by the Constitution and laws of the State of Illinois and this Indenture to exist, to have happened and to have been performed precedent to or in the issuance of such Notes shall exist, have happened and have been performed. The Board shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of and lien on the Pledged Tax Receipts and all the rights of the Owners in and to such the Pledged Tax Receipts against all claims and demands.

Section 6.4. Tax Anticipation Notes. The Board reserves the right to issue Series 2014B Notes and Additional Notes payable from all or any portion of the Pledged Taxes, and any such Series 2014B Notes and Additional Notes shall share ratably and equally in the Pledged Tax Receipts with the Notes; *provided, however*, that (i) no Tax Anticipation Notes shall be issued later than the 15th day next following the Tax Penalty Date and (ii) no Tax Anticipation Notes shall be issued if, as of the time immediately following the issuance of such Tax Anticipation Notes, the aggregate principal amount of outstanding Tax Anticipation Notes would exceed seventy five percent (75%) of the uncollected Pledged Taxes.

Section 6.5. Covenants Regarding Pledged Taxes. The Board has directed the County Collectors to deposit all collections of the Pledged Taxes directly with the Escrow Agent for application in accordance with the provisions of the Tax Escrow Agreement. As long as any of the Notes remain Outstanding, the Board will not modify or amend such direction or the terms of the Tax Escrow Agreement, except for such modifications or amendments as may be necessitated by changes in State law, procedures, rules or regulations thereunder with respect to the collection and distribution of ad valorem property taxes; *provided*, that no such modification or amendment shall provide for the deposit with the Escrow Agent of less than all of the Pledged Taxes. The Board shall notify the Purchaser of any such modification or amendment. As long as there are any Outstanding Notes, the Board and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes may be collected, deposited and applied as described in the Indenture.

Section 6.6. Accounts and Reports. The Board shall keep and cause the Escrow Agent to keep proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Pledged Tax Receipts, and which, together with all other books and financial records of the Board, shall at all reasonable times be available for the inspection of the Trustee and the Owners of not less than twenty-five percent (25%) in aggregate principal amount of Outstanding Notes or their representatives duly authorized in writing.

Section 6.7. Arbitrage. The Board shall not at any time permit any of the proceeds of the Notes or any other funds of the Board to be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any Note to be an “*arbitrage bond*” as defined in Section 148 of the Internal Revenue Code of 1986, as amended.

ARTICLE VII

Defaults and Remedies

Section 7.1. Events of Default. Each of the following events is hereby declared to be an “*Event of Default*”:

(1) if a default shall occur in the due and punctual payment of interest on any Note when and as such interest shall become due and payable;

(2) if a default shall occur in the due and punctual payment of the principal or Redemption Price of any Note when and as the same shall become due and payable, whether at maturity or by call for redemption or otherwise not otherwise an Event of Default;

(3) if a default shall occur in the performance or observance by the Board of any other of the covenants, agreements or conditions in this Indenture or in the Notes contained, and such default shall continue for a period of sixty (60) days after written notice thereof to the Board by the Trustee or the Purchaser or after written notice thereof to the Board and to the Trustee by the Owners of not less than a majority in aggregate principal amount of the Outstanding Notes, provided that if the nature of the default is such that it cannot be cured within the initial 60-day cure period but can be cured within an additional period of not to exceed 60 days from the end of the initial 60-day cure period, no event of default shall occur if the Board institutes corrective action within the initial 60-day cure period and diligently pursues such action until the default is corrected (provided such default is corrected within the additional 60-day period described above);

(4) if the Board shall file a petition seeking a composition of indebtedness under the federal bankruptcy laws or under any other applicable law or statute of the United States of America or of the State of Illinois; or

(5) if, the Trustee receives a written notice from the Purchaser of the occurrence of an Event of Default under the Credit Agreement.

Section 7.2. Proceedings Brought by Trustee.

(A) If an Event of Default shall occur and shall not have been remedied, then and in every such case, the Trustee, by its agents and attorneys, may proceed, and upon identical written request of the Owners of not less than a majority in aggregate principal amount of the Notes Outstanding and upon being indemnified to its satisfaction shall proceed, to protect and enforce its rights and the rights of the Owners of the Notes under the Notes or this Indenture forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for an accounting against the Board as if the Board were the trustee of an express trust, or in the enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under this Indenture or enforce any of the rights or interests of the Owners of the Notes under the Notes or this Indenture. The Trustee

shall proceed at the written direction of the Purchaser to protect and enforce its rights and such rights of the Purchaser after being furnished with reasonable security and indemnity.

(B) All rights of action (including without limitation, the right to file proof of claims) under this Indenture may be enforced by the Trustee without the possession of any of the Notes or the production thereof in any suit or other proceeding, and any such suit or other proceeding instituted by the Trustee shall be brought in its name.

(C) All actions against the Board under this Indenture shall be brought in a state or federal court located in the State.

(D) The Owners of not less than a majority in aggregate principal amount of the Notes at the time Outstanding may direct the time, method and place of conducting any proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture or for the enforcement of any remedy available to the Trustee, or for the exercise any trust or power conferred upon the Trustee, provided that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken, or if the Trustee in good faith shall determine that the action or proceeding so directed would involve the Trustee in personal liability or be unjustly prejudicial to the Owners not parties to such direction.

(E) Upon commencing any suit at law or in equity or upon commencement of other judicial proceedings by the Trustee to enforce any right under this Indenture, the Trustee shall be entitled to exercise any and all rights and powers conferred in this Indenture and provided to be exercised by the Trustee upon the occurrence of any Event of Default.

(F) Regardless of the happening of an Event of Default, the Trustee shall have power, but unless requested in writing by the Owners of a majority in aggregate principal amount of the Notes then Outstanding and furnished with reasonable security and indemnity, shall be under no obligation to institute and maintain such suits and proceedings as may be necessary or expedient to prevent any impairment of the security under this Indenture and to preserve or protect its interests and the interest of the Owners; *provided, however*, the Trustee shall act upon the direction of the Purchaser after being furnished with reasonable security and indemnity.

(G) During the continuance of an Event of Default, the Trustee shall apply all Pledged Tax Receipts paid to the Trustee and the income therefrom as follows and in the following order:

(1) to the payment of the reasonable and proper charges and expenses of the Trustee, including the reasonable fees and expenses of counsel employed by it; it being understood that payment of such charges and expenses shall not be made from any moneys already held for the payments of the principal of, interest on and or purchase price of Notes that were not presented for payment when due.

(2) to the payment of the principal of, Redemption Price and interest on the Notes then due, as follows:

First: to the payment to the persons entitled thereto of all installments of interest then due on the Notes in the order of the maturity of such installments,

together with accrued and unpaid interest on the Notes theretofore called for redemption, and, if the amount available shall not be sufficient to pay in full any installment or installments of interest maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference (*provided, however*, that no payment shall be made with respect to Notes owned by the Board); and

Second: to the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Notes which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Notes due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference; and

(H) If and whenever all overdue installments of principal and Redemption Price of and interest on, Notes, together with the reasonable and proper charges and expenses of the Trustee, and all other overdue sums payable by the Board under this Indenture, including the overdue principal and Redemption Price of and accrued unpaid interest on, all Notes held by or for the account of the Board, or provision satisfactory to the Trustee shall be made for such payments, all defaults under this Indenture or the Notes shall be made good or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, the Trustee shall pay over to the Board all moneys, securities and funds then remaining unexpended in the hands of the Trustee (except moneys, securities and funds deposited or pledged, or required by the terms of this Indenture to be deposited or pledged, with the Trustee), and thereupon the Board, the Trustee and the Owners shall be restored, respectively, to their former positions and rights under this Indenture. No such payment to the Board by the Trustee nor such restoration of the Board and the Trustee to their former positions and rights shall extend to or affect any subsequent default under this Indenture or impair any right consequent thereon.

(I) Whenever moneys are to be applied pursuant to the provisions of this Section, the Trustee may, in its discretion, establish and maintain a reserve for future fees and expenses, and may apply moneys to be distributed at such times, and from time to time, as the Trustee shall determine, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix a date upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates, and for which moneys are available, shall cease to accrue. The Trustee shall also select a Record Date for such payment date. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any moneys and of the fixing of any such Record Date and payment date, and shall not be required to make payment to the Owner of any Note until such Note shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

(J) Under no circumstance may the Trustee declare the principal of or interest on the Notes to be due and payable prior to the Maturity Date following the occurrence of an Event of Default under this Indenture.

(K) If an Event of Default shall occur and shall not have been remedied, then the Notes shall bear interest at the Default Rate.

Section 7.3. Restriction on Owners' Actions.

(A) No Owner of any Note shall have any right to institute any suit or proceeding at law or in equity for the enforcement or violation of any provision of this Indenture or the execution of any trust under this Indenture or for any remedy under this Indenture, unless such Owner shall have previously given to the Trustee written notice of the happening of an Event of Default, as provided in this Article, and the Owners of at least a majority in aggregate principal amount of the Notes then Outstanding shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity either to exercise the powers granted in this Indenture or by the laws of Illinois or to institute such suit or proceeding in its own name, and unless such Owners shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or failed to comply with such request within sixty (60) days after receipt by it of such notice, request and offer of indemnity, it being understood and intended that no one or more Owners of Notes shall have any right in any manner whatever by its or their action to affect, disturb or prejudice the pledge created by this Indenture or to enforce any right under this Indenture, except in the manner herein provided; and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner provided in this Indenture and for the equal benefit of all Owners of the Outstanding Notes.

(B) Nothing in this Indenture or in the Notes contained shall affect or impair the right of action of any Owner to enforce such payment of its Note from the sources provided herein.

Section 7.4. Remedies Not Exclusive. No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or the Owners is intended to be exclusive of any other remedy, but each remedy shall be cumulative and shall be in addition to every other remedy given under this Indenture or existing at law or in equity or by statute on or after the date of the execution and delivery of this Indenture.

Section 7.5. Effect of Waiver and Other Circumstances. No delay or omission of the Trustee or any Owner to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such Event of Default or be an acquiescence therein. The Owners of not less than two-thirds in aggregate principal amount of the Notes at the time Outstanding, or their attorneys-in-fact duly authorized may on behalf of the Owners of all of the Notes waive any past default under this Indenture and its consequences, except a default in the payment of interest on or principal or Redemption Price of any of the Notes when due. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

ARTICLE VIII

Regarding the Fiduciaries

Section 8.1. Trustee Appointment and Acceptance of Duties. The Trustee hereby accepts and agrees to the trusts hereby created, but only upon the additional terms set forth in this Article, to all of which the Board agrees and the respective Owners of the Notes, by their purchase and acceptance thereof, agree. Except during the continuance of an Event of Default, the Trustee undertakes such duties and only such duties as are specifically set forth in this Indenture.

Section 8.2. Paying Agents; Appointment and Acceptance of Duties. The Trustee is hereby appointed Paying Agent for the Notes. The Board may at any time or from time to time appoint one or more other Paying Agents having the qualifications set forth in Section 8.14 for a successor Paying Agent. The Trustee hereby accepts the duties and obligations imposed upon it as Paying Agent by this Indenture. Each other Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by executing and delivering to the Board and to the Trustee a written acceptance thereof.

Section 8.3. Registrar; Appointment and Acceptance of Duties. The Trustee is hereby appointed Registrar for the Notes. The Board may at any time or from time to time appoint one or more other Registrars having the qualifications set forth in Section 8.15 for a successor Registrar. The Trustee hereby accepts the duties and obligations imposed upon it as Registrar by this Indenture. Each other Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by executing and delivering to the Board and to the Trustee a written acceptance thereof.

Section 8.4. Responsibilities of Fiduciaries.

(A) The recitals of fact herein and in the Notes contained shall be taken as the statements of the Board and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representations as to the validity or sufficiency of this Indenture or of any Notes issued hereunder or as to the security afforded by this Indenture, and no Fiduciary shall incur any liability in respect thereof. The Trustee shall, however, be responsible for any representation contained in its certificate on the Notes. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to the Board or to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof, or to advance any of its own moneys, unless properly indemnified to its reasonable satisfaction. Subject to the provisions of paragraph (B) of this Section, no Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct.

(B) In case an Event of Default has occurred and has not been remedied, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs. Any provision of this Indenture relating

to action taken or to be taken by the Trustee, any other capacity the Trustee may serve hereunder or to evidence upon which the Trustee may rely shall be subject to the provisions of this Section.

(C) The Trustee is under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Owners of the Notes unless such Owners have offered to the Trustee security or indemnity satisfactory to the Trustee as to its terms, coverage, duration, amount and otherwise with respect to the costs, expenses and liabilities which may be incurred by it in compliance with such request or direction, and the provision of such indemnity shall be mandatory for any remedy taken upon direction of the Owners of 25% in aggregate principal amount of the Notes.

(D) The Trustee is not required to make any inquiry or investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, note, debenture or other paper or document but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit and, if the Trustee determines to make such further inquiry or investigation, it is entitled to examine the books, records and premises of the Board, in person or by agent or attorney.

(E) The Trustee may execute any of its trusts or powers or perform any duties under this Indenture either directly or by or through agents or attorneys, and may in all cases pay, subject to reimbursement as provided in this Indenture, such reasonable compensation as it deems proper to all such agents and attorneys reasonably employed or retained by it.

(F) Notwithstanding the effective date of this Indenture or anything to the contrary in this Indenture, the Trustee shall have no liability or responsibility for any act or event relating to this Indenture which occurs prior to the date the Trustee formally executes this Indenture and commences acting as Trustee hereunder.

(G) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Notes, except for any information provided by the Trustee, and shall have no responsibility for compliance with any state or federal securities laws in connection with the Notes. The Trustee shall not be liable or responsible in connection with the issuance of the Notes as obligations the interest on which is excludable from gross income for Federal income tax purposes or for the subsequent maintenance of the tax-exempt status of such interest.

(H) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty.

Section 8.5. Evidence on Which Fiduciaries May Act.

(A) Each Fiduciary shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, opinion (including a Counsel's Opinion), note or other paper or document furnished to it pursuant to and conforming to the requirements of this Indenture, and believed by it to be genuine and to have been signed or presented by the proper party or parties.

(B) Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter (unless this Indenture specifically requires other evidence thereof) may be deemed to be conclusively proved and established by a certificate of a Designated Official, but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable.

(C) Except as otherwise expressly provided in this Indenture, any request, order, notice or other direction required or permitted to be furnished by the Board to any Fiduciary shall be sufficiently executed if signed by a Designated Official.

(D) The Trustee may consult with counsel and the written advice of such counsel or an Opinion of Counsel shall be full and complete authorization and protection for any action taken, suffered or omitted by it in good faith and in accordance with such advice or opinion.

(E) In the event the Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of Owners of Notes, each representing less than a majority in aggregate principal amount of the Notes Outstanding, pursuant to the provision of this Indenture, the Trustee, in its sole discretion, may determine what actions, if any, shall be taken.

(F) The Trustee shall have the right to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, *provided, however*, that the Board shall provide to the Trustee an incumbency certificate listing designated persons with the authority to provide such instructions and containing specimen signatures of such designated persons, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Board agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 8.6. Compensation. Unless otherwise determined by contract between the Board and each Fiduciary, the Board shall pay to each Fiduciary from time to time reasonable compensation as may be mutually agreed upon by the Board and the Fiduciary for all services rendered under this Indenture. The Board shall pay each Fiduciary for any extraordinary services or expenses performed or incurred by the Trustee in connection with its duties under this Indenture if, to the extent reasonably possible, notified in writing prior to the performance of those services or the incurring of those expenses so as to allow the Board to appropriate sufficient funds for their payment.

Section 8.7. Certain Permitted Acts. Any Fiduciary may become the Owner of any Notes, with the same rights it would have if it did not act in any capacity hereunder. To the extent permitted by law, any Fiduciary may act as depositary for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners or to effect or aid in any reorganization growing out of the

enforcement of the Notes or this Indenture, whether or not any such committee shall represent the Owners of a majority in aggregate principal amount of the Notes then Outstanding.

Section 8.8. Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations imposed upon it by this Indenture by giving not less than sixty (60) days' written notice to the Board, all Owners of the Notes and the other Fiduciaries, and such resignation shall take effect upon the day specified in such notice but only if a successor shall have been appointed by the Board or the Owners as provided in Section 8.10 and shall have accepted such appointment, in which event such resignation shall take effect immediately on the acceptance of such appointment by such successor whether or not the date specified for such resignation to take effect has arrived. If a successor Trustee shall not have been appointed and accepted such appointment within a period of sixty (60) days following the giving of notice, then the Trustee, at the expense of the Board, shall be authorized to petition any court of competent jurisdiction to appoint a successor Trustee as provided in Section 8.10.

Section 8.9. Removal of Trustee; Consent of Owners. The Trustee may be removed at any time, with written notice to the Purchaser, by an instrument in writing approved by and executed in the name of the Board and delivered to the Trustee; *provided, however*, that if an Event of Default shall have occurred and be continuing, the Trustee may be so removed by the Board only with the written concurrence of the Owners of a majority in aggregate principal amount of Notes then Outstanding (excluding Notes held by or for the account of the Board). The Trustee may be removed at any time by the Owners of a majority in aggregate principal amount of the Notes then Outstanding, excluding any Notes held by or for the account of the Board, by an instrument or concurrent instruments in writing signed and duly acknowledged by such Owners or their attorneys-in-fact duly authorized, and delivered to the Board. Copies of each such instrument shall be delivered by the Board to each Fiduciary.

Section 8.10. Appointment of Successor Trustee.

(A) In case at any time the Trustee shall resign, be removed or become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer or court shall take charge or control of the Trustee, or of its property or affairs, the Board shall appoint a successor Trustee. The Board shall cause notice of any such appointment made by it to be mailed to all Owners of the Notes.

(B) If no appointment of a Trustee shall be made by the Board within sixty (60) days following such resignation or removal pursuant to the foregoing provisions of this Section 8.10, the Trustee or the Owner of any Note Outstanding hereunder may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

(C) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a bank or trust company or national bank association, doing business and having a corporate trust office in the State of Illinois, and having capital stock and surplus aggregating at least \$15,000,000, or shall be a wholly-owned subsidiary of such an entity, if there be such a bank, trust company, national banking association or subsidiary willing and able to accept the

office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Indenture.

(D) Notwithstanding any of the provisions of this Article VIII to the contrary concerning the resignation or removal of the Trustee or the appointment of a successor Trustee, no such resignation, removal or appointment shall be effective until the successor Trustee accepts its appointment.

Section 8.11. Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under this Indenture shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Board, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee; but the predecessor Trustee shall nevertheless, on the written request of the Board or of the successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurances and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all its right, title and interest in and to any property held by it under this Indenture, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument from the Board be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such moneys, estates, properties, rights, powers and duties, such deed, conveyance or instrument shall be executed, acknowledged and delivered by the Board. Any such successor Trustee shall promptly notify any other Fiduciary of its appointment as Trustee.

Section 8.12. Merger or Consolidation. Any company into which any Fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which all or substantially all of the corporate trust business of any Fiduciary may be sold or transferred, shall be the successor to such Fiduciary and be bound to the obligations and duties of such Fiduciary hereunder without the execution or filing of any paper or the performance of any further act, unless such successor delivers written notice of its resignation pursuant to the provisions of this Article; *provided, however*, that such company shall be a bank or trust company organized under the laws of any state of the United States or a national banking association and shall be authorized by law to perform all the duties imposed upon it by this Indenture.

Section 8.13. Adoption of Authentication. In case any of the Notes shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee so authenticating such Notes and deliver such Notes so authenticated; and in case any of the said Notes shall not have been authenticated, any successor Trustee may authenticate such Notes in the name of the predecessor Trustee or in its own name.

Section 8.14. Resignation or Removal of Paying Agent and Appointment of Successor.

(A) Any Paying Agent may at any time resign and be discharged of the duties and obligations imposed upon it by this Indenture by giving at least sixty (60) days' written notice to

the Board and the other Fiduciaries, and such resignation shall take effect upon the day specified in such notice but only if a successor shall have been appointed as provided herein. Any Paying Agent appointed by the Board may be removed at any time by an instrument signed by a Designated Official and filed with such Paying Agent and the Trustee. Upon receiving such a notice of resignation, or in case at any time such Paying Agent shall cease to be eligible under this Section, the Board shall promptly appoint a successor Paying Agent, shall give written notice of such appointment to each Fiduciary and shall mail notice of such appointment to all Owners of Notes. Any successor Paying Agent shall be a bank with trust powers or a trust company organized under the laws of any state of the United States or a national banking association, having capital stock and surplus aggregating at least \$15,000,000, or shall be a wholly-owned subsidiary of such an entity, willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Indenture.

(B) In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, or if there be no successor, to the Trustee and shall be subject to audit of all of its books, records and accounts with respect to the Notes. In the event that for any reason there shall be a vacancy in the office of any Paying Agent, the Trustee shall act as such Paying Agent.

Section 8.15. Resignation or Removal of Registrar and Appointment of Successor.

(A) Any Registrar may at any time resign and be discharged of the duties and obligations imposed upon it by this Indenture by giving at least sixty (60) days' written notice to the Board and the other Fiduciaries, and such resignation shall take effect upon the day specified in such notice but only if a successor shall have been appointed as provided herein. Any Registrar may be removed at any time by an instrument signed by a Designated Official and filed with such Registrar and the Trustee. Any successor Registrar shall be appointed by the Board and shall be a bank, trust company or national banking association doing business and having an office in the State of Illinois or in the Borough of Manhattan, in the City and State of New York, if there be such a bank, trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Indenture.

(B) In the event of the resignation or removal of any Registrar, such Registrar shall deliver all books, records and other property including the note register of the Board to its successor, or if there be no successor, to the Trustee. In the event that for any reason there shall be a vacancy in the office of any Registrar, the Trustee shall act as such Registrar.

Section 8.16. Trustee Not Deemed to Have Notice of Default. The Trustee shall not be deemed to have notice of any default hereunder except a default under Section 7.1(1), (2) or (3) unless any officer in its corporate trust office shall have actual knowledge thereof or the Trustee shall be specifically notified in writing of such default by the Board, or by the Owners of not less than a majority in principal amount of the Notes Outstanding; and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the corporate trust office of the Trustee.

Section 8.17. Monthly Report by Trustee. Within twenty (20) days after the end of each calendar month, the Trustee shall prepare a written report for each Fund, Account and Sub-Account held by it pursuant to the provisions of this Indenture. Such report shall set out the receipts and disbursements, both principal and income, and shall list the Investment Securities held by the Trustee at the end of the month. A copy of each such report shall be furnished to the Board and any persons designated by the Board.

In addition, the Trustee shall, at any time when requested, furnish to the Board and any persons designated by the Board a report of the amount of moneys, including Investment Securities, held in each Fund by the Trustee. For purposes of this certification, the Investment Securities in each such Fund shall be treated as having a value equal to their aggregate market value as of the date of the request.

ARTICLE IX

Supplemental Indentures

Section 9.1. Supplemental Indentures Not Requiring Consent of Owners. The Board and the Trustee may without the consent of, or notice to, any of the Owners, enter into a Supplemental Indenture or Supplemental Indentures as shall not be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

- (1) to impose additional covenants or agreements to be observed by the Board;
- (2) to impose other limitations or restrictions upon the Board;
- (3) to surrender any right, power or privilege reserved to or conferred upon the Board by this Indenture;
- (4) to confirm, as further assurance, any pledge of or lien upon the Pledged Tax Receipts or any other moneys, securities or funds;
- (5) to make any necessary amendments to or to supplement this Indenture in connection with the issuance of Additional Notes as authorized herein;
- (6) to cure any ambiguity, omission or defect in this Indenture;
- (7) to provide for the appointment of a successor Securities Depository;
- (8) to provide for the appointment of any successor Fiduciary;
- (9) to provide for certificated Notes; and
- (10) to make any other change which, in the judgment of the Trustee, does not materially adversely affect the rights of the Trustee or the Owners.

Section 9.2. Supplemental Indentures Effective Upon Consent of Owners. Any Supplemental Indenture not effective in accordance with Section 9.1 shall take effect only if permitted and approved and in the manner prescribed by Article X.

Section 9.3. Filing of Counsel's Opinion. Each Supplemental Indenture described in Section 9.1 shall be accompanied, when filed with the Trustee, by a Counsel's Opinion to the effect that such Supplemental Indenture has been duly authorized by the Board in accordance with the provisions of this Indenture, is authorized or permitted by this Indenture and, when executed and delivered, will be valid and binding upon the Board, the Owners and the Trustee.

ARTICLE X

Amendments

Section 10.1. Mailing. Any provision in this Article for the mailing of a notice or other information to Owners shall be fully complied with if it is mailed by first class mail, postage prepaid or delivered, to each Owner of Notes then Outstanding at its address, if any, appearing upon the registration books of the Board kept by the Trustee.

Section 10.2. Powers of Amendment. Exclusive of Supplemental Indentures covered by Section 9.1 and subject to the terms and provisions contained in this Section 10.2, and not otherwise, the Owners of not less than a majority in aggregate principal amount of the Notes then Outstanding shall each have the right, from time to time, to (i) consent to and approve the execution by the Board and the Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the Board for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any supplemental indenture, or (ii) waive or consent to the taking by the Board of any action prohibited, or the omission by the Board of the taking of any action required, by any of the provisions of this Indenture or of any indenture supplemental hereto; *provided, however*, that nothing in this Section 10.2 or in Section 9.1 contained shall permit or be construed as permitting, (a) an extension of the stated maturity or reduction in the principal amount or reduction in the rate or extension of the time of paying of interest on, or reduction of any premium payable on the payment or redemption of any Note, (b) except for the pledge of the Pledged Tax Receipts in connection with the issuance of Additional Notes, the creation of any lien prior to or on a parity with the lien of this Indenture, without the consent of the Owners of all the Notes at the time Outstanding, (c) a reduction in the aforesaid aggregate principal amount of Notes, the Owners of which are required to consent to any such waiver or Supplemental Indenture, without the consent of the Owners of all the Notes at the time Outstanding which would be affected by the action to be taken, or (d) a modification of the rights, duties or immunities of the Trustee, without the written consent of the Trustee, [or (e) the loss of the exclusion from federal gross income of the Owners of the interest paid on the Notes held by a non-consenting Owner to the extent otherwise afforded under the Code and Regulations.]

Section 10.3. Consent of Owners. The Board may at any time authorize the execution and delivery of a Supplemental Indenture making a modification or amendment

permitted by the provisions of Section 10.2, to take effect when and as provided in this Section. Upon the authorization of such Supplemental Indenture, a copy thereof shall be delivered to and held by the Trustee for the inspection of the Owners. A copy of such Supplemental Indenture (or summary thereof or reference thereto in form approved by the Trustee) together with a request to Owners for their consent thereto in form satisfactory to the Trustee, shall be mailed to the Owners, but failure to mail such copy and request shall not affect the validity of such Supplemental Indenture when consented to as in this Section provided. Such Supplemental Indenture shall not be effective unless and until, and shall take effect in accordance with its terms when (a) there shall have been filed with the Trustee (i) the written consents of the Owners of the required aggregate principal amount of Outstanding Notes, and (ii) a Counsel's Opinion stating that the execution and delivery of such Supplemental Indenture has been duly authorized by the Board in accordance with the provisions of this Indenture, is authorized or permitted by this Indenture and, when effective, will be valid and binding upon the Board and the Trustee, and (b) a notice shall have been mailed as hereinafter in this Section provided. A certificate or certificates by the Trustee delivered to the Board that consents have been given by the Owners of the Notes described in such certificate or certificates of the Trustee shall be conclusive. Any such consent shall be binding upon the Owner of the Notes giving such consent and upon any subsequent Owner of such Notes and of any Notes issued in exchange therefor or replacement thereto whether or not such subsequent Owner has notice thereof; *provided, however*, that any consent may be revoked by any Owner of such Notes by filing with the Trustee, prior to the time when the Trustee's written statement hereafter in this Section referred to is filed, a written revocation, with proof that such Notes are held by the signer of such revocation. The fact that a consent has not been revoked may be proved by a certificate of the Trustee to the effect that no revocation thereof is on file with it. Any consent, or revocation thereof, may be delivered or filed prior to any mailing or publication required by this Article and shall not be deemed ineffective by reason of such prior delivery or filing. Within thirty (30) days of any date on which the consents on file with the Trustee and not theretofore revoked shall be sufficient under this Section, the Trustee shall make and deliver to the Board a written statement that the consents of the Owners of the required aggregate principal amount of Outstanding Notes have been filed with the Trustee. Such written statement shall be conclusive that such consents have been so filed. Any time thereafter notice, stating in substance that the Supplemental Indenture has been consented to by the Owners of the required principal amount of Outstanding Notes and will be effective as provided in this Section, shall be given by mailing to the Owners (but failure to mail such notice or any defect therein shall not prevent such Supplemental Indenture from becoming effective and binding). The Trustee shall deliver to the Board proof of the mailing of such notice. A record, consisting of the information required or permitted by this Section to be delivered by or to the Trustee, shall be proof of the matters therein stated.

Section 10.4. Modifications by Unanimous Action. This Indenture and the rights and obligations of the Board and of the Owners of the Notes may be modified or amended in any respect by a Supplemental Indenture effecting such modification or amendment and with the consents of the Owners of all the Notes then Outstanding, each such consent to be accompanied by proof of the holding at the date of such consent of the Notes with respect to which such consent is given. Such Supplemental Indenture shall take effect upon the filing (a) with the Trustee of (i) a copy thereof, (ii) such consents and accompanying proofs and (iii) the Counsel's Opinion referred to in Section 10.3 and (b) with the Board of the Trustee's written statement that the consents of the Owners of all Outstanding Notes have been filed with it. No mailing or

publication of any Supplemental Indenture (or reference thereto or summary thereof) or of any request or notice shall be required. No such modification or amendment, however, shall change or modify any of the rights or obligations of any Fiduciary without its written consent thereto.

Section 10.5. Exclusion of Notes. Unless all Notes are owned or held by or for the account of the Board, Notes owned or held by or for the account of the Board shall not be deemed Outstanding and shall be excluded for the purpose of any calculation required by this Article. At the time of any consent or other action taken under this Article, the Board shall furnish the Trustee a certificate of a Designated Official, upon which the Trustee may rely, identifying all Notes so to be excluded.

Section 10.6. Notation on Notes. Notes authenticated and delivered after the effective date of any action taken in connection with a Supplemental Advance, Repaid Advance or as in Article IX or this Article provided may, and if the Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the Board and the Trustee as to such action, and upon demand of the Owner of any Note Outstanding at such effective date and presentation of its Note to the Trustee, suitable notation shall be made on such Note by the Trustee as to any such action. If the Board or the Trustee shall so determine, new Notes so modified which, in the opinion of the Trustee and the Board, conform to such action may be prepared, authenticated and delivered, and upon demand of the Owner of any Note then Outstanding shall be exchanged, without cost to such Owner, for such Note then Outstanding.

ARTICLE XI

Miscellaneous

Section 11.1. Defeasance.

(A) If the Board shall pay or cause to be paid or there shall otherwise be paid to the Owners of all Notes the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Indenture, then the pledge of the Trust Estate under this Indenture and all covenants, agreements and other obligations of the Board to the Owners shall thereupon be discharged and satisfied. In such event, the Trustee, upon request of the Board, shall provide an accounting of the assets managed by the Trustee to be prepared and filed with the Board for any year or part thereof requested, and shall execute and deliver to the Board all such instruments as may be desirable to evidence such discharge and satisfaction, and the Fiduciaries shall pay over or deliver to the Board all moneys and securities held by them pursuant to this Indenture which are not required for the payment of Notes not previously surrendered for such payment or redemption. If the Board shall pay or cause to be paid, or there shall otherwise be paid, to the Owners of all Outstanding Notes of a particular maturity or portion of any maturity, the principal or Redemption Price, if applicable, thereof and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Indenture, such Notes shall cease to be entitled to any lien, benefit or security under this Indenture, and all covenants, agreements and obligations of the Board to the Owners of such Notes and to the Trustee shall thereupon be discharged and satisfied.

(B) Notes or interest installments for the payment or redemption of which moneys shall have been set aside and held in trust by the Trustee at or prior to their maturity or redemption date shall be deemed to have been paid within the meaning of and with the effect expressed in this Section 11.1 if the Board shall have delivered to or deposited with the Trustee (a) irrevocable instructions to pay or redeem all of said Notes in specified amounts no less than the respective amounts of, and on specified dates no later than the respective due dates of, their principal, (b) irrevocable instructions to mail the required notice of redemption of any Notes so to be redeemed, (c) either moneys in an amount which shall be sufficient, or Defeasance Obligations the principal of and the interest on which when due will provide moneys which shall be sufficient, in the opinion of a nationally recognized firm of independent public accountants, without further reinvestment, to pay when due the principal, Redemption Price, if applicable, and interest due and to become due on said Notes on and prior to each specified redemption date or maturity date thereof, as the case may be, and (d) if any of said Notes are not to be redeemed within the next succeeding sixty (60) days, irrevocable instructions to mail to all Owners of said Notes a notice that such deposit has been made with the Trustee and that said Notes are deemed to have been paid in accordance with this Section and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price, if applicable, of said Notes. The Defeasance Obligations and moneys deposited with the Trustee pursuant to this Section shall be held in trust for the payment of the principal or Redemption Price, if applicable, and interest on said Notes. No payments of principal of any such Defeasance Obligations or interest thereon shall be withdrawn or used for any purpose other than the payment of such principal or Redemption Price of, or interest on, unless after such withdrawal the amount held by the Trustee and interest to accrue on Defeasance Obligations so held shall be sufficient to provide fully for the payment of the principal of or Redemption Price and interest on said Notes, at maturity or upon redemption, as the case may be.

(C) The Defeasance Obligations (or any portion thereof) held for the payment of the principal and Redemption Price of and interest on said Notes pursuant to paragraph (B) of this Section may not be sold, redeemed, invested, reinvested or removed from the lien of this Indenture in any manner or other Defeasance Obligations substituted therefor (any such direction to sell, redeem, invest, reinvest, remove or substitute to be referred to as a “*Subsequent Action*”) unless prior to the taking of such Subsequent Action, the Trustee shall have received the following: (i) either (a) a certified copy of the proceedings of the Board authorizing the Subsequent Action, or (b) an opinion of counsel for the Board to the effect that such Subsequent Action has been duly authorized by all necessary action on the part of the Board; (ii) an opinion from a nationally recognized firm of independent public accountants to the effect that the Defeasance Obligations and cash available or to be available for payment of the Notes after the taking of the Subsequent Action will remain sufficient to pay, without any further reinvestment thereof, the principal and Redemption Price of and interest on said Notes, the Notes at or prior to their maturity in the manner provided in paragraph (B) of this Section; (iii) an Opinion of Bond Counsel to the effect that the Subsequent Action will not adversely affect any exemption from federal income tax of the interest paid on the Notes to which such Notes are otherwise entitled; and (iv) such other documents and showings as the Trustee may reasonably require.

If after any such Subsequent Action there are any funds on deposit in the escrow account which are not needed by the Trustee for the payment when due of the principal of and interest on said Notes, in accordance with the terms of this Indenture as demonstrated by the sufficiency

opinion or certificate delivered pursuant to clause (ii) of the preceding paragraph, the Trustee shall transfer to the Board free and clear of the lien of the Indenture, to be applied to any lawful purpose in such manner that, in the Opinion of Bond Counsel, will not adversely affect any exemption from federal income tax of the interest paid on the Notes to which such Notes are otherwise entitled.

(D) Any time after any Notes are deemed to be paid pursuant to this Section 11.1, the Board shall not at any time permit any of the proceeds of the Notes or any other funds of the Board to be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any Note to be an “*arbitrage bond*” as defined in the Code and Regulations.

(E) Each Fiduciary shall continue to be entitled to reasonable compensation for all services rendered under this Indenture, notwithstanding that any Notes are deemed to be paid pursuant to this Section 11.1. Such compensation shall be paid by the Board from lawfully available funds and no Fiduciary shall have a claim against the Trust Estate for such compensation except as may be expressly provided herein.

(F) Anything in this Indenture to the contrary notwithstanding, any moneys held by any Fiduciary in trust for the payment and discharge of any of the Notes which remain unclaimed for two years after the date when such Notes have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Fiduciary at such date, or for two years after the date of deposit of such moneys if deposited with such Fiduciary after the said date when such Notes become due and payable, shall, at the written request of the Board, be repaid by the Fiduciary to the Board, as its absolute property and free from trust, and the Fiduciary shall thereupon be released and discharged with respect thereto and the Owners of such Notes shall look only to the Board for the payment of such Notes.

Section 11.2. Evidence of Signatures of Owners and Ownership of Notes.

(A) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the holding by any Person of the Notes shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner, or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(1) The fact and date of the execution by any Owner or its attorney of such instruments may be proved by a guarantee of the signature thereon by a bank, national banking association or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that, the Person signing such request or other instruments acknowledged to that person the execution thereof, or by an affidavit of witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a Board or association or a member of a

partnership, on behalf of such Board, association or partnership, such signature guarantee, certificate or affidavit shall also constitute sufficient proof of authority.

(2) The ownership of Notes and the amount, numbers and other identification and date of holding the same shall be proved by the registration book maintained by the Trustee or any Registrar.

(B) Any request or consent by the Owner of any Note shall bind all future Owners of such Note in respect of anything done or suffered to be done by the Board or any Fiduciary in accordance therewith.

Section 11.3. Moneys Held for Particular Notes. The amounts held by any Fiduciary for the payment of interest, principal or Redemption Price due on any date with respect to particular Notes shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of the Notes entitled thereto.

Section 11.4. Preservation and Inspection of Documents. All documents received by any Fiduciary under the provisions of this Indenture, shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Board, any other Fiduciary, and any Owner and their agents and their representatives, any of whom may make copies thereof.

Section 11.5. Cancellation and Destruction of Notes. All Notes paid or redeemed, either at or before maturity, and all mutilated Notes surrendered pursuant to Section 2.6, shall be delivered to the Trustee when such payment or redemption is made or upon surrender, as the case may be, and such Notes, together with all Notes purchased by the Trustee, shall thereupon be promptly canceled. Notes so canceled may at any time be destroyed by the Trustee, who shall execute a certificate of destruction in duplicate by the signature of one of its authorized officers describing the Notes so destroyed, and one executed certificate shall be delivered to the Board and the other retained by the Trustee.

Section 11.6. Parties' Interest Herein. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any Person, other than the Board, the Fiduciaries and the Owners of the Notes, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of the Board shall be for the sole and exclusive benefit of the Board, the Fiduciaries and the Owners of the Notes.

Section 11.7. No Recourse on the Notes.

(A) No recourse shall be had for the payment of the principal or Redemption Price of or interest on the Notes or for any claim based thereon or on this Indenture against any past, present or future member, director, officer, employee or agent of the Board, or any successor, public body or any person executing the Notes, either directly or through the Board, under any rule of law or equity, statute or constitution or otherwise, and all such liability of any such officers, directors, members, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and the issuance of the Notes.

(B) No member, officer, director, agent or employee of the Board shall be individually or personally liable for the payment of the principal or Redemption Price of or interest on the Notes; but nothing herein contained shall relieve any such member, officer, director, agent or employee from the performance of any official duty provided by law.

(C) All covenants, stipulations, obligations and agreements of the Board contained in this Indenture shall be deemed to be covenants, stipulations, obligations and agreements of the Board to the full extent authorized and permitted by the Constitution and laws of the State of Illinois, and no covenants, stipulations, obligations or agreements contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, director, agent or employee of the Board in his or her individual capacity, and no officer executing the Notes shall be liable personally on the Notes or be subject to any personal liability or accountability by reason of the issue thereof. No member, officer, director, agent or employee of the Board shall incur any personal liability in acting or proceeding or in not acting or not proceeding in accordance with the terms of this Indenture.

Section 11.8. Successors and Assigns. Whenever in this Indenture the Board is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in this Indenture contained by or on behalf of the Board shall bind and inure to the benefit of its successors and assigns whether or not so expressed.

Section 11.9. Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this Indenture on the part of the Board or any Fiduciary to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Indenture.

Section 11.10. Notices. Any notice, demand, direction, request or other instruments authorized or required by this Indenture to be given to, delivered to or filed with the Board, the Trustee or the Purchaser shall be deemed to have been sufficiently given, delivered or filed for all purposes of the Indenture if and when sent by registered mail, postage prepaid, return-receipt requested:

To the Board, if addressed to:

Board of Education of the City of Chicago
125 South Clark Street
Fourteenth Floor
Chicago, Illinois 60601
Attention: Chief Financial Officer
Telephone: (773) 553-2595
Email: jjhuang1@cps.edu

or at such other address as may be designated in writing by the Board to the Trustee; and

To the Trustee, if addressed to:

Chicago, Illinois _____
Attention: _____
Telephone: (312) _____
Email: _____

or at such other address as may be designated in writing by the Trustee to the Board.

To the Purchaser, if addressed to:

Attention: _____
Telephone: _____
Fax: _____
Email: _____

Section 11.11. Construction. This Indenture and all Supplemental Indentures shall be construed in accordance with, and governed by, the provisions of Illinois law irrespective of its conflict of laws principles.

Section 11.12. Headings Not a Part of This Indenture. Any headings preceding the texts of the several Articles and Sections hereof, and any Table of Contents appended to copies hereof, are solely for convenience of reference and do not constitute a part of this Indenture, nor do they affect its meaning, construction or effect.

Section 11.13. Multiple Counterparts. This Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original; and all such counterparts shall constitute but one and the same instrument.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the Board of Education of the City of Chicago, has caused this Indenture to be executed in its name and its behalf by its Vice President and attested by its Secretary and _____ has caused this Indenture to be executed in its behalf by an Authorized Officer and its corporate seal to be impressed hereon and attested by an Authorized Officer, all as of the day and year first above written.

BOARD OF EDUCATION OF THE CITY OF CHICAGO

By: _____
President, Board of Education of the City of
Chicago

Attest:

Secretary, Board of Education of the City of
Chicago

_____, as Trustee

By: _____
Authorized Officer

Attest:

Authorized Officer

**EXHIBIT A
TO
TRUST INDENTURE**

FORM OF NOTE

No. R-1

NOT TO EXCEED
\$ ___,000,000

UNITED STATES OF AMERICA
STATE OF ILLINOIS
BOARD OF EDUCATION OF THE CITY OF CHICAGO
Educational Purposes Tax Anticipation Notes, Series 2014A

Original Issue Date: _____

Registered Owner: _____

Principal Amount: Not to exceed _____ Dollars (\$ ___,000,000),
but only so much as shall equal the sum of the Initial Advance and all
Supplemental Advances made in accordance with the hereinafter
described Indenture, less the aggregate amount of Repaid Advances, as
indicated on Exhibit A hereto.

The BOARD OF EDUCATION OF THE CITY OF CHICAGO (the “*Board*”), a school district organized and existing under the laws of the State of Illinois, for value received, hereby promises to pay (but only out of the sources hereinafter provided) to the registered owner identified above, or registered assigns, on the maturity date specified herein, unless this Note shall have been called for redemption and payment of the redemption price shall have been duly made or provided for, upon presentation and surrender hereof, the principal sum specified above, and to pay (but only out of the sources hereinafter provided) interest on the balance of said principal sum from time to time remaining unpaid from and including the original issue date specified above, or from and including the most recent Interest Payment Date (as defined in the hereinafter-defined Indenture) with respect to which interest has been paid or duly provided for, until payment of said principal sum has been made or duly provided for.

Reference is hereby made to the further provisions of this Note set forth below, and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified, recited and declared that this Note is issued in part pursuant to the Local Government Debt Reform Act and that all acts and conditions required to be done, exist and be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Note have been performed in due time, form and manner as required by law; that the indebtedness of the Board, including the issue of Notes of which this is one, does not exceed any limitation imposed by law.

This Note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been duly executed by the Trustee.

IN WITNESS WHEREOF, the Board of Education of the City of Chicago has caused this Note to be signed in its name and on its behalf by the manual or duly authorized facsimile signature of its President and attested by the manual or duly authorized facsimile signature of its Secretary, all as of the Dated Date identified above.

BOARD OF EDUCATION OF THE CITY OF CHICAGO

By: _____
President, Board of Education of the City of
Chicago

Attest:

Secretary, Board of Education of the City of
Chicago

[Form of Certificate of Authentication]

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes described in the within-mentioned Indenture.

Date of Authentication and Delivery: _____, as Trustee

_____, 20____

By: _____
Authorized Signatory

Payments. Interest on Notes shall be payable on each Interest Payment Date. The principal of the Notes shall be payable in applicable amounts on each Principal Payment Date.

The principal and interest on the Notes shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts.

Payment of interest on Notes shall be paid on each Interest Payment Date to the person appearing on the note register as the Owner thereof as of the close of business of the Trustee on the Record Date (i) to the Purchaser by Automated Clearing House transfer and (ii) to any other Owner by wire transfer to such Owner to the wire transfer address within the United States to which such Owner wishes to have such wire directed, as most recently provided to the Trustee not later than the Business Day next preceding the Record Date. Payment of principal on any Note shall be made on the applicable Principal Payment Date, to the Owner as of the close of business of the Trustee on the Record Date, (i) to the Purchaser by Automated Clearing House transfer and (ii) to any other Owner by wire transfer to such Owner on the applicable Principal Payment Date at the wire transfer address within the United States as most recently provided to the Trustee not later than the Business Day next preceding the Record Date.

Interest accrued on the Notes shall be paid in arrears on each Interest Payment Date. Interest on the Notes shall be computed [upon the basis of a 360-day year and the actual number of days elapsed.]

General. This Note is one of a duly authorized issue of not to exceed \$_____ aggregate principal amount Educational Purposes Tax Anticipation Notes, Series 2014A, of the Board (the "Notes"). The Notes are issued pursuant to, under authority of and in full compliance with the Constitution and laws of the State of Illinois, including the School Code and the Local Government Debt Reform Act of the State of Illinois, as amended (the "Act") and a Trust Indenture dated as of _____ 1, 2014 (the "Indenture"), by and between the Board and the Trustee. The Notes are being issued in anticipation of property taxes levied by the Board for educational purposes for the 2014 tax levy year.

Limited Obligations. The Notes are limited obligations of the Board and are payable solely from Pledged Tax Receipts, as defined in the Indenture, provided that the pledge of Pledged Tax Receipts with respect to the Notes is on a parity with the pledge thereof as security for the payment of other tax anticipation notes of the Board. Neither the full faith and credit nor

the taxing power of the Board is pledged to the payment of the principal of or interest on the Notes.

Maturity Date. The maturity date of this Note is (i) October 1, 2015, if the Tax Penalty Date is on or prior to August 3, 2015 or (ii) the 60th day following the Tax Penalty Date if the Tax Penalty Date is later than August 3, 2015 but earlier than November 2, 2015 and (iii) December 31, 2015, if the Tax Penalty Date is on or later than November 2, 2015.

Interest Rates. The Notes shall bear interest at an Index Floating Rate as provided in the Indenture. Under circumstances specified in the Indenture the Notes may bear interest at a Taxable Rate or a Default Rate.

Maximum Interest Rate. At no time shall the Notes bear interest at a rate higher than the Maximum Interest Rate.

Redemption and Prepayment. The Notes are subject to redemption at the option of the Board, prepayment at the option of the Board and mandatory prepayment by the application of Pledged Tax Receipts deposited into the Debt Service Fund prior to maturity, as a whole or in part, at any time at par and without premium upon the terms and conditions set forth in the Indenture.

Registration. This Note is transferable by the registered owner hereof in person or by such registered owner's attorney duly authorized in writing at the principal corporate trust office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture. Defeasance. Provision for payment of all or any portion of the Notes may be made, and the Indenture may be discharged, prior to payment of the Notes in the manner provided in the Indenture.

Miscellaneous. The registered owner of this Note shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture.

Copies of the Indenture are on file at the designated office of the Trustee, and reference to the Indenture and any and all supplements thereto and modifications and amendments thereof is made for a description of the pledge and covenants securing the Notes, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the registered owners of the Notes, and the limitations on such rights and remedies.

Terms used in this Note shall have the same meanings as set forth in the Indenture.

ASSIGNMENT

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

UNIF GIFT MIN ACT –

TEN COM	– as tenants in common		Custodian
TENANT	– as tenants by the entireties		
JT TEN	– as joint tenants with right of survivorship and not as tenants in common	(Cust)	(Minor)
		under Uniform Gifts to Minors Act	
		(State)	

Additional abbreviations may also be used
though not in the above list

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

this Note of the Board of Education of the City of Chicago and does hereby irrevocably constitute and appoint _____

to transfer said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature:

Signature Guaranteed:

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of this Note in every particular, without alteration or enlargement or any change whatever.

EXHIBIT A

TO

NOT TO EXCEED \$____,000,000

**BOARD OF EDUCATION OF THE CITY OF CHICAGO
EDUCATIONAL PURPOSES TAX ANTICIPATION NOTES, SERIES 2014A**

<u>Amount of Advance</u>	<u>Date of Advance</u>	<u>Principal Repaid</u>	<u>Outstanding Principal Balance</u>
\$ _____			\$ _____

**EXHIBIT B
TO
TRUST INDENTURE**

**FORM OF
INSTRUCTIONS FROM BOARD
REGARDING SUPPLEMENTAL ADVANCE**

_____, as Trustee
Chicago, Illinois

BMO Harris Bank N.A., as Purchaser
Chicago, Illinois

Re: Supplemental Advance under Board of Education of the City of Chicago
Educational Purposes Tax Anticipation Notes, Series 2014A

Reference is made to the Trust Indenture dated as of _____ 1, 2014 (the
“Indenture”) between the Board of Education of the City of Chicago (the “Board”) and
_____, as Trustee (the “Trustee”). Terms not otherwise defined
herein shall have the meanings as set forth in the Indenture.

Pursuant to Section 2.10(B) of the Indenture, the Board hereby instructs the Trustee to
undertake the following:

1. Issue \$_____ principal amount of Notes (the “Supplemental
Advance”) on _____ (the “Supplemental Advance Date”) by entering
the principal amount of the Supplemental Advance on Exhibit A to the Note.
2. Execute and deliver the Certificate of Trustee Regarding Supplemental
Advance related thereto in substantially the form of Exhibit E to the Indenture as required
pursuant to Section 2.10(B) of the Indenture.
3. Pay the proceeds of such Supplemental Advance to the Board.

Pursuant to [Section 3.02(d)] of the Credit Agreement, the Board hereby requests the
Purchaser to make the Supplemental Advance in the amount set forth in paragraph 1 above on
the Supplemental Advance Date. The following are wire instructions of where the Purchaser
should send the Supplemental Advance.

Bank:	_____
ABA#:	_____
Credit A/C#:	_____
FFC Trust #:	_____

Dated: _____
(at least 2 Business Days prior to
Date of Supplemental Advance)

BOARD OF EDUCATION OF THE CITY OF CHICAGO

By: _____
Authorized Officer

cc: Bond Counsel

**EXHIBIT C
TO
TRUST INDENTURE**

_____, as Trustee
Chicago, Illinois

BMO Harris Bank N.A., as Purchaser
Chicago, Illinois

**FORM OF
CERTIFICATE OF BOARD REGARDING SUPPLEMENTAL ADVANCE**

I am an Authorized Officer of the Board of Education of the City of Chicago (the "Board"), and, as such, I am familiar with the terms and provisions of the Trust Indenture dated as of _____ 1, 2014 (the "Indenture") between the Board and _____, as Trustee (the "Trustee") authorizing the issuance of the Board's Educational Purposes Tax Anticipation Notes, Series 2014A in the maximum aggregate principal amount of \$_____,000,000 in multiple Advances from time to time (the "Notes"). Capitalized terms used but not defined herein shall have the same meaning as in the Indenture. As Authorized Officer designated under the Indenture, I hereby certify as follows with respect to the Supplemental Advance described below on the Notes:

1. The Board has provided to the Trustee, pursuant to Section 2.10(B) of the Indenture, the Instructions From Board Regarding Supplemental Advance dated _____, 20__ regarding a Supplemental Advance in the amount of \$_____ ("Supplemental Advance") and instructing the Trustee to issue additional Notes such that the aggregate principal amount of \$_____, which represents the sum of the aggregate principal amount of Notes Outstanding of \$_____ and the Supplemental Advance of \$_____. Taking into account such Supplemental Advance, the aggregate amount of Advances (\$_____) less the aggregate amount of Repaid Advances on the Notes to date (\$_____) does not exceed the maximum aggregate principal amount of \$_____,000,000 less any amount redeemed pursuant to Section 3.1 of the Indenture.

2. Each of the representations and warranties of the Board contained in the Indenture and the Credit Agreement are true and correct as of the date hereof as if made on the date hereof.

3. Each of the Indenture, the Credit Agreement, the Tax Agreement, and any certificate executed and delivered by the Board in connection therewith, has not been amended or modified and is in full force and effect as of the date hereof. Each such agreement constitutes a legal, valid and binding obligation of the Board enforceable against the Board in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, arrangements, fraudulent conveyance,

moratorium, or other laws or equitable principles relating to or affecting the enforcement of creditors' rights generally, by application of equitable principles.

4. There is no litigation either pending or, to the best of the knowledge of the undersigned, threatened (a) to restrain or enjoin the issuance, sale or delivery of the Notes, (b) in any way contesting or affecting any authority for the issuance of the Notes or the validity of the Notes or the Indenture, or (c) in any way contesting the legal existence or the powers of the Board.

5. The Issuer has not been notified, either directly or indirectly, by Katten Muchin Rosenman LLP, Bond Counsel, that its approving opinion dated _____, 2014 with respect to the validity of the Notes and the exclusion from gross income for federal income tax purposes of interest thereon has been withdrawn or may no longer be relied upon without the substitution of a revised Opinion of Bond Counsel acceptable to the Trustee, the Board and the Purchaser.

6. The request by the Board for a Supplemental Advance is being made in accordance with the terms of the Tax Agreement. The Supplemental Advance referenced herein is intended by the Board to be treated as being part of a single issue of Notes for which the issue date is _____, 2014, the date of the Initial Advance on the Notes. The treatment in this paragraph of the Notes, and all Advances thereto, reflects the economic substance of the transaction and does not avoid Section 103 or any of Sections 141 through 150 of the Internal Revenue Code of 1986, as amended, or the general purposes thereof.

7. The authorization for the issuance of Tax Anticipation Notes contained in the Note Resolution is available and sufficient to authorize and include such Supplemental Advance. The Note Resolution has not been amended, modified, withdrawn or rescinded. The attached Exhibit A sets forth the principal amounts of notes authorized under the Note Resolution, the principal amounts of notes issued thereunder, the amounts of Repaid Advances with respect to the Notes and the other Tax Anticipation Notes and the principal amount of Tax Anticipation Notes that have been retired by redemption or maturity.

8. There is no Event of Default or any event which with the passage of time or giving of notice would constitute an Event of Default under the Indenture or the Credit Agreement on the part of the Board with respect to the performance of any of the covenants, conditions, agreements or provisions contained in the Indenture, the Credit Agreement, or the Tax Agreement.

Dated: _____
(at least 2 Business Days prior to
Date of Supplemental Advance)

BOARD OF EDUCATION OF THE CITY OF CHICAGO

By: _____
Authorized Officer

cc: Bond Counsel

EXHIBIT A

	<u>Note Resolution</u>	<u>This Series</u>
Amount Authorized	\$	
Less Principal Amount Issued		
Series 2014A Notes		
Series 2014B Notes		
Plus: Repaid Advances		
Series 2014A Notes		
Series 2014B Notes		
	<hr/>	<hr/>
Principal Amount Available	\$	\$

**EXHIBIT D
TO
TRUST INDENTURE**

**FORM OF
CERTIFICATE OF TRUSTEE
REGARDING SUPPLEMENTAL ADVANCE**

BMO Harris Bank N.A., as Purchaser
Chicago, Illinois

Board of Education of the City of Chicago
Chicago, Illinois

The undersigned hereby certifies that he/she is the authorized representative of _____, as Trustee under a Trust Indenture dated as of _____ 1, 2014 (the "Indenture") between it and the Board of Education of the City of Chicago (the "Board"), pursuant to which the Board has issued its Educational Purposes Tax Anticipation Notes, Series 2014A (the "Notes"). This Certificate is delivered pursuant to Section 2.10(B) of the Indenture and [Section 3.02] of the Credit Agreement and is delivered in connection with a Supplemental Advance to the Notes. Capitalized terms not otherwise defined herein shall have the meaning specified in the Indenture.

The undersigned hereby certifies as follows:

1. The Trustee has received, pursuant to Section 2.10(B) of the Indenture, executed Instructions From Board Regarding Supplemental Advance dated _____, requesting the Trustee and the Purchaser to undertake certain actions in connection with the Supplemental Advance described therein.
2. The Trustee has received no notice, either directly or indirectly, from the Board or the Purchaser of the early termination or early expiration of the Credit Agreement, nor has it received any notice, either directly or indirectly, from the Board or the Purchaser of an Event of Default or an event which with the passage of time or the giving of notice would constitute an Event of Default under the Indenture or the Credit Agreement.
3. The Trustee has received the executed Certificate of Board Regarding Supplemental Advance dated _____ pursuant to Section 2.10(B) of the Indenture, with respect to the current Supplemental Advance.
4. The Trustee has entered the principal amount of the Supplemental Advance on Exhibit A to Note No. R-__, the Notes are currently outstanding in the aggregate principal amount of \$ _____ and the Trustee holds such Note as agent of Purchaser.

5. Upon receipt of the net proceeds of the Supplemental Advance contemplated by the Instructions From Board to Note Trustee Regarding Supplemental Advance referenced above, the Note Trustee will deposit such net proceeds in accordance with such instructions.

Dated: _____
(Date of Supplemental Advance)

_____,
as Trustee

By: _____
Title: _____

**EXHIBIT E
TO
TRUST INDENTURE**

**FORM OF
CERTIFICATE AND DIRECTION REGARDING REPAID ADVANCE**

I am the _____ of the Board of Education of the City of Chicago (the "Board"), and, as such, I am familiar with the terms and provisions of the Indenture dated as of _____ 1, 2014 (the "Indenture") between the Board and _____, as Trustee (the "Trustee") authorizing the issuance of the Board's Educational Purposes Tax Anticipation Notes, Series 2014A in the maximum aggregate principal amount of \$_____,000,000 in multiple Advances from time to time (the "Notes"). Capitalized terms used but not defined herein shall have the same meaning as in the Indenture. As an Authorized Officer designated under the Indenture, I hereby certify as follows with respect to the Repaid Advance described below on the Notes:

1. On this date the Board has provided to the Trustee, pursuant to Section 2.1(B) of the Indenture the amount of \$_____, \$_____ of which represents the repayment of Advances (the "Repaid Advance") and \$_____ of which represents accrued interest on that portion of the Notes related to the Repaid Advance to the date hereof.
2. The Trustee is hereby instructed to deposit said amount into the Repaid Advance Fund in accordance with Section 4.4 of the Indenture.
3. The Trustee is hereby instructed to enter the amount of the Repaid Advance on Exhibit A to the Note.
4. The aggregate principal amount of Notes Outstanding upon such Repaid Advance is \$_____.

Dated: _____
(Date of Repaid Advance)

BOARD OF EDUCATION OF THE CITY OF CHICAGO

By: _____
Treasurer

**EXHIBIT F
TO
TRUST INDENTURE**

FORM OF INVESTOR LETTER

_____, 20__

Board of Education of the City of Chicago
Office of Chief Financial Officer
125 S. Clark Street
Chicago, IL 60603

Re: Not to exceed \$____,000,000
Board of Education of the City of Chicago
Educational Purposes Tax Anticipation Notes, Series 2014A

Ladies and Gentlemen:

This letter is to provide you with certain representations and agreements with respect to our purchase of the above-referenced notes (the "*Notes*"), dated their date of issuance. The Notes are issued under and secured in the manner set forth pursuant to (i) a Trust Indenture dated as of _____ 1, 2014, between the Board of Education of the City of Chicago (the "*Issuer*") and _____ (the "*Trustee*"), (the "*Indenture*"). _____ (the "*Purchaser*," the "*undersigned*," "*us*" or "*we*," as applicable) is purchasing the Notes pursuant to a Credit Agreement dated as of _____ 1, 2014 (the "*Credit Agreement*"), between the Issuer and the Purchaser. We hereby represent and warrant to you and agree with you as follows:

1. We understand that the Notes have not been registered pursuant to the Securities Act of 1933, as amended (the "*1933 Act*"), the securities laws of any state, nor has the Indenture been qualified pursuant to the Trust Indenture Act of 1939, as amended, in reliance upon certain exemptions set forth therein. We acknowledge that the Notes (i) are not being registered or otherwise qualified for sale under the "blue sky" laws and regulations of any state, (ii) will not be listed on any securities exchange, (iii) will not carry a rating from any rating service, and (iv) will not be delivered in a form that is readily marketable.
2. We have not offered, offered to sell, offered for sale or sold any of the Notes by means of any form of general solicitation or general advertising, and we are not an underwriter of the Notes within the meaning of Section 2(11) of the 1933 Act.

3. We have sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Notes.
4. We have authority to purchase the Notes and to execute this letter and any other instruments and documents required to be executed by the purchaser in connection with the purchase of the Notes.
5. The undersigned is a duly appointed, qualified and acting representative of the Purchaser and is authorized to cause the Purchaser to make the certifications, representations and warranties contained herein by execution of this letter on behalf of the Purchaser.
6. The undersigned is either (a) a “qualified institutional buyer” as defined in Rule 144A promulgated under the 1933 Act (a “*QIB*”), or (b) an “accredited investor” as defined in Rule 501 of Regulation D under the 1933 Act (an “*Accredited Investor*”), and, as such, is able to bear the economic risks of such investment in the Notes. The Purchaser understands that, in certain circumstances, it may be required to hold the Notes until the maturity thereof.
7. The undersigned understands that no official statement, prospectus, offering circular, or other comprehensive offering statement is being provided with respect to the Notes. The undersigned has made its own inquiry and analysis with respect to the Issuer, the Notes and the security therefor, and other material factors affecting the security for and payment of the Notes.
8. We understand and acknowledge that the Notes are limited obligations of the Issuer payable solely from the tax revenue collected from the Issuer’s 2014 tax levy for educational purposes, and that neither the full faith and credit nor the taxing power of the Issuer is pledged to the payment of the principal of or interest on the Notes.
9. The undersigned acknowledges that it is familiar with the condition, financial or otherwise, of the Issuer and it has either been supplied with or been given access to information, including financial statements and other financial information, regarding the Issuer, to which a reasonable investor would attach significance in making investment decisions, and has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Issuer, the Notes and the security therefor, so that as a reasonable investor, it has been able to make its decision to purchase the Notes. The undersigned acknowledges that it does not require further information from the Board for purposes of purchasing the Notes.
10. The Purchaser has made its own inquiry and analysis with respect to the Notes and the security therefor, and other material factors affecting the security and payment of the Notes. The Purchaser has assumed responsibility for obtaining such information and making such review as the Purchaser deemed necessary or desirable in connection with its decision to purchase the Notes. The Purchaser is aware that the business of the Issuer involves certain economic variables and risks that could adversely affect the security for the Notes.

11. The Notes are being acquired by the Purchaser for investment for its own account and not with a present view toward resale or distribution and the Purchaser intends to hold the Notes for its own account; *provided, however*, that the Purchaser reserves the right to sell, transfer or redistribute the Notes, subject to the provisions of the Credit Agreement, but agrees that any such sale, transfer or distribution by the Purchaser shall be in accordance with the Credit Agreement and the Indenture.
12. The Purchaser agrees to comply with any applicable state and federal securities laws then in effect with respect to any disposition of the Notes by it, and further acknowledges that any current exemption from registration of the Notes does not affect or diminish such requirements.

Very truly yours,

By: _____
Name: _____
Title: _____