

**RESOLUTION AUTHORIZING THE ISSUANCE OF EDUCATIONAL PURPOSES TAX  
ANTICIPATION WARRANTS AND NOTES OF THE BOARD OF EDUCATION OF THE  
CITY OF CHICAGO, ILLINOIS, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO  
EXCEED \$1,550,000,000**

WHEREAS, pursuant to the provisions of Article 34 of the School Code, 105 Illinois Compiled Statutes 5, 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 the provisions of Article 34 of the School Code; and

WHEREAS, the 2017 Tax Levy of the Board for educational purposes (the "**2017 Tax Levy**") will be not less than \$2,442,751,701 (which includes amounts levied for tax revenues payable to the School District in connection with the establishment or existence of a transit facility improvement area pursuant to the Tax Increment Allocation Redevelopment Act, 65 Illinois Compiled Statutes 5/11-74.4, as amended (the "**TIF Act**")), and such levy is anticipated to be 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, 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 in an amount not to exceed 85% of the 2017 Tax Levy; 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, no such warrants, notes, bonds, or other obligations have been issued in anticipation of the receipt of the 2017 Tax Levy for such purposes; and

WHEREAS, the Board wishes to authorize at this time the issuance of Tax Anticipation Obligations (as defined herein) pursuant to the terms of this Resolution in an aggregate principal amount of not to exceed \$1,550,000,000; and

WHEREAS, the aggregate principal amount of all warrants, notes, or other obligations (including the Tax Anticipation Obligations issued pursuant to this Resolution), issued in anticipation of the collection of the 2017 Tax Levy will not exceed 85% of the 2017 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, the Vice President, the Senior Vice President of Finance of the Board 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 or Loans in connection with the issuance of Notes.

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

"Loan" shall mean any borrowing authorized under this Resolution and obtained from a bank for the benefit of the Board in connection with the issuance of Notes.

"Note Purchase Agreement" means one or more agreements between the Board and one or more financial institutions pursuant to which such financial institutions will agree to purchase any Notes.

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

"Tax Anticipation Obligations" means the Warrants or the Notes, if Notes are issued in lieu of the Warrants.

"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 Increment Revenue" means the portion, if any, of taxes levied upon each taxable lot, block, tract or parcel of real property which is attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in any transit facility improvement area established by the City of Chicago, over and above the initial equalized assessed value of such property existing at the time tax increment financing was adopted, minus the total current homestead exemptions pertaining to each piece of property provided by Article 15 of the Property Tax Code, 35 Illinois Compiled Statutes 200, as amended, in the transit facility improvement area.

"Tax Receipts" means the tax revenue collected from the 2017 Tax Levy; provided, however, such "tax revenue collected" shall not include any Tax Increment Revenue paid or payable to the School District pursuant to Section 8 of the TIF Act.

"Trust Indenture" means one or more agreements providing for the issuance of the Tax Anticipation Obligations 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. As used in this Resolution, the term "Trust Indenture" includes any "Master Trust Indenture" and any "Supplemental Trust Indenture."

"Warrants" shall mean the tax anticipation warrants of the Board issued pursuant to Section 34-23 of the School Code and authorized to be issued under this Resolution.

"2017 GANS" means any of the Grant Anticipation Revenue Notes, Series 2017A and the Grant Anticipation Revenue Notes, Series 2017B, of the Board.

3. *Findings.* It is found and determined that (A) the borrowing from time to time of moneys in anticipation of the collection of the Tax Receipts is necessary so that sufficient moneys 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; (B) that authorizing the issuance of Warrants, the establishment of Lines of Credit or Loans and the issuance of the Notes will provide the needed access to funds to meet such ordinary and necessary expenses; and (C) that no person holding an office of the Board, either by election or appointment, is in any manner interested, either directly or indirectly, in such person's own name or the name of any other person, association, trust or corporation, in the transactions contemplated by the Warrants or by the Notes and the Lines of Credit or Loans.

4. *Determination to Authorize Tax Anticipation Warrants.* The Board is hereby authorized to issue Warrants in anticipation of the collection of the 2017 Tax Levy in an aggregate principal amount of not to exceed \$1,550,000,000. The Warrants are to be issued in accordance with the provisions of Section 34-23 of the School Code and the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350, as amended (the "**Local Government Debt Reform Act**").

5. *Determination to Authorize Lines of Credit, Loans, Note Purchase Agreements and Tax Anticipation Notes.* Pursuant to Section 34-23.5 of the School Code and in lieu of the issuance of the Warrants authorized by Section 4 hereof, the Board is hereby authorized, as shall be determined from time to time by the Senior Vice President of Finance or the Chief Financial Officer as hereafter provided, to (i) enter into Lending Agreements with one or more banks for the provision of Lines of Credit or Loans for the Board and to evidence borrowings under such Lines of Credit or Loans by the issuance of one or

more series of Notes, (ii) enter into Note Purchase Agreements with one or more financial institutions pursuant to which such financial institutions will purchase one or more series of Notes, and (iii) on December 28, 2017, exchange one or more series of Notes for outstanding 2017 GANS, provided, any such Notes shall have a like date, maturity, interest rate, accrued interest and tenor and be in the same outstanding principal amount of the 2017 GANS being exchanged. The Board is hereby authorized to issue such Notes in anticipation of the collection of the 2017 Tax Levy in an aggregate principal amount outstanding at any time of not to exceed \$1,550,000,000. Such Notes are to be issued in accordance with the provisions of Section 34-23.5 of the School Code and the Local Government Debt Reform Act.

6. *Authorization and Terms.* The Tax Anticipation Obligations are hereby authorized to be issued and, if Notes are issued in lieu of the issuance of Warrants, the Lines of Credit or Loans are hereby authorized to be established or obtained and the Note Purchase Agreements and Lending Agreements are authorized to be executed as provided herein, in either case to provide funds 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 2017 Tax Levy. The Tax Anticipation Obligations shall be drawn against and in anticipation of the collection of the 2017 Tax Levy. The Tax Anticipation Obligations shall be limited obligations of the Board payable solely from the Tax Receipts when collected.

The Tax Receipts are hereby irrevocably pledged and assigned as security for the payment of the Tax Anticipation Obligations and such Tax Receipts, when collected, shall be set apart and held for the payment of the Tax Anticipation Obligations.

All moneys borrowed pursuant to this Resolution shall be repaid exclusively from the Tax Receipts derived from the 2017 Tax Levy, and such payment shall be made, from time to time, as determined by any of the Designated Officials, with the final payment to be made within 60 days after the Tax Receipts have been distributed to or received by the escrow agent pursuant to the Tax Escrow Agreement. Any 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 application of the Tax Receipts to the payment of the Tax Anticipation Obligations authorized hereunder shall be subject to the applicable provisions of the Lending Agreement, the Note Purchase Agreement, the Trust Indenture and

the Tax Escrow Agreement, as any of such agreements or indentures may be supplemented or amended as hereinafter authorized.

The Tax Anticipation Obligations shall bear interest at a rate or rates, fixed or variable, as determined by any of the Designated Officials, not to exceed the maximum rate permitted under Section 2 of the Bond Authorization Act, 30 Illinois Compiled Statutes 305, from the date of their issuance until paid.

7. *Execution.* The Tax Anticipation Obligations 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 Tax Anticipation Obligations shall cease to be such officer before the delivery of such Tax Anticipation Obligations, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

8. *Tax Escrow Direction.* Each of the Designated Officials is hereby authorized, pursuant to authority contained in (A) Section 14 of the Local Government Debt Reform Act in the case of Warrants and (B) Section 20-90 of the Property Tax Code, 35 Illinois Compiled Statutes 200, in the case of Notes; to execute a written direction to the County Collectors of The Counties of Cook and DuPage, Illinois (the "**County Collectors**"), and to deposit the collections of Tax Receipts under the 2017 Tax Levy as and when extended for collection directly with such escrow agent designated pursuant to this Resolution in order to secure the payment of the principal of and interest on the Tax Anticipation Obligations. The Designated Officials are authorized to cause a certified copy of this Resolution to be filed with each of the County Collectors.

9. *Approval of Documents.* The form of Master Trust Indenture for the Tax Anticipation Obligations attached hereto as Exhibit A and the form of Supplemental Trust Indenture for a series of Tax Anticipation Obligations attached hereto as Exhibit B, are each hereby approved and, on behalf of the Board, each of the Designated Officials is authorized to enter into one or more such Trust Indentures, in either case with such revisions, insertions, completions and modifications thereof as shall be approved by the Designated Official executing the same, and that are not inconsistent with the terms and provisions of

this Resolution, such execution to constitute conclusive evidence of such Designated Official's approval and this Board's approval of such revisions, insertions, completions and modifications thereof.

Each of the Designated Officials is authorized to execute, and the Secretary is authorized to attest, one or more of such Trust Indentures in substantially the forms described above, but with such revisions, insertions, completions and modifications thereof as shall be approved by the Designated Official executing the same, and that are not inconsistent with the terms and provisions of this Resolution, such execution to constitute conclusive evidence of such Designated Official's approval and this Board's approval of such revisions, insertions, completions and modifications thereof.

Each of the Designated Officials is authorized to enter into a Tax Escrow Agreement, on behalf of the Board, in substantially the same form as approved in connection with the Board's prior issuance of Tax Anticipation Obligations in 2015, 2016 and 2017, but with such revisions, insertions, completions and modifications thereof as shall be approved by the Designated Official executing the same, and that are not inconsistent with the terms and provisions of this Resolution, such execution to constitute conclusive evidence of such Designated Official's approval and this Board's approval of such revisions, insertions, completions and modifications thereof.

Each of the Designated Officials is authorized to enter into (i) one or more Note Purchase Agreements in substantially the same form as approved in connection with the Board's prior issuance of Tax Anticipation Obligations in 2015, 2016 and 2017, or (ii) one or more Lending Agreements in substantially the same form as approved in connection with the Board's prior issuance of Tax Anticipation Obligations in 2015, 2016 and 2017, in either case with such revisions, insertions, completions and modifications thereof as shall be approved by the Designated Official executing the same, and that are not inconsistent with the terms and provisions of this Resolution, such execution to constitute conclusive evidence of such Designated Official's approval and this Board's approval of such revisions, insertions, completions and modifications thereof.

Any series of the Notes issued (i) to evidence borrowings under a Lending Agreement and Line of Credit or Loan shall be issued pursuant to Trust Indentures in substantially the forms described above, (ii)

to be sold pursuant to a Note Purchase Agreement shall be issued pursuant to Trust Indentures in substantially the forms described above, or (iii) to be exchanged for outstanding 2017 GANS shall be issued pursuant to Trust Indentures in substantially the forms described above. Each of the Designated Officials is authorized to execute, and the Secretary is authorized to attest, one or more such Trust Indentures, with such revisions, insertions, completions and modifications thereof as shall be approved by the Designated Official executing the same, and that are not inconsistent with the terms and provisions of this Resolution, such execution to constitute conclusive evidence of such Designated Official's approval and this Board's approval of such revisions, insertions, completions and modifications thereof.

Each of the Designated Officials is authorized to enter into such supplements and amendments to, or amendments and restatements of, the documents authorized and approved under this Section 9 as such Designated Official shall deem necessary to facilitate the issuance of the Notes upon terms that are not inconsistent with the terms and provisions of this Resolution.

If determined to be necessary by a Designated Official in connection with the initial sale, subsequent reoffering or exchange of any Tax Anticipation Obligations, the preparation, use and distribution of a Preliminary Official Statement, Private Placement Memorandum, Limited Offering Memorandum or Notice of Public Sale relating to each issue of Tax Anticipation Obligations (the "**Disclosure Document**") in substantially the respective forms delivered in connection with previous issues, is hereby authorized and approved. The Designated Officials are each hereby authorized to execute and deliver such Disclosure Document on behalf of the Board. The Disclosure Document herein authorized may contain a description of the terms and provisions of, and security for, such obligations, the use of proceeds of such obligations, financial information relating to the Board, and such other information as any Designated Officer determines to be advisable under the circumstances.

10. *Application of Proceeds and Other Moneys.* Proceeds of sale of the Tax Anticipation Obligations are expected to be appropriated for the educational expenses of the Board and for the payment of costs of issuance of the Notes and related fees.



11. *Further Acts.* Each of the Designated Officials, officials or officers of the Board are hereby authorized to execute and deliver the documents approved by this Resolution, and such other documents and agreements and perform such other acts as may be necessary or desirable in connection with the Tax Anticipation Obligations, the Lending Agreements, the Trust Indentures, the Tax Escrow Agreement, any Disclosure Document and the Note Purchase Agreements, including, but not limited to, provisions relating to increased costs and indemnification, and the exercise following the delivery date of the Tax Anticipation Obligations of any power or authority delegated to such official under this Resolution with respect to the Tax Anticipation Obligations and the Lending Agreements, but subject to any limitations on or restrictions of such power or authority as herein set forth. The General Counsel is authorized to select and engage attorneys and other professionals to provide services related to the transactions described in this Resolution. The General Counsel may make such selection of professionals based upon substantial demonstrated prior experience.

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.

12. *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.

13. *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 MASTER INDENTURE

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MASTER TRUST INDENTURE

by and between

BOARD OF EDUCATION OF THE CITY OF CHICAGO

and

ZIONS BANK, A DIVISION OF ZB, NATIONAL ASSOCIATION  
as Trustee

Dated as of September 1, 2017

SECURING BOARD OF EDUCATION OF THE CITY OF CHICAGO EDUCATIONAL  
PURPOSES TAX ANTICIPATION NOTES

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THIS MASTER TRUST INDENTURE dated as of September 1, 2017 (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 Zions Bank, a division of ZB, National Association, a national banking association duly organized, existing and authorized to accept and execute trusts of the character herein set out as trustee (the "*Trustee*");

**WITNESSETH:**

WHEREAS, pursuant to the provisions of Article 34 of the School Code, 105 Illinois Compiled Statutes 5/34, 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 2017 tax levy of the Board for educational purposes (the "*2017 Tax Levy*") is in the amount of \$2,442,751,701 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, 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 in an amount not to exceed 85% of the 2017 Tax Levy; and

WHEREAS, in accordance with the provisions of Section 34-23.5 of the School Code and the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350, as amended, (the "*Act*"), the Board, on the 28th day of August, 2017, adopted Resolution No. 17-0828-RS-\_\_ (the "*Note Resolution*") authorizing the issuance, from time to time, in one or more series, of its Educational Purposes Tax Anticipation Notes in an aggregate principal amount not to exceed \$1,550,000,000 (the "*Tax Anticipation Notes*") to enable the Board to borrow money in anticipation of the tax revenue to be derived from the 2017 Tax Levy for the purposes permitted under the School Code and the Act; and

WHEREAS, the Board has determined that it is advisable, necessary and in the best interests of the Board and the residents of the School District to issue Tax Anticipation Notes from time to time in one or more series pursuant to this Indenture (the "*Notes*"); and

WHEREAS, the Notes will be payable exclusively from Pledged Tax Receipts (as defined herein); and

WHEREAS, pursuant to authority granted in the Note Resolution, the Board has appointed Zions Bank, a division of ZB, National Association, to act as Trustee under this Indenture; and

WHEREAS, no Notes or other obligations have heretofore been issued by the Board pursuant to the Note Resolution or other authority in anticipation of the receipt of the Pledged Tax Receipts; and

WHEREAS, the Board has not heretofore pledged the Pledged Tax Receipts as security for the payment of any bond, note or other obligation of the Board; 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 following Trust Estate for the purpose of securing 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 INDENTURE WITNESSETH:

That in order to secure the payment of the principal of, premium, if any, and interest on all Notes issued and to be 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 acquisition 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 shall be irrevocable and on parity with respect to all Notes issued and Outstanding under this Indenture; and

(b) All moneys and securities and earnings thereon held in the Escrow Account maintained under the Tax Escrow Agreement (as defined herein), provided that such pledge is on a parity with the pledge of the moneys and securities held in the Escrow Account for the benefit and security of all Notes issued and Outstanding under this Indenture and is subject to the allocation of the moneys and securities in said 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, including any Notes hereafter issued, 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 (except as expressly provided in this Indenture), so that each and all of such 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 (all except as expressly provided in this Indenture, as aforesaid).

*PROVIDED FURTHER, HOWEVER*, that the Board has reserved the right, upon compliance with the provisions of this Indenture, 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 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 101. Definitions.** The following terms shall, for all purposes of this Indenture, have the following meanings unless a different meaning clearly appears from the context:

"*Account*" means any account so designated by the Board pursuant to Section 402.

"*Act*" means the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350, as amended.

"*Additional Notes*" means any Notes authorized and delivered on original issuance pursuant to Section 203.

"*Affiliate*" means, with respect to a Person, any Person (whether for profit or not for profit), which "controls" or is "controlled" by or is under common "control" with such Person. For purposes of this definition, a Person "controls" another Person when the first Person possesses or exercises directly, or indirectly through one or more other affiliates or related

entities, the power to direct the management and policies of the other Person, whether through the ownership of voting rights, membership, the power to appoint members, trustees or directors, by contract, or otherwise.

*"Authorized Denominations"* means the denominations of the Notes of a Series as determined in the Supplemental Indenture authorizing such Series.

*"Authorized Officer"* means (i) the President of the Board, (ii) the Senior Vice President of Finance of the Board, (iii) the Chief Financial Officer of the Board or (iv) any other officer or employee of the Board authorized to perform specific acts or duties under this Indenture by resolution duly adopted by the Board.

*"Board"* means the governing body of the School District, which is a body politic and corporate by the name of the "Board of Education of the City of Chicago," pursuant to Article 34 of the School Code.

*"Bond Counsel"* means any 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 bonds, 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, or (ii) in the city in which the designated office of the Escrow Agent is located, are closed.

*"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.

*"Debt Service Deposit Account"* means the Debt Service Deposit Account established in Section 402.

*"Debt Service Fund"* means the Debt Service Fund established in Section 402.

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

*"Depository"* means any bank, national banking association or trust company having a capital and undivided surplus aggregating at least \$20,000,000, selected by an Authorized

Officer as a depository of moneys and securities held under the provisions of this Indenture, and may include the Trustee.

"*Escrow Agent*" means Zions Bank, a division of ZB, National Association, or its successor as escrow agent under the Tax Escrow Agreement.

"*Event of Default*" means any event so designated and specified in Section 701.

"*Exchange Notes*" mean the Notes issued on December 28, 2017, in exchange for the 2017 GANS.

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

"*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 (with the prior written consent of the Purchaser, which consent shall not be unreasonably withheld) 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.

"*Funds*" means the Debt Service Fund and any other special funds created and established pursuant to Article IV or any Supplemental Indenture.

"*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.

"*Indenture*" means this Master Trust Indenture, dated as of September 1, 2017, by and between the Board and the Trustee, as from time to time amended and supplemented.

*"Interest Payment Date"* shall, for each Series of Notes, have the meaning ascribed to such term in the Supplemental Indenture relating to such Series of Notes.

*"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.

"Kroll" means Kroll Bond Rating Agency, Inc., its successors and assigns, and, if Kroll shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Kroll" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Board (with the prior written consent of the Purchaser, which consent shall not be unreasonably withheld) by notice to the Trustee.

"Maturity Date" shall, for each Series of Notes, have the meaning ascribed to such term in the Supplemental Indenture relating to such Series of Notes.

"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 (with the prior written consent of the Purchaser, which consent shall not be unreasonably withheld) by notice to the Trustee.

"Notes" means any Tax Anticipation Notes authenticated and delivered under and pursuant this Indenture and pursuant to a Supplemental Indenture, including any Additional Notes and the Exchange Notes.

"Note Resolution" means Resolution No. 17-0828-RS-\_\_\_, adopted by the Board on August 28, 2017, authorizing the issuance of the Notes, as the same may be supplemented or amended.

"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, with respect to a Series of the Notes, as of any date, all Notes of such series theretofore or thereupon being authenticated and delivered under this Indenture except:

(i) Any Notes of such Series (or portions thereof) canceled by the Trustee at or prior to such date;

(ii) Notes of such Series (or portions thereof) for the payment 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 Date or Redemption Date), provided that if such Notes (or portions thereof) are to be redeemed, notice of such redemption shall have been given as provided in the Supplemental Indenture authorizing the issuance of such Series 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 304 or Section 1006;

(iv) Notes deemed to have been paid as provided in Section 1101(B); and

(v) Notes purchased by the Board and cancelled pursuant to Section 305 hereof.

"Owner" means any person who shall be the registered owner of any Note or Notes.

"Paying Agent" means the Trustee and any other bank, national banking association or trust company designated by Supplemental Indenture or by an Authorized Officer as a paying agent for the Notes of any Series, and any successor or successors appointed by an Authorized Officer under this Indenture.

"Payment Date" shall mean any date on which the principal or Redemption Price of or interest on any Series of Notes is payable in accordance with its terms and the terms.

"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, to the extent such money has not been released to the Board free and clear of the lien of this Indenture pursuant to the provisions of this Indenture; provided, however, such "Pledged Taxes Receipts" shall not include any Tax Increment Revenue paid or payable to the School District pursuant to Section 8 of the TIF Act.

"Pledged Taxes" means the annual ad valorem tax levied by the Board upon all taxable property located in the School District for educational purposes for the year 2017.

"Principal and Interest SubAccount" means each Principal and Interest SubAccount established pursuant to Section 402.

"Principal Payment Date" means, with respect to any Series of Notes, (i) each date that principal on such Series of Notes is paid pursuant to this Indenture and the applicable Supplemental Indenture, (ii) each Redemption Date with respect to such Note and (iii) the Maturity Date of such Note.

"Purchase Date" means any date on which a Series of Notes is purchased and cancelled at the direction of the Board pursuant to the terms of the Supplemental Indenture.

"*Purchaser*" means any entity that (i) purchases a beneficial ownership interest in a Series of Notes from the Board or (ii) makes a loan to the Board in exchange for a beneficial ownership interest in a Series of Notes and, with respect to a Series of Notes, shall have the meaning further ascribed to such term in the Supplemental Indenture relating to such Series of Notes.

"*Record Date*" means, (i) with respect to any Interest Payment Date for the Notes, the Business Day immediately preceding such Interest Payment Date for such Notes and (ii) any date determined by the Trustee pursuant to Section 702(I) hereof.

"*Redemption Account*" means the Redemption Account established in Section 402.

"*Redemption Date*" means, with respect to a Note of any Series (or portion thereof), the date identified in the Supplemental Indenture applicable to such Series.

"*Redemption Event*" means any event which causes an extraordinary mandatory redemption of any Series of Notes pursuant to the Supplemental Indenture applicable to such Series.

"*Redemption Fund*" means the Redemption Fund established in Section 402.

"*Redemption Price*" means, with respect to a Note of any Series (or portion thereof), the principal amount thereof payable upon the date fixed for redemption.

"*Registrar*" means the Trustee and any other bank, national banking association or trust company appointed by an Authorized Officer under this Indenture and designated as registrar for the Notes, and its successor or successors.

"*Released Funds Account*" means the Released Funds Account established in Section 402.

"*Repayment Commencement Date*" means that date which is 14 days after the Tax Penalty Date.

"*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.

"*School Code*" means the School Code, 105 Illinois Compiled Statutes 5/34, 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.

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

"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 (with the prior written consent of the Purchaser, which consent shall not be unreasonably withheld) by notice to the Trustee.

"Series" means all of the Notes designated as a series and authenticated and delivered on original issuances in a simultaneous transaction, and any Notes thereafter authenticated and delivered in lieu of or in substitution for such Notes pursuant to Article III or Section 1006 or the provisions of a Supplemental Indenture.

"State" means the State of Illinois.

"Supplemental Indenture" means any Supplemental Indenture between the Board and the Trustee authorized pursuant to Article IX.

"Tax Escrow Agreement" means the Tax Escrow Agreement dated as of September 1, 2017, as amended from time to time, by and between the Board and the Escrow Agent.

"Tax Anticipation Notes" means any tax anticipation note, tax anticipation warrant or similar indebtedness issued by the Board in anticipation of the collection of the taxes levied by the Board for educational purposes for the 2017 Tax Levy.

"Tax Increment Revenue" means the portion, if any, of taxes levied upon each taxable lot, block, tract or parcel of real property which is attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in any transit facility improvement area established by the City of Chicago, over and above the initial equalized assessed value of such property existing at the time tax increment financing was adopted, minus the total current homestead exemptions pertaining to each piece of property provided by Article 15 of the Property Tax Code, 35 Illinois Compiled Statutes 200, as amended, in the transit facility improvement area.

"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.

"Testing Period" means (i) the period beginning on April 3, 2018 to (but excluding) the Repayment Commencement Date and (ii) at any time not described in the preceding clause (i), any period during which an Event of Default has occurred and is continuing.

"TIF Act" means the Tax Increment Allocation Redevelopment Act, 65 Illinois Compiled Statutes 5/11-74.4, as amended.

"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 Zions Bank, a division of ZB, National Association, and any successor or successors appointed under this Indenture as hereinafter provided. The "designated office" of



the Trustee means 111 West Washington Street, Suite 1860, Chicago, Illinois 60602, or such other address as is provided by the Trustee.

"*Uncollected Pledged Taxes*" means, as of any date of calculation, an amount equal to the difference between (i) \$2,442,751,701 or, when known, the actual extended amount of the 2017 Tax Levy and (ii) the aggregate amount of the Pledged Taxes deposited into the Tax Escrow Agreement as of such date of calculation.

"*Variable Rate*" shall, for each Series of Notes, have the meaning ascribed to such term in the Supplemental Indenture relating to such Series of Notes.

"*Year*" or "*year*" means a calendar year.

"*2017 GANS*" means any of the Grant Anticipation Revenue Notes, Series 2017A and the Grant Anticipation Revenue Notes, Series 2017B, of the Board.

**Section 102. Interpretations.** 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.

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.

## **ARTICLE II**

### **Authorization and Issuance of Notes**

**Section 201. Authorization of Notes.** (A) The Board shall not issue any Tax Anticipation Notes while this Indenture is in effect except in accordance with the provisions of this Article II. All Notes issued under this Indenture shall be designated "Educational Purposes Tax Anticipation Notes" and shall include such further appropriate designations as the Board may determine. The total principal amount of Notes that may be issued and Outstanding hereunder is expressly limited to \$1,550,000,000.

(B) Notes may be issued in one or more Series and each Note shall bear upon its face the designation determined for its Series. Each Series of Notes evidences a borrowing by the Board. The Notes shall be issued pursuant to the Note Resolution, this Indenture and a Supplemental Indenture. Any two or more Series may be consolidated for purposes of sale in such manner as may be provided in the Supplemental Indenture authorizing such Series.

(C) The Notes of each Series shall be issuable as fully registered notes, without coupons, in Authorized Denominations, substantially in the form attached to the Supplemental Indenture relating to such Notes, with such appropriate variations, omissions and insertions as are permitted or required by this Indenture. The Notes of each Series shall be lettered and numbered, be dated, mature and be subject to redemption or purchase for cancellation as provided in the Supplemental Indenture authorizing such Series of Notes.

**Section 202. General Provisions for Issuance of Notes.** (a) Each Series of Notes shall be executed by the Board and delivered to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Board or upon its order, but only upon the receipt by the Trustee, at or prior to such authentication, of:

(1) A Counsel's Opinion regarding the validity and enforceability of such Series.

(2) A written order as to the delivery of such Series signed by an Authorized Officer, which order shall direct, among other things, the application of the proceeds of such Series.

(3) A copy of the Note Resolution, certified by the Secretary of the Board.

(4) An executed copy of the Supplemental Indenture authorizing such Series, which shall specify:

(a) The authorized principal amount, designation and Series of such Notes.

(b) The purposes for which such Series of Notes is being issued.

(c) The date, and the maturity date or dates, of the Notes of such Series.

(d) The interest rate or rates of the Notes of such Series, or the manner of determining such interest rate or rates, and the Payment Dates and Record Dates therefor.

(e) The Authorized Denominations and the manner of dating, numbering and lettering of the Notes of such Series.

(f) The Registrar and the Paying Agent for the Notes of such Series.

(g) The Redemption Price or Prices, if any, or the method for determining Redemption Prices and any redemption dates and terms for the Notes of such Series.

(5) Such further documents, moneys and securities as are required by the provisions of this Indenture or any Supplemental Indenture.

(B) Notes of the same Series and maturity shall be of like tenor except as to interest rate, denomination and form. After the original issuance of Notes of a Series, no Notes of such Series shall be issued except in lieu of or in substitution for other Notes of such Series pursuant to this Indenture or as permitted by a Supplemental Indenture.

**Section 203. Additional Notes.** Any one or more Series of Tax Anticipation Notes entitled to the benefit, protection and security of this Indenture and constituting a Series of Notes may be authorized and delivered pursuant to a Supplemental Indenture. Any such Additional Notes shall be authenticated and delivered by the Trustee only upon receipt by it of the documents required by Section 202.

### ARTICLE III General Terms and Provisions of Notes

**Section 301. Medium of Payment; Form and Date; Letters and Numbers.** The Notes shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Any Notes of a Series shall be issued only in the form of fully registered Notes without coupons or, pursuant to the provisions of a Supplemental Indenture, in any other form permitted by law at the time of original issuance, including, but not limited to, Notes which are transferable through a book-entry system. Each Note shall be lettered and numbered as provided in this Indenture or the Supplemental Indenture authorizing the Series of which such Note is a part and so as to be distinguished from every other Note. Notes shall be dated as provided in this Indenture or the Supplemental Indenture authorizing the Notes of such Series.

**Section 302. Legends.** The Notes of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Indenture as may be necessary or desirable to comply with custom, law, the rules of any securities exchange or commission or brokerage board, or otherwise, as may be determined by the Board or the Trustee prior to the authentication and delivery thereof.

**Section 303. 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 Vice President and attested by the manual or facsimile signature of its Secretary. The signature of the Chief Executive Officer or the Senior Vice President of Finance of the Board may also appear on the Notes. 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 the Supplemental Indenture authorizing such Notes, 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 304. Exchangeability of Notes.** Subject to the provisions of Section 305, any Note, upon surrender at the corporate trust 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 charges which the Trustee may make as provided in Section 305, be exchanged for an equal aggregate principal amount of fully registered Notes of the same Series, maturity, and interest rate and tenor of any other Authorized Denominations.

**Section 305. Negotiability, Transfer and Registration.** (A) Subject to the limitations contained in any Supplemental Indenture, 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 the same Series and of like date and tenor in Authorized Denominations for the aggregate principal amount which the Owner is entitled to receive bearing numbers not contemporaneously Outstanding. Subject to the limitations contained in any Supplemental Indenture, 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 the same Series and 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 for the unredeemed portion of a Note surrendered for redemption in part.

(C) 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.

(D) Notes delivered upon any registration of transfer or exchange as provided herein or as provided in Section 306 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.

**Section 306. 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 the same Series and of like tenor 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 1105. 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.

#### **ARTICLE IV**

##### **Pledge of Trust Estate and Application of Funds**

**Section 401. Pledge Effected by This Indenture.** (A) There are hereby assigned and pledged for the payment of the principal and Redemption Price of, and interest on, the Notes, in accordance with their terms and the provisions of this Indenture, and a lien is hereby granted for such purpose, subject only to the provisions of this Indenture permitting or requiring the application thereof 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.

(B) Pursuant to Section 13 of the Act, the moneys, securities and properties hereby pledged by the Board and received by the Escrow Agent as the agent of the Board shall immediately be subject to the lien and the irrevocable 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.

(C) The Notes are limited obligations of the Board payable solely from the Pledged Tax Receipts and the other moneys pledged for their payment in accordance with this Indenture. Neither the full faith and credit nor the general taxing power of the Board (other than the Pledged Taxes) is pledged to, or otherwise available for, the payment of any Note.

**Section 402. Establishment of Funds and Accounts.** The Debt Service Fund and the Redemption Fund are hereby established as special funds of the Board to be held by the Trustee.

Within the Debt Service Fund, the Trustee shall establish a separate Debt Service Deposit Account for each outstanding Series of Notes and a Released Funds Account. Within the Debt Service Deposit Account for each Series of Notes is created a Principal and Interest SubAccount. Within the Redemption Fund, the Trustee shall establish a separate Redemption Account for each outstanding Series of Notes. At the direction of an Authorized Officer, the Board may establish the Program Expense Fund as a special fund of the Board to be held by the Trustee.

**Section 403. 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 with respect to any Series of Notes then Outstanding shall be deposited immediately into the Debt Service Deposit Accounts of the Debt Service Fund on a pro-rata basis for each such Series of Notes.

(B) With respect to all proceeds of the Pledged Tax Receipts collected as part of the first installment of Pledged Taxes expected to be received in March 2018, on each Business Day prior to the Repayment Commencement Date, if (i) no Event of Default has occurred and is continuing hereunder and (ii) the aggregate principal amount of all Outstanding obligations secured by Pledged Tax Receipts, including all then Outstanding Notes and any other Notes being issued on such date does not exceed the lesser of (1) \$1,550,000,000 on or before April 2, 2018 or \$950,000,000 on or after April 3, 2018 and (2) eighty percent (80%) of the Uncollected Pledged Taxes, the Trustee shall apply the moneys in each Debt Service Deposit Account of the Debt Service Fund in the following order of priority:

*First:* to the related Principal and Interest SubAccount for payment to the Noteholders of any Series of Notes then Outstanding, for the payment of the accrued and unpaid interest on such Notes when due on each Interest Payment Date. In calculating the amount of the moneys to be deposited into such Principal and Interest SubAccount pursuant to this paragraph for payment of interest on such Notes, interest shall be deemed to accrue on such Notes at the rate of 9% per annum for any date for which the actual variable rate of interest on such Notes is not then known.

*Second:* to the related Principal and Interest SubAccount for payment to the Noteholders of any Series of Notes maturing, being redeemed, or being purchased on or before April 2, 2018, for the payment of principal of such Notes as the same shall become due on any applicable Maturity Date, Redemption Date, or Purchase Date.

*Third:* to the Released Funds Account for payment to, or pursuant to the direction of, the Board, any amount remaining in the Debt Service Fund after the payment of all interest on and principal of the Notes of the applicable Series then Outstanding as provided in Clause First and Clause Second above.

(C) With respect to all other proceeds of the Pledged Tax Receipts collected and not applied pursuant to Paragraph (B) above, on (i) each Business Day (1) prior to the Repayment Commencement Date on which the aggregate principal amount of all outstanding obligations secured by Pledged Tax Receipts, including all then Outstanding Notes, is equal to or greater

than 80% of the Uncollected Pledged Taxes and (2) on and after the Repayment Commencement Date, until the Maturity Date for all then Outstanding Notes and (ii) the Maturity Date for all then Outstanding Notes, the Trustee shall apply the moneys in each Debt Service Deposit Account of the Debt Service Fund in the following order of priority:

*First:* to the related Principal and Interest SubAccount for payment to the Noteholders of any Series of Notes then Outstanding, for the payment of the accrued and unpaid interest on such Notes when due on each Interest Payment Date. In calculating the amount of the moneys to be deposited into such Principal and Interest SubAccount pursuant to this paragraph for payment of interest on such Notes, interest shall be deemed to accrue on such Notes at the rate of 9% per annum for any date for which the actual variable rate of interest on such Notes is not then known.

*Second:* to the related Principal and Interest SubAccount for payment to the Noteholders of any Series of Notes then Outstanding, for the payment of principal of their Notes as the same shall become due on any Purchase Date, any Redemption Date or the Maturity Date.

*Third:* to the Released Funds Account for payment to, or pursuant to the direction of, the Board, any amount remaining in the Debt Service Fund after the payment of all interest on and principal of the Notes of the applicable Series then Outstanding as provided in Clause First and Clause Second above.

(D) On each Purchase Date, the Trustee shall apply moneys in the related Debt Service Deposit Account of the Debt Service Fund to the payment of the purchase price of the Notes of the applicable Series to be purchased on such Purchase Date pursuant to the Supplemental Indenture relating to such Notes, including the accrued interest on such Notes payable on the Purchase Date.

(E) On any Business Day that no Notes are then Outstanding, any moneys held in the Debt Service Deposit Accounts of the Debt Service Fund and any Pledged Tax Receipts received by the Trustee on that Business Day shall immediately be transferred to the Released Funds Account for immediate payment to, or pursuant to the direction of, the Board, free from the lien of this Indenture and any Supplemental Indentures.

(F) On each Business Day on which money is paid to, or pursuant to the direction of, the Board pursuant to this Section 403, 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, or pursuant to the direction of, the Board.

(G) Notwithstanding the provisions of this Section 403, if an Event of Default has occurred, all Pledged Tax Receipts then on deposit with the Trustee shall be allocated or reallocated and transferred and deposited immediately into the Debt Service Deposit Accounts of the Debt Service Fund on a pro-rata basis for each Outstanding Series of Notes, along with any Pledged Tax Receipts thereafter received.

**Section 404. Redemption Fund.** Amounts paid to the Trustee by the Board for the redemption of Notes shall be deposited into the Redemption Account for each outstanding Series of Notes on a pro-rata basis 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 the Supplemental Indenture relating to such Notes.

**Section 405. 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 the costs of issuance of any Notes, and to pay the ongoing fees of 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

### Depositories, Security for Deposits and Investments of Funds

**Section 501. Depositories.** All moneys held by the Trustee under the provisions of this Indenture may be deposited with one or more Depositories selected by an Authorized Officer in the name of and in trust for the Trustee. All moneys deposited under the provisions of this Indenture with the Trustee or any Depository shall be held in trust and applied only in accordance with the provisions of this Indenture, and each of the Funds, Sub-Funds, Accounts and Sub-Accounts established by this Indenture shall be a trust fund.

**Section 502. Deposits.** (A) All moneys held by any Depository under this Indenture may be placed on demand or time deposit, as directed by an Authorized Officer, provided that such deposits shall permit the moneys so held to be available for use when needed. Any such deposit may be made in the commercial banking department of any Fiduciary which may honor checks and drafts on such deposit as if it were not a Fiduciary. All moneys held by a Fiduciary may be deposited in its banking department on demand or, if and to the extent directed by an Authorized Officer, on time deposit, provided that such moneys on deposit be available for use when needed. Such Fiduciary shall allow and credit on such moneys such interest, if any, as it customarily allows upon similar funds of similar size.

(B) All moneys on deposit to the credit of the Debt Service Fund (i) held by a Depository other than the Trustee and (ii) not otherwise secured by deposit insurance, shall be continuously and fully secured by the Trustee for the benefit of the Board and the Owners of the Notes by lodging with the Trustee as collateral security, Government Obligations having a market value (exclusive of accrued interest) of not less than the amount of such moneys. All other moneys held for the Board under this Indenture shall be continuously and fully secured for the benefit of the Board and the Owners of the Notes in the same manner as provided by the Board for similar funds of the Board.

(C) All moneys deposited with the Trustee and each Depository shall be credited to the particular Fund, Sub-Fund, Account or Sub-Account to which such moneys belong.



**Section 503. Investment of Moneys.** (A) Moneys held in the several Funds, Sub-Funds, Accounts and Sub-Accounts shall be invested and reinvested by the Trustee at the written direction of the Chief Financial Officer or other Authorized Officer in Investment Securities within the parameters of this Indenture and the Investment Policy which mature no later than necessary to provide moneys when needed for payments to be made from such Fund, Sub-Fund, Account or Sub-Account. The Trustee may conclusively rely upon the Chief Financial Officer's or other Authorized Officer's written instructions as to both the suitability and legality of the directed investments. Ratings of Investment Securities shall be determined at the time of purchase of such Investment Securities. In the absence of written 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, but shall immediately notify the Board in the event moneys are being held uninvested hereunder. Nothing contained in this Indenture shall be construed to prevent such Chief Financial Officer or Authorized Officer from directing the Trustee to make any such investments or reinvestments through the use of a Forward Supply Contract, to the extent permitted by State law and the Investment Policy, and the Trustee shall comply with the terms and provisions of any such Forward Supply Contract. The Trustee may make any and all such investments through its trust department or the bond department of any bank (including the Trustee) or trust company under common control with the Trustee. The Board has provided a certified copy of the Investment Policy to the Trustee 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 or Account to which the investment is credited from which such income is derived.

(B) 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 if no activity occurred in such Fund during such month.

(C) Valuations of Investment Securities held in the Funds, Sub-Funds, Accounts and Sub-Accounts 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, Sub-Funds, Accounts and Sub-Accounts, Investment Securities therein shall be valued as provided in Subsection (D) of this Section 503. Investment Securities in any Fund created under the provisions of this Indenture or any Supplemental 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.

(D) The value of Investment Securities shall mean the fair market value thereof, provided, however, that all United States Treasury Securities — State and Local Government Series 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.

(E) Except as otherwise provided in this Indenture, the Trustee at the direction of the Chief Financial Officer or other Authorized Officer shall sell at the best price reasonably obtainable, or present for redemption, any Investment Security held in any Fund, Sub-Fund, Account or Sub-Account held by the Trustee whenever it shall be necessary to provide moneys to meet any payment or transfer from such Fund, Sub-Fund, Account or Sub-Account as the case may be. The Trustee and the Board shall not be liable or responsible for making any such investment in the manner provided above or for any loss resulting from any such investment.

## ARTICLE VI

### Particular Covenants and Representations of the Board

**Section 601. 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, any Supplemental Indenture and in the Notes.

(B) If the maturity of any Series of Notes or installment of interest shall be extended pursuant to the written consent of the Owner thereof, such Series of Notes 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 Series of Notes 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 602. 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 603. 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 documents relating to the Notes, 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 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 Pledged Tax Receipts against all claims and demands.

**Section 604. Tax Anticipation Notes.** The Board reserves the right to continue to issue Notes as Additional Notes payable from all or any portion of the Pledged Taxes, and any such Additional Notes shall share ratably and equally in the Pledged Tax Receipts with the Notes; *provided, however*, that (i) the Board shall not issue any other obligations secured by Pledged Tax Receipts while any Notes or the 2017 GANS are outstanding; (ii) no Notes shall be issued later than the 15th day next following the Tax Penalty Date; (iii) no Notes shall be issued if, as of the time immediately following the issuance of such Notes, the aggregate principal amount of all outstanding obligations secured by Pledged Tax Receipts, including all outstanding Notes, would exceed the lesser of (1) \$1,550,000,000 on or before April 3, 2018 or \$950,000,000 on or after April 3, 2018 and (2) eighty percent (80%) of the Uncollected Pledged Taxes; *provided, however*, while the 2017 GANS are outstanding, the Board shall not issue any Notes, other than Exchange Notes, if such issuance would cause the sum of (i) the principal amount of then outstanding Notes, (ii) the principal amount of then outstanding 2017 GANS and (iii) the principal amount of then authorized but unissued 2017 GANS, to exceed eighty percent (80%) of the Uncollected Pledged Taxes.

**Section 605. Covenants Regarding Pledged Tax Receipts.** The Board has directed the County Collectors to deposit all collections of Pledged Tax Receipts 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 Tax Receipts. The Board shall provide to each Purchaser a copy 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 Tax Receipts may be collected, deposited and applied as described in the Tax Escrow Agreement and this Indenture.

**Section 606. Accounts and Reports.** (A) 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.

(B) During the Testing Period, the Trustee shall provide to the Board and each Purchaser on each day the Trustee receives Pledged Tax Receipts from the Escrow Agent a notice in the form attached to a Supplemental Indenture, as applicable, providing information with respect to the amount of Pledged Tax Receipts received by the Trustee from the Escrow

Agent on each such day and of such amounts so received, (A) the amounts released to the Board free and clear of the lien of this Indenture pursuant to Section 403(C) hereof and (B) the amounts retained in the Debt Service Fund for application to the payment of the principal of and interest on the Notes.

**Section 607. Third Party Engagement and Deliverables.** If at any time, the Board shall engage, or shall cause to be engaged on its behalf, any third party consultant for the purpose of preparing any restructuring or insolvency plans with respect to the Board or the School District, the Board (i) shall promptly; and in any event within five (5) days following the engagement thereof, notify the applicable Purchaser of such engagement and the scope of such engagement, (ii) at the request of the applicable Purchaser and to the extent permitted by the related engagement letter and to the extent subject to disclosure pursuant to the Illinois Freedom of Information Act, 5 ILCS 140 et. seq. (or any successor act thereto) (the "*Freedom of Information Act*"), shall provide to the applicable Purchaser a copy of such related engagement letter, (iii) at the request of the applicable Purchaser and to the extent subject to disclosure pursuant to the Freedom of Information Act, shall provide to the applicable Purchaser a copy of any final report of such consultant delivered to the Board, and (iv) shall allow each applicable Purchaser to provide a copy of any such final report received by such Purchaser to any potential subsequent Purchaser with respect to the Notes.

## ARTICLE VII Remedies of Owners

**Section 701. Events of Default.** Each of the following events is hereby declared an "*Event of Default*":

- (1) 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;
- (2) 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;
- (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 60 days after written notice thereof to the Board by the Trustee or after written notice thereof to the Board and to the Trustee by the Owners of not less than a majority in 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 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; or

(5) (i) if the Board shall default on the payment of the principal of or interest on any Notes, beyond the period of grace, if any, provided in the instrument or agreement under which such Notes were issued; or (ii) if any Purchaser shall provide the Board and the Trustee with notice of the occurrence of an event of default following the lapse of any applicable cure in the observance or performance of any agreement or condition relating to any Notes or contained in any instrument or agreement evidencing, securing or relating thereto has occurred.

**Section 702. 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.

(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 County of Cook, Illinois.

(D) The Owners of not less than a majority in aggregate principal amount of the Notes then 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 exercising 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 security and indemnity to its satisfaction, 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.

(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 (*provided, however*, that no payment shall be made with respect to Notes owned by the Board); 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 Series of Notes until such Series of Notes 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 any Notes to be due and payable prior to the Maturity Date of such Notes following the occurrence of an Event of Default under this Indenture.

**Section 703. Restriction on Owners' Action.** (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 obligation of the Board, which is absolute and unconditional, to pay at the respective dates of maturity and places therein expressed the principal of and interest on the Notes to the respective Owners thereof, or affect or impair the right of action, which is also absolute and unconditional, of any Owner to enforce by any suit or proceeding, including by writ of mandamus, such

payment of its Note solely from the sources provided herein and the Supplemental Indenture pursuant to which such Note was issued.

**Section 704. 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 705. Effect of Waiver and Other Circumstances.** (A) 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.

(B) The Owners of not less than two-thirds in aggregate principal amount of the Notes then 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. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

## **ARTICLE VIII**

### **Concerning the Fiduciaries**

**Section 801. 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 802. Paying Agents; Appointment and Acceptance of Duties.** (A) The Trustee is hereby appointed Paying Agent for each Series of Notes. The Board may at any time or from time to time appoint one or more other Paying Agents for the Notes of each Series. Any 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) 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.

(C) Unless otherwise provided, the corporate trust offices of the Paying Agents in the City of Chicago, Illinois are designated as the respective offices or agencies of the Board for the payment of the principal or Redemption Price of the Notes.



**Section 803. 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. Any Registrar shall be a bank, trust company or national banking association doing business and having an office in the United States, 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. 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 804. 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 or waived, 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 or to evidence upon which the Trustee may rely shall be subject to the provisions of this Article.

(C) Before taking any action under this Indenture relating to an event of default or in connection with its duties under this Indenture other than making payments of principal and interest on the Notes as they become due, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability adjudicated.

**Section 805. 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), 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 an Authorized Officer, 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 an Authorized Officer.

(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 email, 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 806. 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 807. Certain Permitted Acts.** Any Fiduciary may become the Owner of any Notes, with the same rights it would have if it were not a Fiduciary. 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 808. 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 810 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 810.

**Section 809. Removal of Trustee.** The Trustee may be removed at any time 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 810. Appointment of Successor Trustee.** (A) In case at any time the Trustee shall resign or shall be removed or shall 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 810, the Trustee or the Owners of a majority in principal amount of the Notes then 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 banking association, doing business and having a corporate trust office in the State, and having a 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 811. 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 the Paying Agents of its appointment as Trustee.

**Section 812. 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 813. Adoption of Authentication.** In case any of the Notes contemplated to be issued under this Indenture 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 814. Trustee Not Deemed to Have Notice of Default.** The Trustee shall not be deemed to have notice of any default hereunder, except a Note payment default under clause (1) or (2) of Section 701 or the failure of the Board to file with the Trustee any document required by this Indenture, 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, by the Owners of not less than a majority in aggregate principal amount of the Notes then Outstanding. 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 815. 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 and 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, the applicable Purchaser and any persons designated by the Board.

In addition, the Trustee shall, at any time when requested, furnish to the Board, the applicable Purchaser 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 901. 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 authorize a Series of Notes and to specify, determine or authorize any matters and things concerning any such Series which are not contrary to or inconsistent with this Indenture;
- (2) to close this Indenture against, or impose additional limitations or restrictions on, the issuance of Notes, or of other notes, bonds, obligations or evidences of indebtedness;
- (3) to impose additional covenants or agreements to be observed by the Board;
- (4) to impose other limitations or restrictions upon the Board;
- (5) to surrender any right, power or privilege reserved to or conferred upon the Board by this Indenture;
- (6) to confirm, as further assurance, any pledge of or lien upon the Trust Estate or any other moneys, securities or funds;
- (7) to cure any ambiguity, omission or defect in this Indenture which, in the judgment of the Trustee, is not to the prejudice in any regard of the Trustee or the Owners;
- (8) to provide for the appointment of a successor securities depository in the event any Series of Notes is held in book-entry only form;
- (9) to provide for the appointment of any successor Fiduciary;

(10) to conform the provisions of the Indenture to the provisions of the TIF Act, the Act, the School Code, the Code and Regulations, or other applicable law; and

(11) to make any other change which, in the judgment of the Trustee, is not to the prejudice in any regard of the Trustee or the Owners.

**Section 902. Supplemental Indentures Effective upon Consent of Owners.** Any Supplemental Indenture not effective in accordance with Section 901 shall take effect only if permitted and approved and in the manner prescribed by Article X.

**Section 903. Filing of Counsel's Opinion.** Each Supplemental Indenture described in Section 901 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 1001. 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 only to each Owner of Notes then Outstanding at its address, if any, appearing upon the registration books of the Board kept by the Registrar.

**Section 1002. Powers of Amendment.** Except for Supplemental Indentures described in Section 901, any modification or amendment of this Indenture and of the rights and obligations of the Board and of the Owners of the Notes hereunder, in any particular, may be made by a Supplemental Indenture with the written consent given as provided in Section 1003 hereof of the Owners of at least a majority in aggregate principal amount of the Notes then Outstanding at the time such consent is given; *provided, however*, that if such modification or amendment will, by its terms, not take effect so long as any Notes of any specified like Series and maturity remain Outstanding, the consent of the Owners of such Notes shall not be required and such Notes shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Notes under this Section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Notes, or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Owner of such Note, or shall reduce the percentages or otherwise affect the classes of Notes the consent of the Owners of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto.

For the purposes of this Section, a Series shall be deemed to be affected by a modification or amendment of this Indenture if the same adversely affects or diminishes the rights of the Owners of Notes of such Series. The Trustee may in its discretion determine whether or not the rights of the Owners of Notes of any particular Series or maturity would be adversely affected or diminished by any such modification or amendment, and its determination shall be binding and conclusive on the Board and all Owners of the Notes.

**Section 1003. 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 1002, 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 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, the Owners 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 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 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 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 1004. Modifications by Unanimous Action.** The Indenture and the rights and obligations of the Board and of the Owners of the Notes thereunder 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 1003 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 1005. Exclusion of Notes.** 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 an Authorized Officer, upon which the Trustee may rely, identifying all Notes so to be excluded.

**Section 1006. Notation on Notes.** Notes authenticated and delivered after the effective date of any action taken 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 1101. 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 and other moneys and securities pledged 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 Series, maturity within a Series or portion of any maturity within a Series, 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 1101 if the Board shall have delivered to or deposited with the Trustee (i) 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, (ii) irrevocable instructions to publish or mail the required notice of redemption of any Notes so to be redeemed, (iii) 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, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal or 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, (iv) if any of said Notes are not to be redeemed within the next succeeding 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. In determining the amount of any deposit to be made pursuant to clause (iii) of the preceding sentence, the Variable Rate borne by the Notes shall be assumed to be 9% for any period of time during which the actual Variable Rate borne by the Notes is not known. 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, said Notes 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 such Notes, at maturity or upon redemption, as the case may be.

(C) 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 1101.

(D) Any moneys held by a Fiduciary in trust for the payment and discharge of any of the Notes which remain unclaimed for two years after the date when 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 the 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 1102. 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 corporation or association or a member of a partnership, on behalf of such corporation, 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 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 1103. 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 1104. 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 1105. Cancellation and Destruction of Notes.** All Notes paid or redeemed, either at or before maturity, and all mutilated Notes surrendered pursuant to Section 307, 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 cancelled. Notes so cancelled 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 1106. Parties Interested 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 1107. No Recourse.** (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 of the Board, 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, 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 of the Board, 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 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, 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 of the Board, officer, 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 of the Board, 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 1108. 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 so expressed or not.

**Section 1109. 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 1110. 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 or the

Trustee shall be deemed to have been sufficiently given, delivered or filed for all purposes of the Indenture if and when sent by registered mail, return receipt requested:

To the Board, if addressed to: Board of Education of the City of Chicago  
42 West Madison Street  
2nd Floor  
Chicago, Illinois 60602  
Attention: Senior Vice President of Finance

With a copy to: Board of Education of the City of Chicago  
42 West Madison Street  
2nd Floor  
Chicago, Illinois 60602  
Attention: Chief Financial Officer

and

Board of Education of the City of Chicago  
1 North Dearborn Street  
Chicago, Illinois 60602  
Attention: General Counsel

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

To the Trustee, if addressed to: Zions Bank  
111 West Washington Street, Suite 1860  
Chicago, Illinois 60602  
Attention: Corporate Trust Department

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

**Section 1111. Construction.** The Indenture and all Supplemental Indentures shall be construed in accordance with the provisions of State law.

**Section 1112. Multiple Counterparts.** The Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original; and such counterparts shall constitute but one and the same instrument.

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 Senior Vice President of Finance and attested by its Secretary and Zions Bank 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: \_\_\_\_\_  
Senior Vice President of Finance, Board of  
Education of the City of Chicago

ATTEST:

\_\_\_\_\_  
Secretary, Board of Education of the  
City of Chicago

ZIONS BANK, a division of ZB, National  
Association, as Trustee

By: \_\_\_\_\_  
Authorized Officer

[SEAL]

ATTEST:

\_\_\_\_\_  
Authorized Officer

EXHIBIT B

FORM OF SERIES INDENTURE

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\_\_\_\_ SUPPLEMENTAL INDENTURE

by and between

BOARD OF EDUCATION OF THE CITY OF CHICAGO

and

ZIONS BANK, A DIVISION OF ZB, NATIONAL ASSOCIATION  
as Trustee

Dated as of \_\_\_\_\_ 1, 2017

SECURING BOARD OF EDUCATION OF THE CITY OF CHICAGO  
Educational Purposes Tax Anticipation Notes

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THIS \_\_\_\_\_ SUPPLEMENTAL INDENTURE dated as of \_\_\_\_\_, 2017 (the "*Supplemental 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 (the "*Board*"), and Zions Bank, a division of ZB, National Association, a national banking association duly organized, existing and authorized to accept and execute trusts of the character herein set out, as Trustee (the "*Trustee*") under the Master Trust Indenture dated as of August 1, 2017, by and between the Board and the Trustee securing Board of Education of the City of Chicago Educational Purposes Tax Anticipation Notes (the "*Indenture*").

## WITNESSETH:

WHEREAS, on \_\_\_\_\_, 2017, the Board adopted Resolution 17-0828-RS\_\_ (the "*Note Resolution*") authorizing the issuance, from time to time, in one or more series, of its Educational Purposes Tax Anticipation Notes in an aggregate principal amount not to exceed \$ \_\_\_\_\_ (the "*Tax Anticipation Notes*"); and

WHEREAS, this \_\_\_\_\_ Supplemental Indenture is entered into pursuant to clause (1) of Section 901 of the Indenture and the Note Resolution to authorize the issue of Tax Anticipation Notes as two Series of Notes under the Indenture (each as herein defined) and to specify, determine and authorize any matters and things concerning each such Series which are not contrary to or inconsistent with the Indenture; and

WHEREAS, each Series of Tax Anticipation Notes, when issued, will be secured by a pledge of, lien on and security interest in the Trust Estate as defined in the Indenture; and

WHEREAS, the Board has determined to issue a (i) Series of Tax Anticipation Notes in the aggregate principal amount of \$ \_\_\_\_\_ (the "*Series 2017\_\_ Notes*") and (ii) Series of Tax Anticipation Notes in the aggregate principal amount of \$ \_\_\_\_\_ (the "*Series 2017\_\_ Notes*" and, together with the Series 2017\_\_ Notes, the "*2017\_\_ Notes*"), pursuant to Article 34 of the School Code, 105 Illinois Compiled Statutes 5/34, as amended (the "*School Code*"), the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350, as amended (the "*Act*"), the Note Resolution and the Indenture; and

WHEREAS, Zions Bank, a division of ZB, National Association, as Trustee under the Indenture has accepted its appointment as Trustee and does hereby acknowledge and accept the powers, duties and obligations of the Trustee under this \_\_\_\_\_ Supplemental Indenture; and

WHEREAS, all things necessary to make the 2017\_\_ Notes, when authenticated by the Trustee and issued as in the Indenture and in this \_\_\_\_\_ Supplemental Indenture provided, the valid, binding and legal limited obligations of the Board according to the import thereof, and to constitute the Indenture and this \_\_\_\_\_ Supplemental Indenture as a valid pledge of and grant of a lien on the Trust Estate for the purpose of securing the payment of the principal of, premium, if any, and interest on the 2017\_\_ Notes have been done and performed, in due form and time, as required by law; and

WHEREAS, the execution and delivery of this \_\_\_\_\_ Supplemental Indenture and the execution and issuance of the 2017\_\_ Notes, subject to the terms hereof, have in all respects been duly authorized;

## GRANTING CLAUSES

NOW, THEREFORE, THIS \_\_\_\_\_ SUPPLEMENTAL INDENTURE WITNESSETH:

That in order to secure the payment of the principal of, premium, if any, and interest on the 2017\_\_ Notes under the Indenture, according to the import thereof, and the performance and observance of each and every covenant and condition herein and in the 2017\_\_ 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 2017\_\_ 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 2017\_\_ 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 confirm the pledge of and lien on the following Trust Estate to the Trustee and its successors in trust and assigns, to the extent provided in the Indenture:

(a) The Pledged Tax Receipts, provided that the pledge of the Pledged Tax Receipts to the Series 2017\_\_ Notes is on a parity with the pledge of the Pledged Tax Receipts to any other Tax Anticipation Notes; and

(b) All moneys and securities and earnings thereon held in the Escrow Account maintained under the Tax Escrow Agreement (as defined herein), provided that such pledge to the Series 2017\_\_ 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 said 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 \_\_\_\_\_ Supplemental Indenture.

THIS \_\_\_\_\_ SUPPLEMENTAL INDENTURE FURTHER WITNESSETH that, in addition to the terms, conditions and covenants of the Indenture, the Board, the Trustee and the Owners of the 2017\_\_ Notes, hereby agree to be bound by the terms, conditions and covenants of this \_\_\_\_\_ Supplemental Indenture, as follows:

## ARTICLE I.

### Definitions and Construction

**Section 101. Definitions.** All capitalized terms used in this \_\_\_\_\_ Supplemental Indenture, unless otherwise defined, shall have the same meaning as set forth in Section 101 of the Indenture. In addition, the following terms shall, for all purposes of this \_\_\_\_\_ Supplemental Indenture, have the following meanings unless a different meaning clearly appears from the context:

“*Authorized Denominations*” means \$100,000 or any integral multiple of \$5,000 in excess of \$100,000.

“*Calculation Agent*” means, initially, \_\_\_\_\_, and thereafter any other Calculation Agent designated from time to time by the Board, with the approval of the then Owners of not less than a majority in principal amount of the Outstanding 2017\_\_ Notes, which approval shall not be unreasonably withheld.

“*DTC*” means The Depository Trust Company, as securities depository for the 2017\_\_ Notes.

“*DTC Participant*” shall mean any securities broker or dealer, bank, trust company, clearing corporation or other *organization* depositing 2017\_\_ Notes with DTC.

“*Indenture*” means the Master Trust Indenture, dated as of August 1, 2017, by and between the Board and the Trustee, securing Board of Education of the City of Chicago Educational Purposes Tax Anticipation Notes, as from time to time amended and supplemented.

“*Interest Payment Dates*” mean March 15, 2018 and September 17, 2018.

“*LIBOR Rate*” means \_\_\_\_\_.

“*Maximum Interest Rate*” means \_\_\_\_\_.

“*Owner*” means any person who shall be the registered owner of any 2017\_\_ Note or Notes.

“*Purchaser*” means \_\_\_\_\_, and its successors and assigns.

“*\_\_\_\_\_ Supplemental Indenture*” means this \_\_\_\_\_ Supplemental Indenture, dated as of \_\_\_\_\_ 1, 201\_\_, by and between the Board and the Trustee, as from time to time amended and supplemented.

“*Variable Rate*” means \_\_\_\_\_.

**Section 102. Interpretations.** 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 \_\_\_\_\_ Supplemental 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 \_\_\_\_\_ Supplemental Indenture as originally executed.

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 \_\_\_\_\_ Supplemental Indenture, nor do they affect its meaning, construction or effect.

## ARTICLE II.

### Authorization and Issuance of 2017\_\_ Notes

**Section 201. Authorization of 2017\_\_ Notes.** The Series 2017\_\_ Notes and the Series 2017\_\_ Notes, each entitled to the benefit, protection and security of the Indenture and this \_\_\_\_\_ Supplemental Indenture, are hereby authorized in the aggregate principal amount of \$\_\_\_\_\_ and \$\_\_\_\_\_, respectively to finance the payment of general expenses and other payment obligations of the School District and to pay costs in connection with the issuance of the 2017\_\_ Notes. The Series 2017\_\_ Notes shall be designated as, and shall be distinguished from the Notes of all other Series, by the title "Educational Purposes Tax Anticipation Notes, Series 2017\_\_." The Series 2017\_\_ Notes shall be designated as, and shall be distinguished from the Notes of all other Series, by the title "Educational Purposes Tax Anticipation Notes, Series 2017\_\_."

**Section 202. General Provisions for Issuance.** The 2017\_\_ Notes shall be issued pursuant to Section 202 of the Indenture shall be executed by the Board and delivered to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Board or upon its order, but only upon the receipt by the Trustee, at or prior to such authentication, of each of the items listed in clauses (1), (2), (3) and (4) of Section 202(A) of the Indenture.

**Section 203. Terms of 2017\_\_ Notes.** (A) Each Series 2017\_\_ Note shall be in registered form and shall be initially dated September 1, 2017. Each Series 2017\_\_ Note shall be in registered form and shall be initially dated January 1, 2018.

(B) Each 2017\_\_ Note shall bear interest from its date at the rate per annum equal to the applicable Variable Rate. The Variable Rate shall be rounded to the \_\_\_\_\_ decimal place. The Variable Rate as effective from time to time for the Series 2017\_\_ Notes shall be calculated by the Calculation Agent and communicated to the Board and the Trustee, which calculations shall be deemed to be conclusive in the absence of manifest error. Interest on each 2017\_\_ Note shall be computed on the basis of the actual number of days elapsed over a 360 day year (actual/360). Interest on each 2017\_\_ Note shall be payable on the Interest Payment Dates and the earliest of its (i) maturity date, (ii) purchase date or (iii) redemption date.

(C) The Series 2017\_\_ Notes shall mature on the earlier of (i) \_\_\_\_\_, 201\_\_ if the Tax Penalty Date is on or after \_\_\_\_\_, 201\_\_ ; or (ii) 60 days after the Tax Penalty Date if the Tax Penalty Date is after \_\_\_\_\_, 201\_\_. The Series 2017\_\_ Notes shall mature on \_\_\_\_\_, 201\_\_.

(D) Each 2017\_\_ Note shall be in denominations of \$\_\_\_\_\_ or any integral multiple of \$\_\_\_\_\_ in excess of \$\_\_\_\_\_ and each 2017\_\_ Note shall be numbered consecutively but need not be authenticated or delivered in consecutive order. The

2017\_\_ Notes and the Trustee's Certificate of Authentication shall be in substantially the form set forth in *Exhibit A* attached hereto and by reference made a part hereof with such variations, omissions or insertions as are required or permitted by the Indenture.

(E) The principal of the 2017\_\_ Notes shall be payable at the designated corporate trust offices of the Trustee, in the City of Chicago, Illinois, as Paying Agent, and at such offices of any co-Paying Agent or successor Paying Agent or Paying Agents for the 2017\_\_ Notes appointed pursuant to the Indenture. Interest on the 2017\_\_ Notes shall be payable by check or bank draft mailed or delivered by the Trustee to the Owners as the same appear on the registration books of the Board maintained by the Registrar as of the Record Date or, at the option of any Owner, by wire transfer of current funds to such bank in the continental United States as said Owner shall request in writing to the Registrar.

(F) [The 2017\_\_ Notes shall be initially issued in the form of a separate single fully registered 2017\_\_ Note for each maturity. Upon initial issuance, the ownership of each such 2017\_\_ Note shall be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, and except as hereinafter provided, the ownership of all of the outstanding 2017\_\_ Notes shall be registered in the name of Cede & Co., as nominee of DTC.]

(G) With respect to 2017\_\_ Notes registered in the name of Cede & Co., as nominee of DTC, the Board and the Trustee shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the 2017\_\_ Notes. Without limiting the immediately preceding sentence, the Board and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in any 2017\_\_ Note, (ii) the delivery to any DTC Participant or any other Person, other than the Owner of any 2017\_\_ Note, of any notice with respect to such 2017\_\_ Note, (iii) the payment to any DTC Participant or any other Person, other than the Owner of any 2017\_\_ Note, of any amount with respect to principal or Redemption Price of or interest on such 2017\_\_ Note or (iv) any allocation method for the redemption, including any pro-rata redemption, of 2017\_\_ Notes among DTC Participants and the beneficial owners of the 2017\_\_ Notes. The Board, the Trustee and each other Paying Agent, if any, shall be entitled to treat and consider the Person in whose name each 2017\_\_ Note is registered as the absolute owner of such 2017\_\_ Note for the purpose of payment of principal and interest with respect to such 2017\_\_ Note, for the purpose of giving notices of redemption, for the purpose of registering transfers with respect to such 2017\_\_ Note and for all other purposes whatsoever. The Trustee and each other Paying Agent, if any, shall pay all principal of and interest on the 2017\_\_ Notes only to or upon the order of the respective Owners thereof, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to satisfy and discharge fully the Board's obligations with respect to payment of principal of and interest on the 2017\_\_ Notes to the extent of the sum or sums so paid. No Person other than an Owner of a 2017\_\_ Note shall receive a 2017\_\_ Note certificate evidencing the obligation of the Board to make payments of principal of and interest on the 2017\_\_ Notes pursuant to this Indenture.

(H) The Owners of the 2017\_\_ Notes have no right to the appointment or retention of a depository for such 2017\_\_ Notes. DTC may resign as securities depository under the conditions provided in the Letter of Representations. In the event of any such resignation, the

Board shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities Exchange Act of 1934, as amended, notify DTC of the appointment of such successor securities depository and transfer or cause the transfer of one or more separate 2017\_\_ Note certificates to such successor securities depository or (ii) notify DTC of the availability through DTC of 2017\_\_ Note certificates and transfer or cause the transfer of one or more separate 2017\_\_ Note certificates to DTC Participants having 2017\_\_ Notes credited to their DTC accounts. In such event, the 2017\_\_ Notes shall no longer be restricted to being registered in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names the DTC Participants receiving 2017\_\_ Notes shall designate, in accordance with the provisions of this Indenture.

(I) The Board has heretofore executed and delivered the Letter of Representations to DTC. So long as DTC, or its designee, is the Owner of all 2017\_\_ Notes, the provisions set forth in the Letter of Representations shall apply to the redemption of any 2017\_\_ Notes and to the payment of principal or Redemption Price of and interest on the 2017\_\_ Notes, including without limitation, that: (1) presentation of 2017\_\_ Notes to the Trustee at maturity shall be deemed made to the Trustee when the right to exercise ownership rights in the 2017\_\_ Notes through DTC or DTC's Participants is transferred by DTC on its books; and (2) DTC may present notices, approvals, waivers or other communications required or permitted to be made by Owners of 2017\_\_ Notes under this Indenture on a fractionalized basis on behalf of some or all of those Persons entitled to exercise ownership rights in the 2017\_\_ Notes through DTC or DTC's Participants.

(J) So long as the 2017\_\_ Notes are registered in the name of Cede & Co., as nominee of DTC, the Trustee agrees to comply with the terms and provisions of the Letter of Representations.

**Section 204. Application of Proceeds.** \$\_\_\_\_\_ of the net proceeds of sale of the 2017\_\_ Notes shall be deposited into the Program Expense Fund to pay costs of issuance of the 2017\_\_ Notes. All of the remaining \$\_\_\_\_\_ net proceeds of sale of the 2017\_\_ Notes shall be paid to the Board.

**Section 205. Optional Redemption.** (A) (i) The Series 2017\_\_ 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 occurring on or after \_\_\_\_\_, 201\_\_, 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 Series 2017\_\_ Notes Outstanding shall be made in such a manner that all Series 2017\_\_ Notes Outstanding after such redemption are in Authorized Denominations and shall be made on a pro rata basis among all Outstanding Series 2017\_\_ Notes.

(ii) The Series 2017\_\_ 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 occurring on or after \_\_\_\_\_, 201\_\_, 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 Series

2017\_\_ Notes Outstanding shall be made in such a manner that all Series 2017\_\_ Notes Outstanding after such redemption are in Authorized Denominations and shall be made on a pro rata basis among all Outstanding Series 2017\_\_ Notes.

(B) 2017\_\_ Notes shall be subject to redemption prior to their Maturity Date at the option of the Board, in whole, on any Business Day occurring on or after the Purchaser has provided the Board and the Trustee with notice of the occurrence of an Event of Default, at a redemption price equal to 100 percent of the principal amount thereof plus accrued interest, if any, to the Redemption Date.

(C) 2017\_\_ Notes may be called for redemption by the Trustee pursuant to Section 208, upon receipt by the Trustee at least 25 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 206. Redemption at the Election or Direction of the Board.** In the case of any redemption of 2017\_\_ Notes at the election or direction of the Board, the Board shall give written notice to the Trustee of its election or direction so to redeem, of the date fixed for redemption, and of the principal amounts of the 2017\_\_ Notes to be redeemed. Such notice shall be given at least 25 days prior to the specified redemption date or such shorter period as shall be acceptable to the Trustee. In the event notice of redemption shall have been given as in Section 208 provided, there shall be paid on or prior to the specified redemption date to the Trustee an amount in cash 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 2017\_\_ 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 2017\_\_ Notes so called for redemption.

**Section 207. Selection of 2017\_\_ Notes to Be Redeemed.** If any 2017\_\_ Notes are redeemed pursuant to Section 205(b) of this \_\_\_\_\_ Supplemental Indenture, all 2017\_\_ Notes then Outstanding shall be redeemed on a pro-rata basis. If less than all the 2017\_\_ Notes shall be called for redemption under any provision of this \_\_\_\_\_ Supplemental Indenture permitting or requiring such partial redemption, the 2017\_\_ Notes or portions thereof to be redeemed shall be redeemed on a pro rata basis among all Outstanding 2017\_\_ Notes, and the portion of any 2017\_\_ Note to be redeemed shall be in a principal amount equal to an 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 2017\_\_ 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 2017\_\_ Note shall forthwith surrender such 2017\_\_ 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 2017\_\_ Note or 2017\_\_ Notes of such Series in the aggregate principal amount of the unredeemed balance of the principal amount of such 2017\_\_ Note. New 2017\_\_ Notes representing the unredeemed balance of the principal amount of such 2017\_\_ Note shall be issued to the Owner thereof without charge therefor.

**Section 208. Notice of Redemption.** (A) Except as hereinafter provided, a copy of the notice of the call for any redemption identifying the 2017\_\_ Notes to be redeemed shall be given by first class mail, postage prepaid, or by facsimile transmission, not less than twenty (20) days prior to the date fixed for redemption. Such notice shall specify the 2017\_\_ Notes to be received, 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 2017\_\_ 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.

(A) In addition to the requirements of Section 208(a), notice of the redemption of 2017\_\_ Notes or any portion thereof identifying the 2017\_\_ Notes or portions thereof to be redeemed shall specify (i) the Series designation and certificate numbers of 2017\_\_ Notes being redeemed, (ii) the principal amount of 2017\_\_ Notes being redeemed and the redeemed amount for each certificate (for partial calls), (iii) the Redemption Date, and (iv) the redemption price.

(B) Failure to give notice in the manner prescribed in Section 208(a) and Section 208(b) with respect to any 2017\_\_ Note, or any defect in such notice, shall not affect the validity of the proceedings for redemption for any 2017\_\_ Note with respect to which notice was properly given.

(C) If any 2017\_\_ Note is transferred or exchanged on the note register after notice has been given calling such 2017\_\_ Note for redemption, the Trustee will attach a copy of such notice to the 2017\_\_ Note issued in connection with such transfer or exchange.

**Section 209. Payment of Redeemed 2017\_\_ Notes.** Notice having been given in the manner provided in Section 208, the 2017\_\_ Notes or portions thereof so called for redemption shall become due and payable on the date fixed for redemption at the Redemption Price, plus interest accrued and unpaid to such date, and, upon presentation and surrender thereof at any place specified in such notice, such 2017\_\_ Notes, or portions thereof, shall be paid at the Redemption Price, plus interest accrued and unpaid to such date. If there shall be called for redemption less than all of a 2017\_\_ Note, the Board shall execute and the Trustee shall authenticate and the appropriate Fiduciary shall deliver, upon the surrender of such 2017\_\_ Note, without charge to the Owner thereof, for the unredeemed balance of the principal amount of the 2017\_\_ Note so surrendered, fully registered 2017\_\_ Notes of like maturity and interest rate in any Authorized Denominations. If, on the date fixed for redemption, moneys for the redemption of all the 2017\_\_ Notes or portions thereof of like maturity and interest rate to be redeemed, together with interest to such date, shall be held by the Trustee so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the date fixed for redemption, interest on the 2017\_\_ Notes or portions thereof of such maturity and interest rate so called for redemption shall cease to accrue and become payable. If said moneys shall not be so available on the date fixed for redemption, such 2017\_\_ Notes or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

**Section 210. Purchase of 2017\_\_ Notes for Cancellation.** The Board, acting through an Authorized Officer, reserves the right to direct the Trustee to cause the purchase for



immediate cancellation, on any **Business Day** (but solely after (i) \_\_\_\_\_, 201\_\_ with respect to the Series 2017\_\_ Notes and (ii) \_\_\_\_\_, 201\_\_ with respect to the Series 2017\_\_ Notes), of any 2017\_\_ Notes or beneficial interests therein from any Owner or Beneficial Owner of such 2017\_\_ Notes agreeing at its sole discretion to sell such 2017\_\_ Notes or beneficial interests therein. Each such purchase shall be made in Authorized Denominations and shall be made in a principal amount of \$5,000,000 or greater. Such direction from the Board shall be evidenced by a written notice delivered to the Trustee not later than the third Business Day preceding the related Purchase Date (i) directing the Trustee to cause DTC to process such purchase of 2017\_\_ Notes or beneficial interests therein and (ii) stating the principal amount of and purchase price for such 2017\_\_ Notes or beneficial interests therein to be so purchased and the applicable Purchase Date. Any such purchase shall be at a price of not more than par plus accrued interest to the Purchase Date and shall be made from funds on deposit in the Debt Service Fund. Upon such purchase, the 2017\_\_ Notes or beneficial interests therein shall be immediately cancelled and shall no longer be deemed to be Outstanding for purposes of the Indenture and this \_\_\_\_\_ Supplemental Indenture.

**Section 211. Investor Letter.** (A) Concurrently with the delivery of the 2017\_\_ Notes, \_\_\_\_\_ shall execute and deliver to the Board an Investor Letter substantially in the form attached hereto as *Exhibit B*.

(B) Each subsequent Owner or beneficial owner of any 2017\_\_ Note must be either (a) a “qualified institutional buyer”, as defined in Rule 144A promulgated under the Securities Act of 1933 (a “*QIB*”) or (b) an “accredited investor”, as defined in Rule 501 of Regulation D under the Securities Act of 1933.

(C) No sale or other transfer of a 2017\_\_ Note shall be made to an “accredited investor” unless in conjunction therewith such “accredited investor” shall execute, and shall deliver to the selling or transferring Owner and to the Board, an Investor Letter substantially in the form attached hereto as *Exhibit B*.

(D) With respect to a sale or other transfer of any 2017\_\_ Note to a QIB, such QIB, by virtue of such transfer or purchase, shall be deemed to have made all of the acknowledgements, representations and agreements contained in the Investor Letter as of the date of such transfer and purchase as if such QIB had executed an Investor Letter.

### ARTICLE III.

#### Particular Covenants of the Board

**Section 301. Authority for \_\_\_\_\_ Supplemental Indenture.** This First Supplemental Indenture is executed and delivered by the Board by virtue of and pursuant to the School Code, the Local Government Debt Reform Act and the Note Resolution. The Board has ascertained and hereby determines and declares that the execution and delivery of this \_\_\_\_\_ Supplemental Indenture is necessary to meet the public purposes and obligations of the Board, that each and every act, matter, thing or course of conduct as to which provision is made herein is necessary or convenient in order to carry out and effectuate such purposes of the Board and to carry out its powers and is in furtherance of the public benefit, safety and welfare and that each and every

covenant or agreement herein contained and made is necessary, useful or convenient in order to better secure the 2017\_\_ Notes and are contracts or agreements necessary, useful or convenient to carry out and effectuate the corporate purposes of the Board.

**Section 302. Indenture to Constitute Contract.** In consideration of the purchase and acceptance of 2017\_\_ Notes by those who shall hold the same from time to time, the provisions of the Indenture and this \_\_\_\_\_ Supplemental Indenture shall be a part of the contract of the Board with the Owners of the 2017\_\_ Notes and shall be deemed to be and shall constitute a contract between the Board, the Trustee and the Owners from time to time of the 2017\_\_ Notes. The Board covenants and agrees with the Owners of the 2017\_\_ Notes and the Trustee that it will faithfully perform all of the covenants and agreements contained in the Indenture, this \_\_\_\_\_ Supplemental Indenture and in the 2017\_\_ Notes.

**Section 303. Limited Obligations.** The 2017\_\_ Notes are limited obligations of the Board payable from amounts on deposit in the Debt Service Fund and secured by a pledge of, lien on and security interest in the Trust Estate pledged for their payment in accordance with the Indenture and this \_\_\_\_\_ Supplemental Indenture. Neither the full faith and credit nor the general taxing power of the Board is pledged to, or otherwise available for, the payment of any 2017\_\_ Note.

**Section 304. Tax Covenants.** The Board shall not take, or omit to take, any action lawful and within its power to take, which action or omission would cause interest on any 2017\_\_ Note to become subject to federal income taxes in addition to federal income taxes to which interest on such 2017\_\_ Note is subject on the date of original issuance thereof. The Board shall not permit any of the proceeds of the 2017\_\_ Notes, or any facilities financed with such proceeds, to be used in any manner that would cause any 2017\_\_ Note to constitute a "private activity bond" within the meaning of Section 141 of the Code. The Board shall not permit any of the proceeds of the 2017\_\_ Notes or other moneys to be invested in any manner that would cause any 2017\_\_ Note to constitute an "arbitrage bond" within the meaning of Section 148 of the Code or a "hedge bond" within the meaning of Section 149(g) of the Code. The Board shall comply with the provisions of Section 148(f) of the Code relating to the rebate of certain investment earnings at periodic intervals to the United States of America.

## ARTICLE IV.

### Miscellaneous

**Section 401. Trustee Acceptance of Duties.** The Trustee hereby accepts and agrees to the trusts hereby created, but only upon the additional terms set forth in Article VIII of the Indenture, to all of which the Board agrees and the respective Owners of the 2017\_\_ 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 the Indenture and this \_\_\_\_\_ Supplemental Indenture.

**Section 402. Appointment of Fiduciaries.** The Trustee is hereby appointed Paying Agent and Registrar for the 2017\_\_ Notes. The Trustee accepts the duties and obligations imposed upon it as Paying Agent and Registrar by the Indenture and this \_\_\_\_\_ Supplemental

Indenture. The Board may at any time or from time to time appoint one or more other Paying Agents for the 2017\_\_ Notes.

**Section 403. Amendment or Modifications.** This \_\_\_\_\_ Supplemental Indenture may be amended or modified in the same manner as the Indenture may be amended or modified in accordance with Article IX and Article X of the Indenture.

**Section 404. Defeasance.** If the Board shall pay to the Owners of the 2017\_\_ Notes, or provide for the payment of the principal, interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated in Section 1101 of the Indenture, then this \_\_\_\_\_ Supplemental Indenture shall be fully discharged and satisfied.

**Section 405. Preservation and Inspection of Documents.** All documents received by any Fiduciary under the provisions of this \_\_\_\_\_ Supplemental 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 406. Parties Interested Herein.** Nothing in this \_\_\_\_\_ Supplemental 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 2017\_\_ Notes, any right, remedy or claim under or by reason of this \_\_\_\_\_ Supplemental Indenture or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this \_\_\_\_\_ Supplemental 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 2017\_\_ Notes.

**Section 407. Successors and Assigns.** Whenever in this \_\_\_\_\_ Supplemental 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 \_\_\_\_\_ Supplemental Indenture contained by or on behalf of the Board shall bind and inure to the benefit of its successors and assigns whether so expressed or not.

**Section 408. Severability of Invalid Provisions.** If any one or more of the covenants or agreements provided in this \_\_\_\_\_ Supplemental 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 \_\_\_\_\_ Supplemental Indenture.

**Section 409. Notices.** Any notice, demand, direction, request or other instruments authorized or required by this \_\_\_\_\_ Supplemental Indenture to be given to, delivered to or filed with the Board or the Trustee shall be deemed to have been sufficiently given, delivered or filed for all purposes of this \_\_\_\_\_ Supplemental Indenture if and when sent by registered mail, return receipt requested:

To the Board, if addressed to:

Board of Education of the City of Chicago  
42 West Madison Street, 2nd Floor  
Chicago, Illinois 60602  
Attention: Senior Vice President of Finance

With a copy to:

Board of Education of the City of Chicago  
42 West Madison Street, 2nd Floor  
Chicago, Illinois 60602  
Attention: Chief Financial Officer

and

Board of Education of the City of Chicago  
1 N. Dearborn  
Chicago, Illinois 60602  
Attention: General Counsel

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

To the Trustee, if addressed to:

Zions Bank  
111 West Washington Street, Suite 1860  
Chicago, Illinois 60602  
Attention: Corporate Trust Department

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

**Section 410. Construction.** This \_\_\_\_\_ Supplemental Indenture shall be construed in accordance with the provisions of State law.

**Section 411. Multiple Counterparts.** This \_\_\_\_\_ Supplemental Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original; and such counterparts shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Board of Education of the City of Chicago has caused this \_\_\_\_\_ Supplemental Indenture to be executed in its name and on its behalf by its Senior Vice President of Finance and attested by its Secretary and Zions Bank, a division of ZB, National Association, as Trustee, has caused this \_\_\_\_\_ Supplemental Indenture to be executed on its behalf and attested by its authorized officers, all as of the day and year first above written.

BOARD OF THE CITY OF THE  
CITY OF CHICAGO

\_\_\_\_\_  
Senior Vice President of Finance

Attest:

\_\_\_\_\_  
ZIONS BANK, A DIVISION OF ZB,  
NATIONAL ASSOCIATION

\_\_\_\_\_  
Authorized Officer

Attest:

\_\_\_\_\_  
Authorized Officer

**EXHIBIT A**  
**FORM OF 2017\_\_NOTES**

**EXHIBIT A**  
**TO**  
**MASTER TRUST INDENTURE**

**FORM OF SERIES 2017\_\_ NOTE**

No. R-1

\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
BOARD OF EDUCATION OF THE CITY OF CHICAGO  
EDUCATIONAL PURPOSES TAX ANTICIPATION NOTES, SERIES 2017\_\_

Issue Date: \_\_\_\_\_, 201\_\_

Registered Owner:

Principal Amount:

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 Series 2017\_\_ 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 Amount 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 Issue Date specified above, until payment of said Principal Amount has been made or duly provided for.

*Payments.* Interest on Series 2017\_\_ Notes shall be payable on each Interest Payment Date. The principal of the Series 2017\_\_ Notes shall be payable in applicable amounts on each Principal Payment Date.

The principal and interest on the Series 2017\_\_ Notes shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Payment of interest on Series 2017\_\_ Notes shall be paid on each Interest Payment Date by check or bank draft mailed or delivered by Zions Bank, a division of ZB, National Association, as trustee (the "*Trustee*") to the Owners as the same appear on the registration books of the Board maintained by the Registrar as of the Record Date or, at the option of any Owner of \$1,000,000 or more in aggregate principal amount of Series 2017\_\_ Notes, by wire

transfer of immediately available funds to such bank in the continental United States as said Owner shall request in writing to the Registrar no later than the Record Date.

Interest accrued on the Series 2017\_\_\_ Notes shall be paid in arrears on each Interest Payment Date. Interest on the Series 2017\_\_\_ Notes shall be computed upon the basis of a 360-day year and actual days elapsed.

*Interest Rates.* The Series 2017\_\_\_ Notes shall bear interest at the Variable Rate as provided in the Indenture (as hereinafter defined). Under circumstances specified in the Indenture, the Series 2017\_\_\_ Notes may bear interest at a Taxable Rate or a Default Rate.

*General.* This Series 2017\_\_\_ Note is one of a duly authorized issue of not to exceed \$\_\_\_\_\_ aggregate principal amount Educational Purposes Tax Anticipation Notes, Series 2017\_\_\_, of the Board (the "*Series 2017\_\_\_ Notes*"). The Series 2017\_\_\_ 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*"), a Master Trust Indenture dated as of \_\_\_\_\_, 2017 (the "*Master Indenture*"), by and between the Board and Zions Bank, a division of ZB, National Association, Chicago, Illinois, as trustee (the "*Trustee*"), as supplemented by a \_\_\_\_\_ Supplemental Indenture, dated as of \_\_\_\_\_, 201\_\_\_ between the Board and the Trustee (the "*Supplemental Indenture*" and, together with the Master Indenture as supplemented, the "*Indenture*"). The Series 2017\_\_\_ Notes are being issued in anticipation of property taxes levied by the Board for educational purposes for the year 2017.

*Limited Obligations.* The Series 2017\_\_\_ Notes are limited obligations of the Board and are payable solely from Pledged Tax Receipts (as defined in the Master Indenture), *provided* that the pledge of Pledged Tax Receipts with respect to the Series 2017\_\_\_ 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 Series 2017\_\_\_ Notes.

*Maturity Date.* The maturity date of this Series 2017\_\_\_ Note is \_\_\_\_\_, 201\_\_\_.

*Redemption and Prepayment.* The Series 2017\_\_\_ 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 occurring on or after \_\_\_\_\_, 201\_\_\_, at a redemption price equal to 100 percent of the principal amount thereof plus accrued interest, if any, to the Redemption Date. The Board reserves the right to direct the Trustee to purchase on any Business Day for immediate cancellation, any Series 2017\_\_\_ Notes or beneficial interests therein from the registered owner of any Series 2017\_\_\_ Notes or from the Beneficial Owner of any Series 2017\_\_\_ Notes, as provided in the Indenture.

In addition, if an event of default has occurred under the Supplemental Indenture or a default has occurred under Sections \_\_\_\_\_ of the \_\_\_\_\_ Supplemental Indenture without regard to any notice or cure period provided in Section \_\_\_\_\_ thereof, or if any of the events set forth below have occurred, the Board shall redeem the Series 2017\_\_\_ Notes in whole on or before



\_\_\_\_\_, 201\_\_\_\_, at a redemption price equal to 100 percent of the principal amount thereof plus accrued interest, if any, to the Redemption Date.

The Board shall be required to immediately redeem the Series 2017\_\_\_\_ Notes upon the occurrence of any of the following events:

*Registration.* This Series 2017\_\_\_\_ 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 Series 2017\_\_\_\_ Notes may be made, and the Indenture may be discharged, prior to payment of the Series 2017\_\_\_\_ Notes in the manner provided in the Indenture.

*Miscellaneous.* The registered owner of this Series 2017\_\_\_\_ 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 Series 2017\_\_\_\_ Notes, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the registered owners of the Series 2017\_\_\_\_ Notes, and the limitations on such rights and remedies.

Terms used in this Series 2017\_\_\_\_ Note shall have the same meanings as set forth in the Indenture.

It is hereby certified, recited and declared that this Series 2017\_\_\_\_ 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 Series 2017\_\_\_\_ Note have been performed in due time, form and manner as required by law; that the indebtedness of the Board, including the issue of Series 2017\_\_\_\_ Notes of which this is one, does not exceed any limitation imposed by law.

This Series 2017\_\_ 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 Series 2017 \_\_\_ 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

By: \_\_\_\_\_  
Chief Executive Officer,  
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 Series 2017\_\_\_ Note is one of the Series 2017\_\_\_ Notes described in the within-mentioned \_\_\_\_\_ Supplemental Indenture.

Date of Authentication and Delivery:

Zions Bank, a division of ZB, National  
Association, as Trustee

\_\_\_\_\_, 201\_\_

By: \_\_\_\_\_  
Authorized Signatory

# 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:

TEN COM – as tenants in common

UNIF GIFT MIN ACT –  
Custodian

\_\_\_\_\_  
(Cust)

\_\_\_\_\_  
(Minor)

TENANT – as tenants by the entirety

under Uniform Gifts to Minors Act

JT TEN – as joint tenants with right  
of survivorship and not as  
tenants in common

\_\_\_\_\_  
(State)

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

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

\_\_\_\_\_  
(Name and Address of Assignee)

this Series 2017\_\_ Note of the Board of Education of the City of Chicago and does hereby  
irrevocably constitute and appoint \_\_\_\_\_

to transfer said Series 2017\_\_ 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 Series 2017\_\_ Note in every particular, without alteration  
or enlargement or any change whatever.

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**EXHIBIT B  
TO  
\_\_\_\_ SUPPLEMENTAL INDENTURE**

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**FORM OF INVESTOR LETTER**

**EXHIBIT B**

**FORM OF INVESTOR LETTER**

\_\_\_\_\_, 20\_\_

Board of Education of the City of Chicago  
Office of Senior Vice President of Finance  
42 West Madison Street  
\_\_\_\_ Floor  
Chicago, IL 60602

Re: \$ \_\_\_\_\_  
Board of Education of the City of Chicago  
Educational Purposes Tax Anticipation Notes, Series 2017A

Ladies and Gentlemen:

This letter is to provide you with certain representations and agreements with respect to our purchase of all or a portion of the above-referenced Series 2017A Notes (the "*Notes*"). The Notes are issued under and secured in the manner set forth pursuant to a Master Trust Indenture dated as of \_\_\_\_\_, 2017 (the "*Master Indenture*"), by and between the Board of Education of the City of Chicago (the "*Board*") and Zions Bank, a Division of ZB, National Association, Chicago, Illinois, as trustee (the "*Trustee*"), as supplemented by a First Supplemental Indenture, dated as of \_\_\_\_\_, 2017 between the Board and the Trustee (the "*Series Indenture*," and together with the Master Indenture, the "*Indenture*"). \_\_\_\_\_ (the "*Purchaser*," the "*undersigned*," "*us*" or "*we*," as applicable) is purchasing the Notes in the principal amount identified above, and in connection with such purchase, 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 us 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, and an entire loss, 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 a Limited Offering Memorandum was delivered by the Board as required pursuant to the terms of the Note Purchase Agreement, which Limited Offering Memorandum will not be updated after its delivery.

8. We understand and acknowledge that the Notes are limited obligations of the Board payable solely from the tax revenue collected from the tax levy of the Board for educational purposes for the year 2017, provided, however, such "tax revenue collected" shall not include any Tax Increment Revenue paid or payable to the Board pursuant to Section 8 of the Tax Increment Allocation Redevelopment Act, 65 Illinois Compiled Statutes 5/11-74.4, as amended, and that 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.

9. The undersigned acknowledges that it is familiar with the condition, financial or otherwise, of the Board and it has either been supplied with or been given access to information, including financial statements and other financial information, regarding the Board, 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 Board, 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 Board, 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 Board 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 of the Notes; *provided, however*, that the Purchaser reserves the right to sell, transfer or redistribute its ownership in the Notes, subject to the provisions of the Indenture, and agrees that any such sale, transfer or distribution by the Purchaser shall be in accordance with the Indenture.

The Purchaser acknowledges that no sale or other transfer of a Note shall be made to a transferee or purchaser unless in conjunction therewith such transferee or purchaser shall execute, and shall deliver to the selling or transferring Owner and to the Board, an Investor Letter substantially in the form attached as Exhibit B to the Series 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. The Purchaser agrees that it will only offer, sell, pledge, transfer or exchange a Note (or any legal or beneficial interest therein) in accordance with the transfer restrictions set forth in the Indenture.

Capitalized terms used herein without definition shall have the meanings assigned to such terms in the Indenture.

Very truly yours,

[NAME OF PURCHASER]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_