



City of Chicago



O2020-5749

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	11/16/2020
Sponsor(s):	Lightfoot (Mayor)
Type:	Ordinance
Title:	Issuance of City of Chicago General Obligation Bonds and Additional Sales Tax Obligation Bonds for project costs and/or refunding purposes and levy and collection of direct annual taxes
Committee(s) Assignment:	Committee on Finance

FIN



OFFICE OF THE MAYOR
CITY OF CHICAGO

LORI E. LIGHTFOOT
MAYOR

November 16, 2020

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Chief Financial Officer, I transmit herewith an ordinance authorizing the issuance of general obligation and sales tax bonds.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

A handwritten signature in black ink that reads "Lori E. Lightfoot". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Mayor

ORDINANCE

WHEREAS, the City of Chicago (the “*City*”) is a duly constituted and existing municipality within the meaning of Section 1 of Article VII of the 1970 Constitution (the “*Constitution*”) of the State of Illinois (the “*State*”) and is a home rule unit of local government under Section 6(a) of Article VII of the Constitution; and

WHEREAS, in accordance with the provisions of Section 6(a) of Article VII of the Constitution, the City may exercise any power and perform any function pertaining to its government and affairs, including the power to tax and the power to incur debt; and

WHEREAS, the City has determined that it is in the best interests of the inhabitants of the City and necessary for the welfare of the government and affairs of the City to pay the costs of the Refunding and Restructuring Purposes (as defined in Section 1.2 of Part A of this Ordinance); and

WHEREAS, the City has determined that it is in the best interests of the inhabitants of the City and necessary for the welfare of the government and affairs of the City to finance the costs of the New Money Purposes (as defined in Section 1.3 of Part A of this Ordinance); and

WHEREAS, it is in the best interests of the inhabitants of the City and necessary for the welfare of the government and affairs of the City to implement a plan to provide for the financing of the Refunding and Restructuring Purposes and the New Money Purposes, in each case if and to the extent determined by an Authorized Officer (as hereinafter defined) in accordance herewith (the “*Financing Plan*”); and

WHEREAS, Division 13 of Article 8 of the Illinois Municipal Code (the “*Securitization Act*”), authorizes the City, as a home rule municipality, to enter into agreements to assign, sell, transfer or otherwise convey its interest in all or any part of any revenues or taxes that it receives from the State Comptroller, the State Treasurer or the Department of Revenue of the State; and

WHEREAS, the City Council of the City (the “*City Council*”) enacted an ordinance on October 11, 2017 (the “*Authorizing Ordinance*”) which was published in the Journal of Council Proceedings (the “*Journal*”) for such date at pages 55903 through 55915, inclusive, authorizing the formation of the Sales Tax Securitization Corporation (the “*Corporation*”), and the City entered into an Assignment, Purchase and Sale Agreement dated as of December 14, 2017, as amended by that certain First Amendment to Assignment, Purchase and Sale Agreement dated January 30, 2020 (together, the “*Sale Agreement*”) with the Corporation in accordance with the Securitization Act, pursuant to which the City sold to the Corporation all of the City’s right, title and interest in and to certain Sales Tax Revenues (as defined in the Sale Agreement); and

WHEREAS, the purchase price paid by the Corporation to the City under the Sale Agreement included (i) the proceeds of obligations issued and to be issued by the Corporation under that certain Master Trust Indenture, dated as of December 1, 2017 (as amended and supplemented from time to time, the “*Sales Tax Master Indenture*”), by and between the Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee, and (ii) a residual certificate issued by the Corporation in accordance with the Sales Tax Master Indenture, which entitles the owner thereof to receive all moneys deposited in the Residual Fund (as defined in the Sales Tax Master Indenture) created under the Sales Tax Master Indenture; and

WHEREAS, as contemplated by the Authorizing Ordinance, the Corporation authorized and issued obligations pursuant to Section 2.01 of the Sales Tax Master Indenture (“*Senior Sales Tax Obligations*”); and

WHEREAS, the City Council enacted an ordinance on November 26, 2019 (the “*2019 Financing Plan Ordinance*”), which was published in the Journal for such date at pages 11438 through 11508, inclusive, which contemplated the issuance by the Corporation from time to time of additional obligations in accordance with the provisions of the Sales Tax Master Indenture; and

WHEREAS, as contemplated by the 2019 Financing Plan Ordinance, the Corporation authorized and issued obligations under that certain Second Lien Supplemental Trust Indenture, dated as of January 1, 2020 (the “*Second Lien Sales Tax Master Indenture*”), by and between the Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee, the same being Subordinated Indebtedness (as defined in the Sales Tax Master Indenture) issued in accordance with Section 2.05 of the Sales Tax Master Indenture (“*Second Lien Sales Tax Obligations*”, and together with the Senior Sales Tax Obligations, the “*Sales Tax Obligations*”); and

WHEREAS, the City has determined to finance the implementation of the Financing Plan through: (i) the issuance of its general obligation bonds (the “*GO Bonds*”) or general obligation notes (the “*Notes*” and, together with the GO Bonds, the “*Bonds*”) as herein described, and (ii) authorizing the Corporation to issue additional Sales Tax Obligations (the “*Additional Sales Tax Obligations*”); and

WHEREAS, subject to the Refunding and Restructuring Debt Issuance Limit (as hereinafter defined), the City has determined to issue and sell Bonds in the manner hereinafter authorized, in one or more series, in an aggregate principal amount not to exceed \$2,350,000,000 to finance the costs of the Refunding and Restructuring Purposes, such borrowing being for a proper public purpose and in the public interest, and the City, by virtue of its constitutional home rule powers and all laws applicable thereto, has the power to issue such Bonds; and

WHEREAS, subject to the Refunding and Restructuring Debt Issuance Limit, the City has determined to authorize the issuance by the Corporation, for the benefit of the City, of Additional Sales Tax Obligations in an aggregate principal amount not to exceed \$2,350,000,000 to finance the costs of the Refunding and Restructuring Purposes, which Additional Sales Tax Obligations may consist of Senior Sales Tax Obligations, Second Lien Sales Tax Obligations or some combination thereof; and

WHEREAS, subject to the New Money Debt Issuance Limit (as hereinafter defined), the City has determined to issue and sell Bonds in the manner hereinafter authorized, in one or more series, in an aggregate principal amount not to exceed \$1,560,000,000 to finance the costs of the New Money Purposes, such borrowing being for a proper public purpose and in the public interest, and the City, by virtue of its constitutional home rule powers and all laws applicable thereto, has the power to issue such Bonds; and

WHEREAS, in accordance with Section 5(d) of the Authorizing Ordinance (“*Section 5(d)*”), the Mayor of the City (the “*Mayor*”) has filed a request (the “*Mayoral Request*”) with the City Council identifying the aforesaid financing needs in order to finance the Refunding and

Restructuring Purposes and identifying the Sales Tax Revenues as the source of repayment for the Additional Sales Tax Obligations, and this City Council has determined to approve the Mayoral Request by adoption of this Ordinance, in accordance with Section 5(d); and

WHEREAS, in accordance with Section 2.02 of the Sales Tax Master Indenture, the issuance by the Corporation of Senior Sales Tax Obligations under the Sales Tax Master Indenture requires authorization by an ordinance of the City; and

WHEREAS, in accordance with Section 2.05 of the Sales Tax Master Indenture, the issuance by the Corporation of Subordinated Indebtedness under the Sales Tax Master Indenture requires authorization by an ordinance of the City; and

WHEREAS, the repayment of any Sales Tax Obligation will not be an obligation, general or special, of the City and will not be secured by the City's full faith and credit; and

WHEREAS, the Bonds may include one or more series of Bonds the interest on which is, as designated by series, either includible in ("*Taxable Bonds*") or excludable from ("*Tax-Exempt Bonds*") the gross income of their owners for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "*Code*"); and

WHEREAS, the interest component of the Additional Sales Tax Obligations, as designated by series, may be either includible in or excludable from gross income of the owners thereof for federal income tax purposes under Section 103 of the Code; and

WHEREAS, the City has granted to the Corporation the power to issue tax-exempt Sales Tax Obligations "on behalf of the City," within the meaning of U.S. Treasury Regulation Section 1.103-1(b) and the power to issue non-tax-exempt Sales Tax Obligations on behalf of the City; and

WHEREAS, the City intends that, following the issuance of GO Bonds for New Money Purposes under this Ordinance, the taxes levied to pay such GO Bonds in Section 2.2(a) of Part B hereof to pay such GO Bonds will not be abated, but will be extended in each future year during which such GO Bonds are outstanding, which will result in an increase in the overall property tax levy for debt service by such amount in future years; and

WHEREAS, it is desirable to authorize the issuance of the Bonds under and pursuant to one or more trust indentures from the City to a bond trustee substantially in the form authorized by paragraph (c) of Section 1.2 of Part B of this Ordinance, as each may from time to time be amended or supplemented in accordance with its provisions (each such trust indenture being hereinafter referred to as a "*Trust Indenture*"); and

WHEREAS, in connection with the issuance of the Bonds, it is desirable to authorize an Authorized Officer to appoint a bank or trust company to act as bond trustee under one or more Trust Indentures (each such bank or trust company acting in the capacity as bond trustee, bond registrar and paying agent under one or more Trust Indentures, together with any successor bank or trust company appointed by an Authorized Officer and acting in such capacity, being hereinafter referred to as a "*Bond Trustee*"), now, therefore,

Be It Ordained by the City Council of the City of Chicago:

PART A – AUTHORIZATION AND DEBT ISSUANCE

Section 1.1 Authorization. The City Council, after a public meeting heretofore held on this Ordinance by the Committee on Finance of the City Council (the “*Finance Committee*”), pursuant to proper notice and in accordance with the findings and recommendations of the Finance Committee, hereby finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does incorporate them into this Ordinance by this reference. This Ordinance is adopted pursuant to Section 6(a) of Article VII of the Constitution and the Securitization Act. This Ordinance authorizes the following:

- (i) Part B hereof authorizes the issuance, from time to time, of all or a portion of the Bonds, in one or more series, in such principal amounts and with such terms and provisions as set forth therein and in any Trust Indenture therein approved;
- (ii) Part C hereof authorizes the issuance by the Corporation of the Additional Sales Tax Obligations, with such terms and provisions as set forth therein; and
- (iii) Part D hereof provides for the enactment of this Ordinance.

Section 1.2 The Refunding and Restructuring Purposes. The City has heretofore (i) authorized the borrowing of money pursuant to one or more line of credit agreements to provide funds for working capital or interim financing for capital projects (the “*Line of Credit Indebtedness*”), (ii) authorized the borrowing of money pursuant to the City’s commercial paper programs for working capital or interim financing for capital projects (the “*Commercial Paper Indebtedness*”), (iii) borrowed money for the development of one or more of the City’s tax increment financing areas (“*TIF Areas*”), and has issued and has outstanding notes of the City in evidence of such borrowing (collectively, the “*TIF Notes*”), and (iv) issued, and there are currently outstanding, various series of general obligation bonds (collectively, the “*Outstanding City Bonds*”). The Corporation has heretofore issued, and there are currently outstanding, various series of Sales Tax Obligations (such Sales Tax Obligations, together with the Line of Credit Indebtedness, the Commercial Paper Indebtedness, the TIF Notes, the Outstanding City Bonds and Notes issued hereunder (as hereinafter described), the “*Outstanding Indebtedness*”). The City has determined that it is in the best interests of the inhabitants of the City and necessary for the welfare of the government and affairs of the City to (i) authorize the refunding of all or a portion of the Outstanding Indebtedness (said portion of the Outstanding Indebtedness to be refunded being referred to herein as the “*Refunded Indebtedness*”) in order to achieve debt service savings for the City or to restructure debt service of the Outstanding Indebtedness, including, in connection therewith, paying any additional costs in connection with financing such refundings, including, but not limited to, any fees, costs or premiums incurred in effectuating such refunding through a tender offer for any of the Refunded Indebtedness, and (ii) finance operating expenditures or other cash flow needs of the City (collectively, the “*Refunding and Restructuring Purposes*”). The City may issue short-term Notes hereunder with the intent that such Notes be refinanced with the proceeds of long-term GO Bonds or Additional Sales Tax Obligations, and such Notes constitute Outstanding Indebtedness for all purposes hereunder, and the issuance of such Notes and the

refunding of such Notes are expressly included as Refunding and Restructuring Purposes for all purposes hereunder.

Section 1.3 The New Money Purposes. The City has determined that it is in the best interests of the inhabitants of the City and necessary for the welfare of the government and affairs of the City to implement a plan to provide for the financing of (i) public right-of-way improvements in City neighborhoods, including street and alley construction and improvements, lighting improvements, sidewalk improvements and replacements, curb and gutter repairs and replacements and environmental remediation; (ii) infrastructure improvements to enhance the development of economic activity, including industrial street construction and improvements, streetscaping, median landscaping, demolition of hazardous, vacant or dilapidated buildings that pose a threat to public safety and welfare, shoreline reconstruction, riverbank stabilization, residential and commercial infrastructure redevelopment and railroad viaduct clearance improvements; (iii) transportation improvements (to City property and facilities and to property and facilities located within the City limits which are owned by other governmental entities), including street resurfacing, bridge and freight tunnel rehabilitation, viaduct rehabilitation, traffic signal modernization, new traffic signal installation, intersection safety improvements and transit facility improvements; (iv) grants to assist not-for-profit organizations or educational or cultural institutions, or to assist other municipal corporations, units of local government, school districts, the State or the United States of America; (v) the duly authorized acquisition of improved or unimproved real property within the City for municipal, industrial, commercial or residential purposes; (vi) the acquisition of personal property, including, but not limited to, computer hardware and software, vehicles or other capital items useful or necessary for City purposes; and (vii) constructing, equipping, altering, improving and repairing various municipal facilities and the sites thereof, including fire stations, police stations, libraries, senior and health centers and other municipal facilities (the purposes described in clauses (i) through (vii) above being referred to herein as the “*New Money Purposes*”).

Section 1.4 Debt Issuance and Debt Limit. \$2,350,000,000 aggregate principal amount of Bonds and Additional Sales Tax Obligations are hereby authorized to be issued for the purpose of financing the Refunding and Restructuring Purposes (the “*Refunding and Restructuring Purposes Debt Authorization Amount*”). \$1,560,000,000 aggregate principal amount of Bonds are hereby authorized to be issued for the purpose of financing the New Money Purposes (the “*New Money Purposes Debt Authorization Amount*”). The combined aggregate principal amount of Bonds and Additional Sales Tax Obligations issued under the authorizations contained in this Ordinance for Refunding and Restructuring Purposes shall not exceed \$2,350,000,000 (the “*Refunding and Restructuring Debt Issuance Limit*”). The combined aggregate principal amount of Bonds issued under the authorizations contained in this Ordinance for New Money Purposes shall not exceed \$1,560,000,000 (the “*New Money Debt Issuance Limit*”).

PART B – GENERAL OBLIGATION BONDS

ARTICLE I.

AUTHORIZATION AND DETAILS OF GENERAL OBLIGATION BONDS

Section 1.1 Findings and Determinations. This City Council hereby finds and determines as follows:

(a) that the issuance of the Bonds to implement the Financing Plan is in the best interests of the City;

(b) that the City's ability to issue the Bonds from time to time without further action by this City Council at various times, in various principal amounts and with various interest rates and interest rate mechanisms, maturities, redemption provisions and other terms will enhance the City's opportunities to obtain financing upon the most favorable terms available; and

(c) that the delegations of authority that are contained in this Ordinance are necessary and desirable because this City Council cannot itself as advantageously, expeditiously or conveniently exercise such authority and make such specific determinations. Thus, authority is granted to the Mayor, the Chief Financial Officer of the City (the "*Chief Financial Officer*") or the City Comptroller of the City (the "*City Comptroller*") (an "*Authorized Officer*" as referred to herein being either the Chief Financial Officer or the City Comptroller) to determine to sell one or more series of the Bonds, at one or more times, as and to the extent the Mayor or an Authorized Officer determines that such sale or sales is desirable and in the best interests of the City.

Section 1.2 Authorization of Bonds and Trust Indentures.

(a) All or a portion of the Refunding and Restructuring Purposes Debt Authorization Amount and the New Money Purposes Debt Authorization Amount (together, the "*Debt Authorization Amounts*") may be issued as Bonds. Subject to the Refunding and Restructuring Debt Issuance Limit, Bonds are hereby authorized to be issued in one or more series, in an aggregate principal amount not to exceed \$2,350,000,000 for the purpose of financing all or a portion of the cost of the Refunding and Restructuring Purposes including therewith (i) costs of issuance, including underwriters discount or any origination fee or similar fee charged by a Direct Purchaser (as hereinafter defined), (ii) capitalized interest on the Bonds, and (iii) credit enhancements (including, but not limited to, premiums for the purchase of policies of municipal bond insurance with respect to the Bonds). Subject to the New Money Debt Issuance Limit, Bonds are hereby authorized to be issued in one or more series, in an aggregate principal amount not to exceed \$1,560,000,000 for the purpose of financing all or a portion of the cost of the New Money Purposes including therewith (i) costs of issuance, including underwriters discount or any origination fee or similar fee charged by a Direct Purchaser, (ii) capitalized interest on the Bonds, and (iii) credit enhancements (including, but not limited to, premiums for the purchase of policies of municipal bond insurance with respect to the Bonds).

The City anticipates that it will issue Bonds for the Refunding and Restructuring Purposes in four parts: a refunding and restructuring for the City's Corporate Fund (the "*Corporate Fund*") and working capital purposes (the "*Corporate Fund Purpose*"), a refunding for savings (the

"Savings Refunding Purpose"), a refunding of the TIF Notes (the "*TIF Note Refunding Purpose*"), and an additional economic and tender offer refunding (the "*Additional Economic and Tender Offer Refunding Purpose*"). The anticipated amount of the Bonds to be issued for the Additional Economic and Tender Offer Refunding Purpose is \$430,000,000, and the anticipated aggregate amount of Bonds to be issued for the Corporate Fund Purpose, the Savings Refunding Purpose and the TIF Note Refunding Purpose is \$1,920,000,000, *provided*, however, that the descriptions of the Additional Economic and Tender Offer Refunding Purpose, the Savings Refunding Purpose, TIF Note Refunding Purpose and the Corporate Fund Purpose do not in any way limit the ability of the City to issue Bonds for any of the Refunding and Restructuring Purposes, and the amounts set forth in this paragraph are presented for informational purposes only and do not restrict the City's ability to issue Bonds for any of the Refunding and Restructuring Purposes in any amount, provided that the aggregate amount of Bonds issued pursuant to this Ordinance for Refunding and Restructuring Purposes does not exceed the Refunding and Restructuring Debt Issuance Limit.

The City anticipates that it will issue bonds for the New Money Purposes in the amounts set forth on *Exhibit A* hereto, *provided*, however, that the amounts set forth on *Exhibit A* are presented for informational purposes only and do not restrict the City's ability to issue Bonds for any of the New Money Purposes to any amount, provided that the aggregate amount of Bonds issued pursuant to this Ordinance for New Money Purposes does not exceed the New Money Debt Issuance Limit.

(b) The Bonds may be issued from time to time in one or more series in an aggregate principal amount not exceeding the amount specified above, or such lesser amounts as may be determined by an Authorized Officer.

(c) The Bonds of each series may be issued pursuant to, and have such terms and provisions as are set forth in, a Trust Indenture from the City to a Bond Trustee substantially in the form attached as *Exhibit B*, which is incorporated in this Ordinance by this reference, but with such revisions in text as the Mayor or the Authorized Officer executing the same shall determine are necessary or desirable, the execution thereof, and any amendment thereto, by the Mayor or such Authorized Officer to evidence the City Council's approval of all such revisions. Such revisions may include, among other things, (i) revisions required in the case of the issuance of a series of Taxable Bonds, (ii) revisions required to accommodate the inclusion of working capital as part of the Financing Plan, (iii) revisions required to accommodate the sale of the Bonds on a forward-delivery basis, (iv) revisions required to accommodate the sale of the Bonds to a Direct Purchaser, and (v) revisions required to reflect the issuance of the Bonds as Direct Purchase Bonds (as hereinafter defined). With respect to any series of Bonds issued pursuant to a Trust Indenture, in the event of any conflict between the provisions of this Ordinance and such Trust Indenture (including in the form of Bond attached thereto as an exhibit), the terms of such Trust Indenture shall be deemed to control. The Mayor or an Authorized Officer is authorized to enter into one or more of such Trust Indentures from time to time on behalf of the City.

(d) The Bonds will bear interest at fixed rates and pay interest as described below. Each series of Bonds shall be dated such date as shall be agreed upon by an Authorized Officer and the purchasers of such Bonds, shall be in fully registered form, shall be in such minimum denominations and integral multiples thereof as shall be agreed upon by an Authorized Officer and the purchasers of such Bonds (but no single Bond shall represent installments of principal maturing

on more than one date), and shall be numbered as determined by the applicable Bond Registrar (as hereinafter defined).

All or any portion of the Bonds may be issued and sold from time to time as a direct purchase to holders (the "*Direct Purchase Bonds*"). The Direct Purchase Bonds shall be sold as provided in Section 3.1 of this Part B.

Any series of the Bonds may be issued on a forward-delivery basis.

(e) Each series of the Bonds shall be dated such date as shall be agreed upon by an Authorized Officer and the purchasers of such Bonds, shall be in fully registered form, shall be in such minimum denominations and integral multiples thereof as shall be agreed upon by an Authorized Officer and the purchasers of such Bonds (but no single Bond shall represent installments of principal maturing on more than one date), and shall be numbered as determined by the applicable Bond Registrar.

(f) The principal of the Bonds of each series shall become due and payable on or before the earlier of (i) January 1, 2061, or (ii) 40 years after the date of issuance of such series. Each series of Bonds shall bear interest at a rate or rates not to exceed 10 percent per annum. Any portion of the Bonds may be issued as Taxable Bonds or Tax-Exempt Bonds as determined by an Authorized Officer to be beneficial to the City. Any series of the Bonds may be issued as either GO Bonds or Notes.

(g) Each Bond shall bear interest from the later of its date or the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of such Bond is paid, such interest (computed upon the basis of a 360 day period of twelve 30 day months) being payable on the dates as shall be determined by an Authorized Officer at the time of the sale of each series of Bonds. Interest on each Bond shall be paid to the person in whose name such Bond is registered at the close of business on the 15th day of the month next preceding the interest payment date, by check or draft of the applicable Bond Registrar, or, at the option of any registered owner of \$1,000,000 or more in aggregate principal amount of Bonds of a series, by wire transfer of immediately available funds to such bank in the continental United States of America as the registered owner of such Bonds shall request in writing to the applicable Bond Registrar.

The principal of the Bonds and any redemption premium shall be payable in lawful money of the United States of America upon presentation and surrender thereof at the designated corporate trust office of the applicable Bond Registrar.

(h) Each of the GO Bonds shall be designated "General Obligation Bonds, Series ____" and each of the Notes shall be designated "General Obligation Notes, Series _____," with such other designations or descriptions as determined by an Authorized Officer to be necessary to properly identify and differentiate the Bonds at the time of the sale of the Bonds, and with such other additions, modifications or revisions as shall be determined to be necessary by an Authorized Officer at the time of the sale of such Bonds to reflect the calendar year of issuance of the Bonds, the order of sale of the Bonds, the specific series of the Bonds, whether the Bonds are being issued as Taxable Bonds or Tax-Exempt Bonds, whether the Bonds are being

issued as GO Bonds or Notes, whether the Bonds are Direct Purchase Bonds, the purposes for which the Bonds are being sold and any other authorized features of the Bonds determined by an Authorized Officer as desirable to be reflected in the title of the Bonds being issued and sold.

Section 1.3 Execution and Authentication.

(a) The seal of the City or a facsimile thereof shall be affixed to or printed on each of the Bonds, and the Bonds shall be executed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the City Clerk, and in case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. As used in this Ordinance, "*City Clerk*" shall mean the duly qualified and acting City Clerk of the City or any Deputy City Clerk or other person who may lawfully take a specific action or perform a specific duty prescribed for the City Clerk pursuant to this Ordinance.

(b) All Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the applicable Bond Registrar or Bond Trustee as authenticating agent of the City and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the applicable Bond Registrar or Bond Trustee by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by the applicable Bond Registrar or Bond Trustee if signed by an authorized officer of such Bond Registrar or Bond Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued under this Ordinance.

Section 1.4 Registration and Transfer.

(a) The City shall cause books (the "*Bond Register*") for the registration and for the transfer of each series of Bonds as provided in this Ordinance to be kept at the designated corporate trust office of a bank or trust company designated by an Authorized Officer, as the registrar for the City in connection with such series of Bonds (the "*Bond Registrar*"), which shall, with respect to a series of Bonds issued pursuant to a Trust Indenture, be the Bond Trustee for such series of Bonds. The City is authorized to prepare multiple Bond blanks executed by the Mayor and attested by the City Clerk for use in the transfer and exchange of Bonds.

(b) Upon surrender for transfer of any Bond at the designated corporate trust office of the applicable Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to such Bond Registrar and duly executed by the registered owner or its attorney duly authorized in writing, the City shall execute and such Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees one or more fully registered Bonds of the same series, interest rate and maturity of authorized denominations, for a like principal amount. Any Bond or Bonds may be exchanged at said office of the applicable Bond Registrar for a like aggregate principal amount of Bonds of the same series, type, interest rate and maturity of other authorized denominations. The execution by the City of

any fully registered Bond shall constitute full and due authorization of such Bond, and the applicable Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; *provided* that the aggregate principal amount of Bonds of each series, maturity and interest rate authenticated by the applicable Bond Registrar or Bond Trustee shall not exceed the authorized principal amount of Bonds for such series, maturity and interest rate less previous retirements.

(c) The applicable Bond Registrar shall not be required to transfer or exchange (i) any Bond after notice calling such Bond for redemption has been mailed, or (ii) any Bond during a period of 15 days next preceding mailing of a notice of redemption of such Bond; *provided, however*, that provisions relating to the transfer or exchange of Bonds of a series shall be as determined by an Authorized Officer at the time of the sale of such series and may be set forth in a notification of sale as described in paragraph (i) of Section 3.1 of this Part B or in the Trust Indenture for such series (a "*Notification of Sale*").

(d) The person in whose name any Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of, redemption premium, if any, or interest on any Bond, as appropriate, shall be made only to or upon the order of the registered owner thereof or its legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(e) No service charge shall be made for any transfer or exchange of Bonds, but the City or the applicable Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, except that no such payment may be required in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

Section 1.5 Book-Entry Only System. If so determined and directed by an Authorized Officer in connection with the sale of any of the Bonds, such Bonds may be issued in book-entry only form. In connection with the issuance of Bonds in book-entry only form, an Authorized Officer is authorized to execute and deliver to the book-entry depository selected by such Authorized Officer such depository's standard form of representation letter. If any of the Bonds are registered in the name of a securities depository which uses a book-entry system, the standing of the beneficial owner to enforce any of the covenants herein may be established through the books and records of such securities depository or a participant therein.

Section 1.6 Replacement of Bonds. If any Bond, whether in temporary or definitive form, is lost (whether by reason of theft or otherwise), destroyed (whether by mutilation, damage, in whole or in part, or otherwise) or improperly cancelled, the applicable Bond Registrar may authenticate a new Bond of like series, date, maturity date, interest rate, denomination and principal amount and bearing a number not contemporaneously outstanding; *provided* that (i) in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the applicable Bond Registrar, and (ii) in the case of any lost Bond or Bond destroyed in whole, there shall be first furnished to the applicable Bond Registrar evidence of such loss or destruction, together with indemnification of the City and such Bond Registrar, satisfactory to such Bond Registrar. If any lost, destroyed or improperly cancelled Bond shall have matured or is about to mature, or has been called for redemption, instead of issuing a duplicate Bond, the applicable Bond Registrar shall pay the same without surrender thereof if there shall be first furnished to such Bond Registrar evidence

of such loss, destruction or cancellation, together with indemnity, satisfactory to it. Upon the issuance of any substitute Bond, the applicable Bond Registrar may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto.

Section 1.7 Redemption and Repurchase.

(a) The Bonds may be made subject to redemption prior to maturity at the option of the City, in whole or in part on any date, at such times and at such redemption prices (to be expressed as a percentage of the principal amount of Bonds being redeemed to be redeemed) not to exceed 120 percent, plus, accrued interest to the date of redemption, as determined by an Authorized Officer at the time of the sale thereof.

(b) Notwithstanding the foregoing, such 120 percent limitation on the redemption price of Bonds shall not apply where the redemption price is based upon a formula designed to compensate the owner of the Bonds to be redeemed based upon prevailing market conditions on the date fixed for redemption, commonly known as a “make-whole” redemption price (the “*Make-Whole Redemption Price*”). At the time of sale of the Bonds, an Authorized Officer shall determine the provisions of the formula to be used to establish any Make-Whole Redemption Price, which may vary depending on whether the Bonds are issued as Taxable Bonds or Tax-Exempt Bonds. An Authorized Officer shall confirm and transmit the applicable Make-Whole Redemption Price on such dates and to such parties as shall be necessary to effectuate such redemption.

(c) If fewer than all of the outstanding Bonds of a series are to be optionally redeemed, the Bonds to be called shall be called from such maturities and interest rates of such series as may be determined by an Authorized Officer.

(d) Certain of the Bonds of a series may be made subject to mandatory redemption, at par and accrued interest to the date fixed for redemption, as determined by an Authorized Officer at the time of the sale thereof.

(e) An Authorized Officer is authorized to sell (at a price determined by such Authorized Officer to be in the best interests of the City) or waive any right the City may have to call any of the Bonds or Outstanding Indebtedness for optional redemption, in whole or in part, and is further authorized to expend the proceeds of any such sales for any purpose for which the proceeds of the Bonds are authorized to be expended and for the payment or prepayment of any City debt obligations whether issued before or after the date of adoption of this Ordinance, all as determined by an Authorized Officer; *provided however*, to the extent that interest on such Bonds or Outstanding Indebtedness is excluded from gross income for federal income tax purposes, such expenditures shall not adversely affect such exclusion. If determined to be necessary or appropriate, an Authorized Officer is authorized to solicit the consent of holders of outstanding Bonds or Outstanding Indebtedness to any such sale or waiver.

(f) At the time of sale of Bonds of a series, an Authorized Officer is authorized to determine the manner of redeeming such Bonds, either by lot in the manner hereinafter provided or pro-rata in the manner determined by an Authorized Officer at the time of sale, if less than all of the Bonds of the same series, maturity and interest rate are to be redeemed.

(g) The Bonds shall be redeemed only in amounts equal to the respective minimum authorized denominations and integral multiples thereof. In the event of the redemption of fewer than all the Bonds of the same series, maturity and interest rate by lot, the aggregate principal amount thereof to be redeemed shall be the minimum authorized denomination for such series or an integral multiple thereof, and the applicable Bond Registrar shall assign to each Bond of such series, maturity and interest rate, a distinctive number for each minimum authorized denomination of such Bond and shall select by lot from the numbers so assigned as many numbers as, at such minimum authorized denomination for each number, shall equal the principal amount of such Bonds to be redeemed. In such case, the Bonds to be redeemed shall be those to which were assigned numbers so selected; *provided* that only so much of the principal amount of each Bond shall be redeemed as shall equal such minimum authorized denomination for each number assigned to it and so selected. In the event of the redemption of fewer than all Bonds of the same series, maturity and interest rate on a pro-rata basis, if the Bonds are held in book-entry form at the time of redemption, at the time of sale of the Bonds, an Authorized Officer is authorized to direct the Bond Registrar to instruct the book-entry depository to select the specific Bonds within such maturity and interest rate for redemption pro-rata among such Bonds. The City shall have no responsibility or obligation to ensure that the book-entry depository properly selects such Bonds for redemption.

(h) An Authorized Officer shall, at least 45 days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the applicable Bond Registrar), notify the applicable Bond Registrar of such redemption date and of the principal amount of Bonds of such series to be redeemed.

(i) In connection with any mandatory redemption of Bonds of a series as authorized above, the principal amounts of Bonds of such series to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Bonds of such series credited against future mandatory redemption requirements in such order of the mandatory redemption dates as an Authorized Officer may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date of Bonds of a series, the applicable Bond Registrar may, and if directed by an Authorized Officer shall, purchase Bonds of such series required to be retired on such mandatory redemption date at such prices as an Authorized Officer shall determine. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the payment required on such next mandatory redemption date with respect to such series of Bonds.

(j) The applicable Bond Registrar shall promptly notify the City in writing of the Bonds, or portions thereof, selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount and the interest rate thereof to be redeemed.

(k) Subject to the limitation on redemption price set forth above, the terms of such redemption shall be determined by an Authorized Officer at the time of sale of the Bonds of each series and may be set forth in a Notification of Sale as described in paragraph (i) of Section 3.1 of this Part B or in the Trust Indenture for such series.

Section 1.8 Notice of Redemption.

(a) Unless waived by any owner of Bonds to be redeemed, notice of the call for any such redemption shall be given by the applicable Bond Registrar on behalf of the City by mailing the redemption notice by first class mail at least 20 days and not more than 60 days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the applicable Bond Register or at such other address as is furnished in writing by such registered owner to such Bond Registrar, but the failure to mail any such notice or any defect therein as to any Bond shall not affect the validity of the proceedings for the redemption of any other Bond. Any notice of redemption mailed as provided in this Section shall be conclusively presumed to have been given whether or not actually received by the addressee.

(b) All notices of redemption shall state:

- (1) the series designation of the Bonds to be redeemed,
- (2) the redemption date,
- (3) the redemption price, or in the case of a redemption of Bonds at a Make-Whole Redemption Price, a description of the formula by which the redemption price shall be determined,
- (4) if less than all outstanding Bonds of a series are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts and interest rates of the Bonds to be redeemed,
- (5) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue or compound from and after said date,
- (6) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the designated corporate trust office of the applicable Bond Registrar, and
- (7) such other information as shall be deemed necessary by the applicable Bond Registrar at the time such notice is given to comply with law, regulation or industry standard.

(c) With respect to an optional redemption of any series of Bonds, such notice may state that said redemption is conditioned upon the receipt by the applicable Bond Registrar on or prior to the date fixed for redemption of moneys sufficient to pay the redemption price of the Bonds of such series. If such moneys are not so received, such redemption notice shall be of no force and effect, the City shall not redeem such Bonds and the applicable Bond Registrar shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Bonds will not be redeemed. Unless the notice of redemption shall be made conditional as provided above, on or prior to any redemption date for a series of Bonds, the City shall deposit with the applicable Bond Registrar an amount of money sufficient to pay the

redemption price of all the Bonds or portions thereof of such series which are to be redeemed on that date.

(d) Notice of redemption having been given as aforesaid, the Bonds, or portions thereof, so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City defaults in the payment of the redemption price or unless, in the event of a conditional notice as described above, the necessary moneys were not deposited) such Bonds, or portions thereof, shall cease to bear, accrue or compound interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the applicable Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same series, interest rate and maturity in the amount of the unpaid principal.

(e) If any Bond or portion thereof called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by such Bond, or portion thereof, so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the applicable Bond Registrar and shall not be reissued.

(f) If any Bond is not presented for payment when the principal amount thereof becomes due, either at maturity or at a date fixed for redemption thereof or otherwise, and if moneys sufficient to pay such Bond are held by the applicable Bond Registrar for the benefit of the registered owner of such Bond, such Bond Registrar shall hold such moneys for the benefit of the registered owner of such Bond without liability to the registered owner for interest. The registered owner of such Bond thereafter shall be restricted exclusively to such funds for satisfaction of any claims relating to such Bond.

Section 1.9 Form of Bonds. The Bonds of each series shall be prepared in substantially the following form with such insertions and revisions as shall be necessary to reflect the terms and provisions of the sale of the Bonds of such series pursuant to Section 3.1 of this Part B; *provided* that if the text of any Bond is to be printed in its entirety on the front side of such Bond, then the text shown or appearing on the reverse side of such Bond shall replace the second paragraph on the front side of the form of the Bond shown below and the legend, "See Reverse Side for Additional Provisions," shall be omitted.

For any series of Bonds issued as Notes, the words "Bond" and "Bonds" in the following form shall be changed to "Note" or "Notes", as applicable, and such additional revisions shall be made as necessary to reflect the specific provisions of such Notes.

All Bonds may be prepared with such insertions and revisions as shall be necessary in connection with the issuance of such Bonds as Direct Purchase Bonds or for the sale of such Bonds to a Direct Purchaser.

[Form of Bond — Front Side]

REGISTERED
NO. _____

\$ _____

UNITED STATES OF AMERICA

STATE OF ILLINOIS

CITY OF CHICAGO

See Reverse Side for
Additional Provisions

GENERAL OBLIGATION _____
SERIES _____

Interest Rate:
_____ % /

Maturity Date:
_____ 1, 20__

Dated Date:
_____, 20__

CUSIP:

Registered Owner:

Principal Amount:

The City of Chicago (the "City") hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the date of this Bond or the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on _____ of each year commencing _____ 1, 20__, until said Principal Amount is paid. Principal of this Bond and redemption premium, if any, shall be payable in lawful money of the United States of America upon presentation and surrender at the designated corporate trust office of _____, Chicago, Illinois, as [bond trustee,] bond registrar and paying agent (the "Bond Registrar"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Bond Registrar at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar or, at the option of any Registered Owner of \$1,000,000 or more in aggregate principal amount of the Bonds, by wire transfer of immediately available funds to such bank in the continental United States of America as the Registered Owner hereof shall request in writing to the Bond Registrar.

Reference is made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, and have been done and performed in regular and due form and time as required by law; that the indebtedness of

the City, including the issue of Bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax sufficient to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF, the City of Chicago by the City Council has caused its corporate seal to be imprinted by facsimile hereon and this Bond to be signed by the duly authorized facsimile signature of the Mayor and attested by the facsimile signature of the City Clerk, all as of the Dated Date identified above.

(Facsimile Signature)

Mayor
City of Chicago

Attest:

(Facsimile Signature)

City Clerk
City of Chicago

[SEAL]

Date of Authentication: _____, _____

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Bond Ordinance and is one of the General Obligation _____, Series _____, of the City of Chicago.

By: _____
(Manual Signature)
Authorized Officer

[Form of Bond — Reverse Side]

CITY OF CHICAGO
GENERAL OBLIGATION _____
SERIES _____

For the prompt payment of this Bond, both principal and interest, as aforesaid, as the same become due, and for the levy of taxes sufficient for that purpose [(the "*Pledged Taxes*")], the full faith, credit and resources of the City are irrevocably pledged[, except that with respect to the payments of principal and interest on the Notes due on _____ and _____, the City will not levy the Pledged Taxes].

This Bond is one of a series of Bonds aggregating the original principal amount of \$ _____ issued pursuant to the constitutional home rule powers of the City for the purposes of (i) paying costs of the Refunding and Restructuring Purposes described in the hereinafter-defined Bond Ordinance, (ii) paying costs of the New Money Purposes described in the Bond Ordinance, (iii) capitalizing or funding such interest on the Bonds as may be necessary, (iv) paying costs of credit enhancements, and (v) paying expenses incidental to the issuance of the Bonds, and was authorized by an Ordinance adopted by the City Council of the City on _____, 20__ (the "*Bond Ordinance*").

The Bonds maturing on or after _____, _____, are redeemable prior to maturity at the option of the City, in whole or in part on any date on or after _____ 1, _____, and if less than all of the outstanding Bonds are to be redeemed, the Bonds to be called shall be called from such maturities and interest rates as shall be determined by the City and if less than all of the Bonds of a single maturity and the same interest rate are to be redeemed then [by lot] [pro-rata] within such maturity and interest rate in the manner hereinafter provided, the Bonds to be redeemed at the redemption prices (being expressed as a percentage of the principal amount) set forth below, plus accrued interest to the date of redemption:

DATES OF REDEMPTION

REDEMPTION PRICE

The Bonds maturing on _____, _____, are subject to mandatory redemption prior to maturity on _____ of the years _____ to _____, inclusive, and the Bonds maturing on _____, _____, are subject to mandatory redemption prior to maturity on _____ of the years _____ to _____, inclusive, in each case at par and accrued interest to the date fixed for redemption.

[Redemption by lot] In the event of the redemption of less than all the Bonds of like maturity and interest rate, the aggregate principal amount thereof to be redeemed shall be \$ _____,000 or an integral multiple thereof, and the Bond Registrar shall assign to each Bond of such maturity and interest rate a distinctive number for each \$ _____,000 principal amount of such Bond and shall select by lot from the numbers so assigned as many numbers as, at \$ _____,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; *provided* that only so

much of the principal amount of each Bond shall be redeemed as shall equal \$_____,000 for each number assigned to it and so selected.

[Redemption pro-rata] In the event of the redemption of less than all of the Bonds of like maturity and interest rate, the Bonds to be redeemed will be selected pro-rata in the manner determined pursuant to the Bond Ordinance.

Notice of any such redemption shall be sent by first class mail not less than 20 days nor more than 60 days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed at the address shown on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such Registered Owner to the Bond Registrar; *provided* that the failure to mail any such notice or any defect therein as to any Bond shall not affect the validity of the proceedings for the redemption of any other Bond. When so called for redemption, this Bond shall cease to bear interest on the specified redemption date, *provided* that funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

This Bond is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the designated corporate trust office of the Bond Registrar in Chicago, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the Bond Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denominations, of the same interest rate, series and maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor. The Bond Registrar shall not be required to transfer or exchange this Bond (A) after notice calling this Bond for redemption has been mailed, or (B) during a period of 15 days next preceding mailing of a notice of redemption of this Bond.

The Bonds are issued in fully registered form in the denomination of \$_____,000 each or authorized integral multiples thereof. This Bond may be exchanged at the designated corporate trust office of the Bond Registrar for a like aggregate principal amount of Bonds of the same interest rate, series and maturity of other authorized denominations, upon the terms set forth in the Bond Ordinance.

The City and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and redemption premium, if any, and for all other purposes and neither the City nor the Bond Registrar shall be affected by any notice to the contrary.

(ASSIGNMENT)

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

(Name and Address of Assignee)

the within Bond and irrevocably constitutes and appoints _____

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

Dated: _____

Signature guaranteed: _____

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

ARTICLE II.

SECURITY FOR THE BONDS AND TAX LEVY

Section 2.1 General Obligations. Each Bond shall be a direct and general obligation of the City for the payment of which (as to principal, interest and redemption premium, if any, as appropriate) the City pledges its full faith and credit. Each Bond shall be payable (as to principal, interest and redemption premium, if any, as appropriate) from any moneys, revenues, receipts, income, assets or funds of the City legally available for such purpose, including but not limited to the proceeds of the Pledged Taxes (as defined in Section 2.2 of this Part B), except as provided in Section 2.2 of this Part B.

Section 2.2 Tax Levy.

(a) For the purpose of providing the funds required to pay as the same become due (i) the principal of and interest and redemption premium, if any, on the Bonds, and (ii) to the extent determined by an Authorized Officer to be necessary or desirable, periodic fees and expenses payable to parties involved in the provision of ongoing services relating to the Bonds, such as rating agencies and entities providing financial market information to be used in connection with the structuring and sale of the Bonds (the "*Ongoing Financing Services*"), there is hereby levied upon all of the taxable property within the City, in the years for which any of said Bonds are outstanding, a direct annual tax sufficient for that purpose, provided, however, that such levy shall not exceed \$175,000,000 in any single levy year. Such levy for a series of the Bonds shall be fully set forth in one or more Notifications of Sale delivered in connection with the issuance of such series of the Bonds; provided that collections of such levy for any year in an amount in excess of that necessary to make the payments described in clauses (i) and (ii), above (x) may be used for any lawful public purpose designated by the City Council or (y) may be reduced and abated by an Authorized Officer if such reduction is deemed desirable by an Authorized Officer in connection with the sale or sales of the Bonds, in each case as determined from time to time by an Authorized Officer as provided in Section 3.1 of this Part B; *further provided*, that an Authorized Officer may determine in connection with the sale of any series of Notes that the Pledged Taxes shall not be levied for the payment of principal of or interest on the portion of such Notes due within two years of the date of the issuance of such Notes.

(b) The tax levy made in this Section is not subject to the "*Aggregate Levy*" limitation contained in the Chicago Property Tax Limitation Ordinance contained in Chapter 3-92 of the Municipal Code, and Section 3-92-020 of the Municipal Code is superseded to exclude the tax levy herein from the definition of "*Aggregate Levy*" contained therein.

(c) The term "*Pledged Taxes*" means the taxes hereinabove levied for collection for the purpose of providing the funds necessary to make the payments described in clauses (i) and (ii) of paragraph (a) of this Section 2.2, and the term "*Pledged Taxes*" shall also include any amounts deposited into the hereinafter-defined Bond Fund or deposited with the Ad Valorem Tax Escrow Agent (as defined in Section 2.4 of this Part B) by an Authorized Officer for the purpose of paying principal of and interest on the Bonds and any accrued interest received and deposited in the Bond Fund or the Ad Valorem Tax Escrow Account, if established pursuant to Section 2.4 of this Part B. The City Council hereby determines that any collections of the direct annual taxes

levied upon all taxable property in the City with respect to any Refunded Indebtedness may, to the extent such collections are no longer needed to pay the Refunded Indebtedness as a result of such refunding, be deposited into the Bond Fund for any of the Bonds issued hereunder, if so directed by an Authorized Officer, and, if so deposited, such amounts shall be included in the term "*Pledged Taxes*" as described in the previous sentence.

The City reserves the right to abate all or a portion of the Pledged Taxes required to be levied in any year if and to the extent on or before March 31 of the next succeeding calendar year (or such earlier date as may be required by law), the City has on hand amounts dedicated to the payments described in clause (i) of paragraph (a) of this Section 2.2 due during the one-year period commencing on January 2 of such succeeding calendar year. The City may, but shall not be required to, cause the levy or extension in any year of taxes for the payment of the costs of Ongoing Financing Services.

The City intends that, following the issuance of GO Bonds for New Money Purposes under this Ordinance, the taxes levied to pay such GO Bonds in paragraph (a) of this Section 2.2 will not be abated, but will be extended in each future year during which such GO Bonds are outstanding, which is expected to result in an increase in the overall property tax levy of the City for debt service by such amount in future years. The City expects to issue the GO Bonds for New Money Purposes in three parts. The expected property tax levy increase related to the first portion of the issuance of GO Bonds for New Money Purposes, which will begin in levy year 2022, is \$25,500,000. The expected property tax levy increase related to the second portion of the issuance of GO Bonds for New Money Purposes, which will begin in levy year 2023, is \$25,500,000. The expected property tax levy increase related to the third portion of the issuance of GO Bonds for New Money Purposes, which will begin in levy year 2024, is \$25,500,000. The description of the City's intended plan of issuance of GO Bonds for New Money Purposes as set forth in this paragraph is provided for informational purposes only. Nothing in this paragraph constitutes a limitation on the City's authorization to issue Bonds pursuant to this Ordinance in one or more series of New Money Purposes and to levy property taxes for the payment thereof in accordance with paragraph (a) of this Section 2.2.

Section 2.3 Continuing Appropriation. The City shall appropriate or otherwise provide amounts sufficient to pay principal of and interest on the Bonds for the years such amounts are due, and the City covenants to take timely action as required by law to carry out the provisions of this Section, but, if for any such year it fails to do so, this Ordinance shall constitute a continuing appropriation ordinance of such amounts without any further action on the part of the City Council.

Section 2.4 Bond Funds. Each Authorized Officer is authorized to establish one or more special accounts, if determined to be necessary in connection with the sale of any of the Bonds, separate and segregated from all other funds and accounts of the City (each a "*Bond Fund*"), which shall be (i) held by an Authorized Officer, or (ii) maintained by a Bond Trustee pursuant to a Trust Indenture, or (iii) maintained with a bank or trust company to be designated by an Authorized Officer (each an "*Ad Valorem Tax Escrow Account*") pursuant to an escrow agreement (each an "*Ad Valorem Tax Escrow Agreement*"), between the City and the applicable Escrow Agent named therein (each an "*Ad Valorem Tax Escrow Agent*"), and each Authorized Officer is authorized to execute and deliver one or more Ad Valorem Tax Escrow Agreements in

connection with the sale of the Bonds in such form as the officers so executing such agreement may deem appropriate in accordance with the provisions of this Ordinance.

Section 2.5 Direct Deposit of Taxes. In lieu of the proceeds of such taxes being deposited with the City Treasurer of the City (the "*City Treasurer*"), each Authorized Officer is authorized to direct the County Collectors (the "*County Collectors*") of The County of Cook, Illinois ("*Cook County*") and The County of DuPage, Illinois ("*DuPage County*") to deposit the proceeds of such taxes directly into the Bond Fund held pursuant to the applicable Trust Indenture or the applicable Ad Valorem Tax Escrow Account, if such Trust Indenture has been executed and delivered or such Ad Valorem Tax Escrow Account has been created.

Section 2.6 Legally Available Funds. If the Pledged Taxes to be applied to the payment of the Bonds are not available in time to make any payments of principal or interest on the Bonds when due, then the Chief Financial Officer, or the Chief Financial Officer's designee, are directed to make such payments from any other moneys, revenues, receipts, income, assets or funds of the City that are legally available for that purpose in advance of the collection of such Pledged Taxes, and when the proceeds thereof are received, such other funds shall be replenished, all to the end that the credit of the City may be preserved by the prompt payment of the principal of and interest on the Bonds as the same become due.

Section 2.7 Filing of Bond Ordinance and Notification of Sale with County Clerks. A copy of this Ordinance, duly certified by the City Clerk, and a copy of each Notification of Sale shall be filed in the respective offices of the County Clerks of Cook County and DuPage County (the "*County Clerks*"), and such filing of each Notification of Sale shall constitute the authority for and it shall be the duty of the County Clerks to extend the taxes levied pursuant to Section 2.2 of this Part B for collection in such years as shall be indicated in each such Notification of Sale, such taxes to be in addition to and in excess of all other taxes heretofore or hereafter authorized to be levied by the City on its behalf.

Section 2.8 Additional Filings of Bond Ordinance. A copy of this Ordinance, duly certified by the City Clerk, shall also be filed with each applicable Bond Trustee, each applicable Ad Valorem Tax Escrow Agent, if any, each applicable Bond Registrar, and if the County Collectors are authorized to deposit the proceeds of the taxes levied pursuant to Section 2.2 of this Part B directly with a Bond Trustee or an Ad Valorem Tax Escrow Agent pursuant to Section 2.5 of this Part B, with such County Collectors.

ARTICLE III.

BOND SALES

Section 3.1 Bond Sales.

(a) Each Authorized Officer is authorized to sell all or any portion of the Bonds from time to time (i) to or at the direction of an underwriter or group of underwriters to be selected by such Authorized Officer (the "*Underwriters*"), or (ii) to a Direct Purchaser (the Underwriters and Direct Purchasers being collectively referred to herein as the "*Purchasers*"), with the concurrence of the Chairman of the Finance Committee or, if unavailable or absent, the Vice Chairman of the

Finance Committee, on such terms as such Authorized Officer may deem to be in the best interests of the City within the limitations set forth in this Ordinance.

(b) The principal amount of and the interest on the Bonds sold of each series and maturity in the aggregate (after taking into account (i) interest on the Bonds of such series to be paid from proceeds of such series and (ii) mandatory redemptions) shall not exceed the amount levied therefor as specified in Section 2.2 of this Part B. The Bonds may be sold from time to time as an Authorized Officer shall determine that the proceeds of such sales are needed.

(c) Either Authorized Officer is authorized and directed to (i) select the particular Outstanding Indebtedness which will constitute Refunded Indebtedness under this Ordinance by application of the proceeds of sale of the Bonds, (ii) cause all necessary notices of redemption of the Refunded Indebtedness selected for refunding as provided above to be given in accordance with the terms of the respective ordinances or indentures, as applicable, authorizing the Refunded Indebtedness, (iii) execute such contracts and documents as may be necessary in connection with a tender offer of any Refunded Indebtedness and (iv) determine the amount of proceeds of the Bonds, if any, to be applied to the Refunding and Restructuring Purposes and the New Money Purposes.

(d) The Mayor or an Authorized Officer is authorized to execute and deliver a contract of purchase with respect to each sale of the Bonds to, or at the direction of, the Purchasers, in substantially the form previously used for similar general obligation bonds of the City (the "*Contract of Purchase*"), with appropriate revisions to reflect the terms and provisions of the Bonds and such other revisions in text as the Mayor or an Authorized Officer shall determine are necessary or desirable in connection with the sale of the Bonds, including, if applicable, customary provisions relating to the sale of all or a portion of the Bonds on a forward delivery basis if the Mayor or such Authorized Officer finds and determines that a forward delivery of such Bonds is in the best interest of the City. Bonds sold pursuant to a Contract of Purchase shall be sold at a price of not less than 85 percent of the principal amount of the Bonds being sold. The compensation paid to the Purchasers in connection with any sale of Bonds, including any origination fee charged by a Direct Purchaser, shall not exceed five percent of the principal amount of the Bonds being sold. Nothing contained in this Ordinance shall limit the sale of the Bonds or any maturity or maturities thereof at a price or prices in excess of the principal amount thereof.

(e) The Bonds may be sold as Direct Purchase Bonds in a manner and containing such terms authorized by an Authorized Officer, including pursuant to a placement agent arrangement, to a purchaser or purchasers other than the Underwriters (collectively, the "*Direct Purchasers*"), such Direct Purchasers to be selected by an Authorized Officer and such sale being permitted at a price of not less than 85 percent of the principal amount of the Direct Purchase Bonds being sold. The Mayor or an Authorized Officer is authorized to do all such things and to execute and deliver such additional documents, agreements and certificates as shall be necessary in connection with the sale of Direct Purchase Bonds.

(f) In connection with any sale of the Bonds, an Authorized Officer is authorized to obtain one or more policies of bond insurance from recognized bond insurers selected by an Authorized Officer, if such Authorized Officer determines such bond insurance to be desirable in connection with such sale of the Bonds. Either Authorized Officer may, on behalf of the City,

make covenants with such bond insurer that are not inconsistent with the provisions of this Ordinance and are necessary to carry out the purposes of this Ordinance.

(g) Following the final sale of Bonds of all series under this Ordinance, the final Notification of Sale to the City Council described in paragraph (i) of this Section 3.1 shall notify the City Council of the total of all taxes levied in each year pursuant to paragraph (a) of Section 2.2 of this Part B for all Bonds issued pursuant to this Ordinance.

(h) The preparation, use and distribution of a preliminary official statement, an official statement, a private placement memorandum, or any other disclosure document relating to each sale and issuance of the Bonds are ratified and approved. The Mayor and each Authorized Officer are each authorized to execute and deliver an official statement or other disclosure document relating to each sale and issuance of the Bonds on behalf of the City. The preliminary official statement, official statement, private placement memorandum, and other disclosure documents herein authorized shall contain the terms and provisions of and security for the Bonds, the manner in which the Bonds shall be sold, the use of proceeds of the Bonds, financial information for the City, and such other information as the Mayor or an Authorized Officer determines to be advisable under the circumstances.

(i) In connection with the sale of any series of Bonds, an Authorized Officer shall file in the office of the City Clerk and, for any series of GO Bonds or series of Notes for which the Pledged Taxes will be levied, the County Clerk, a Notification of Sale directed to the City Council setting forth (i) the series designation, the aggregate principal amount and authorized denominations of, maturity schedule and redemption provisions for the Bonds sold, (ii) the principal amounts and interest rates on the Bonds sold, (iii) information regarding the specific Outstanding Indebtedness or portion thereof to be refunded with proceeds of Bonds issued for Refunding and Restructuring Purposes, (iv) the date on and price at which the Outstanding Indebtedness selected for refunding shall be redeemed or otherwise prepaid (if such redemption shall occur prior to stated maturity) and the amount of any tender price paid in connection with the payment of Outstanding Indebtedness, (v) the identity of the insurer or insurers issuing the bond insurance policy or policies, if any, referred to in paragraph (f) of this Section 3.1, (vi) the identity of the Purchasers selected for such Bonds, (vii) the identity of the applicable Bond Registrar or of the Bond Trustee, if any, selected by an Authorized Officer for such Bonds, (viii) the compensation paid to the Underwriters in connection with such sale, (ix) any origination fee or other fee required by a Direct Purchaser, (x) the amount of property taxes levied pursuant to Section 2.2(a) of this Part B with respect to the Bonds for each year during which the Bonds are outstanding, (xi) with respect to any Notes issued hereunder, the portion of such Notes for which the Pledged Taxes will not be levied and (xii) any other matter authorized by this Ordinance to be determined by an Authorized Officer at the time of the sale of the Bonds of each series.

(j) In connection with any sale of the Bonds, an Authorized Officer is authorized to execute and deliver one or more continuing disclosure agreements evidencing the City's agreement to comply with the requirements of Section (b)(5) of Rule 15c2-12, adopted by the Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934, as amended, in a form approved by the Corporation Counsel of the City. Upon its execution and delivery on behalf of the City as herein provided, each continuing disclosure agreement will be binding on the City, and the officers, employees and agents of the City are authorized to do all such acts and things and

to execute all such documents as may be necessary to carry out and comply with the provisions of each continuing disclosure agreement as executed. Each Authorized Officer is further authorized to amend each continuing disclosure agreement in accordance with its respective terms from time to time following its execution and delivery as that Authorized Officer shall deem necessary. In addition, an Authorized Officer is authorized to make all future filings with the Electronic Municipal Market Access system operated by the Municipal Securities Rulemaking Board or such other municipal securities information repository as shall be designated by the SEC, all in accordance with the provisions of SEC Rule 15c2-12(b)(5). Notwithstanding any other provision of this Ordinance, the sole remedies for any failure by the City to comply with any continuing disclosure agreement shall be the ability of the beneficial owner of any applicable Bond to seek mandamus or specific performance by court order to cause the City to comply with its obligations under such continuing disclosure agreement.

(k) The Bonds shall be duly prepared and executed in the form and manner provided herein and delivered to the purchasers in accordance with the applicable terms of sale.

(l) The Mayor, each Authorized Officer, the City Treasurer and the City Clerk are each authorized to execute and deliver such other documents and agreements (including such contracts, such intergovernmental agreements or such grant agreements with not-for-profit organizations, educational or cultural institutions or for-profit organizations or to assist the United States of America, the State or other municipal corporations, units of local government, political subdivisions or school districts in the State, including any operating division thereof, receiving proceeds of the Bonds as an Authorized Officer shall deem necessary and appropriate) and perform such other acts prior to or following the issuance of the Bonds as may be necessary or desirable in connection with the issuance of the Bonds and any transactions contemplated herein related to the application of the proceeds of the Bonds or collections or application of taxes levied for the payment of the Bonds or the Outstanding Indebtedness or other purposes hereunder, but subject to any limitations on or restrictions of such power or authority as herein set forth. Any such actions heretofore taken by the Mayor, an Authorized Officer, the City Treasurer or the City Clerk in accordance with the provisions hereof are ratified and approved. With respect to each grant of Bond proceeds, each Authorized Officer is authorized to designate in writing, with the written concurrence of the Budget Director of the City (the "*Budget Director*"), (i) one or more City departments or agencies to administer such grant, and (ii) the head of the City department or agency who shall be authorized to execute a grant agreement and such other documents, agreements or instruments as shall be deemed necessary or desirable by such City department or agency head. Upon any such written designation by an Authorized Officer with respect to a grant of Bond proceeds, such City department or agency shall be authorized to administer such grant and the head of such City department or agency shall be authorized to execute a grant agreement and such other documents, agreements or instruments as such official shall deem necessary or desirable.

Section 3.2 Application of Bond Sale Proceeds.

(a) The proceeds from the sale of any series of the Bonds shall be used as follows:

(1) The sum representing the accrued interest received, if any, shall be used to pay the first interest becoming due on the Bonds sold, and to that end, shall be deposited in the applicable Bond Fund or the applicable Ad Valorem Tax Escrow Account, if established.

(2) From the sale proceeds derived from any such sale of a series of the Bonds, (i) such sum as may be determined by an Authorized Officer to be necessary to pay not more than three years of interest on the Bonds may be used to pay such interest, and to that end, may be deposited in the applicable Bond Fund established for such Bonds; (ii) the sum determined by an Authorized Officer to be sufficient to pay the Refunded Indebtedness being refunded at or prior to their respective maturities, at a price of par, the applicable redemption premium and accrued interest thereon up to and including said redemption or maturity dates, and any payment or premium required in connection with a tender offer and purchase of any Refunded Indebtedness, shall be deposited into the respective debt service funds established for the Refunded Indebtedness or into one or more "Refunded Indebtedness Escrow Accounts" to be held by one or more banks or trust companies to be designated by an Authorized Officer (each a "*Refunding Escrow Agent*"), each pursuant to the terms of an escrow agreement (each a "*Refunding Escrow Agreement*"), and the Mayor, an Authorized Officer and the City Clerk, or any of them, are authorized to execute and deliver each Refunding Escrow Agreement, and any amendment thereto, in such form as the officer so executing shall deem appropriate to effect the Financing Plan, (iii) the sum determined by an Authorized Officer to be necessary to pay the costs of the New Money Purposes shall be set aside, held and invested at the direction of an Authorized Officer, as separate funds of the City pending such payment, and (iv) the sum determined to be necessary by an Authorized Officer to reimburse the Corporate Fund for amounts paid therefrom to fund costs of the New Money Purposes in accordance with Section 4.7 of this Part B hereof.

(b) From the sale proceeds of a series of the Bonds not applied as provided in paragraph (a) of this Section 3.2, the amount deemed necessary by an Authorized Officer shall be applied to the payment of the costs of issuance of such Bonds, including the premium or fee for bond insurance, if any, and any unexpended portion of the sale proceeds shall be either (i) deposited into the Bond Fund for such series of the Bonds or (ii) with respect to any Bonds issued to pay the costs of New Money Purposes, be paid to the City and deposited by the City into such funds or accounts as necessary to effectuate the New Money Purposes for which such Bonds were issued.

(c) The costs of the New Money Purposes may be paid directly by the City or may be financed by the making of grants for the implementation of the New Money Purposes to (i) not-for-profit organizations, educational or cultural institutions or for-profit organizations, (ii) the State, (iii) other units of local government, political subdivisions, municipal corporations or school districts in the State, including any operating division thereof, or (iv) the United States government, all as determined by an Authorized Officer.

(d) An Authorized Officer shall report to the City Council with respect to the expenditure of the proceeds of each series of the Bonds issued hereunder to pay the costs of the New Money Purposes. Such reports shall be made no later than August 1 of each year, commencing August 1 of the year immediately succeeding the year in which any Bonds are first issued for New Money Purposes, with respect to expenditures made during the preceding calendar

year. No report shall be required hereunder following any calendar year in which no proceeds of any series of the Bonds are expended to pay costs of the New Money Purposes

(e) Notwithstanding any provision of the Municipal Code, investments acquired with proceeds of the Bonds or investment income thereon may include but are not limited to agreements entered into between the City and providers of securities under which agreements such providers agree to purchase from or sell to the City specified securities on specific dates at predetermined prices, all as established at the time of execution of any such agreement and as set forth in such agreement, and guaranteed investment contracts, forward purchase agreements and other similar investment vehicles. Such guaranteed investment contracts, forward purchase agreements and other similar investment vehicles may, to the extent permitted by operative authorizing documents and by applicable law, be assigned or transferred from one bond transaction to another or apply to the proceeds of more than one bond transaction on a commingled or non-commingled basis, as determined by an Authorized Officer. The Mayor or an Authorized Officer is authorized to enter into any amendments to or restatements of existing documents or to execute new documents, to consent to actions being taken by others or to obtain the consent of other parties, as may be necessary or desirable in this respect. Investment income derived from Bond proceeds may be (w) expended for the same purposes for which Bond proceeds may be expended, (x) used for the payment or prepayment of City debt obligations, (y) deposited in the Corporate Fund or (z) rebated to the United States of America as provided in Section 4.1 of this Part B, all as determined by an Authorized Officer or the Budget Director. Any commingled investment income from guaranteed investment contracts, forward purchase agreements and other similar investment vehicles shall be apportioned among bond transactions as determined by an Authorized Officer or as otherwise required by operative authorizing documents and applicable law.

ARTICLE IV.

COVENANTS AND ADMINISTRATIVE MATTERS

Section 4.1 Tax Covenants. The City covenants that it will take no action in the investment of the proceeds of Tax-Exempt Bonds which would result in making the interest payable on any of such Tax-Exempt Bonds subject to federal income taxes by reason of such Tax-Exempt Bonds being classified as "*arbitrage bonds*" within the meaning of Section 148 of the Code. The City further covenants that it will act with respect to the proceeds of Tax-Exempt Bonds, the earnings on the proceeds of such Tax-Exempt Bonds and any other moneys on deposit in any fund or account maintained in respect of such Tax-Exempt Bonds, including, if necessary, a rebate of such earnings to the United States of America, in a manner which would cause the interest on such Tax-Exempt Bonds to continue to be exempt from federal income taxation under Section 103(a) of the Code. Each Authorized Officer is authorized to execute such certifications, tax returns, covenants and agreements as shall be necessary, in the opinion of nationally recognized bond counsel, or in the best interest of the City, as determined by an Authorized Officer, to evidence the City's compliance with the covenants contained in this Section.

Section 4.2 Authorized Acts. This Ordinance is prepared in accordance with the powers of the City as a home rule unit under Article VII of the Constitution. The appropriate officers of the City are authorized to take such actions and do such things as shall be necessary to perform, carry out, give effect to and consummate the transactions contemplated by this Ordinance

and the Bonds, including, but not limited to, entering into any agreement with a developer or executing any document necessary to effectuate the refunding of the TIF Notes, or exercising following the delivery date of any of the Bonds any power or authority delegated to such official of the City under this Ordinance with respect to the Bonds upon the initial issuance thereof, but subject to any limitations on or restrictions of such power or authority as herein set forth, and any actions heretofore taken by such officers of the City in accordance with the provisions of this Ordinance are ratified and approved.

Section 4.3 Proxies. The Mayor and each Authorized Officer may each designate another to act as their respective proxy and, as applicable, to affix their respective signatures to the Bonds whether in temporary or definitive form, and any other instrument, certificate or document required to be signed by the Mayor or an Authorized Officer pursuant to this Ordinance and any instrument, certificate or document required thereby and by any Trust Indenture. In such case, each shall send to the City Council written notice of the person so designated by each, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for the Mayor and each Authorized Officer, respectively. A written signature of the Mayor or of an Authorized Officer, respectively, executed by the person so designated underneath, shall be attached to each notice. Each notice, with the signatures attached, shall be recorded in the Journal for such date and filed in the office of the City Clerk. When the signature of the Mayor is placed on an instrument, certificate or document at the direction of the Mayor in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor in person. When the signature of an Authorized Officer is so affixed to an instrument, certificate or document at the direction of such Authorized Officer, the same, in all respects, shall be as binding on the City as if signed by such Authorized Officer in person.

Section 4.4 Bond Registrar Agreements. If requested by a Bond Registrar, the Mayor, each Authorized Officer and the City Clerk are each authorized to execute the standard form of agreement between the City and such Bond Registrar with respect to the obligations and duties thereof.

Section 4.5 Defeasance and Provision for Payment.

(a) If payment or provision for payment is made, to or for the registered owners of all or a portion of the Bonds, and the principal of and interest due and to become due on any Bond at the times and in the manner stipulated therein, and there is paid or caused to be paid to the applicable Bond Registrar or Bond Trustee, the applicable Ad Valorem Tax Escrow Agent as provided in Section 2.4 of this Part B, or such bank or trust company as shall be designated by an Authorized Officer (such bank or trust company hereinafter referred to as a "*Defeasance Escrow Agent*"), all sums of money due and to become due according to the provisions of this Ordinance, then these presents and the estate and rights granted by this Ordinance shall cease, terminate and be void as to those Bonds or portions thereof except for purposes of registration, transfer and exchange of Bonds and any such payment from such moneys or obligations. Any Bond shall be deemed to be paid within the meaning of this section when payment of the principal of any such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in this Ordinance or otherwise), either (a) shall have been made or caused to have been made in accordance with the terms thereof, or (b) shall have been provided

for by irrevocably depositing with the applicable Bond Registrar or Bond Trustee, the applicable Ad Valorem Tax Escrow Agent as provided in Section 2.4 of this Part B, or a Defeasance Escrow Agent, in trust and exclusively for such payment, (1) moneys sufficient to make such payment, or (2)(A) direct obligations of the United States of America; (B) obligations of agencies of the United States of America, the timely payment of principal of and interest on which are guaranteed by the United States of America; (C) obligations of the following agencies: Federal Home Loan Mortgage Corp. (FHLMC) debt obligations, Farm Credit System (formerly: Federal Land Banks, Federal Intermediate Credit Banks, and Banks for Cooperatives) debt obligations, Federal Home Loan Banks (FHL Banks) debt obligations, Fannie Mae debt obligations, Financing Corp. (FICO) debt obligations, Resolution Funding Corp. (REFCORP) debt obligations, and U.S. Agency for International Development (U.S. A.I.D.) Guaranteed notes; (D) pre-refunded municipal obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state, excluding the City, which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; or (E) instruments evidencing an ownership interest in obligations described in the preceding clauses (A), (B) and (C), or (3) a combination of the investments described in clauses (1) and (2) above, such amounts so deposited being available or maturing as to principal and interest in such amounts and at such times, without consideration of any reinvestment thereof, as will insure the availability of sufficient moneys to make such payment (all as confirmed by a nationally recognized firm of independent public accountants). At such times as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits of this Ordinance, except for the purposes of registration, transfer and exchange of Bonds and any such payment from such moneys or obligations. The defeasance of Bonds under this Ordinance shall also be subject to any additional terms and conditions in the applicable Trust Indenture, if any.

(b) No such deposit under this Section shall be made or accepted hereunder and no use made of any such deposit unless, in the case of Tax-Exempt Bonds, the applicable Bond Registrar or Bond Trustee, the applicable Ad Valorem Tax Escrow Agent, or the applicable Defeasance Escrow Agent, as the case may be, shall have received an opinion of nationally recognized bond counsel to the effect that such deposit and use would not cause any of such Tax-Exempt Bonds to be treated as "*arbitrage bonds*" within the meaning of Section 148 of the Code or any successor provision thereto.

(c) Nothing in this Ordinance shall prohibit a defeasance deposit of escrow securities as provided in this Section or a defeasance deposit with respect to the Refunded Indebtedness pursuant to any Refunding Escrow Agreement authorized by Section 3.2 of this Part B, from being subject to a subsequent sale of such escrow securities and reinvestment of all or a portion of the proceeds of that sale in escrow securities which, together with money to remain so held in trust, shall be sufficient to provide for payment of principal, redemption premium, if any, and interest on any of the defeased Bonds or Refunded Indebtedness, as appropriate. Amounts held by the applicable Bond Registrar or Bond Trustee, the applicable Ad Valorem Tax Escrow Agent, any Defeasance Escrow Agent, or any Refunding Escrow Agent in excess of the amounts needed so to provide for payment of the defeased Bonds or Refunded Indebtedness, as appropriate, may be subject to withdrawal by the City. The Mayor or an Authorized Officer is authorized to execute and deliver from time to time one or more agreements (and amendments thereto) with counterparties selected by an Authorized Officer, with respect to the investment and use of such

excess amounts held by the applicable Bond Registrar or Bond Trustee, the applicable Ad Valorem Tax Escrow Agent, a Defeasance Escrow Agent, or a Refunding Escrow Agent.

Section 4.6 Negotiation of Direct Purchase Bond Terms. With respect to the Direct Purchase Bonds, an Authorized Officer is authorized to negotiate the terms and provisions of such Direct Purchase Bonds in addition to or as an alternative to the terms and provisions of the Trust Indenture securing the applicable series of Bonds. In addition, an Authorized Officer is hereby authorized to provide such certifications on behalf of the City as may be required by a Direct Purchaser.

Section 4.7 Appropriation of Funds. Notwithstanding any ordinance to the contrary, funds in the City's Corporate Fund may be used for the purpose of paying the costs of the New Money Purposes. The City shall reimburse the Corporate Fund for any amounts so used to pay the costs of the New Money Purposes from the proceeds of the Bonds upon the issuance thereof.

PART C – SALES TAX SECURITIZATION CORPORATION BONDS

ARTICLE I.

FINDINGS AND DETERMINATIONS

Section 1.1 Findings and Determinations. This City Council hereby finds and determines as follows:

(a) that the issuance of the Additional Sales Tax Obligations by the Corporation to finance the City's funding obligations (including the Refunding and Restructuring Purposes) is in the best financial interest of the City and, accordingly, the Mayoral Request is hereby approved;

(b) that the City's authorization of the issuance by the Corporation of Additional Sales Tax Obligations from time to time without further action by this City Council at various times, in various principal amounts and with various interest rates and interest rate mechanisms, maturities, redemption provisions and other terms will enhance the Corporation's opportunities to obtain financing upon the most favorable terms available for the benefit of the City; and

(c) that the delegations of authority that are contained in this Ordinance are necessary and desirable because this City Council cannot itself as advantageously, expeditiously or conveniently exercise such authority and make such specific determinations. Thus, authority is granted to the Mayor and each Authorized Officer to determine to request the Corporation to sell one or more series of Additional Sales Tax Obligations, at one or more times, as and to the extent the Mayor or an Authorized Officer determines that such sale or sales is desirable and in the best financial interest of the City.

ARTICLE II.

AUTHORIZATION AND DETAILS OF ADDITIONAL SALES TAX OBLIGATIONS

Section 2.1 Authorization of Additional Sales Tax Obligations.

(a) All or a portion of the Refunding and Restructuring Debt Authorization Amount may be issued as Additional Sales Tax Obligations. Additional Sales Tax Obligations are hereby authorized to be issued to pay the costs of the Refunding and Restructuring Purposes in an aggregate principal amount not to exceed the Refunding and Restructuring Debt Issuance Limit. Such Additional Sales Tax Obligations may be issued as one or more series of Senior Sales Tax Obligations or Second Lien Sales Tax Obligations, with a term not exceeding 40 years, bearing interest at a rate or rates not exceeding 10 percent per annum, and sold at a price of not less than 85 percent of the aggregate principal amount thereof, and for the purposes specified in Section 2.2 of this Part C. The interest component of the Additional Sales Tax Obligations, as designated by series, may be either includible or excludable from gross income of the owners thereof for federal income tax purposes under Section 103 of the Code. The authority granted hereby is in addition to any authority previously granted by the City Council for the issuance by the Corporation of Sales Tax Obligations.

(b) This ordinance serves as authorization by the City for the issuance of Senior Sales Tax Obligations by the Corporation pursuant to Section 2.02 of the Sales Tax Master Indenture and Subordinated Indebtedness by the Corporation pursuant to Section 2.05 of the Sales Tax Master Indenture.

Section 2.2 Purposes. The net proceeds of each series of Additional Sales Tax Obligations shall be available to pay any of the costs of the Refunding and Restructuring Purposes, including therewith (i) costs of issuance, including purchasers discount, (ii) capitalized interest on the Additional Sales Tax Obligations, and (iii) costs of credit enhancements (including, but not limited to, premiums for the purchase of policies of municipal bond insurance with respect to the Additional Sales Tax Obligations).

PART D – ENACTMENT

Section 1.1 Construction. Parts A and B of this Ordinance are part of the contract between the City and the owners of the Bonds. Pursuant to the home rule powers of the City, to the extent that any ordinance, resolution, rule, order or provision of the Municipal Code, or part thereof, is in conflict with or inconsistent with the provisions of this Ordinance, the provisions of this Ordinance shall be controlling. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to render voidable at the option of the City any document, instrument or agreement authorized under this Ordinance or to impair the validity of this Ordinance or the instruments authorized by this Ordinance or to impair the rights of the Corporation or the owners of any Additional Sales Tax Obligations issued by the Corporation to receive payment of the principal of or interest on such Additional Sales Tax Obligations or to impair the security for such Additional Sales Tax Obligations or to impair the rights of the owners of the Bonds to receive payment of the principal of or interest on the Bonds or to impair the security for the Bonds; provided further that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code. The documents, agreements and instruments authorized under this Ordinance shall not be deemed to be “city contracts” for the purposes of Section 11-4-1600(e) of the Municipal Code.

Section 1.2 Additional Authorization. The Mayor, the Authorized Officers and the City Clerk, for and on behalf of the City shall be, and each of them hereby is, authorized and directed to do any and all things necessary to effect the performance of all obligations of the City under and pursuant to this Ordinance and are hereby further authorized, empowered and directed for and on behalf of the City, to execute and deliver all papers, documents, certificates and other instruments that may be required to carry out the authority conferred by this Ordinance or to evidence said authority.

Section 1.3 Pamphlet Publication. This Ordinance shall be published by the City Clerk, by causing to be printed in special pamphlet form at least five copies hereof, which copies are to be made available in the office of the City Clerk for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this Ordinance.

Section 1.4 Title. This Ordinance may hereafter be cited as the “2020 Financing Plan Ordinance.”

Section 1.5 Effective Date. This Ordinance shall be in full force and effect upon its passage, approval and publication as provided herein.

EXHIBIT A

EXPECTED PURPOSES OF BONDS ISSUED FOR NEW MONEY PURPOSES

2020 Annual Programs	\$ 86,000,000
2020 Equipment	14,000,000
Sidewalks & Pedestrian Right of Way	112,187,500
Aldermanic Menu	216,000,000
Bridge & Viaduct Program	254,893,750
Street Resurfacing	250,436,600
Street Lighting	112,268,750
Traffic Signals	28,365,500
Complete Streets	165,167,000
Facilities	132,548,500
Fleet & Equipment	162,057,724
Waterways	12,295,000
Cost of Issuance, Capitalized Interest, Premium	13,779,676
	\$1,560,000,000

EXHIBIT B
FORM OF TRUST INDENTURE

TRUST INDENTURE

BY AND BETWEEN

CITY OF CHICAGO

AND

_____,
as Trustee

SECURING

CITY OF CHICAGO
GENERAL OBLIGATION [REFUNDING] BONDS, SERIES _____

Dated as of _____, 20__

TABLE OF CONTENTS

(This Table of Contents is not a part of the Indenture
and is only for convenience of reference)

SECTION	HEADING	PAGE
ARTICLE I	DEFINITIONS AND GENERAL MATTERS.....	3
Section 1.01.	Definitions.....	3
Section 1.02.	Authority for Indenture.....	9
Section 1.03.	Indenture to Constitute Contract.....	10
ARTICLE II	THE BONDS.....	10
Section 2.01.	Authority for and Issuance of Bonds	10
Section 2.02.	General Terms of Bonds.....	10
Section 2.03.	Execution	11
Section 2.04.	Authentication.....	11
Section 2.05.	Form of Bonds; Temporary Bonds	11
Section 2.06.	Delivery of Bonds.....	12
Section 2.07.	Mutilated, Lost, Stolen or Destroyed Bonds.....	12
Section 2.08.	Transfer and Exchange of Bonds; Persons Treated as Owners	13
Section 2.09.	Required Information in Bond Form	14
Section 2.10.	Cancellation	14
Section 2.11.	Book Entry Provisions	14
ARTICLE III	REDEMPTION OF BONDS.....	16
Section 3.01.	Redemption Terms, Dates and Prices	16
Section 3.02.	Notice of Redemption.....	17
Section 3.03.	Selection of Bonds for Redemption.....	19
Section 3.04.	Deposit of Funds.....	19
ARTICLE IV	APPLICATION OF BOND PROCEEDS; CREATION OF FUNDS AND SECURITY FOR BONDS.....	20
Section 4.01.	Source of Payment of Bonds.....	20
Section 4.02.	Application of Bond Proceeds	20
Section 4.03.	Creation of Accounts in Bond Fund	20
Section 4.04.	Project Fund	21
Section 4.05.	Deposits into Bond Fund and Account Therein	22
Section 4.06.	Tax Covenants.....	23
Section 4.07.	Non-presentment of Bonds	23
Section 4.08.	Moneys Held in Trust	23

ARTICLE V	INVESTMENT OF MONEYS	24
Section 5.01.	Investment of Moneys.....	24
Section 5.02.	Investment Income.....	24
ARTICLE VI	DISCHARGE OF LIEN.....	24
Section 6.01.	Defeasance	24
ARTICLE VII	DEFAULT PROVISIONS; REMEDIES	25
Section 7.01.	Defaults.....	25
Section 7.02.	Remedies.....	26
ARTICLE VIII	TRUSTEE AND PAYING AGENT	26
Section 8.01.	Acceptance of Trusts.....	26
Section 8.02.	Dealing in Bonds.....	27
Section 8.03.	Compensation of Trustee	27
Section 8.04.	Notice to Rating Agencies	27
Section 8.05.	Qualification of Trustee	28
Section 8.06.	Responsibilities of Trustee.....	28
Section 8.07.	Funds Held in Trust and Security Therefor	28
Section 8.08.	Evidence on which Trustee May Act.....	29
Section 8.09.	Permitted Acts and Functions	29
Section 8.10.	Resignation.....	29
Section 8.11.	Removal	30
Section 8.12.	Appointment of Successor	30
Section 8.13.	Transfer of Rights and Property to Successor.....	30
Section 8.14.	Merger or Consolidation	31
Section 8.15.	Adoption of Authentication	31
Section 8.16.	Evidence of Signatures of Owners and Ownership of Bonds.....	31
Section 8.17.	Preservation and Inspection of Documents.....	32
ARTICLE IX	SUPPLEMENTAL INDENTURE	32
Section 9.01.	Supplemental Indenture Effective Upon Execution by the Trustee.....	32
Section 9.02.	Supplemental Indentures Effective With Consent of Owners of Bonds.....	33
Section 9.03.	General Provisions	33
Section 9.04.	Additional Matters	34
Section 9.05.	Mailing of Notice of Amendment.....	34
Section 9.06.	Powers of Amendment.....	34
Section 9.07.	Consent of Owners of Bonds.....	34
Section 9.08.	Modifications by Unanimous Consent.....	35
Section 9.09.	Exclusion of Bonds.....	36
Section 9.10.	Notation on Bonds.....	36

ARTICLE X.	MISCELLANEOUS	36
Section 10.01.	Severability	36
Section 10.02.	Payments Due on Saturdays, Sundays and Holidays.....	36
Section 10.03.	Counterparts.....	36
Section 10.04.	Rules of Interpretation	36
Section 10.05.	Captions	37
EXHIBIT A —	Form of Bond	A-1

TRUST INDENTURE

THIS TRUST INDENTURE, made and entered into as of _____, 20__ (this "*Indenture*"), by and between the CITY OF CHICAGO (the "*City*"), a municipal corporation and home rule unit of local government duly organized and existing under the Constitution and laws of the State of Illinois, and _____, _____ (the "*Trustee*"), an Illinois banking corporation with trust powers, having a corporate trust office located in the City of Chicago, Illinois, duly organized, validly existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States of America,

WITNESSETH:

WHEREAS, pursuant to an ordinance duly adopted by the City Council of the City (the "*City Council*") on _____, 2020 (the "*Bond Ordinance*") the City duly authorized the issuance and sale of its General Obligation Bonds, Series _____ (the "*Bonds*") in order to provide the funds, together with other available funds, including proceeds of other general obligation bonds, for the purposes of (i) paying costs of the Refunding Purposes described in the Bond Ordinance, (ii) paying costs of the New Money Purposes described in the Bond Ordinance, (iii) capitalizing or funding such interest on the Bonds as may be necessary, (iv) paying costs of credit enhancements, and (v) paying expenses incidental to the issuance of the Bonds; and

WHEREAS, by virtue of Article VII of the Illinois Constitution of 1970 and pursuant to the Bond Ordinance, the City is authorized to issue the Bonds, enter into this Indenture and to do or cause to be done all the acts and things herein provided or required to be done; and

WHEREAS, the execution and delivery of the Bonds and of this Indenture have in all respects been duly authorized and all things necessary to make such Bonds, when executed by the City and authenticated by the Trustee, the legal, valid and binding obligations of the City and to make this Indenture a legal, valid and binding agreement, have been done; and

WHEREAS, the Bonds, and the Trustee's Certificate of Authentication to be endorsed on such Bonds, shall be substantially in the form attached hereto as *Exhibit A*, with necessary and appropriate variations, omissions and insertions as permitted or required by this Indenture and the Bond Ordinance;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

GRANTING CLAUSES

That the City, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Bonds by the Registered Owners thereof, and of the sum of one dollar, lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure the payment of the principal of, premium, if any, and interest on the Bonds according to their tenor and effect, and to secure the performance and observance by the City of all the covenants expressed or implied herein and in the Bonds, does hereby assign and grant a security interest in and to the

following to the Trustee, and its successors in trust and assigns forever, for the securing of the performance of the obligations of the City hereinafter set forth (the "*Trust Estate*");

GRANTING CLAUSE FIRST

Any moneys, revenues, receipts, income, assets or funds of the City legally available for such purposes, all to the extent provided in this Indenture, including, but not limited to, the proceeds of a direct annual tax levied by the City in the Bond Ordinance upon all taxable property in the City;

GRANTING CLAUSE SECOND

All moneys and securities from time to time held by the Trustee under the terms of this Indenture, except for moneys deposited with or paid to the Trustee and held in trust hereunder for the redemption of Bonds, notice of the redemption of which has been duly given; and

GRANTING CLAUSE THIRD

Any and all other property, rights and interests of every kind and nature from time to time hereafter by delivery or by writing of any kind granted, bargained, sold, alienated, demised, released, conveyed, assigned, transferred, mortgaged, pledged, hypothecated or otherwise subjected hereto, as and for additional security hereunder by the City or by any other person on its behalf or with its written consent to the Trustee, and the Trustee is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof;

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successors in said trust and assigns forever;

IN TRUST, NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all present and future Registered Owners of the Bonds, without privilege, priority or distinction as to the lien or otherwise of any of the foregoing over any other of the foregoing, except to the extent herein otherwise specifically provided;

PROVIDED, HOWEVER, that if the City, its successors or assigns shall well and truly pay, or cause to be paid, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner set forth therein according to the true intent and meaning thereof, and shall cause the payments to be made on the Bonds as required herein; or shall provide, as permitted hereby, for the payment thereof, and shall well and truly cause to be kept, performed and observed all of its covenants and conditions pursuant to the terms of this Indenture, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to them in accordance with the terms and provisions hereof, then upon the final payment thereof this Indenture and the rights hereby granted shall cease, determine and be void; otherwise this Indenture shall remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered, and all said property, rights and interests and any other amounts hereby assigned and pledged are to be dealt with and disposed

of, under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as herein expressed, and the City has agreed and covenanted, and does hereby agree and covenant, with the Trustee and the respective owners of the Bonds as follows:

ARTICLE I

DEFINITIONS AND GENERAL MATTERS

Section 1.01. Definitions. All capitalized terms used herein unless otherwise defined shall have the meanings given in the recitals above and the following meanings for purposes of this Indenture:

"Authorized Denomination" means \$5,000 and any integral multiple thereof.

"Authorized Officer" means (a) the Mayor, the Chief Financial Officer, the City Comptroller or any other official of the City so designated by a Certificate signed by the Mayor or Chief Financial Officer and filed with the Trustee for so long as such designation shall be in effect, and (b) the City Clerk with respect to the certification of any ordinance or resolution of the City Council or any other document filed in his or her office.

"Beneficial Owner" means the owner of a beneficial interest in the Bonds registered in the name of Cede & Co., as nominee of DTC (or a successor securities depository or nominee for either of them).

"Bond Counsel" means one or more firms of nationally recognized bond counsel designated by the Corporation Counsel of the City.

"Bond Fund" means the fund of that name established and described in Section 4.03 hereof.

"Bondholder," "holder," or "owner of the Bonds" means the Registered Owner or Beneficial Owner of any Bond, as the case may be.

"Bond Ordinance" has the meaning given to such term in the recitals hereto.

"Bond Register" means the registration books of the City kept by the Trustee to evidence the registration and transfer of Bonds.

"Bond Year" means a 12-month period commencing on _____ 2 of each calendar year and ending on _____ 1 of the next succeeding calendar year.

"Bonds" means the General Obligation [Refunding] Bonds, Series _____ issued pursuant to Section 2.01 hereof.

"Business Day" means any day other than (i) a Saturday or Sunday, (ii) a day on which banks located in the city where the Designated Corporate Trust Office is located are authorized or required by law to close, and (iii) a day on which The New York Stock Exchange, Inc., is closed.

"Capitalized Interest Account" means the account of that name established within the Bond Fund, as described in Section 4.03 hereof.

"Certificate" means an instrument of the City in writing signed by an Authorized Officer. Any such instrument in writing and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed so as to form a single instrument. Any such instrument may be based, insofar as it relates to legal, accounting or engineering matters, upon the opinion or representation of counsel, accountants, or engineers, respectively, unless the officer signing such instrument knows that the opinion or representation with respect to the matters upon which such instrument may be based, as aforesaid, is erroneous. The same Authorized Officer, or the same counsel or accountant or other persons, as the case may be, need not certify to all of the matters required to be certified under any provision of this Indenture or any Supplemental Indenture, but different officers, counsel, accountants or other persons may certify to different facts, respectively.

"Chief Financial Officer" means the Chief Financial Officer appointed by the Mayor, or the City Comptroller of the City at any time a vacancy exists in the office of the Chief Financial Officer.

"City" means the City of Chicago, a municipal corporation and home rule unit of local government, organized and existing under the Constitution and laws of the State.

"City Clerk" means the duly qualified and acting City Clerk of the City or any Deputy City Clerk or other person that may lawfully take a specific action or perform a specific duty prescribed for the City Clerk pursuant to the Bond Ordinance.

"City Comptroller" means the City Comptroller of the City.

"Code" means the United States Internal Revenue Code of 1986. References to the Code and to Sections of the Code shall include relevant final, temporary or proposed regulations thereunder as in effect from time to time and as applicable to obligations issued on the Date of Issuance.

"Date of Issuance" means _____, 20__, the date of issuance and delivery of the Bonds to the initial purchasers thereof.

"Defeasance Obligations" means: (A) direct obligations of the United States of America; (B) obligations of agencies of the United States of America, the timely payment of principal of and interest on which are guaranteed by the United States of America; (C) obligations of the following government-sponsored agencies that are not backed by the full faith and credit of the U.S. Government: Federal Home Loan Mortgage Corp. (FHLMC) debt obligations, Farm Credit System (formerly: Federal Land Banks, Federal Intermediate Credit Banks, and Banks for Cooperatives) debt obligations, Federal Home Loan Banks (FHL Banks) debt obligations, Fannie Mac debt obligations, Financing Corp. (FICO) debt obligations, Resolution Funding Corp. (REFCORP) debt obligations, and U.S. Agency for International Development (U.S. A.I.D.)

Guaranteed notes; (D) pre-refunded municipal obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; or (E) instruments evidencing an ownership interest in obligations described in the preceding clauses (A), (B) and (C).

"Delivery Office" shall mean the following office of the Trustee:

For Purposes of Notice and Presentation of Bonds for payment or transfers:

[Address to be Inserted]

"Deposit Date" means the Business Day immediately preceding each Interest Payment Date.

"Designated Corporate Trust Office" means the corporate trust office of the Trustee located at the address of the Trustee set forth in the definition of *"Delivery Office"* herein, as such address may be changed from time to time by the Trustee.

"DTC" means The Depository Trust Company, New York, New York, or its nominee, and its successors and assigns, or any other depository performing similar functions.

"Federal Obligation" means any direct obligation of, or any obligation the full and timely payment of principal of and interest on which is guaranteed by, the United States of America.

"Fitch" means Fitch Ratings Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation 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 City by notice to the Trustee.

"Indenture" means this Indenture, as amended and/or supplemented from time to time in accordance with Article IX hereof.

"Interest Payment Date" means each _____ and _____. The initial Interest Payment Date shall be _____, 20__.

"Issuance Costs" means the expenses and costs of the City with respect to the authorization, sale and delivery of the Bonds and the refunding of the Refunded Bonds.

"Kroll" means Kroll Bond Rating Agency, its successors and assigns, and, if Kroll shall be dissolved or liquidated or shall no longer perform the functions of a security rating agency, *"Kroll"* shall be deemed to refer to any other nationally recognized securities rating agency designated by the City by notice to the Trustee.

"Maturity Date" means, for the Bonds of each specified maturity, the applicable maturity date set forth in Section 2.2(a) of Part B of the Bond Ordinance.

"Municipal Code" means the Municipal Code of Chicago, as from time to time amended.

"Ongoing Financing Services" means any periodic fees and expenses payable to parties involved in the provision of ongoing services relating to the Bonds, such as rating agencies and entities providing financial market information to be used in connection with the structuring and sale of the Bonds, as defined in Section 7 of the Bond Ordinance.

"Opinion of Bond Counsel" means a written opinion of Bond Counsel in form and substance acceptable to the City.

"Outstanding," means, when used with reference to any Bonds, all of such obligations issued under this Indenture that are unpaid, *provided* that such term does not include:

(a) Bonds canceled at or prior to such date or delivered to or acquired by the Trustee at or prior to such date for cancellation;

(b) matured or redeemed Bonds which have not been presented for payment in accordance with the provisions of this Indenture and for the payment of which the City has deposited funds with the Trustee;

(c) Bonds for which the City has provided for payment by depositing in an irrevocable trust or escrow, cash or Defeasance Obligations, in each case, the maturing principal of and interest on which will be sufficient to pay at maturity, or if called for redemption on the applicable redemption date, the principal of, redemption premium, if any, and interest on such Bonds;

(d) Bonds in lieu of or in exchange or substitution for which other Bonds shall have been authenticated and delivered pursuant to this Indenture; and

(e) Bonds owned by the City and tendered to the Trustee for cancellation.

"Outstanding Indebtedness" has the meaning ascribed thereto in the Bond Ordinance.

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

"Paying Agent" means the Trustee and any Paying Agent designated by the Trustee, and any successor thereto.

"Permitted Investments" means any of the following obligations or securities permitted under the laws of the State and the Municipal Code:

(a) interest-bearing general obligations of the United States of America, the State or the City;

(b) United States treasury bills and other non-interest bearing general obligations of the United States of America when offered for sale in the open market at a price below the face value of same, so as to afford the City a return on such investment in lieu of interest;

(c) short-term discount obligations of the United States Government or United States Government agencies;

(d) certificates of deposit of national banks or banks located within the City which are either (i) fully collateralized at least 110 percent by marketable United States Government securities marked to market at least monthly or (ii) secured by a corporate surety bond issued by an insurance company licensed to do business in the State and having a claims-paying rating in the top rating category as rated by a nationally recognized statistical rating organization and maintaining such rating during the term of such investment;

(e) banker's acceptances of banks and commercial paper of banks whose senior obligations are rated in the top two short-term rating categories by at least two national rating agencies and maintaining such rating during the term of such investment;

(f) tax-exempt securities exempt from federal arbitrage provisions applicable to investments of proceeds of the City's tax-exempt debt obligations;

(g) shares of money market mutual funds registered under the Investment Company Act of 1940, which shares are registered under the Securities Act of 1933, including any such fund for which the Trustee or any of its affiliates provides any service including any service for which a fee may be paid; and

(h) any other suitable investment instrument permitted by State laws and the Municipal Code governing municipal investments generally, subject to the reasonable exercise of prudence in making investments of public funds.

"Pledged Taxes" shall have the meaning given to such term in the Bond Ordinance.

"Principal and Interest Account" means the Account of that name established within the Bond Fund, as described in Section 4.03 hereof.

"Principal and Interest Account Requirement" means an amount, equal to the total principal installment and interest due on such Bonds as of each _____ and _____ (including any mandatory redemption of the Bonds as required by Section 3.01(c) hereof), which amount shall be deposited in the Principal and Interest Account not later than the Deposit Date for such Interest Payment Date.

"Project" means the capital projects described in Section 2 of the Bond Ordinance.

"Project Costs" means the cost of (i) public right-of-way improvements in City neighborhoods, including street and alley construction and improvements, lighting improvements, sidewalk improvements and replacements, curb and gutter repairs and replacements and environmental remediation; (ii) infrastructure improvements to enhance the development of economic activity, including industrial street construction and improvements, streetscaping, median landscaping, demolition of hazardous, vacant or dilapidated buildings that pose a threat to public safety and welfare, shoreline reconstruction, riverbank stabilization, residential and commercial infrastructure redevelopment and railroad viaduct clearance improvements; (iii) transportation improvements (to City property and facilities and to property and facilities located within the City limits which are owned by other governmental entities), including street resurfacing, bridge and freight tunnel rehabilitation, viaduct rehabilitation, traffic signal modernization, new traffic signal installation, intersection safety improvements and transit facility improvements; (iv) grants to assist not-for-profit organizations or educational or cultural institutions, or to assist other municipal corporations, units of local government, school districts, the State or the United States of America; (v) the duly authorized acquisition of improved or unimproved real property within the City for municipal, industrial, commercial or residential purposes; (vi) the acquisition of personal property, including, but not limited to, computer hardware and software, vehicles or other capital items useful or necessary for City purposes; and (vii) constructing, equipping, altering, improving and repairing various municipal facilities and the sites thereof, including fire stations, police stations, libraries, senior and health centers and other municipal facilities.

"Project Fund" means the fund of that name established and described in Section 4.04 hereof.

"Qualified Collateral" means:

- (a) Federal Obligations;
- (b) direct and general obligations of any state of the United States of America or any political subdivision of the State which are rated not less than "AA" or "Aa2" or their equivalents by any nationally recognized securities rating agency; and
- (c) public housing bonds issued by public housing authorities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under any annual contributions contract or contracts with the United States of America, or project notes issued by public housing authorities, or project notes issued by local public agencies, in each case fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America.

"Rating Agency" means any of Fitch, S&P and Kroll, or another rating agency that has a credit rating assigned to the Bonds at the request of the City.

"Record Date" means each June 15 and December 15 (whether or not a Business Day).

"Refunding Purposes" means the retiring of any lines of credit or general obligation commercial paper notes outstanding from time to time, as defined in the Bond Ordinance.

"Redemption Price" means with respect to the Bonds, the principal amount thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of such Bonds.

"Refunded Bonds" means the following Outstanding Indebtedness:

[Refunded Bonds to be inserted]

"Refunded Bonds Escrow Account" means _____.

"Refunding Purposes" means the refunding of the Refunded Bonds.

"Registered Owner" or *"Owner"* means the person or persons in whose name or names a Bond shall be registered in the Bond Register.

"S&P" means S&P Global Ratings, a division of Standard & Poor's Financial Services LLC, 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 City by notice to the Trustee.

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

"State" means the State of Illinois.

"Supplemental Indenture" means any indenture modifying, altering, amending, supplementing or confirming this Indenture duly entered into in accordance with the terms hereof.

"Tax Certificate" means the tax certificate of the City dated the Date of Issuance pertaining to the Bonds.

"Trust Estate" means the property conveyed to the Trustee pursuant to the Granting Clauses hereof.

"Trustee" means _____, _____, an Illinois banking corporation with trust powers, and its successors and any entity resulting from or surviving any consolidation or merger to which it or its successors may be a party, and any successor trustee at the time serving as successor trustee hereunder.

Section 1.02. Authority for Indenture. This Indenture is executed and delivered by the City by virtue of and pursuant to the Bond Ordinance and as an exercise of its home rule powers. The

City has ascertained and hereby determines and declares that the execution and delivery of this Indenture is necessary to meet the public purposes and obligations of the City, 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 City 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 Bonds and are contracts or agreements necessary, useful or convenient to carry out and effectuate the corporate purposes of the City.

Section 1.03. Indenture to Constitute Contract. In consideration of the purchase and acceptance of Bonds by those who shall hold the same from time to time, the provisions of this Indenture and any Supplemental Indenture shall be a part of the contract of the City with the Owners of Bonds and shall be deemed to be and shall constitute a contract between the City, the Trustee, and the Owners from time to time of the Bonds. The City covenants and agrees with the Owners of Bonds and the Trustee that it will faithfully perform all of the covenants and agreements contained in this Indenture, in the Bond Ordinance and in the Bonds.

ARTICLE II

THE BONDS

Section 2.01. Authority for and Issuance of Bonds. The Bonds are authorized to be issued by virtue of and pursuant to the Bond Ordinance and as an exercise by the City of its home rule powers. No Bonds may be issued under the provisions of this Indenture except in accordance with this Article. Except as provided in Section 2.07 hereof, the total principal amount of Bonds that may be issued hereunder is expressly limited to \$_____.

Section 2.02. General Terms of Bonds. (a) The Bonds shall constitute a single series in the aggregate principal amount of \$_____, and be designated "City of Chicago General Obligation [Refunding] Bonds, Series _____" and shall be issued as fully registered bonds, without coupons, in Authorized Denominations substantially in the form attached as *Exhibit A* thereto. Unless the City shall otherwise direct, the Bonds shall be lettered and numbered from R-1 and upwards. Each Bond shall be dated the Date of Issuance and shall mature, subject to prior redemption as provided in Article III hereof, on its Maturity Date.

(b) Each Bond shall bear interest from the later of its date or the most recent Interest Payment Date to which interest has been paid or duly provided for, until the principal amount of such Bond is paid, such interest being payable on _____ 1 and _____ 1 of each year, commencing on _____. Interest on each Bond shall be paid to the person in whose name such Bond is registered at the close of business on the Record Date next preceding the applicable Interest Payment Date, by check or draft of the Trustee, or, at the option of any registered owner of \$1,000,000 or more in aggregate principal amount of Bonds of a series, by wire transfer of immediately available funds to such bank in the continental United States of America as the registered owner of such Bonds shall request in writing to the Trustee.

(c) The principal of the Bonds and any redemption premium shall be payable in lawful money of the United States of America which, at the respective dates of payment thereof, is legal

tender for the payment of public and private debts, upon presentation and surrender thereof at the Designated Corporate Trust Office of the Trustee.

(d) The Bonds shall mature on _____ in each year shown in the following table in the respective principal amount set forth opposite each such year. The Bonds shall bear interest from and including the Date of Issuance as shown in the table below until payment of the principal or Redemption Price thereof shall have been made or provided for in accordance with the provisions hereof, whether at the applicable Maturity Date, upon redemption, or otherwise. Interest accrued on the Bonds shall be paid in arrears on each Interest Payment Date. Interest on the Bonds shall be computed upon the basis of a 360 day year consisting of twelve 30 day months.

YEAR (_____)	PRINCIPAL AMOUNT	INTEREST RATE
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Section 2.03. Execution. The seal of the City or a facsimile thereof shall be affixed to or printed on each of the Bonds, and the Bonds shall be executed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the City Clerk, and in case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

Section 2.04. Authentication. All Bonds shall have thereon a certificate of authentication substantially in the form attached hereto as part of *Exhibit A* duly executed by the Trustee as authenticating agent of the City and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Indenture unless and until such certificate of authentication shall have been duly executed by the Trustee by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under the Bond Ordinance and this Indenture. The certificate of authentication on any Bond shall be deemed to have been executed by the Trustee if signed by an authorized officer of such Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 2.05. Form of Bonds; Temporary Bonds. The Bonds issued under this Indenture shall be substantially in the form attached hereto as *Exhibit A*, with such appropriate

variations, omissions and insertions as are permitted or required by the Bond Ordinance and this Indenture.

Pending preparation of definitive Bonds, or by agreement with the purchasers of the Bonds, the City may issue and, upon its request, the Trustee shall authenticate, in lieu of definitive Bonds, one or more temporary printed or typewritten Bonds in Authorized Denominations of substantially the tenor recited above. Upon request of the City, the Trustee shall authenticate definitive Bonds in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same rights, remedies and security hereunder as definitive Bonds.

Section 2.06. Delivery of Bonds. Upon the execution and delivery of this Indenture, the City shall execute and deliver to the Trustee, and the Trustee shall authenticate, the Bonds and deliver them to the purchasers as may be directed by the City as hereinafter in this Section provided.

Prior to the delivery by the Trustee of any of the Bonds there shall be filed with the Trustee:

- (1) copies, duly certified by the City Clerk of the City, of the Bond Ordinance;
- (2) original executed counterparts of this Indenture;
- (3) an Opinion of Bond Counsel to the effect that this Indenture (i) has been duly and lawfully authorized by the City Council of the City and executed by the City in accordance with the provisions of the Bond Ordinance and (ii) will, when executed and delivered by the Trustee, be valid and binding upon the City and enforceable in accordance with its terms; and
- (4) a Certificate executed by the Chief Financial Officer stating that all conditions precedent with respect to the execution of all documents by the City relating to the Bonds have been satisfied.

Section 2.07. Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond, whether in temporary or definitive form, is lost (whether by reason of theft or otherwise), destroyed (whether by mutilation, damage, in whole or in part, or otherwise) or improperly cancelled, the Trustee may authenticate a new Bond of like date, maturity date, interest rate, denomination and principal amount and bearing a number not contemporaneously outstanding; *provided* that (i) in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and (ii) in the case of any lost Bond or Bond destroyed in whole, there shall be first furnished to the Trustee evidence of such loss, theft, or destruction satisfactory to the City and the Trustee, together with indemnification of the City and the Trustee, satisfactory to the Trustee. If any lost, destroyed or improperly cancelled Bond shall have matured or is about to mature, or has been called for redemption, instead of issuing a duplicate Bond, the Trustee shall pay the same without surrender thereof if there shall be first furnished to the Trustee evidence of such loss, destruction or cancellation, together with indemnity, satisfactory to it. Upon the issuance of any substitute Bond,

the Trustee may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto.

All Bonds shall be owned upon the express condition that the foregoing provisions, to the extent permitted by law, are exclusive with respect to the replacement or payment of mutilated, destroyed, lost, stolen or purchased Bonds, and shall preclude any and all other rights or remedies.

Section 2.08. Transfer and Exchange of Bonds; Persons Treated as Owners.
(a) Subject to the limitations contained in paragraph (c) of this Section, upon surrender for registration of transfer of any Bond at the Designated Corporate Trust 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 Bondholder or such Bondholder's attorney duly authorized in writing in such form and with guarantee of signature as shall be satisfactory to the Trustee, the City shall execute, and the Trustee shall authenticate and deliver, in the name of the transferee or transferees, one or more fully registered Bonds of the same interest rate and Maturity Date of Authorized Denominations, for a like principal amount bearing numbers not contemporaneously outstanding. Subject to the limitations contained in paragraph (c) of this Section, Bonds may be exchanged at the Designated Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of the same interest rate and Maturity Date of other Authorized Denominations bearing numbers not contemporaneously outstanding.

(b) No service charge shall be made for any transfer or exchange of Bonds, but the City or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, except that no such payment may be required in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

(c) The Trustee shall not be required to transfer or exchange any Bond during the period commencing on the Record Date next preceding any Interest Payment Date of such Bond and ending on such Interest Payment Date, or to transfer or exchange such Bond after the mailing of notice calling such Bond for redemption has been made as herein provided or during the period of 15 days next preceding the giving of notice of redemption of Bonds of the same Maturity Date and interest rate.

(d) Bonds delivered upon any registration of transfer or exchange as provided herein or as provided in Section 2.07 hereof shall be valid general obligations of the City, evidencing the same debt as the Bonds surrendered, shall be secured by this Indenture and shall be entitled to all of the security and benefits hereof and of the Bond Ordinance to the same extent as the Bond surrendered. The City and the Trustee may treat the Registered Owner of any Bond as the absolute owner thereof for all purposes, whether or not such Bond 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 Bond as herein provided shall be made only to or upon the written order of the Registered Owner thereof or such Registered 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 Bond to the extent of the sum or sums so paid.

Section 2.09. Required Information in Bond Form. On each date on which the Trustee authenticates and delivers a Bond, it shall complete the information required to be inserted by the Bond form and shall keep a record of such information.

Section 2.10. Cancellation. Any Bond surrendered for the purpose of payment or retirement, or for exchange, transfer or replacement, shall be canceled upon surrender thereof to the Trustee. If the City shall acquire any of the Bonds, the City shall deliver such Bonds to the Trustee for cancellation and the Trustee shall cancel the same. Certification of Bonds canceled by the Trustee shall be made to the City. Canceled Bonds may be destroyed by the Trustee unless instructions to the contrary are received from the City.

Section 2.11. Book Entry Provisions. The provisions of this Section shall apply as long as the Bonds are maintained in book entry form with DTC or another Securities Depository, any provisions of this Indenture to the contrary notwithstanding. Notwithstanding anything else to the contrary herein, so long as DTC is the Securities Depository, the Bonds shall be subject to the operational arrangements of DTC in effect from time to time.

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

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

(c) If, following a determination or event specified in paragraph (b) of this Section, the City discontinues the maintenance of the Bonds in book entry form with the then current Securities Depository, the City will issue replacement Bonds to the replacement Securities Depository, if any, or, if no replacement Securities Depository is selected for the Bonds, directly to the Participants as shown on the records of the former

Securities Depository or, to the extent requested by any Participant, to the Beneficial Owners of the Bonds shown on the records of such Participant. Any such Bonds so issued in replacement shall be in fully registered form and in Authorized Denominations, be payable as to interest on the Interest Payment Dates of the Bonds by check mailed to each Registered Owner at the address of such Registered Owner as it appears on the Bond Register or, at the option of any Registered Owner of not less than \$1,000,000 principal amount of Bonds, by wire transfer to any address in the United States of America on such Interest Payment Date to such Registered Owner as of such Record Date, if such Registered Owner provides the Trustee with written notice of such wire transfer address not later than the Record Date (which notice may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked by subsequent notice). Principal and premium, if any, on the replacement Bonds are payable only upon presentation and surrender of such replacement Bond or Bonds at the Designated Corporate Trust Office of the Trustee.

(d) The Securities Depository and its Participants, and the Beneficial Owners of the Bonds, by their acceptance of the Bonds, agree that the City and the Trustee shall not have liability for the failure of such Securities Depository to perform its obligations to the Participants and the Beneficial Owners of the Bonds, nor shall the City or the Trustee be liable for the failure of any Participant or other nominee of the Beneficial Owners to perform any obligation of the Participant to a Beneficial Owner of the Bonds.

(c) As long as Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the Registered Owner of the Bonds, as nominee of DTC, references herein to the Registered Owners of the Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the Bonds.

(f) As long as Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the Registered Owner of the Bonds:

(i) selection of Bonds to be redeemed upon partial redemption or presentation of Bonds to the Trustee upon partial redemption, shall be deemed made when the right to exercise ownership rights in such Bonds through DTC or DTC's Participants is transferred by DTC on its books;

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

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

ARTICLE III

REDEMPTION OF BONDS

Section 3.01. Redemption Terms, Dates and Prices. The Bonds shall be subject to redemption prior to their Maturity Date in the amounts, at the times and in the manner provided in this Section.

(a) *Optional Redemption.* The Bonds maturing on or after _____, 20__ are subject to redemption at the option of the City, on any date occurring on or after _____, 20__, in such principal amounts and from such maturities and interest rates as the City shall determine and by lot within a single maturity and interest rate, at a Redemption Price of ____% of the principal amount thereof being redeemed plus accrued interest, if any, to the date of redemption.

The City is authorized to sell or waive any right the City may have to call any of the Bonds for optional redemption, in whole or in part; *provided*, that such sale or waiver will not adversely affect the excludability of interest on the Bonds from gross income for federal income tax purposes.

(b) *General Provisions Regarding Redemptions.*

(i) No redemption of less than all of the Bonds Outstanding shall be made pursuant to Section 3.01(a) hereof unless the aggregate principal amount of Bonds to be redeemed is equal to \$5,000 multiples. Any redemption of less than all of the Bonds Outstanding shall be made in such a manner that all Bonds Outstanding after such redemption are in Authorized Denominations. If fewer than all Bonds Outstanding are to be optionally redeemed, the Bonds to be called shall be called from such maturities and interest rates as may be determined by an Authorized Officer.

(ii) Bonds may be called for redemption by the Trustee pursuant to Sections 3.01(a) and 3.01(c) hereof upon receipt by the Trustee at least 45 days prior to the redemption date (unless a shorter time period shall be satisfactory to the Trustee) of, in the case of a redemption pursuant to Section 3.01(a) of a written request of the City requesting such redemption, or in the case of a redemption pursuant to Section 3.01(c) in accordance with the mandatory schedule provided herein.

(iii) In lieu of redeeming Bonds pursuant to Section 3.01(a) hereof, the Trustee may, at the request of the City, use such funds available hereunder for redemption of Bonds to purchase Bonds in the open market at a price not exceeding the Redemption Price then applicable hereunder. Any Bond so purchased in lieu of redemption shall be delivered to the Trustee for cancellation and shall be canceled, all as provided in Section 2.10 hereof.

(c) *Mandatory Redemption of Bonds.*

The Bonds maturing on _____, 20__ are subject to mandatory redemption prior to maturity on _____ of the years and in the amounts set forth below, at a Redemption Price

of ____ percent of the principal amount thereof plus accrued interest to the date fixed for redemption:

***Final Maturity**

The final maturity amount of the Bonds maturing on _____, 20__, is \$_____.

The principal amount of the Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemption of such Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the City may determine. In addition, on or prior to the sixtieth (60th) day preceding any mandatory redemption date, the Trustee may, and if directed by the City shall, purchase Bonds required to be retired on such mandatory redemption date at such prices as the City shall determine. Any such Bond so purchased shall be canceled and the principal amount thereof shall be credited against the payment required on such next mandatory redemption date.

[Additional redemption provisions to be incorporated as applicable]

Section 3.02. Notice of Redemption. (a) Unless waived by any owner of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Trustee on behalf of the City by mailing the redemption notice by first class mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Trustee, but the failure to mail any such notice or any defect therein as to any Bond shall not affect the validity of the proceedings for the redemption of any other Bond. Any notice of redemption mailed as provided in this Section 3.02 shall be conclusively presumed to have been given whether or not actually received by the addressee.

All notices of redemption shall state:

- (1) the Series designation of the Bonds to be redeemed,
- (2) the redemption date,
- (3) the Redemption Price,
- (4) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts and interest rates) of the Bonds to be redeemed,

(5) that on the redemption date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue or compound from and after said date,

(6) the place where such Bonds are to be surrendered for payment of the Redemption Price, and

(7) such other information as shall be deemed necessary by the Trustee at the time such notice is given to comply with law, regulation or industry standard.

(b) With respect to an optional redemption of Bonds, such notice may state that said redemption is conditioned upon the receipt by the Trustee on or prior to the date fixed for redemption of moneys sufficient to pay the Redemption Price of the Bonds. If such moneys are not so received, such redemption notice shall be of no force and effect, the City shall not redeem such Bonds and such failure to deposit such funds shall not constitute an Event of Default under this Indenture. The Trustee shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Bonds will not be redeemed. Unless the notice of redemption shall be made conditional as provided above, on or prior to any redemption date for the Bonds, the City shall deposit with the Trustee an amount of money sufficient to pay the Redemption Price of all the Bonds or portions thereof which are to be redeemed on that date.

(c) Notice of redemption having been given as aforesaid, the Bonds, or portions thereof, so to be redeemed shall, on the redemption date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the City defaults in the payment of the Redemption Price or unless, in the event of a conditional notice as described above, the necessary moneys were not deposited) such Bonds, or portions thereof, shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Trustee at the Redemption Price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of the same interest rate and maturity in the amount of the unpaid principal.

(d) If any Bond, or portion thereof, called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by such Bond, or portion thereof, so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Trustee and shall not be reissued.

(e) Failure to give notice in the manner prescribed hereunder with respect to any Bond, or any defect in such notice, shall not affect the validity of the proceedings for redemption for any Bond with respect to which notice was properly given. Upon the happening of the above conditions and if sufficient moneys are on deposit with the Trustee on the applicable redemption date to redeem the Bonds to be redeemed and to pay interest due thereon and premium, if any, the Bonds thus called shall not, after the applicable redemption date, bear interest, be protected by this Indenture or the Bond Ordinance or be deemed to be Outstanding under the provisions of this Indenture.

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

(g) If any Bond is not presented for payment when the principal amount thereof becomes due, either at maturity or at a date fixed for redemption thereof or otherwise, and if moneys sufficient to pay such Bond are held by the Trustee for the benefit of the Registered Owner of such Bond, the Trustee shall hold such moneys for the benefit of the Registered Owner of such Bond without liability to the Registered Owner for interest. The Registered Owner of such Bond thereafter shall be restricted exclusively to such funds for satisfaction of any claims relating to such Bond.

Section 3.03. Selection of Bonds for Redemption. If less than all the Bonds shall be called for redemption under any provision of this Indenture permitting such partial redemption, (i) such redemption shall be by lot in such manner as the Trustee may determine among such Bonds, and (ii) subject to other applicable provisions of this Indenture, the portion of any Bond to be redeemed shall be in a principal amount equal to an Authorized Denomination. In selecting Bonds for redemption, the Trustee shall assign to each Bond of like Maturity Date and interest rate, a distinctive number for each minimum Authorized Denomination of such Bond and shall select by lot from the numbers so assigned as many numbers as, at such minimum Authorized Denomination for each number, shall equal the principal amount of such Bonds to be redeemed. In such case, the Bonds to be redeemed shall be those to which were assigned numbers so selected; provided that only so much of the principal amount of each Bond shall be redeemed as shall equal such minimum Authorized Denomination for each number assigned to it and so selected. 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 Bond is to be called for redemption, then, upon notice of intention to redeem such integral multiple of an Authorized Denomination, the Registered Owner of such Bond shall forthwith surrender such Bond to the Trustee for (a) payment to such Registered Owner of the Redemption Price of the integral multiple of the Authorized Denomination of principal amount called for redemption, and (b) delivery to such Registered Owner of a new Bond or Bonds in the aggregate principal amount of the unredeemed balance of the principal amount of such Bond. New Bonds representing the unredeemed balance of the principal amount of such Bond shall be issued to the Registered Owner thereof without charge therefor.

The Trustee shall promptly notify the City in writing of the Bonds, or portions thereof, selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof, and the interest rate thereof to be redeemed.

Section 3.04. Deposit of Funds. For the redemption of any of the Bonds, the City shall cause to be deposited in the Principal and Interest Account moneys sufficient to pay when due the principal of, and premium, if any, and interest on, the Bonds to be redeemed on the redemption date to be applied in accordance with the provisions hereof.

ARTICLE IV

**APPLICATION OF BOND PROCEEDS;
CREATION OF FUNDS AND SECURITY FOR BONDS**

Section 4.01. Source of Payment of Bonds. Pursuant to the Bond Ordinance, the Bonds constitute direct and general obligations of the City for the punctual payment of which the City pledges its full faith and credit and, pursuant to the Bond Ordinance, the Pledged Taxes. The City covenants that the Pledged Taxes shall be used only for the payment of (i) principal of, interest on and Redemption Price, if any, on the Bonds (or for the purchase by the City of the Bonds which are then cancelled), and (ii) Ongoing Financing Services, each unless and until all of the Bonds are paid in full or are fully defeased pursuant to Article VI herein; provided, however, that the levy of Pledged Taxes is subject to abatement as provided in the Bond Ordinance.

Section 4.02. Application of Bond Proceeds. The proceeds of the sale of the Bonds, consisting of the principal amount of the Bonds plus original issue premium of \$_____ and less an underwriters' discount of \$_____, shall be applied simultaneously with their delivery as follows:

- (i) Deposit to Project Fund: \$_____
- (ii) Deposit to Refunding Purposes Account: \$_____
- (iii) Deposit to Capitalized Interest Account: \$_____
- (iv) Deposit to Costs of Issuance Account: \$_____

Section 4.03. Creation of Accounts in Bond Fund. (a) There is established with the Trustee a trust fund designated "City of Chicago General Obligation [Refunding] Bonds, Series _____ Bond Fund."

(i) At each such time as is required under this Indenture, the City shall deposit into the Bond Fund, from funds of the City legally available therefor, an amount sufficient to satisfy the Principal and Interest Account Requirement.

(ii) Money on deposit in the Bond Fund shall be applied by the Trustee to pay the principal of (whether due at maturity or by mandatory redemption) and interest on the Bonds as the same shall become due.

(iii) Pending the use of moneys held in the Bond Fund, the Trustee shall invest such moneys in Permitted Investments upon the direction of the Chief Financial Officer or any person designated by the Chief Financial Officer. Income from such investments shall be credited to the account within the Bond Fund from which the investment was made.

(b) *Creation of Principal and Interest Account.* There is established with the Trustee an account within the Bond Fund, designated as the "Series _____ Principal and Interest Account" (the "*Principal and Interest Account*"). Amounts on deposit in the Principal and Interest Account

shall be used to pay principal and interest on the Bonds as the same shall become due after funds in the Series _____ Capitalized Interest Account have been depleted.

(c) *Creation of Capitalized Interest Account.* There is established with the Trustee an account within the Bond Fund, designated as the "Series _____ Capitalized Interest Account" (the "*Series _____ Capitalized Interest Account*"). Moneys on deposit in the Series _____ Capitalized Interest Account, and the interest earnings thereon, shall be applied to pay interest due on the Bonds on each of the Interest Payment Dates occurring on and before _____, 20____. Any amount remaining on deposit in the Series _____ Capitalized Interest Account on _____, 20____, shall be used to pay interest on the Bonds, as the City shall direct, before funds from the Principal and Interest Account are used.

Section 4.04. Project Fund. (a) There is established with the Trustee a trust fund designated "City of Chicago General Obligation Bonds, Series _____ Project Fund" to be held and applied in accordance with the terms and provisions of this Indenture. Moneys on deposit in the Project Fund will be paid out from time to time by the Trustee to or upon the order of the City in order to provide for the payment or to reimburse the City for the payment of Project Costs upon receipt by the Trustee of a certificate of an Authorized Officer describing the Project Costs to be paid or reimbursed with such moneys (including the identity of and method of payment for each payee), in the form attached hereto Exhibit B, and stating that:

(i) the costs in an aggregate amount set forth in such certificate are necessary and appropriate Project Costs that (a) have been incurred and paid or (b) are expected to be paid within the next 60 days;

(ii) the amount to be paid or reimbursed to the City as set forth in such certificate is reasonable and represents a part of the amount payable for the Project Costs and that such payment is to be made or, in the case of reimbursement to the City, was made, in accordance with the terms of any applicable contracts and in accordance with usual and customary practice under existing conditions;

(iii) no part of the Project Costs that are the subject of such certificate was included in any certificate previously filed with the Trustee under the provisions of this Indenture; and

(iv) the use of the money so withdrawn from the Project Fund and the use of the facilities provided with such moneys will not result in a violation of any applicable covenant, term or provision of the Tax Certificate.

(b) *Creation of Refunding Purposes Account.* There is established with the Trustee an account within the Project Fund, designated as the "Series _____ Refunding Purposes Account" (the "*Series _____ Refunding Purposes Account*"). At the written direction of the City, moneys on deposit in the Series _____ Refunding Purposes Account shall be withdrawn by the Trustee on the Business Day prior to the redemption or maturity due date of the general obligation commercial paper notes to be retired. Moneys on deposit in the Series _____ Refunding Purposes Account, including the investment earnings thereon, remaining after the

retirement of such general obligation commercial paper notes, shall be deposited by the Trustee to the Series _____ Investment Earnings Account.

(c) *Creation of Costs of Issuance Account.* There is established with the Trustee an account within the Project Fund, designated as the "Series _____ Costs of Issuance Account" (the "*Series _____ Costs of Issuance Account*"). Moneys on deposit in the Series _____ Costs of Issuance Account shall be withdrawn by the Trustee and paid to or as directed by the City, upon receipt by the Trustee of a written disbursement request from the City identifying the costs of issuance and the amounts thereof to be paid pursuant to such request. Moneys on deposit in the Series _____ Costs of Issuance Account, including the investment earnings thereon, remaining after all disbursements for payment of the costs of issuance have been made shall be deposited by the Trustee to the Series _____ Investment Earnings Account.

(d) *Creation of Investment Earnings Account.* There is established with the Trustee an account within the Project Fund, designated as the "Series _____ Investment Earnings Account" (the "*Series _____ Investment Earnings Account*"). Moneys on deposit in the Series _____ Investment Earnings Account, including the investment earnings thereon, shall be retained therein and deposited to the Project Account, as the City shall direct.

(e) Moneys in the Project Fund shall be invested at the written direction of an Authorized Officer to the fullest extent practicable in Permitted Investments maturing in such amounts and at such times as may be necessary to provide funds when needed to pay, as applicable, Project Costs, Refunding Purposes or costs of issuance of the Bonds or such other costs as may be required to be paid from such moneys. The City may, and to the extent required for payments from the Project Fund shall, direct the Trustee in writing to sell any such Permitted Investments at any time, and the proceeds of such sale, and of all payments at maturity and upon redemption of such investments, shall be held in the Project Fund. Investment earnings received on moneys or securities in the Project Fund shall be deposited to the Series _____ Investment Earnings Account.

(f) The completion, substantial completion or abandonment of each capital project set forth in Section 4.03(b)(i)-(xiii) and comprising the Project shall be evidenced by a certificate of an Authorized Officer, which shall be filed promptly with the Trustee, stating the date of such completion, anticipated completion or abandonment and the amount, if any, required in the opinion of the signer of such certificate for the payment of any remaining part of the Project Costs. Upon the filing of such certificate, the balance in the Project Fund in excess of the amount, if any, stated in such certificate of the City as necessary to complete the Project shall be deposited into the Principal and Interest Account and applied as directed in such certificate; provided that such direction shall be consistent with Section 4.07 and applicable provisions of the Tax Certificate.

Section 4.05. Deposits into Bond Fund and Account Therein. Not later than the Deposit Date, there shall be on deposit in the Bond Fund an amount equal to the Principal and Interest Account Requirement.

In addition to the Principal and Interest Account Requirement, there shall be deposited into the Bond Fund any other moneys received by the Trustee under and pursuant to this Indenture,

when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund and to one or more accounts therein.

Upon calculation by the Trustee of each Principal and Interest Account Requirement under this Section, the Trustee shall notify the City of the Principal and Interest Account Requirement and the Deposit Date to which it relates, and shall provide the City with such supporting documentation and calculations as the City may reasonably request.

Section 4.06. Tax Covenants. (a) The City covenants that it will take no action in the investment of the proceeds of the Bonds which would result in making the interest payable on any of such Bonds subject to federal income taxes by reason of such Bonds being classified as "arbitrage bonds" within the meaning of Section 148 of the Code.

(b) The City further covenants that it will act with respect to the proceeds of the Bonds, the earnings on the proceeds of such Bonds and any other moneys on deposit in any fund or account maintained in respect of such Bonds, including, if necessary, a rebate of such earnings to the United States of America, in a manner which would cause the interest on such Bonds to continue to be exempt from federal income taxation under Section 103(a) of the Code.

Section 4.07. Non-presentment of Bonds. In the event any Bond shall not be presented for payment when the principal thereof becomes due, whether at maturity, at the date fixed for redemption or otherwise, if moneys sufficient to pay such Bond shall have been made available to the Trustee for the benefit of the Registered Owner thereof, subject to the provisions of the immediately following paragraph, all liability of the City to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys, without liability for interest thereon, for the benefit of the Registered Owner of such Bond who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature on his or her part under this Indenture or on, or with respect to, such Bond.

Any moneys so deposited with and held by the Trustee not so applied to the payment of Bonds within two years after the date on which the same shall have become due shall be repaid by the Trustee to the City, and thereafter the Registered Owners of such Bonds shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid, and all liability of the Trustee with respect to such moneys shall thereupon cease, and the City shall not be liable for any interest thereon and shall not be regarded as a trustee of such moneys. The obligation of the Trustee under this Section to pay any such funds to the City shall be subject, however, to any provisions of law applicable to the Trustee or to such funds providing other requirements for disposition of unclaimed property.

Section 4.08. Moneys Held in Trust. All moneys required to be deposited with or paid to the Trustee for the account of any fund or account referred to in any provision of this Indenture shall be held by the Trustee in trust as provided in Section 8.07 of this Indenture, and shall, while held by the Trustee, constitute part of the Trust Estate and be subject to the lien or security interest created hereby.

ARTICLE V

INVESTMENT OF MONEYS

Section 5.01. Investment of Moneys. Moneys held in the funds, accounts and subaccounts established hereunder shall be invested and reinvested in accordance with the provisions governing investments contained in this Indenture. All such investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the fund, account or subaccount for which they were made.

Section 5.02. Investment Income. The interest earned on any investment of moneys held hereunder, any profit realized from such investment and any loss resulting from such investment shall be credited or charged to the fund, account or subaccount for which such investment was made.

ARTICLE VI

DISCHARGE OF LIEN

Section 6.01. Defeasance. (a) If the City shall pay to the Registered Owners of the Bonds, or provide for the payment of, the principal, premium, if any, and interest to become due on the Bonds, then this Indenture and the Bond Ordinance shall be fully discharged and satisfied with respect to the Bonds. Upon the satisfaction and discharge of this Indenture, the Trustee shall, upon the request of the City, execute and deliver to the City all such instruments as may be desirable to evidence such discharge and satisfaction, and all fiduciaries shall pay over or deliver to the City all funds, accounts and other moneys or securities held by them pursuant to this Indenture which are not required for the payment or redemption of the Bonds. If payment or provision for payment is made to or for the Registered Owners of all or a portion of the Bonds, of the principal of and interest due and to become due on any Bond at the times and in the manner stipulated therein, and there is paid or caused to be paid to the Trustee all sums of money due and to become due according to the provisions of this Indenture, then these presents and the estate and rights hereby and by the Bond Ordinance granted shall cease, terminate and be void as to those Bonds or portions thereof except for purposes of registration, transfer and exchange of Bonds and any such payment from such moneys or obligations. Any Bond shall be deemed to be paid within the meaning of this Section when payment of the principal of any such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in this Indenture or otherwise), either (a) shall have been made or caused to have been made in accordance with the terms thereof, or (b) shall have been provided for by irrevocably depositing with the Trustee, in trust and exclusively for such payment, (1) moneys sufficient to make such payment or (2) Defeasance Obligations, or (3) a combination of the investments described in clauses (1) and (2) above, such amounts so deposited being available or maturing as to principal and interest in such amounts and at such times, without consideration of any reinvestment thereof, as will insure the availability of sufficient moneys to make such payment (all as confirmed by a nationally recognized firm of independent public accountants). If the City shall pay and discharge a portion of the Bonds as aforesaid, such portion shall cease to be entitled to any lien, benefit or security under this Indenture and the Bond Ordinance. The liability of the City with respect to such Bonds shall continue, but the Registered Owners thereof shall thereafter

be entitled to payment (to the exclusion of all other Bondholders) only out of the Defeasance Obligations deposited with the Trustee under Article VIII of this Indenture.

(b) No such deposit under this Section shall be made or accepted hereunder and no use made of any such deposit unless the Trustee shall have received an opinion of nationally recognized municipal bond counsel to the effect that such deposit and use would not cause any of such Bonds to be treated as “arbitrage bonds” within the meaning of Section 148 of the Code or any successor provision thereto.

(c) Nothing in this Indenture shall prohibit a defeasance deposit of escrow securities as provided in this Section from being subject to a subsequent sale of such escrow securities and reinvestment of all or a portion of the proceeds of that sale in escrow securities which, together with money to remain so held in trust, shall be sufficient to provide for payment of principal, redemption premium, if any, and interest on any of the defeased Bonds (all as confirmed by a nationally recognized firm of independent public accountants). Amounts held by the Trustee in excess of the amounts needed so to provide for payment of the defeased Bonds may be subject to withdrawal by the City. No such sale and reinvestment as provided in this paragraph shall be made or accepted hereunder unless the Trustee shall have received an opinion of nationally recognized municipal bond counsel to the effect that such sale and reinvestment would not cause any of the defeased Bonds to be treated as “arbitrage bonds” within the meaning of Section 148 of the Code or any successor provision thereto.

ARTICLE VII

DEFAULT PROVISIONS; REMEDIES

Section 7.01. Defaults. Each of the following events is hereby declared to be an “Event of Default:”

(a) payment of the principal or Redemption Price, if any, of any Bonds shall not be made when and as the same shall become due, whether at maturity or upon call for redemption or otherwise;

(b) payment of any installment of interest on any Bonds shall not be made when and as the same shall become due; or

(c) the City shall fail or refuse to comply with the provisions of this Indenture, or shall default in the performance or observance of any of the covenants, agreements or conditions on its part contained herein or in the Bonds, which materially affects the rights of the Owners of the Bonds and such failure, refusal or default shall continue for a period of 45 days after written notice thereof by the Trustee or the Owners of not less than 25 percent in aggregate principal amount of the Outstanding Bonds; *provided, however*, that in the case of any such default which can be cured by due diligence but which cannot be cured within the 45-day period, the time to cure shall be extended for such period as may be necessary to remedy the default with all diligence.

Section 7.02. Remedies. (a) Upon the happening and continuance of any Event of Default specified in paragraph (a) or (b) of Section 7.01 hereof, the Trustee shall proceed, or upon the happening and continuance of any Event of Default (beyond the time periods specified therein) specified in paragraph (c) of Section 7.01 hereof, the Trustee may proceed, and upon the written request of the Owners of not less than 25 percent in aggregate principal amount of the Outstanding Bonds, shall proceed, in its own name, subject to the provisions of this Section, to protect and enforce its rights and the rights of the Owners of the Bonds by such of the following remedies as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights:

(i) by mandamus or other suit, action or proceeding at law or in equity, to enforce all rights of the Owners of the Bonds including the right to require the City to receive and collect taxes adequate to carry out the covenants and agreements as to such taxes and to require the City to carry out any other covenant or agreement with the Owners of the Bonds and to perform its duties under this Indenture;

(ii) by bringing suit upon the Bonds;

(iii) by action or suit in equity, require the City to account as if it were the trustee of an express trust for the Owners of the Bonds; and/or

(iv) by action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds.

(b) In the enforcement of any rights and remedies under this Indenture, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the City but only out of moneys pledged as security for the Bonds for principal, Redemption Price, interest or otherwise, under any provision of this Indenture or of the Bonds, and unpaid, with interest on overdue payments at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under such Bonds without prejudice to any other right or remedy of the Trustee or of the Owners of the Bonds, and to recover and enforce a judgment or decree against the City for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect from any moneys available under this Indenture for such purpose, in any manner provided by law, the moneys adjudged or decreed to be payable.

(c) Under no circumstance may the Trustee declare the principal of any Bond to be due and payable prior to its Maturity Date following the occurrence of an Event of Default under this Indenture.

ARTICLE VIII

TRUSTEE

Section 8.01. Acceptance of Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the express terms and conditions set forth herein. Except as otherwise expressly set forth in this Indenture, the

Trustee assumes no duties, responsibilities or liabilities by reason of its execution of this Indenture other than as set forth in this Indenture, and this Indenture is executed and accepted by the Trustee subject to all the terms and conditions of its acceptance of the trust under this Indenture. The Trustee shall make payments to Bondholders and effect optional and mandatory redemptions when required, whether or not its fees and expenses have been fully paid.

Section 8.02.. Dealing in Bonds. The Trustee, in its individual capacity, may buy, sell, own, hold and deal in any of the Bonds, and may join in any action which the Registered Owner of any Bond may be entitled to take with like effect as if it did not act in any capacity hereunder. The Trustee, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other function with the City, and may act as depositary, trustee or agent for any committee or body of the Registered Owners of Bonds secured hereby or other obligations of the City as freely as if it did not act in any capacity hereunder.

Section 8.03. Compensation of Trustee. The City shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Indenture and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees incurred in and about the performance of their powers and duties under this Indenture and, except as provided in Section 8.01 hereof the Trustee shall have a lien therefor on any and all moneys at any time held by it under this Indenture. The City further agrees to indemnify and save the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, which are not due to its negligence or default.

Section 8.04. Notice to Rating Agencies. The Trustee hereby agrees that if at any time (a) the City redeems any portion of the Bonds Outstanding hereunder prior to their Maturity Date, (b) the City provides for the payment of any portion of the Bonds pursuant to Section 6.01, (c) a successor Trustee is appointed, (d) any supplement to this Indenture shall become effective, or any party thereto shall waive any provision of this Indenture, or (e) with respect to any other information that a Rating Agency may reasonably request in order to maintain the ratings on the Bonds, then, in each case, the Trustee shall give notice thereof to each Rating Agency then maintaining a rating on the Bonds.

Any notice given to a Rating Agency hereunder shall be mailed by first class mail as follows:

If to Fitch: Fitch Ratings Inc.
33 Whitehall Street
New York, NY 10004

If to Kroll: KBRA
845 Third Avenue
Fourth Floor
New York, NY 10022

If to S&P: S&P Global Ratings
130 East Randolph, 36th Floor
Chicago, IL 60601

Section 8.05. Qualification of Trustee. The Trustee hereunder shall be a bank, trust company or national banking association having the powers of a trust company doing business and having a corporate trust office in the City of Chicago, Illinois.

Section 8.06. Responsibilities of Trustee. (a) The recitals of fact herein and in the Bonds shall be taken as the statements of the City and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or any Supplemental Indenture or of any Bonds issued hereunder or thereunder or in respect of the security afforded by this Indenture or any Supplemental Indenture and the Trustee shall not incur any responsibility in respect thereof. The Trustee shall, however, be responsible for its representation contained in its certificate of authentication on the Bonds. The Trustee shall not be under any responsibility or duty with respect to the issuance of the Bonds for value or the application of the proceeds thereof except to the extent such proceeds are paid to the Trustee in its capacity as Trustee. The Trustee shall not be under any obligation or duty to perform any act that would involve it in expense or liability or to institute or defend any action or suit in respect hereof, or to advance any of its own moneys, unless properly indemnified. Subject to the provisions of paragraph (b) of this Section, the Trustee shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct or that of its agents.

(b) The Trustee, prior to the occurrence of an Event of Default and after the remedy of all Events of Default that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture and each Supplemental Indenture. In case an Event of Default has occurred and has not been remedied, the Trustee shall exercise such of the rights and powers vested in it by law, this Indenture and each Supplemental 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 and any Supplemental Indenture relating to action taken or so to be taken by the Trustee or to evidence upon which the Trustee may rely shall be subject to the provisions of this Section.

Section 8.07. Funds Held in Trust and Security Therefor. Any moneys held by the Trustee, as such, at any time pursuant to the terms of this Indenture or any Supplemental Indenture shall be and hereby are assigned, transferred and set over unto the Trustee in trust for the purposes and upon the terms and conditions of this Indenture or any Supplemental Indenture. Subject to the terms of this Indenture concerning Permitted Investments, all moneys (not including securities) held by the Trustee, as such, may be deposited by the Trustee in its banking department, or with such other banks, trust companies, or national banking associations, each having a place of business in the City of Chicago, Illinois, as may be designated by the City and approved by the Trustee. No such funds shall be deposited with any bank, trust company or national banking association, other than the Trustee, in an amount exceeding 25 percent of the amount which an officer of such bank, trust company or national banking association shall certify to the Trustee and the City as the combined capital, surplus and undivided profits of such bank, trust company or national banking association. No such funds shall be deposited or remain on deposit with any bank, trust company or national banking association in excess of the amount insured by the Federal Deposit Insurance Corporation, unless (a) such bank, trust company or national banking association shall have deposited in trust with the trust department of the Trustee or with a Federal

Reserve Bank or branch or, with the written approval of the Trustee and the City, pledged to some other bank, trust company or national banking association, for the benefit of the City and the appropriate fund, account, subfund or subaccount, as collateral security for the moneys deposited, Qualified Collateral having a current market value (exclusive of accrued interest) at least equal to 110 percent of the amount of such moneys, or (b) in lieu of such collateral security as to all or any part of such moneys, there shall have been deposited in trust with the trust department of the Trustee, for the benefit of the City and the appropriate fund, account, subfund or subaccount, and remain in full force and effect as security for such moneys or part thereof, the indemnifying bond or bonds of a surety company or companies qualified as surety for deposits of funds of the United States of America and qualified to transact business in the State in a sum at least equal to the amount of such moneys or part thereof. The Trustee shall allow and credit interest on any such moneys held by it at such rate as it customarily allows upon similar moneys of similar size and under similar conditions or as required by law. Interest in respect of moneys or on securities in any fund, account, subfund or subaccount shall be credited in each case to the fund, account, subfund or subaccount in which such moneys or securities are held.

Section 8.08. Evidence on which Trustee May Act. The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may or may not be counsel to the City, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith. Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, including payment of moneys out of any fund or account, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate, and such Certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Indenture upon the faith thereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable. Except as otherwise expressly provided herein or therein, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof or thereof by the City to the Trustee shall be sufficiently executed if executed in the name of the City by an Authorized Officer.

Section 8.09. Permitted Acts and Functions. The Trustee may become the Owner of any Bonds, with the same rights it would have if it were not the Trustee. To the extent permitted by law, the Trustee 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 the Owners of Bonds or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not any such committee shall represent the Owners of a majority in aggregate principal amount of the Bonds then Outstanding.

Section 8.10. Resignation. The Trustee may at any time resign and be discharged of its duties and obligations created by this Indenture by giving not fewer than 60 days' written notice to the City and mailing notice thereof, to the Owners of Bonds at their addresses shown on the registration books kept by the Trustee within 20 days after the giving of such written notice. Such

resignation shall take effect upon the appointment and acceptance of appointment of a successor by the City or the Owners of Bonds as herein provided.

Section 8.11. Removal. The Trustee may be removed at any time by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, excluding any Bonds held by or for the account of the City, by an instrument or concurrent instruments in writing signed and duly acknowledged by such Owners of Bonds or by their attorneys duly authorized in writing and delivered to the City. Copies of each such instrument shall be delivered by the City to the Trustee and any successor. The City may remove the Trustee at any time, except during the existence of an Event of Default, for such cause (or upon 30 days' notice for any reason) as shall be determined in the sole discretion of the City by filing with the Trustee an instrument signed by an Authorized Officer and by mailing notice thereof to the Owners of Bonds at their addresses shown on the registration books kept by the Trustee. Any removal of the Trustee shall take effect upon the appointment and acceptance of appointment of a successor Trustee.

Section 8.12. Appointment of Successor. 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 shall take charge or control of the Trustee or of its property or affairs, a successor may be appointed by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, excluding any Bonds held by or for the account of the City, by an instrument or concurrent instruments in writing signed by such Owners or their attorneys duly authorized in writing and delivered to such successor Trustee, notification thereof being given to the City and the predecessor Trustee. Pending such appointment, the City shall forthwith appoint a Trustee to fill such vacancy until a successor Trustee (if any) shall be appointed by the Owners of Bonds as herein authorized. The City shall mail notice to Owners of Bonds of any such appointment within 20 days after such appointment. Any successor Trustee appointed by the City shall, immediately and without further act, be superseded by a Trustee appointed by the Owners of Bonds. If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within 45 days after the Trustee shall have given to the City written notice of resignation as provided in Section 8.10 hereof or after the occurrence of any other event requiring or authorizing such appointment, the Trustee, or any Owner of Bonds may apply to any court of competent jurisdiction to appoint a successor. Said court may thereupon, after such notice, if any, as said court may deem proper and prescribe, appoint such successor Trustee. Any Trustee appointed under the provisions of this Section shall be a bank, trust company or national banking association, in any such case having corporate trust powers, doing business and having a corporate trust office in the City.

Section 8.13. Transfer of Rights and Property to Successor. Any successor Trustee appointed under this Indenture shall execute, acknowledge and deliver to its predecessor Trustee, and also to the City, a written instrument of acceptance respecting 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, with like effect as if originally named as Trustee; but the Trustee ceasing to act shall nevertheless, on the request of the City, or of the successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may

reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee 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 in writing from the City be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the City.

Section 8.14. Merger or Consolidation. Any company into which the Trustee 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 the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank, trust company or national banking association which is qualified to be a successor to the Trustee under Section 8.12 hereof and shall be authorized by law to perform all the duties imposed upon it by this Indenture, shall be the successor to the Trustee without the execution or filing of any paper or the performance of any further act.

Section 8.15. Adoption of Authentication. In case any of the Bonds 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 Bonds and deliver such Bonds so authenticated, and in case any of the said Bonds shall not have been authenticated, any successor Trustee may authenticate such Bonds in the name of the predecessor Trustee, or in its own name.

Section 8.16. Evidence of Signatures of Owners and Ownership of Bonds. (a) Any request, consent or other instrument which this Indenture may require or permit to be signed and executed by the Owners of Bonds 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 ownership by any person of the Bonds, shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner, but the Trustee 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 his attorney of such instrument may be proved by the certificate, which need not be acknowledged or verified, of an officer of a bank or trust company satisfactory to the Trustee or of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the jurisdiction in which he purports to act, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

(2) The authority of the person or persons executing any such instrument on behalf of a corporate Owner of Bonds may be established without further proof if such instrument is signed by a person purporting to be the president or vice president of such

corporation with a corporate seal affixed and attested by a person purporting to be its secretary or an assistant secretary.

(b) The ownership of Bonds and the amount, numbers and other identification, and date of ownership of the same shall be proved by the Bond Register. Any request, consent or vote of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the City or the Trustee in accordance therewith.

Section 8.17. Preservation and Inspection of Documents. All documents received by the Trustee 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 City and any Owner of Bonds and their agents and their representatives, any of whom may make copies thereof.

ARTICLE IX

SUPPLEMENTAL INDENTURE

Section 9.01. Supplemental Indenture Effective Upon Execution by the Trustee. For any one or more of the following purposes and the purposes enumerated in Section 9.04 hereof, and at any time or from time to time, a Supplemental Indenture may be authorized by an ordinance adopted by the City Council of the City, which, upon the filing with the Trustee of a copy of such ordinance certified by the City Clerk and the execution and delivery of such Supplemental Indenture by the City and the Trustee, shall be fully effective in accordance with its terms and not subject to consent by the Registered Owners of the Bonds:

(a) to add to the covenants and agreements of the City in this Indenture other covenants and agreements to be observed by the City which are not contrary to or inconsistent with this Indenture as theretofore in effect;

(b) to add to the limitations and restrictions in this Indenture other limitations and restrictions to be observed by the City which are not contrary to or inconsistent with this Indenture as theretofore in effect;

(c) to surrender any right, power or privilege reserved to or conferred upon the City by the terms of this Indenture, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the City contained in this Indenture;

(d) to confirm, as further assurance, the pledge herein, and the subjection of, additional properties, taxes or other collateral to any lien, claim or pledge created or to be created by, this Indenture;

(e) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Indenture;

(f) to insert such provisions clarifying matters or questions arising under this Indenture as are necessary or desirable and are not contrary to or inconsistent with this Indenture as theretofore in effect; or

(g) to provide additional duties of the Trustee under this Indenture.

Section 9.02. Supplemental Indentures Effective With Consent of Owners of Bonds. At any time or from time to time, a Supplemental Indenture may be authorized by an ordinance adopted by the City Council of the City, subject to consent by the Owners of Bonds in accordance with and subject to the provisions of this Article, which Supplemental Indenture, upon the filing with the Trustee of a copy of such ordinance certified by the City Clerk, upon compliance with the provisions of this Article, and upon execution and delivery of such Supplemental Indenture by the City and the Trustee, shall become fully effective in accordance with its terms.

Section 9.03. General Provisions. (a) This Indenture shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article. Nothing in this Article shall affect or limit the right or obligation of the City to adopt, make, do, execute, acknowledge or deliver any ordinance, resolution, act or other instrument pursuant to the provisions of this Article or the right or obligation of the City to execute and deliver to the Trustee any instrument which elsewhere in this Indenture it is provided shall be delivered to the Trustee.

(b) Any ordinance authorizing a Supplemental Indenture referred to and permitted or authorized by Section 9.01 or 9.04 hereof may be adopted by the City Council of the City without the consent of any of the Owners of Bonds, but such Supplemental Indenture shall be executed and delivered by the City and the Trustee and shall become effective only on the conditions, to the extent and at the time provided in this Article. Every Supplemental Indenture delivered to the Trustee for execution shall be accompanied by an opinion of counsel stating that such Supplemental Indenture has been duly and lawfully authorized by the City Council of the City and executed by the City in accordance with the provisions of this Indenture, is authorized or permitted by this Indenture, and will, when executed and delivered by the Trustee, be valid and binding upon the City and enforceable in accordance with its terms.

(c) The Trustee is hereby authorized to enter into, execute and deliver any Supplemental Indenture referred to and permitted or authorized by this Article and to make all further agreements and stipulations which may be therein contained, and the Trustee, in taking such action, shall be fully protected in relying on an opinion of counsel that such Supplemental Indenture is authorized or permitted by the provisions of this Indenture.

(d) No Supplemental Indenture shall change or modify any of the rights or obligations of the Trustee without its written assent thereto.

(e) No Supplemental Indenture shall take effect unless and until there has been delivered to the Trustee an Opinion of Bond Counsel to the effect that such Supplemental Indenture does not adversely affect the exclusion from gross income for federal income tax purposes to which interest on the Bonds would otherwise be entitled.

Section 9.04. Additional Matters. Additionally, this Indenture may, without the consent of, or notice to, any of the Bondholders, be supplemented and amended, in such manner as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

- (a) to provide for certificated Bonds; and
- (b) to secure or maintain ratings from any Rating Agency in the highest long term debt rating category, of such Rating Agency which are available for the Bonds, which changes will not restrict, limit or reduce the obligation of the City to pay the principal of, premium, if any, and interest on the Bonds as provided in this Indenture or otherwise adversely affect the Registered Owners of the Bonds under this Indenture.

Section 9.05. Mailing of Notice of Amendment. Any provision in this Article for the mailing of a notice or other paper to owners of Bonds shall be fully complied with if it is mailed postage prepaid only (i) to each Registered Owner of then Outstanding Bonds at his address, if any, appearing upon the registration books maintained by the City at the Designated Corporate Trust Office of the Trustee, and (ii) to the Trustee.

Section 9.06. Powers of Amendment. Any modification or amendment of this Indenture or of the rights and obligations of the City and of the Owners of the Bonds, in particular, which requires the consent of the Bondholders, may be made by a Supplemental Indenture, with the written consent given as provided in Section 9.07, (a) of the Owners of a majority in aggregate principal amount of the Bonds Outstanding at the time such consent is given, or (b) in case less than all of the then Outstanding Bonds are affected by the modification or amendment, of the Owners of a majority in aggregate principal amount of the then Outstanding Bonds so affected. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bonds 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, or in terms of purchase or the purchase price thereof, without the consent of the owner of such Bonds, or shall reduce the percentages or otherwise affect the classes of Bonds 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 the Trustee without its written assent thereto. For the purposes of this Section, a Bond 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 such Bond.

Section 9.07. Consent of Owners of Bonds. (a) The City may at any time authorize a Supplemental Indenture making a modification or amendment permitted by the provisions of Section 9.06, to take effect when and as provided in this Section. A copy of such Supplemental Indenture (or brief summary thereof or reference thereto in form approved by the Trustee), together with a request to the Owners of the Bonds for their consent thereto in form satisfactory to the Trustee, shall be mailed by the City to the Owners of the Bonds (but failure to mail such copy and request shall not affect the validity of the 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, (i) there shall have been filed with the Trustee (1) the written consents of Owners of the percentages of Outstanding Bonds specified in Section 9.06 and

(2) an opinion of counsel stating that such Supplemental Indenture has been duly and lawfully executed and delivered by the City and the Trustee in accordance with the provisions of this Indenture, is authorized or permitted hereby and is valid and binding upon the City and enforceable in accordance with its terms upon its becoming effective as in this Section provided, and (ii) a notice shall have been mailed as hereinafter in this Section provided.

(b) The consent of an Owner of Bonds to any modification or amendment shall be effective only if accompanied by proof of the Ownership, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by Section 8.16. A certificate or certificates signed by the Trustee that it has examined such proof and that such proof is sufficient in accordance with Section 8.16 shall be conclusive that the consents have been given by the Owners of the Bonds described in such certificate or certificates. Any such consent shall be binding upon the Owner of the Bonds giving such consent and upon any subsequent Owner of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Owner thereof has notice thereof) unless such consent is revoked in writing by the Owner of such Bonds giving such consent or a subsequent Owner thereof by filing such revocation with the Trustee, prior to the time when the written statement of the Trustee hereinafter provided for in this Section is filed. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee to the effect that no revocation thereof is on file with the Trustee.

(c) At any time after the Owners of the required percentages of Bonds shall have filed their consents to the Supplemental Indenture, the Trustee shall make and file with the City a written statement that the Owners of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter notice, stating in substance that the Supplemental Indenture (which may be referred to as a Supplemental Indenture entered into by the City and the Trustee as of a stated date, a copy of which is on file with the Trustee) has been consented to by the Owners of the required percentages of Bonds and will be effective as provided in this Section, shall be given to Owners by the Trustee by mailing such notice to the Owners of the Bonds (but failure to mail such notice shall not prevent such Supplemental Indenture from becoming effective and binding as provided in this Section). The Trustee shall file with the City proof of the mailing of such notice. A record, consisting of the papers required or permitted by this Section to be filed with the Trustee, shall be proof of the matters therein stated. Such Supplemental Indenture making such amendment or modification shall be deemed conclusively binding upon the Trustee and the Owners of all Bonds at the expiration of 40 days after the filing with the Trustee of proof of the mailing of such last mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Indenture in a legal action or equitable proceeding for such purpose commenced within such 40-day period; except that the Trustee and the City, during such 40-day period and any such further period during which any such action or proceeding may be pending, shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Indenture as they may deem expedient.

Section 9.08. Modifications by Unanimous Consent. The terms and provisions of this Indenture and the rights and obligations of the City and of the Owners of the Bonds hereunder may be modified or amended in any respect upon the consent of the Owners of all the then Outstanding

Bonds to the execution and delivery of such Supplemental Indenture, such consent to be given as provided in Section 9.07 except that no notice to the Owners of the Bonds shall be required; but no such modification or amendment shall change or modify any of the rights or obligations of the Trustee without its written assent thereto.

Section 9.09. Exclusion of Bonds. Bonds owned by or for the account of the City shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Article, and the City shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Article. At the time of any consent or other action taken under this Article, the City shall furnish the Trustee with a Certificate upon which the Trustee may rely, describing all Bonds so to be excluded.

Section 9.10. Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as in this Article provided may, and, if the Trustee so determines, shall, bear a notation by endorsement or otherwise in form approved by the City and the Trustee as to such action, and in that case upon demand of the Owner of any Bond Outstanding at such effective date and presentation of his Bond for that purpose at the Designated Corporate Trust Office of the Trustee or upon any exchange or registration of transfer of any Bond Outstanding at such effective date, suitable notation shall be made on such Bond or upon any Bond issued upon any such exchange or registration of transfer by the Trustee as to any such action. If the City or the Trustee shall so determine, new Bonds so modified as in the opinion of the Trustee and the City to conform to such action shall be prepared, authenticated and delivered, and upon demand of the Owner of any Bond then Outstanding shall be exchanged, without cost to such Owner, for Bonds of the same maturity upon surrender of such Bond.

ARTICLE X

MISCELLANEOUS

Section 10.01. Severability. If any provision of this Indenture shall be held or deemed to be, or shall in fact be, illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 10.02. Payments Due on Saturdays, Sundays and Holidays. If the date for making any payment, or the last date for the performance of any act or the exercise of any right, as provided in this Indenture, shall not be a Business Day, such payment may be made, act performed or right exercised on the next Business Day with the same force and effect as if done on the nominal date provided in this Indenture, and no interest shall accrue for the period after such nominal date.

Section 10.03. Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.04. Rules of Interpretation. Unless expressly indicated otherwise, references to Sections or Articles are to be construed as references to Sections or Articles of this instrument

as originally executed. Use of the words “herein,” “hereby,” “hereunder,” “hereof,” “hereinbefore,” “hereinafter” and other equivalent words refer to this Indenture and not solely to the particular portion in which any such word is used. In the event of any conflict between the provisions of this Indenture and the Bond Ordinance (including in the form of Bond attached hereto as *Exhibit A*), the terms of this Indenture shall be deemed to control.

Section 10.05. Captions. The captions and headings in this Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Indenture.

[Signatures Appear on Following Page]

IN WITNESS WHEREOF, the City has caused these presents to be executed in its name and with its official seal hereunto affixed and attested by its duly authorized officials; and to evidence its acceptance of the trusts hereby created, the Trustee has caused these presents to be executed in its corporate name and with its corporate seal hereunto affixed and attested by its duly authorized officers, on the date first above written.

CITY OF CHICAGO

By: _____
Jennie Huang Bennett
Chief Financial Officer

[SEAL]

Attest:

By: _____
Andrea M. Valencia
City Clerk

as Trustee

By: _____
Name: _____
Authorized Signatory

EXHIBIT A

FORM OF BOND

REGISTERED
NO. R- _____

\$ _____

UNITED STATES OF AMERICA

STATE OF ILLINOIS

CITY OF CHICAGO

GENERAL OBLIGATION [REFUNDING] BOND
SERIES _____

See Reverse Side for
Additional Provisions

Interest Maturity Date: Dated Date: CUSIP:
Rate: _____% _____, 20_____ _____

Registered Owner: CEDE & CO.

Principal Amount:

The City of Chicago (the "City") hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the date of this Bond or the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on _____ and _____ of each year commencing _____, until said Principal Amount is paid. Principal of this Bond and redemption premium, if any, shall be payable in lawful money of the United States of America upon presentation and surrender at the designated corporate trust office of _____, _____, as bond trustee, bond registrar and paying agent (the "Bond Registrar"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Bond Registrar at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar or, at the option of any Registered Owner of \$1,000,000 or more in aggregate principal amount of the Bonds, by wire transfer of

immediately available funds to such bank in the continental United States of America as the Registered Owner hereof shall request in writing to the Bond Registrar.

Reference is made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, and have been done and performed in regular and due form and time as required by law; that the indebtedness of the City, including the issue of Bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax sufficient to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, the City of Chicago by the City Council has caused its corporate seal to be imprinted by facsimile hereon and this Bond to be signed by the duly authorized facsimile signature of the Mayor and attested by the facsimile signature of the City Clerk, all as of the Dated Date identified above.

(Facsimile Signature)

Mayor
City of Chicago

Attest:

(Facsimile Signature)

City Clerk
City of Chicago

[SEAL]

Date of Authentication: _____

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Bond Ordinance and is one of the General Obligation [Refunding] Bonds, Series _____, of the City of Chicago.

_____, as Trustee

By: (Manual Signature)

Authorized Officer

[Form of Current Interest Bond — Reverse Side]

CITY OF CHICAGO
GENERAL OBLIGATION BOND
SERIES _____

For the prompt payment of this Bond, both principal and interest, as aforesaid, as the same become due, and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City irrevocably pledged.

This Bond is one of a series of Bonds aggregating the original principal amount of \$ _____ issued pursuant to the constitutional home rule powers of the City for the purposes of (i) paying costs of the Refunding Purposes described in the hereinafter-defined Bond Ordinance, (ii) paying costs of the New Money Purposes described in the Bond Ordinance, (iii) capitalizing or funding such interest on the Bonds as may be necessary, (iv) paying costs of credit enhancements, and (v) paying expenses incidental to the issuance of the Bonds, and was authorized by an Ordinance adopted by the City Council of the City on _____, 20__ (the "*Bond Ordinance*").

The Bonds maturing on or after _____, are redeemable prior to maturity at the option of the City, in whole or in part on any date on or after _____, and if less than all of the outstanding Bonds are to be redeemed, the Bonds to be called shall be called from such maturities and interest rates as shall be determined by the City and if less than all of the Bonds of a single maturity and the same interest rate are to be redeemed then by lot within such maturity and interest rate in the manner hereinafter provided, the Bonds to be redeemed at the redemption price of 100% of the principal amount thereof being redeemed, plus accrued interest, if any, to the date of redemption.

The Bonds maturing on _____, 20__, are subject to mandatory redemption prior to maturity on _____ of the years 20__ to 20__, inclusive, and the Bonds maturing on _____, 20__, are subject to mandatory redemption prior to maturity on _____ of the years 20__ to 20__, inclusive, in each case at par and accrued interest to the date fixed for redemption.

In the event of the redemption of less than all the Bonds of like maturity and interest rate, the aggregate principal amount thereof to be redeemed shall be \$5,000 or an integral multiple thereof, and the Bond Registrar shall assign to each Bond of such maturity and interest rate a distinctive number for each \$5,000 principal amount of such Bond and shall select by lot from the numbers so assigned as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; *provided* that only so much of the principal amount of each Bond shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected.

In the event of the redemption of less than all of the Bonds of like maturity and interest rate, the Bonds to be redeemed will be selected pro-rata in the manner determined pursuant to the Bond Ordinance.

Notice of any such redemption shall be sent by first class mail not less than 30 days nor more than 60 days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed at the address shown on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such Registered Owner to the Bond Registrar; *provided* that the failure to mail any such notice or any defect therein as to any Bond shall not affect the validity of the proceedings for the redemption of any other Bond. When so called for redemption, this Bond shall cease to bear interest on the specified redemption date, *provided* that funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

This Bond is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the designated corporate trust office of the Bond Registrar in Chicago, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the Bond Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations, of the same interest rate, series and maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor. The Bond Registrar shall not be required to transfer or exchange this Bond (A) after notice calling this Bond for redemption has been mailed, or (B) during a period of 15 days next preceding mailing of a notice of redemption of this Bond.

The Bonds are issued in fully registered form in the denomination of \$5,000 each or authorized integral multiples thereof. This Bond may be exchanged at the designated corporate trust office of the Bond Registrar for a like aggregate principal amount of Bonds of the same interest rate, series and maturity of other authorized denominations, upon the terms set forth in the Bond Ordinance.

The City and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and redemption premium, if any, and for all other purposes and neither the City nor the Bond Registrar shall be affected by any notice to the contrary.

(ASSIGNMENT)

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

(Name and Address of Assignee)

the within Bond and irrevocably constitutes and appoints _____

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

Dated: _____

Signature guaranteed: _____

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

EXHIBIT B

FORM OF PROJECT FUND REQUISITION

To: _____, as Trustee
Re: City of Chicago General Obligation Bonds, Series _____ ("_____ Bonds")
Requisition No. _____
Date: _____

Ladies and Gentlemen:

You are requested to disburse funds from the "City of Chicago General Obligation Bonds, Series _____ Project Fund" (the "Project Fund") pursuant to Section 4.04 of the Indenture (defined below) in the amount(s) and for the purpose(s) set forth on Exhibit A to this requisition (this "Requisition"). The terms used in this Requisition shall have the meanings given to those terms in the Trust Indenture (the "Indenture"), dated as of _____, 20__, by and between the City of Chicago and _____, as Trustee, securing the above referenced _____ Bonds.

The undersigned certifies that:

- (i) the costs in an aggregate amount set forth in this Requisition are necessary and appropriate Project Costs that (a) have been incurred and paid or (b) are expected to be paid within the next 60 days;
- (ii) the amount to be paid or reimbursed to the City as set forth in this Requisition is reasonable and represents a part of the amount payable for the Project Costs and such payment is to be made or, in the case of reimbursement to the City, was made, in accordance with the terms of any applicable contracts and in accordance with usual and customary practice under existing conditions;
- (iii) no part of the Project Costs that are the subject of this Requisition was included in any requisition previously filed with the Trustee under the provisions of this Indenture;
- (iv) the use of the money so withdrawn from the Series _____ Project Fund and the use of the facilities provided with such moneys will not result in a violation of any applicable covenant, term or provision of the Tax Certificate; and
- (v) there shall be no use, transfer or reallocation of the sales proceeds of the _____ Bonds that deviates from the limitations and allocations of the not to exceed principal amounts pertaining to each purpose for which the _____ Bonds were issued, all as set forth in the Bond Ordinance.

Payment instructions sufficient to make the requested disbursement are provided by the City and attached hereto.

This Requisition is executed and delivered as of the date first set forth above.

CITY OF CHICAGO

By: _____

Name: _____

Title: _____

Exhibit A