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Daniel L. Johnson  
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July 25, 1995

Dr. Craig Schilling  
Assistant Superintendent for Business Affairs  
Northfield Township High School District  
Number 225  
1835 Landwehr Road  
Glenview, Illinois 60025

Re: Township High School District Number 225,  
Cook County, Illinois  
\$4,900,000 School Bonds, Series 1995

Dear Dr. Schilling:

We are enclosing your copy of the bond transcript for the above referenced matter, and we thank you for all of your cooperation and assistance in connection therewith.

Yours very truly,

CHAPMAN AND CUTLER

By Daniel L. Johnson  
Daniel L. Johnson *kms*

DLJ:cms

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**TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225,**

**COOK COUNTY, ILLINOIS**

**\$4,900,000 SCHOOL BONDS, SERIES 1995**

The first part of the paper discusses the importance of maintaining accurate records of all transactions. This is essential for the proper management of the company's finances and for ensuring compliance with tax laws. The second part of the paper discusses the importance of maintaining accurate records of all assets and liabilities. This is essential for the proper management of the company's balance sheet and for ensuring compliance with tax laws.

The third part of the paper discusses the importance of maintaining accurate records of all income and expenses. This is essential for the proper management of the company's profit and loss statement and for ensuring compliance with tax laws. The fourth part of the paper discusses the importance of maintaining accurate records of all tax payments. This is essential for the proper management of the company's tax liability and for ensuring compliance with tax laws.

The fifth part of the paper discusses the importance of maintaining accurate records of all tax returns. This is essential for the proper management of the company's tax liability and for ensuring compliance with tax laws. The sixth part of the paper discusses the importance of maintaining accurate records of all tax audits. This is essential for the proper management of the company's tax liability and for ensuring compliance with tax laws.

The seventh part of the paper discusses the importance of maintaining accurate records of all tax appeals. This is essential for the proper management of the company's tax liability and for ensuring compliance with tax laws. The eighth part of the paper discusses the importance of maintaining accurate records of all tax litigation. This is essential for the proper management of the company's tax liability and for ensuring compliance with tax laws.

The ninth part of the paper discusses the importance of maintaining accurate records of all tax settlements. This is essential for the proper management of the company's tax liability and for ensuring compliance with tax laws. The tenth part of the paper discusses the importance of maintaining accurate records of all tax resolutions. This is essential for the proper management of the company's tax liability and for ensuring compliance with tax laws.

MINUTES of a special public meeting of the Board of Education of Township High School District Number 225, Cook County, Illinois, held at 4000 West Lake Street in said School District at 7:30 o'clock P.M., on the 28th day of December, 1994.

\* \* \*

The President called the meeting to order and directed the Secretary to call the roll.

Upon the roll being called, Irwin Lyons, the President, and the following members answered present:

Irwin Lyons, John Conlin, Brian Baschnagel, Wayne Bubak,

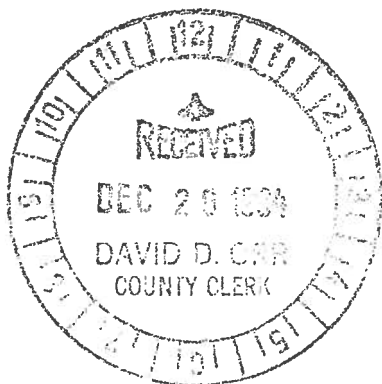
David Goldstein, Marilyn McConachie

The following members were absent:

Helen Hoffenberg

The President announced that it was necessary for the Board to make provision for the sale of the balance of the District's general obligation working cash fund bonds to be issued by the District pursuant to Article 20 of the School Code during 1995 and that the Board of Education would consider the adoption of a resolution providing for the issue of said bonds and the levy of a direct annual tax sufficient to pay the principal and interest thereon.

Whereupon Member Lyons presented and the Secretary read in full a resolution as follows:





RESOLUTION providing for the issue of \$4,900,000 School Bonds, Series 1995, of Township High School District Number 225, Cook County, Illinois, and for the levy of a direct annual tax sufficient to pay the principal and interest on said bonds.

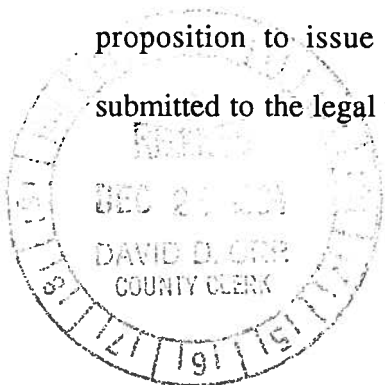
\* \* \*

WHEREAS, pursuant to the provisions of Article 20 of the School Code of the State of Illinois (the "*Act*"), and all laws amendatory thereof and supplementary thereto, Township High School District Number 225, Cook County, Illinois (the "*District*"), is authorized to create, establish, maintain and operate a Working Cash Fund in and for the District; and

WHEREAS, pursuant to authority of the provisions of said Article 20 the Board of Education of the District (the "*Board*") adopted a resolution declaring its intention to avail of the provisions of said Article and issue bonds of the District in the aggregate amount of \$9,000,000 for working cash fund purposes as in and by said Article 20 provided; and

WHEREAS, notice of intention to issue said bonds pursuant to the provisions of said Article 20 was published in the Pioneer Press Publications, the same being a newspaper published in and having a general circulation in the District, and an affidavit evidencing the publication of such notice of intention, together with a newspaper clipping of such notice as published attached thereto, have heretofore been presented to the Board and made a part of the permanent records of the Board; and

WHEREAS, more than thirty (30) days have expired since the date of the publishing of such notice of intention to issue bonds, and no petition with the requisite number of valid signatures thereon has been filed with the Secretary of the Board requesting that the proposition to issue the bonds as authorized by the provisions of said Article 20 be submitted to the legal voters of the District; and







WHEREAS, the Board is now authorized to issue bonds to the amount of \$9,000,000 as authorized by the provisions of said Article 20 for working cash fund purposes and to levy taxes to pay principal of and interest on such bonds; and

WHEREAS, the Board has heretofore authorized the issuance of \$4,100,000 of said bonds, and it is necessary and in the best interests of the District that the Board authorize the sale and issuance of the balance of said bonds;

NOW, THEREFORE, Be It and It Is Hereby Resolved by the Board of Education of Township High School District Number 225, Cook County, Illinois, as follows:

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

*Section 2. Authorization.* It is hereby found and determined that the working cash fund of the District be increased and the Board has been authorized by law to borrow the sum of \$9,000,000 upon the credit of the District and as evidence of such indebtedness to issue bonds of the District in said amount, the proceeds of said bonds to be used for working cash fund purposes, and it is necessary and in the best interests of the District that the Board authorize the sale and issuance of \$4,900,000 of said bonds.

*Section 3. Bond Details.* The Bonds shall each be designated "School Bond, Series 1995" and be dated as of the date provided in the Bond Notification (as defined and described in Section 6 hereof), and shall also bear the date of authentication, shall be in fully registered form, shall be in the denominations set forth in the Bond Notification (but no single Bond shall represent installments of principal maturing on more than one date), and shall be numbered consecutively in such reasonable manner as may be selected by LaSalle National Trust, N.A., Chicago, Illinois (the "*Bond Registrar*"). The Bonds shall become due



serially (without option of prior redemption) on December 1 of the years 1995 to 2000, inclusive, in the amounts (not exceeding \$1,250,000 per year) and bearing interest at the rates per annum (not to exceed 7.50%), as set forth in the Bond Notification.

Each Bond shall bear interest from its date or from the most recent interest payment date to which interest has been paid or duly provided for, whichever date is later, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on June 1 and December 1 of each year until paid, with the first interest payment date to be as designated in the Bond Notification. Interest on each Bond shall be paid by check or draft of the Bond Registrar mailed 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 to such registered owner's address as it appears in the Bond Register or to such other address as the registered owner may furnish to the Bond Registrar in writing. The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation and surrender of the Bonds at the principal corporate trust office of the Bond Registrar in Chicago, Illinois.

The Bonds shall be signed by the President and Secretary of the Board, and shall be registered, numbered and countersigned by the School Treasurer who receives the taxes of the District, 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.

All Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Bond Registrar, as authenticating agent of the District 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 resolution unless and until such certificate of authentication shall have been duly executed by the Bond Registrar 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 resolution. The certificate of authentication on any Bond shall be deemed to have been executed by the Bond Registrar if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

*Section 4. Registration of Bonds; Persons Treated as Owners.* (a) *General.* The District shall cause books (the "*Bond Register*") for the registration and for the transfer of the Bonds as provided in this resolution to be kept at the principal corporate trust office of the Bond Registrar, which is hereby constituted and appointed the registrar of the District. The District is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the District for use in the transfer and exchange of Bonds.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by, the registered owner or his attorney duly authorized in writing, the District shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Bond or Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of other authorized denominations. The execution by the District of any fully registered Bond shall constitute full and due authorization of such Bond and the Bond



Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less previous retirements.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 15th day of the month next preceding any interest payment date on such Bond and ending on such interest payment date.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his 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.

No service charge shall be made for any transfer or exchange of Bonds, but the District or the 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.

(b) *Global Book-Entry System.* The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds determined as described in Section 3 hereof. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of Kray & Co., or any successor thereto ("*Kray*"), as nominee of The Midwest Securities Trust Company, Chicago, Illinois, and its successors and assigns ("*Midwest*"). All of the outstanding Bonds shall be registered in the Bond Register in the name of Kray, as nominee of Midwest, except as hereinafter provided. The President and Secretary of the Board, on behalf of the District, and the Bond Registrar,





are each authorized to execute and deliver on behalf of the District such letters to or agreements with Midwest and the Bond Registrar as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the "*Representation Letter*"), which Representation Letter may provide for the payment of principal of or interest on the Bonds by wire transfer.

With respect to Bonds registered in the Bond Register in the name of Kray, as nominee of Midwest, the District and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which Midwest holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a "*Midwest Participant*") or to any person on behalf of whom such a Midwest Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the District and the Bond Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of Midwest, Kray or any Midwest Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Midwest Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Midwest Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to principal of or interest on the Bonds. The District and the Bond Registrar may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Bond Registrar shall pay all



principal of and interest on the Bonds only to or upon the order of the respective registered owners of the Bonds, as shown in the Bond Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Bond as shown in the Bond Register, shall receive a Bond certificate evidencing the obligation of the District to make payments of principal and interest with respect to any Bond. Upon delivery by Midwest to the Bond Registrar of written notice to the effect that Midwest has determined to substitute a new nominee in place of Kray, and subject to the provisions in Section 3 hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 15th day of the month next preceding the applicable interest payment date, the name "Kray" in this resolution shall refer to such new nominee of Midwest.

In the event that (i) the District determines that Midwest is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the District, the Bond Registrar and Midwest evidenced by the Representation Letter shall be terminated for any reason or (iii) the District determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the District shall notify Midwest and Midwest Participants of the availability through Midwest of Bond certificates and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Kray, as nominee of Midwest. At that time, the District may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the District, or such depository's agent or designee, and if the District does not select such alternate



universal book-entry system, then the Bonds may be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 4(a) hereof.

Notwithstanding any other provision of this resolution to the contrary, so long as any Bond is registered in the name of Kray, as nominee of Midwest, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representation Letter.

*Section 5. Form of Bond.* The Bonds shall be in substantially the following form; provided, however, that if the text of the Bond is to be printed in its entirety on the front side of the Bond, then paragraph [2] and the legend, "See Reverse Side for Additional Provisions", shall be omitted and paragraphs [6] through [9] shall be inserted immediately after paragraph [1]:



(Form of Bond - Front Side)

REGISTERED  
NO. \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTY OF COOK

TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225

SCHOOL BOND, SERIES 1995

See Reverse Side  
for Additional  
Provisions

Interest                      Maturity                      Dated  
Rate: \_\_\_\_\_%      Date: December 1, \_\_\_\_\_      Date: January 1, 1995      CUSIP \_\_\_\_\_

Registered Owner:

Principal Amount:

[1] KNOW ALL MEN BY THESE PRESENTS, that Township High School District Number 225, Cook County, Illinois (the "*District*"), 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 date of this Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on June 1 and December 1 of each year, commencing June 1, 1995, until said Principal Amount is paid. Principal of this Bond is payable in lawful money of the United States of America upon presentation and surrender hereof at the principal corporate trust office of LaSalle National Trust, N.A., Chicago, Illinois, as 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 District 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, payable upon presentation in lawful money of the United States of America, 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. For the prompt payment of this bond, both principal and interest at maturity, the full faith, credit and resources of the District are hereby irrevocably pledged.

[2] Reference is hereby 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.

[3] It is hereby 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, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, 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.

[4] 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.

[5] IN WITNESS WHEREOF, said Township High School District Number 225, Cook County, Illinois, by its Board of Education, has caused this bond to be signed by the President and Secretary of said Board of Education, and to be registered, numbered and



countersigned by the School Treasurer who receives the taxes of the District, all as of the  
Dated Date identified above.

\_\_\_\_\_  
President, Board of Education

\_\_\_\_\_  
Secretary, Board of Education

Registered, Numbered and Countersigned:

\_\_\_\_\_  
School Treasurer

Date of Authentication: \_\_\_\_\_, \_\_\_\_\_

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and  
Paying Agent: LaSalle National Trust, N.A.,  
Chicago, Illinois

This Bond is one of the Bonds described  
in the within mentioned resolution and is one  
of the School Bonds, Series 1995, of  
Township High School District Number 225,  
Illinois.

LaSalle National Trust, N.A.  
as Bond Registrar

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



[Form of Bond - Reverse Side]

**TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225**

**COOK COUNTY, ILLINOIS**

**SCHOOL BOND, SERIES 1995**

[6] This bond is one of a series of bonds issued by the District for working cash fund purposes, in full compliance with the provisions of the School Code of the State of Illinois, and the Local Government Debt Reform Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and is authorized by the Board of Education of the District by resolutions duly and properly adopted for that purpose, in all respects as provided by law.

[7] This Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the principal 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 authorizing resolution, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

[8] 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 principal corporate trust office of the Bond Registrar for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations, upon the terms set forth in the authorizing resolution. The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 15th day of the month



next preceding any interest payment date on such Bond and ending on such interest payment date.

[9] The District and the Bond Registrar may deem and treat the registered holder hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the District 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 does hereby irrevocably constitute and appoint \_\_\_\_\_

\_\_\_\_\_ 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.

*Section 6. Sale of Bonds.* The President of the Board and the Assistant Superintendent for Business Affairs of the District (the "*Designated Representatives*") are hereby authorized to proceed, without any further authorization or direction from the Board, to sell and deliver the Bonds upon the terms as prescribed in this Section. The Bonds hereby authorized shall be executed as in this Resolution provided as soon after the delivery of the Bond Notification as may be, and, after authentication thereof by the Bond Registrar, shall





be delivered to William Blair & Company, Chicago, Illinois ("*Blair*"), upon receipt of the purchase price therefor, the same being not less than ninety-seven percent (97%) of the principal amount of the Bonds, plus accrued interest to date of delivery. The Designated Representatives shall have the authority to sell the Bonds in any event so long as the limitations set forth in this Resolution and the conditions of this Section shall have been met.

Upon the sale of the Bonds, as evidenced by the execution and delivery of the Bond Notification by the Designated Representatives, the President, Secretary and Treasurer of the Board and any other officers of the District, as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, the Preliminary Official Statement, the final Official Statement, the Purchase Contract between the District and Blair (the "*Purchase Contract*") and any closing documents necessary for the sale of the Bonds. Prior to the execution and delivery of the Purchase Contract, the Designated Representatives shall find and determine that no person holding any office of the District either by election or appointment, is in any manner interested, either directly or indirectly, in his own name or in the name of any other person, association, trust or corporation, in the Purchase Contract for the purchase of the Bonds.

Upon the sale of the Bonds, the Designated Representatives shall prepare a Notification of Sale of the Bonds, which shall include the pertinent details of sale as provided herein (the "*Bond Notification*"). In the Bond Notification, the Designated Representatives shall find and determine that the Bonds have been sold at such price and bear interest at such rate that neither the true interest cost (yield) nor the net interest rate received upon the sale of the Bonds exceeds the maximum rate otherwise authorized by applicable law. The Bond Notification shall be entered into the records of the District and made available to the Board



at the next public meeting thereof; but such action shall be for information purposes only, and the Board shall have no right or authority at such time to approve or reject such sale as evidenced in the Bond Notification.

The use by the Underwriter of a Preliminary Official Statement and a final Official Statement relating to the Bonds is hereby approved and authorized, and the President and Secretary of the Board are hereby authorized and directed to execute and deliver said final Official Statement. The President, Secretary and Treasurer of the Board are hereby authorized to take any action as may be required on the part of the District to consummate the transactions contemplated by the Purchase Contract, this Resolution, said Preliminary Official Statement, said final Official Statement, the Bonds and said closing documents.

Before the Bonds are issued the same shall be registered, numbered and countersigned by said Treasurer, such registration being made in a book provided for that purpose, in which shall be entered the record of this Resolution authorizing the Board to borrow said money and a description of the Bonds issued, including the number, date, to whom issued, amount, rate of interest and when due.

*Section 7. Tax Levy.* In order to provide for the collection of a direct annual tax sufficient to pay the interest on the Bonds as it falls due, and also to pay and discharge the principal thereof at maturity, there be and there is hereby levied upon all the taxable property within the District a direct annual tax for each of the years while the Bonds or any of them are outstanding, in amounts sufficient for that purpose, and that there be and there is hereby levied upon all of the taxable property in the District, the following direct annual tax, to-wit:



FOR THE YEAR	A TAX SUFFICIENT TO PRODUCE THE SUM OF:	
1994	\$1,117,500.00	for interest and principal up to and including December 1, 1995
1995	\$1,061,250.00	for interest and principal
1996	\$1,005,000.00	for interest and principal
1997	\$ 948,750.00	for interest and principal
1998	\$1,222,500.00	for interest and principal
1999	\$ 881,500.00	for interest and principal

Principal or interest maturing at any time when there are not sufficient funds on hand from the foregoing tax levy to pay the same shall be paid from the general funds of the District, and the fund from which such payment was made shall be reimbursed out of the taxes hereby levied when the same shall be collected.

The District covenants and agrees with the purchasers and the holders of the Bonds that so long as any of the Bonds remain outstanding, the District will take no action or fail to take any action which in any way would adversely affect the ability of the District to levy and collect the foregoing tax levy and the District and its officers will comply with all present and future applicable laws in order to assure that the foregoing taxes will be levied, extended and collected as provided herein and deposited in the fund established to pay the principal of and interest on the Bonds.

To the extent that the taxes levied above exceed the amount necessary to pay debt service on the Bonds as set forth in the Bond Notification, the President, Secretary and Treasurer of the Board are hereby authorized to direct the abatement of such taxes to the extent of the excess of such levy in each year over the amount of debt service payable on the Bonds in the year in which such taxes are collectable. Proper notice of such abatement shall be filed with the County Clerk in a timely manner to effect such abatement.

*Section 8. Filing of Resolution.* Forthwith upon the passage of this resolution, the Secretary of the Board is hereby directed to file a certified copy of this resolution with the



County Clerk of Cook County, Illinois, and it shall be the duty of said County Clerk to annually in and for each of the years 1994 to 1999, inclusive, ascertain the rate necessary to produce the tax herein levied, and extend the same for collection on the tax books against all of the taxable property within the District in connection with other taxes levied in each of said years for school purposes, in order to raise the respective amounts aforesaid and in each of said years such annual tax shall be computed, extended and collected in the same manner as now or hereafter provided by law for the computation, extension and collection of taxes for general school purposes of the District, and when collected, the taxes hereby levied shall be placed to the credit of the special fund to be designated "Working Cash Fund Bond and Interest Fund of 1995" (the "*Bond Fund*"), which taxes are hereby irrevocably pledged to and shall be used only for the purpose of paying the principal of and interest on the Bonds; and a certified copy of this resolution shall also be filed with the School Treasurer who receives the taxes of the District. Interest earnings on the Bond Fund have not been earmarked or restricted by the Board for a designated purpose.

*Section 9. Use of Bond Proceeds.* All moneys derived from the issuance of the Bonds hereby authorized shall be used only for the purpose and in the manner provided by the Act. Accrued interest and any premium received on the delivery of the Bonds are hereby appropriated for the purpose of paying first interest due on the Bonds and are hereby ordered deposited into the Bond Fund. The principal proceeds of the Bonds are hereby appropriated for working cash fund purposes and shall be set aside in a separate fund known and designated as the "Working Cash Fund of Township High School District Number 225, Cook County, Illinois," which said fund shall be held apart, maintained and administered as provided in Article 20 of the Act at least until all the Bonds have been retired, and shall not be used for any other purpose whatsoever, it being the present intention and reasonable





expectation of the Board that a portion of the proceeds of the Bonds will be used to alter and repair the existing school buildings of the District (the "*Project*") after transfer of funds therein to the appropriate operating fund of the District in accordance with the applicable provisions of the Act.

*Section 10. Non-Arbitrage and Tax-Exemption.* One purpose of this Section is to set forth various facts regarding the Bonds and to establish the expectations of the Board and the District as to future events regarding the Bonds and the use of Bond proceeds. The certifications, covenants and representations contained herein and at the time of the Closing are made on behalf of the District for the benefit of the owners from time to time of the Bonds. In addition to providing the certifications, covenants and representations contained herein the District covenants not to take any action that would cause interest on the Bonds to become includable in the gross income of the holders thereof for federal income tax purposes. The Board and the District certify, covenant and represent as follows:

*1.1 Definitions.* In addition to such other words and terms used and defined in this Resolution, the following words and terms used in this Section shall have the following meanings unless, in either case, the context or use clearly indicates another or different meaning is intended:

*"Bond Counsel"* means Chapman and Cutler or any other nationally recognized firm of attorneys experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds.

*"Capital Expenditures"* means costs of a type that would be properly chargeable to a capital account under the Code (or would be so chargeable with a proper election) under federal income tax principles if the District were treated as a corporation subject to federal income taxation, taking into account the definition of Placed-in-Service set forth herein.

*"Closing"* means the first date on which the District is receiving the purchase price for the Bonds.

*"Code"* means the Internal Revenue Code of 1986.



*"Commingled Fund"* means any fund or account containing both Gross Proceeds and an amount in excess of \$25,000 that are not Gross Proceeds if the amounts in the fund or account are invested and accounted for, collectively, without regard to the source of funds deposited in the fund or account. An open-ended regulated investment company under Section 851 of the Code is not a commingled fund.

*"Control"* means the possession, directly or indirectly through others, of either of the following discretionary and non-ministerial rights or powers over another entity:

(a) to approve and to remove without cause a controlling portion of the governing body of a Controlled Entity; or

(b) to require the use of funds or assets of a Controlled Entity for any purpose.

*"Controlled Entity"* means any entity or one of a group of entities that is subject to Control by a Controlling Entity or group of Controlling Entities.

*"Controlling Entity"* means any entity or one of a group of entities directly or indirectly having Control of any entities or group of entities.

*"Controlled Group"* means a group of entities directly or indirectly subject to Control by the same entity or group of entities, including the entity that has the Control of the other entities.

*"Costs of Issuance"* means the costs of issuing the Bonds, including underwriters' discount and legal fees.

*"De minimis Amount of Original Issue Discount or Premium"* means (a) any original issue discount or premium that does not exceed two percent of the stated redemption price at maturity of the Bonds plus (b) any original issue premium that is attributable exclusively to reasonable underwriter's compensation.

*"External Commingled Fund"* means a Commingled Fund in which the District and all members of the same Controlled Group as the District own, in the aggregate, not more than ten percent of the beneficial interests.

*"GIC"* means (a) any investment that has specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate and (b) any agreement to supply investments on two or more future dates (e.g., a forward supply contract).

*"Gross Proceeds"* means amounts in the Bond Fund and the Project Fund.



*“Placed-in-Service”* means the date on which, based on all facts and circumstances (a) a facility has reached a degree of completion that would permit its operation at substantially its design level and (b) the facility is, in fact, in operation at such level.

*“Project Fund”* means the fund from which the costs of the Project will be paid.

*“Qualified Administrative Costs of Investments”* means (a) reasonable, direct administrative costs (other than carrying costs) such as separately stated brokerage or selling commissions (other than a broker’s commission paid on behalf of either the District or the provider of a GIC to the extent such commission exceeds the present value of annual payments equal to 0.05 percent of the weighted average amount reasonably expected to be invested each year of the term of the GIC; for this purpose, present value is computed using the taxable discount rate used to compute the commission or, if not readily ascertainable, a reasonable taxable discount rate), but not legal and accounting fees, recordkeeping, custody and similar costs; (b) all administrative costs, direct or indirect, incurred by a publicly offered regulated investment company or an External Commingled Fund; or (c) in the case of purpose investments, costs or expenses paid directly to purchase, carry, sell or retire the investment and costs of issuing, carrying, or repaying the Bonds, and any placement agent fee or underwriter’s discount.

*“Qualified Tax Exempt Obligations”* means (a) any obligation described in Section 103(a) of the Code, the interest on which is excludable from gross income of the owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed by Section 55 of the Code; (b) an interest in a regulated investment company to the extent that at least ninety-five percent of the income to the holder of the interest is interest which is excludable from gross income under Section 103 of the Code of any owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed by Section 55 of the Code; and (c) certificates of indebtedness issued by the United States Treasury pursuant to the Demand Deposit State and Local Government Series program described in 31 C.F.R. part 344.

*“Rebate Fund”* means the fund, if any, identified and defined in paragraph 4.1 herein.

*“Rebate Provisions”* means the rebate requirements contained in Section 148(f) of the Code and in the Regulations.

*“Regulations”* means United States Treasury Regulations dealing with the tax-exempt bond provisions of the Code.

*“Reimbursed Expenditures”* means amounts, if any, used from Sale Proceeds and investment earnings thereon to reimburse the District for an expenditure paid prior to Closing.



*"Sale Proceeds"* means amounts actually or constructively received from the sale of the Bonds, including (a) amounts used to pay underwriters' discount or compensation and accrued interest, other than accrued interest for a period not greater than one year before Closing but only if it is to be paid within one year after Closing and (b) amounts derived from the sale of any right that is part of the terms of a Bond or is otherwise associated with a Bond (e.g., a redemption right).

*"Sale Proceeds Funds"* means the funds containing amounts derived by the sale of the Bonds or investment earnings thereon.

*"Yield"* means that discount rate which when used in computing the present value of all payments of principal and interest paid and to be paid on an obligation (using semiannual compounding on the basis of a 360-day year) produces an amount equal to the obligation's purchase price (or in the case of the Bonds, the issue price as established in paragraph 5.1 hereof), including accrued interest.

*"Yield Reduction Payment"* means a rebate payment or any other amount paid to the United States in the same manner as rebate amounts are required to be paid or at such other time or in such manner as the Internal Revenue Service may prescribe that will be treated as a reduction in Yield of an investment under the Regulations.

*2.1. Purpose of the Bonds.* The Bonds are being issued to finance the Project and current expenses of the District in a prudent manner consistent with the revenue needs of the District. A breakdown of the sources and uses of funds is set forth in the preceding Section of this Resolution. At least 75% of the Project Costs financed with Sale Proceeds and investment earnings thereon are expected to be used for construction purposes with respect to property owned by a government unit or a Section 501(c)(3) organization.

*2.2. The Project — Binding Commitment and Timing.* The District has incurred or will, within six months of the Closing, incur a substantial binding obligation (not subject to contingencies within the control of the District or any member of the same Controlled Group as the District) to a third party to expend at least five percent of the Sale Proceeds on the Project. It is expected that the work of acquiring and constructing the Project and the expenditure of amounts deposited into the Project Fund will continue to proceed with due diligence through January 1, 1998, at which time it is anticipated that all Sale Proceeds and investment earnings thereon will have been spent.

The investment earnings on the Sale Proceeds Funds will be spent to pay costs of the Project and interest on the Bonds not later than the date set forth in the preceding paragraph, the investment earnings on the Bond Fund will be spent to pay interest on the Bonds, or to the extent permitted by law, investment earnings on amounts in the Sale Proceeds Funds and the Bond Fund will be commingled with substantial revenues from the governmental operations of the District, and the earnings are reasonably expected to be spent for governmental purposes within six





months of the date earned. Interest earnings on the Sale Proceeds Funds and the Bond Fund have not been earmarked or restricted by the Board for a designated purpose. No proceeds of the Bonds will be used more than 30 days after the date of issue of the Bonds for the purpose of paying any principal or interest on any issue of bonds, notes, certificates or warrants or on any installment contract or other obligation of the District or for the purpose of replacing any funds of the District used for such purpose.

2.3. *Reimbursement.* None of the Sale Proceeds or investment earnings thereon will be used for Reimbursed Expenditures.

2.4. *Working Capital.* All Sale Proceeds in the Project Fund will be used, directly or indirectly, to finance Capital Expenditures other than the following:

(a) an amount not to exceed five percent of the Sale Proceeds for working capital expenditures directly related to Capital Expenditures financed by the Bonds;

(b) payments of interest on the Bonds for a period commencing at Closing and ending on the later of the date three years after Closing or one year after the date on which the Project is Placed-in-Service;

(c) Costs of Issuance and Qualified Administrative Costs of Investments;

(d) payments of rebate or Yield Reduction Payments made to the United States under the Regulations; and

(e) principal of or interest on the Bonds paid from unexpected excess Sale Proceeds and investment earnings thereon for the purpose of paying the costs of the Project.

2.5. *Consequences of Contrary Expenditure.* The District acknowledges that if Sale Proceeds in the Project Fund and investment earnings thereon are spent for non-Capital Expenditures other than as permitted by paragraph 2.4 hereof, a like amount of then available funds of the District will be treated as unspent Sale Proceeds.

2.6. *Investment of Bond Proceeds.* Not more than 50% of the Sale Proceeds and investment earnings thereon are or will be invested in investments (other than Qualified Tax Exempt Obligations) having a Yield that is substantially guaranteed for four years or more. No portion of the Bonds is being issued solely for the purpose of investing a portion of Sale Proceeds or investment earnings thereon at a Yield higher than the Yield on the Bonds.

2.7. *No Grants.* None of the Sale Proceeds or investment earnings thereon will be used to make grants to any person.



2.8. *Hedges.* Neither the District nor any member of the same Controlled Group as the District has entered into or expects to enter into any hedge (*e.g.*, an interest rate swap, interest rate cap, futures contract, forward contract or an option) with respect to the Bonds. The District acknowledges that any such hedge could affect the calculation of Bond Yield under the Regulations, and that the Internal Revenue Service could recalculate Bond Yield if the failure account for the hedge fails to clearly reflect the economic substance of the transaction.

3.1. *Use of Proceeds.* (a) The use of the Sale Proceeds and investment earnings thereon and the funds held under the Resolution at the time of Closing are described in the preceding Section of this Resolution. All Sale Proceeds and investment earnings thereon that will not be used for the Project will be continuously invested in Qualified Tax Exempt Obligations (to the extent permitted by the Act, the Local Government Debt Reform Act of the State of Illinois, as amended (the "*Debt Reform Act*"), and this Resolution).

(b) Only the funds and accounts described in said Section will be funded at Closing. There are no other funds or accounts created under this Resolution.

(c) Principal of and interest on the Bonds will be paid from the Bond Fund.

(d) Any Costs of Issuance incurred in connection with the Bonds to be paid by the District will be paid from the Project Fund.

(e) The costs of the Project will be paid from the Project Fund and no other moneys (except for investment earnings on amounts in the Project Fund) are expected to be deposited therein for the purpose of paying the cost of the Project.

3.2. *Purpose of Bond Fund.* The Bond Fund will be used primarily to achieve a proper matching of revenues and earnings with principal and interest payments on the Bonds in each bond year. It is expected that the Bond Fund will be depleted at least once a year, except for a reasonable carry over amount not to exceed the greater of (a) the earnings on the investment of moneys in the Bond Fund for the immediately preceding bond year or (b) 1/12th of the principal and interest payments on the Bonds for the immediately preceding bond year.

3.3. *No Other Gross Proceeds.* (a) Except for the Bond Fund, the Working Cash Fund and the Project Fund, and except for investment earnings that have been commingled as described in paragraph 2.2 and any credit enhancement or liquidity device related to the Bonds, after the issuance of the Bonds, neither the District nor any member of the same Controlled Group as the District has or will have any property, including cash or securities that constitutes:

(i) Sale Proceeds;

(ii) amounts in any fund and account with respect to the Bonds (other than the Rebate Fund);



(iii) amounts that have a sufficiently direct nexus to the Bonds or to the governmental purpose of the Bonds to conclude that the amounts would have been used for that governmental purpose if the Bonds were not used or to be used for that governmental purpose (the mere availability or preliminary earmarking of such amounts for a governmental purpose, however, does not itself establish such a sufficient nexus);

(iv) amounts in a debt service fund, redemption fund, reserve fund, replacement fund or any similar fund to the extent reasonably expected to be used directly or indirectly to pay principal of or interest on the Bonds or any amounts for which there is provided, directly or indirectly, a reasonable assurance that the amount will be available to pay principal of or interest on the Bonds or any obligations under any credit enhancement or liquidity device with respect to the Bonds, even if the District encounters financial difficulties;

(v) any amounts held pursuant to any agreement (such as an agreement to maintain certain levels of types of assets) made for the benefit of the Bondholders or any credit enhancement provider, including any liquidity device or negative pledge (any amount pledged to pay principal of or interest on an issue held under an agreement to maintain the amount at a particular level for the direct or indirect benefit of Bondholders or a guarantor of the bonds); or

(vi) amounts actually or constructively received from the investment and reinvestment of the amounts described in (i) or (ii) above.

(b) No compensating balance, liquidity account, negative pledge of property held for investment purposes or similar arrangement exists with respect to, in any way, the Bonds or any credit enhancement or liquidity device related to the Bonds.

(c) The term of the Bonds is not longer than is reasonably necessary for the governmental purposes of the Bonds. The average reasonably expected economic life of the Project is at least 20 years. The weighted average maturity of the Bonds does not exceed 6 years and does not exceed 120 percent of the average reasonably expected economic life of the Project. The maturity schedule of the Bonds (the "*Principal Payment Schedule*") is based on an analysis of revenues expected to be available to pay debt service on the Bonds. The Principal Payment Schedule is not more rapid (*i.e.*, having a lower average maturity) because a more rapid schedule would place an undue burden on tax rates and cause such rates to be increased beyond prudent levels, and would have been inconsistent with the governmental purpose of the Bonds as set forth in paragraph 2.1 hereof.

**4.1. Rebate Fund.** The District is hereby authorized to create and establish a special fund to be known as the Rebate Fund (the "*Rebate Fund*"), which, if created, shall be continuously held, invested, expended and accounted for in accordance with this Resolution. Moneys in the Rebate Fund shall not be considered moneys held for the benefit of the Bondholders. Except as provided in the Regulations, moneys in the



Rebate Fund (including earnings and deposits therein) shall be held in trust for payment to the United States as required by the Rebate Provisions and by the Regulations and as contemplated under the provisions of this Resolution.

4.2. *Compliance with Rebate Provisions.* The District covenants to take such actions and make, or cause to be made, all calculations, transfers and payments that may be necessary to comply with the Rebate Provisions applicable to the Bonds. The District will make, or cause to be made, rebate payments with respect to the Bonds in accordance with law.

4.3. *Records.* The District agrees to keep and retain or cause to be kept and retained until six years after the Bonds are paid in full adequate records with respect to the investment of all Gross Proceeds and amounts in the Rebate Fund. Such records shall include: (a) purchase price; (b) purchase date; (c) type of investment; (d) accrued interest paid; (e) interest rate; (f) principal amount; (g) maturity date; (h) interest payment date; (i) date of liquidation; and (j) receipt upon liquidation.

If any investment becomes Gross Proceeds on a date other than the date such investment is purchased, the records required to be kept shall include the fair market value of such investment on the date it becomes Gross Proceeds. If any investment is retained after the date the last Bond is retired, the records required to be kept shall include the fair market value of such investment on the date the last Bond is retired. Amounts or investments will be segregated whenever necessary to maintain these records.

4.4. *Fair Market Value; Certificates of Deposit and Investment Agreements.* In making investments of Gross Proceeds, the District shall take into account prudent investment standards including the date on which moneys to be invested may be needed. The District shall provide that all amounts which constitute Gross Proceeds and any amounts in the Rebate Fund shall be invested at all times to the greatest extent practicable in investments permitted under this Resolution, and no amounts may be held as cash or be invested in zero Yield investments other than obligations of the United States purchased directly from the United States; provided, however, that in the event moneys cannot be invested, other than as provided in this sentence, due to the denomination, price or availability of investments, such amounts shall be invested in an interest bearing deposit account of a bank with a Yield not less than that paid to the general public or held uninvested (but uninvested amounts shall be held to the minimum amount necessary).

For purposes of determining the purchase price of investments (for either yield restriction or rebate purposes), Gross Proceeds and any amounts in the Rebate Fund that are invested in certificates of deposit or in GICs shall be invested only in accordance with the following provisions:

- (a) Investments in certificates of deposit of banks or savings and loan associations that have a fixed interest rate, fixed payment schedules and





substantial penalties for early withdrawal shall be made only if either (i) the Yield on the certificate of deposit (A) is not less than the Yield on reasonably comparable direct obligations of the United States and (B) is not less than the highest Yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public or (ii) the investment is an investment in a GIC and qualifies under paragraph (b) below.

(b) Investments in GICs shall be made only if

(i) a bona fide solicitation is made for a specified GIC and at least three bona fide bids from different providers that have no material financial interest in the Bonds (*e.g.*, as underwriters or brokers) are received;

(ii) the highest-yielding GIC for which a qualifying bid is made (determined net of broker's fees) is in fact purchased;

(iii) the Yield on the GIC (determined net of broker's fees) is not less than the Yield then available from the provider on reasonably comparable GICs, if any, offered to other persons from a source of funds other than Gross Proceeds of tax-exempt obligations;

(iv) the determination of the terms of the GIC takes into account as a significant factor the District's reasonably expected drawdown schedule for the amounts to be invested, except for amounts deposited in the Bond Fund;

(v) the terms of the GIC, including collateral security requirements, are reasonable; and

(vi) the obligor on the GIC certifies the administrative costs that it is paying or expects to pay to third parties in connection with the GIC.

Moneys to be rebated to the United States shall be invested to mature on or prior to the anticipated rebate payment date. All investments made with Gross Proceeds or amounts in the Rebate Fund shall be bought and sold at fair market value. The fair market value of an investment is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction. Except for investments specifically described in this section and United States Treasury obligations that are purchased directly from the United States Treasury, only investments that are traded on an established securities market, within the meaning of regulations promulgated under Section 1273 of the Code, will be purchased with Gross Proceeds. In general, an "established securities market" includes: (i) property that is listed on a national securities exchange, an interdealer quotation system or certain foreign exchanges; (ii) property that is traded on a Commodities Futures



Trading Commission designated board of trade or an interbank market; (iii) property that appears on a quotation medium; and (iv) property for which price quotations are readily available from dealers and brokers. A debt instrument is not treated as traded on an established market solely because it is convertible into property which is so traded.

An investment of Gross Proceeds in an External Commingled Fund shall be made only to the extent that such investment is made without an intent to reduce the amount to be rebated to the United States Government or to create a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the rebate or Yield restriction requirements not been relevant to the District. An investment of Gross Proceeds shall be made in a Commingled Fund other than an External Commingled Fund only if the investments made by such Commingled Fund satisfy the provisions of this paragraph.

*4.5. Arbitrage Elections.* The President and Secretary of the Board and the School Treasurer of the District are hereby authorized to execute one or more elections regarding certain matters with respect to arbitrage.

*4.6. Small Issuer Exception.* The District is a governmental unit that has the power to impose a tax or to cause another entity to impose a tax of general applicability that, when collected, may be used for the governmental purposes of the District. The power to impose such tax is not contingent on approval by another governmental unit; a tax of general applicability is one that is not limited to a small number of persons. The District is not subject to Control by any other governmental unit or political subdivision. None of the Bonds is or will be a "private activity bond" (as defined in Section 141 of the Code). Ninety-five percent or more of the Sale Proceeds will be used for local governmental activities of the District. Neither the District, any entity that issues tax-exempt bonds on behalf of the District nor any entity subject to Control by the District will issue, during calendar year 1995, any tax-exempt bonds in an aggregate face amount in excess of \$5,000,000. As used herein, (a) "tax-exempt bonds" means obligations of any kind, the interest on which is excludable from gross income of the holders or owners thereof for federal income tax purposes pursuant to Section 103 of the Code but not including "private activity bonds" (as defined in Section 141 of the Code) and (b) "aggregate face amount" means, if an issue has more than a De minimis Amount of Original Issue Discount or Premium, the issue price of the issue and otherwise means the face amount of the issue. As of the date hereof, no tax-exempt bonds or other obligations (other than the Bonds) have been issued by the District, any entity that issues tax-exempt bonds on behalf of the District or any entity subject to Control by the District during calendar year 1995. The District does not reasonably expect that it, any entity that issues tax-exempt bonds on behalf of the District or any entity subject to Control by the District (including but not limited to the District) will issue any such tax-exempt bonds or other obligations within calendar year 1995. Therefore, subject to compliance with all the terms and provisions hereof, the District is excepted from the required rebate of arbitrage profits on the Bonds under Section 148(f)(4)(D) of the Code and from



the terms and provisions of this Resolution that need only be complied with if the District is subject to the arbitrage rebate requirement.

*5.1. Issue Price.* For purposes of determining the Yield on the Bonds, the purchase price of the Bonds is equal to the first offering price at which the Purchaser sold at least ten percent of each maturity of the Bonds or is equal to par, plus accrued interest, if the Purchaser does not intend to resell the Bonds.

*5.2. Yield Limits.* (a) Except as provided in paragraph (b) or (c), all Gross Proceeds shall be invested at market prices and at a Yield (after taking into account any Yield Reduction Payments) not in excess of the Yield on the Bonds plus, for amounts in the Project Fund only, 1/8th of one percent.

(b) The following may be invested without Yield restriction:

(i) amounts invested in Qualified Tax Exempt Obligations (to the extent permitted by the Act, the Debt Reform Act and this Resolution);

(ii) amounts in the Rebate Fund;

(iii) amounts on deposit in the Bond Fund (except for capitalized interest) that have not been on deposit under the Resolution for more than 13 months, so long as the Bond Fund continues to qualify as a bona fide debt service fund as described in paragraph 3.2 hereof; and

(iv) amounts on deposit in the Project Fund prior to the earlier of three years after Closing or the completion (or abandonment) of the Project.

(c) An amount not to exceed the lesser of \$100,000 or five percent of the Sale Proceeds may be invested without regard to Yield restriction.

*5.3. Continuing Nature of Yield Limits.* Except as provided in paragraph 7.6, once moneys are subject to the Yield limits of paragraph 5.2 hereof, such moneys remain Yield restricted until they cease to be Gross Proceeds.

*5.4. Federal Guarantees.* Except for investments meeting the requirements of paragraph 5.2(b) hereof, investments of Gross Proceeds shall not be made in (a) investments constituting obligations of or guaranteed, directly or indirectly, by the United States (except obligations of the United States Treasury, obligations guaranteed by the Federal Housing Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, the Student Loan Marketing Association, any guarantee by the Bonneville Power Authority pursuant to the Northwest Power Act (16 U.S.C. 839d) as in effect on the date of enactment of the Tax Reform Act of 1984, or investments in obligations issued pursuant to Section 21B(d)(3) of the Federal Home Loan Bank, as amended (e.g., Refcorp Strips)); or (b) federally insured deposits or accounts (as defined in



Section 149(b)(4)(B) of the Code). No portion of the payment of principal or interest on the Bonds or any other credit enhancement or liquidity device relating to the foregoing is or will be guaranteed, directly or indirectly (in whole or in part), by the United States (or any agency or instrumentality thereof). No portion of the Gross Proceeds has been or will be used to make loans the payment of principal or interest with respect to which is or will be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof).

*6.1. Payment and Use Tests.* (a) No more than five percent of the Sale Proceeds plus investment earnings thereon will be used, directly or indirectly, in whole or in part, in any activity carried on by any person other than a state or local governmental unit.

(b) The payment of more than five percent of the principal of or the interest on the Bonds will not be, directly or indirectly (i) secured by any interest in (A) property used or to be used in any activity carried on by any person other than a state or local governmental unit or (B) payments in respect of such property or (ii) on a present value basis, derived from payments (whether or not by or to the District) in respect of property, or borrowed money, used or to be used in any activity carried on by any person other than a state or local governmental unit.

(c) No more than five percent of the Sale Proceeds and investment earnings thereon will be used, directly or indirectly, to make or finance loans to any persons.

(d) No users of the Project other than state or local governmental units will use more than five percent of the Project, in the aggregate, on any basis other than the same basis as the general public; and no person other than a state or local governmental unit will be users of more than five percent of the Project, in the aggregate, as a result of (i) ownership, (ii) actual or beneficial use pursuant to a lease or a management, service, incentive payment or output contract, or (iii) any other similar arrangement, agreement or understanding, whether written or oral.

*6.2. U.S. Form 8038-G.* The information contained in the Information Return for Tax-Exempt Governmental Obligations, Form 8038-G, is true and complete. The District will file Form 8038-G (and all other required information reporting forms) in a timely manner.

*7.1. Termination; Interest of District in Rebate Fund.* The terms and provisions set forth in this Section shall terminate at the later of (a) 75 days after the Bonds have been fully paid and retired or (b) the date on which all amounts remaining on deposit in the Rebate Fund, if any, shall have been paid to or upon the order of the United States and any other payments required to satisfy the Rebate Provisions of the Code have been made to the United States. Notwithstanding the foregoing, the provisions of paragraph 4.3 hereof shall not terminate until the sixth anniversary of the date the Bonds are fully paid and retired.





7.2. *No Common Plan of Financing.* Since a date that is 15 days prior to the date of sale of the Bonds by the District to the Purchaser, neither the District nor any member of the same Controlled Group as the District has sold or delivered any obligations other than the Bonds that are reasonably expected to be paid out of substantially the same source of funds as the Bonds. Neither the District nor any member of the same Controlled Group as the District will sell or deliver within 15 days after the date hereof any obligations other than the Bonds that are reasonably expected to be paid out of substantially the same source of funds as the Bonds. No obligation other than the Bonds were sold on the same date as the Bonds, are being issued on the date of the Closing and were or are being offered pursuant to a single offering document.

7.3. *No Sale of the Project.* No acquisition or improvement made as a Material Part of the Project has been or is expected to be sold or otherwise disposed of in whole or in part prior to the last maturity of the Bonds. "Material Part" means (i) land, or (ii) any improvement, or (iii) personal property or fixtures in excess of that which is expected to be sold, traded in or discarded upon wearing out or becoming obsolete.

7.4. *Bank Qualification.* (a) The District hereby designates each of the Bonds as a "qualified tax-exempt obligation" for the purposes and within the meaning of Section 265(b)(3) of the Code. In support of such designation, the District hereby certifies that (i) none of the Bonds will be at anytime a "private activity bond" (as defined in Section 141 of the Code) other than a "qualified 501(c)(3) bond" (as defined in Section 145 of the Code), (ii) as of the date hereof, the District has not issued any tax-exempt obligations of any kind in calendar year 1995 other than the Bonds nor have any tax-exempt obligations of any kind been issued on behalf of the District and (iii) not more than \$10,000,000 of obligations of any kind (including the Bonds) issued by or on behalf of the District during calendar year 1995 will be designated for purposes of Section 265(b)(3) of the Code.

(b) The District is not subject to Control by any entity, and there are no entities subject to Control by the District.

(c) On the date hereof, the District does not reasonably anticipate that for calendar year 1995 it will issue any Section 265 Tax-Exempt Obligations (other than the Bonds), or that any Section 265 Tax-Exempt Obligations will be issued on behalf of it. "*Section 265 Tax-Exempt Obligations*" are obligations the interest on which is excludable from gross income of the owners thereof under Section 103 of the Code, *except for* private activity bonds other than qualified 501(c)(3) bonds, both as defined in Section 141 of the Code. The District will not issue or permit the issuance on behalf of it or by any entity subject to Control by the District (which may hereafter come into existence) of Section 265 Tax-Exempt Obligations (including the Bonds) that exceed the aggregate amount of \$10,000,000 during calendar year 1995 unless it first obtains an opinion of Bond Counsel to the effect that such issuance will not



adversely affect the treatment of the Bonds as “qualified tax-exempt obligations” for the purposes and within the meaning of Section 265(b)(3) of the Code.

7.5. *Future Events.* The District acknowledges that any changes in facts or expectations from those set forth herein may result in different Yield restrictions or rebate requirements from those set forth herein. Such changes in facts or expectations might include, but are not in any respect whatsoever limited to, moneys or investments being pledged or otherwise set aside for payment of principal of or interest on the Bonds, amounts being derived from the sale of any right that is part of the terms of a Bond or is otherwise associated with a Bond (*e.g.*, a redemption right) or the District entering into any agreement to maintain certain levels of types of assets for the benefit of a holder of a bond or any credit enhancement with respect to the Bonds. The District shall promptly contact Bond Counsel if such changes do occur.

7.6. *Permitted Changes; Opinion of Bond Counsel.* The Yield restrictions contained in paragraph 5.2 or any other restriction or covenant contained herein need not be observed or may be changed if the District receives an opinion of Bond Counsel to the effect that such nonobservance or change will not result in the loss of any exemption for the purpose of federal income taxation to which interest on the Bonds is otherwise entitled.

7.7. *Successors and Assigns.* The terms, provisions, covenants and conditions of this Section shall bind and inure to the benefit of the respective successors and assigns of the Board and the District.

7.8. *Expectations.* The Board has reviewed the facts, estimates and circumstances in existence on the date of issuance of the Bonds. Such facts, estimates and circumstances, together with the expectations of the District as to future events, are set forth in summary form in this Section. Such facts and estimates are true and are not incomplete in any material respect. On the basis of the facts and estimates contained herein, the District has adopted the expectations contained herein. On the basis of such facts, estimates, circumstances and expectations, it is not expected that the Sale Proceeds or any other moneys or property will be used in a manner that will cause the Bonds to be arbitrage bonds within the meaning of the Rebate Provisions and the Regulations. Such expectations are reasonable and there are no other facts, estimates and circumstances that would materially change such expectations.

The District also agrees and covenants with the purchasers and holders of the Bonds from time to time outstanding that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Bonds and affects the tax-exempt status of the Bonds.



The Board hereby authorizes the officials of the District responsible for issuing the Bonds, the same being the President and Secretary of the Board and the School Treasurer who receives the taxes of the District, to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest in the Bonds will be exempt from federal income taxation. In connection therewith, the District and the Board further agree: (a) through their officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Bonds and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the District in such compliance.

*Section 11. Registered Form.* The District recognizes that Section 149(a) of the Code requires the Bonds to be issued and to remain in fully registered form in order that interest thereon is exempt from federal income taxation under laws in force at the time the Bonds are delivered. In this connection, the District agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

*Section 12. List of Bondholders.* The Bond Registrar shall maintain a list of the names and addresses of the holders of all Bonds and upon any transfer shall add the name and address of the new Bondholder and eliminate the name and address of the transferor Bondholder.



*Section 13. Duties of Bond Registrar.* If requested by the Bond Registrar, the President and Secretary of the Board are authorized to execute the Bond Registrar's standard form of agreement between the District and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder which may include the following:

- (a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to maintain a list of Bondholders as set forth herein and to furnish such list to the District upon request, but otherwise to keep such list confidential;
- (c) to give notice of redemption of Bonds as provided herein;
- (d) to cancel and/or destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;
- (e) to furnish the District at least annually a certificate with respect to Bonds cancelled and/or destroyed; and
- (f) to furnish the District at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

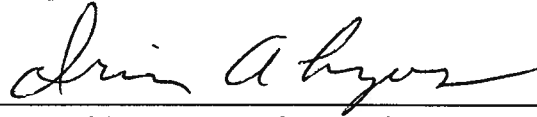
*Section 14. Severability.* If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.



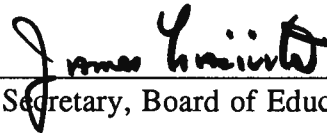


*Section 15. Repeal.* All resolutions or parts thereof in conflict herewith be and the same are hereby repealed and this resolution shall be in full force and effect forthwith upon its adoption.

Adopted December 28, 1994.



\_\_\_\_\_  
President, Board of Education



\_\_\_\_\_  
Secretary, Board of Education



Member Bubak moved and Member Baschnagel

seconded the motion that said resolution as read be adopted.

After a full and complete discussion of said resolution, the President directed the Secretary to call the roll for a vote upon the motion to adopt said resolution.

Upon the roll being called, the following members voted

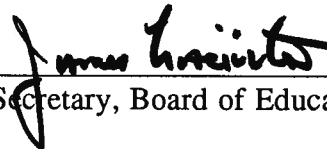
AYE: Lyons, Baschnagel, Bubak, Goldstein, McConachie

NAY: Conlin

Whereupon the President declared the motion carried and said resolution duly adopted, in open meeting approved and signed said resolution and directed the Secretary to record the same in full in the records of the Board of Education of Township High School District Number 225, Cook County, Illinois, which was done.

Other business not pertinent to the adoption of said resolution was duly transacted at the meeting.

Upon motion duly made, seconded and carried, the meeting was adjourned.

  
Secretary, Board of Education



STATE OF ILLINOIS        )  
                                  ) SS  
COUNTY OF COOK         )

**CERTIFICATION OF MINUTES**

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Education of Township High School District Number 225, Cook County, Illinois (the "*Board*"), and as such official I am the keeper of the records and files of the Board.

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Board held on the 28th day of December, 1994, insofar as same relates to the adoption of a resolution entitled:

RESOLUTION providing for the issue of \$4,900,000 School Bonds, Series 1995, of Township High School District Number 225, Cook County, Illinois, and for the levy of a direct annual tax sufficient to pay the principal and interest on said bonds.

a true, correct and complete copy of which said resolution as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Board on the adoption of said resolution were conducted openly, that the vote on the adoption of said resolution was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, the School Code of the State of Illinois, as amended, and the Local Government Debt Reform Act of the State of Illinois, as amended, that the Board has complied with all of the provisions of said Acts and said Code and with all of the procedural rules of the Board in the conduct of said meeting and in the adoption of said resolution.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 28th day of December, 1994.

A handwritten signature in black ink, appearing to read "James L. ...", is written over a horizontal line. Below the line, the text "Secretary, Board of Education" is printed.

Secretary, Board of Education



STATE OF ILLINOIS        )  
                                  ) SS  
COUNTY OF COOK        )

**FILING CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of the County of Cook, Illinois, and as such official I do further certify that on the 29<sup>th</sup> day of December, 1994, there was filed in my office a duly certified copy of a resolution entitled:

RESOLUTION providing for the issue of \$4,900,000 School Bonds, Series 1995, of Township High School District Number 225, Cook County, Illinois, and for the levy of a direct annual tax sufficient to pay the principal and interest on said bonds.

duly adopted by the Board of Education of Township High School District Number 225, Illinois, on the 28th day of December, 1994, and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of said County, this 29<sup>th</sup> day of December, 1994.



\_\_\_\_\_  
County Clerk of the County of Cook,  
Illinois

(SEAL)





STATE OF ILLINOIS        )  
                                  ) SS  
COUNTY OF COOK         )

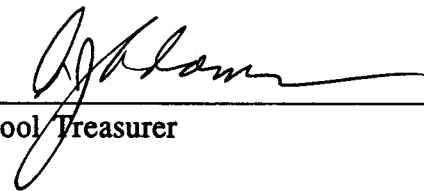
**FILING CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting School Treasurer who receives the taxes of Township High School District Number 225, Cook County, Illinois, and as such official I do further certify that on the 29<sup>th</sup> day of December, 1994, there was filed in my office a duly certified copy of a resolution entitled:

RESOLUTION providing for the issue of \$4,900,000 School Bonds, Series 1995, of Township High School District Number 225, Cook County, Illinois, and for the levy of a direct annual tax sufficient to pay the principal and interest on said bonds.

duly adopted by the Board of Education of said School District on the 28th day of December, 1994, and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 29<sup>th</sup> day of December, 1994.

  
\_\_\_\_\_  
School Treasurer



*William Blair & Company*  
*222 West Adams Street*  
*Chicago, Illinois*  
*60606*

**Northfield Township High School District Number 225**  
**Cook County, Illinois**

**\$4,900,000 General Obligation School Bonds, Series 1995**

**BOND PURCHASE AGREEMENT**

Board of Education  
Northfield Township High School District Number 225  
1835 Landwehr Road  
Glenview, IL 60025

Ladies and Gentlemen:

The undersigned, William Blair & Company (the "Underwriter"), hereby offers to enter into this Bond Purchase Agreement (the "Agreement") with the Northfield Township High School District Number 225 (the "District") which, upon acceptance by the District, will become a binding agreement between the District and the Underwriter.

Subject to the terms of this Agreement, the Underwriter agrees to purchase from the District, and the District agrees to sell to the Underwriter, all (but not less than all) of the General Obligation School Bonds, Series 1994, in the original aggregate principal amount of \$4,900,000 (the "Bonds"). The purchase price for the Bonds shall be \$4,922,933.00 plus accrued interest from January 1, 1995.

The Bonds are to be issued and sold pursuant to a bond resolution (the "Bond Resolution") adopted by the governing body of the District on December 28, 1994 and a Bond Notification approval January 18, 1995. The Bonds will be general obligations of the District and the principal of and interest on the Bonds will be payable from ad valorem taxes levied against all taxable property in the District, without limitation in amount. The Bonds shall be issued on the date (the "Closing Date"), dated as of the date, mature at the times and in the amounts, bear interest at the rates, and be issuable in the denominations set forth in Schedule I hereto.

The District is responsible for the costs of issuance including but not limited to bond counsel fees, rating agency fees, bond registrar, and paying agent fees, and preliminary and final Official Statement printing fees. The District authorizes William Blair & Company to pay these expenses out of Bond proceeds on the District's behalf. The District also agrees to reimburse the Underwriter for all liabilities and expenses resulting from any claims that the Official Statement (as defined below) of the District contained a misstatement of a material fact or omitted to state a material fact necessary to make the statements therein not misleading.



The Underwriter's obligations under this Agreement to purchase, accept delivery of and pay for the Bonds are subject to the completeness and correctness on the date of this Agreement and on the Closing Date of the representations and warranties of the District contained in Exhibit A hereto, and to the following additional conditions:

1. Passage of the Bond Resolution.
2. Approval of this Agreement by the District.
3. Designation of the Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986.
4. Confirmation of a "Aa1" rating from Moody's Investors Service.
5. The Underwriter may terminate this Agreement by notification in writing or by facsimile transmission to the District upon the occurrence at any time subsequent to the date of this Agreement and on or prior to the Closing Date if one or more of the events described in Exhibit B hereto.
6. The Underwriter shall receive the following documents:
  - (a) The final Official Statement of the District (the "Official Statement"), dated the date of this Agreement and executed by an authorized representative of the District. Within seven business days from the District's acceptance hereof, the District will deliver to the Underwriter copies of the Official Statement in sufficient quantities to enable the Underwriter to comply with its obligations under paragraph (b)(4) of Rule 15(c)2-12 under the Securities Exchange Act of 1934, as amended (the "1934 Act") and the rules of the Municipal Securities Rulemaking Board.
  - (b) The unqualified approving opinion of Chapman and Cutler, bond counsel, dated the Closing Date, and a supplemental opinion of bond counsel, in each case in form and substance satisfactory to the Underwriter.
  - (c) A certificate dated the Closing Date of an authorized official of the District, in form and substance reasonably satisfactory to the Underwriter, to the effect that (i) the District has duly performed all of its obligations under the Bond Resolution to be performed on or prior to the Closing Date; (ii) the representations and warranties of the District contained in Exhibit A to this Agreement are true and correct on and as of the Closing Date as if made at the Closing Date, and the Underwriter has complied with all of the agreements and satisfied all the conditions on its part to be performed or satisfied prior to the Closing Date, and (iii) there has been no material adverse change in the condition of the District, financial or otherwise, or in the affairs, operations or prospective operations of the District, whether or not arising in the ordinary course of business, from that set forth or contemplated in the Official Statement and (iv) covering such other matters as may be requested by the Underwriter.
  - (d) Such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the



date hereof and as of the Closing Date, of the statements and information contained in the Official Statement and the due performance or satisfaction by the District at or prior to the closing of all agreements then to be performed and all conditions then to be satisfied by the District.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions of the Agreement if, but only if, they are in form and substance satisfactory to the Underwriter.

If this offer is not accepted by the District on January 18, 1995, the Underwriter has the right to withdraw this offer.

Dated: January 18, 1995

WILLIAM BLAIR & COMPANY,

By: Elizabeth M. Hennessy

ACCEPTED:

NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
Cook County, Illinois

By: John A. Lyon

Title: Pres.





**SCHEDULE I  
TERMS OF THE BONDS**

**Closing Date:** January 19, 1995

**Bonds Dated:** January 1, 1995

<u>Due</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield to Investor</u>	<u>Price to Public</u>
12/1/95	\$750,000	4.900%	4.900%	100.000
12/1/96	750,000	8.450%	5.050%	105.974
12/1/97	750,000	5.200%	5.200%	100.000
12/1/98	750,000	5.300%	5.300%	100.000
12/1/99	1,080,000	6.000%	5.400%	102.530
12/1/00	820,000	5.450%	5.450%	100.000



insolvency, reorganization, moratorium or the laws affecting creditors' rights and except to the extent that the enforceability thereof may be limited by the application of general principles of equity. No event of default under any evidence of indebtedness issued by the District has occurred and is continuing, and no event has occurred and is continuing which, with the lapse of time or the giving of notice or both, would constitute such an event of default.

(f) The execution and delivery of the Official Statement, this Agreement and the Bonds, the adoption of the Bond Resolution, and compliance with the provisions hereof and thereof, and the District's consummation of the transactions contemplated by the aforesaid documents, do not and will not conflict with or result in a violation of the Constitution of the State of Illinois or any other laws of the State of Illinois or the United States of America or of the District, including, without limitation, any debt limitations or other restrictions or conditions on the debt-issuing power of the District, and will not conflict with or result in a violation of, or breach of, or constitute a default under, any law or administrative regulation or any of the terms, conditions or provisions of any judgment, decree, loan agreement, note, resolution, indenture, mortgage, deed of trust or other agreement or instrument to which the District is a party or by which it is bound. The District has not received any written notice, not subsequently withdrawn, given in accordance with the remedy provisions of any bond resolution, trust indenture or agreement or state law pertaining to the bonds or notes, of any default or event of default on the part of the District which has not been cured, remedied or waived.

(g) No action, suit, inquiry, investigation or proceeding, at law or in equity, to which the District is a party is pending and, to the best of the knowledge of the District, no action, suit, inquiry, investigation or proceeding is threatened, in or before any court, governmental agency, authority, body or arbitrator, in any way affecting the existence of the District or the title of any official of the District to such person's office, or seeking to restrain, or enjoin the issuance, sale or delivery of the Bonds or the execution and delivery of this Agreement or in any way contesting or affecting the validity or enforceability of this Agreement, the Bond Resolution or the Bonds and related documents, or any agreement or instrument relating to the foregoing, or contesting in any way the completeness or accuracy of the Official Statement or the power or authority of the District with respect to this Agreement, the Bond Resolution or the Bonds, or the exclusion of the interest on the Bonds from the gross income of the owners thereof for federal income tax purposes.

(h) To the knowledge of the District, there is no public vote or referendum pending, proposed or concluded, the results of which could in any way adversely affect the transactions contemplated by this Agreement, the Bond Resolution or the Bonds, or the validity or enforceability of the Bonds, or that would adversely affect the exclusion of the interest on the Bonds from the gross income of the owners thereof for federal income tax purposes.

(i) Any certificate signed by an authorized District official, or by a duly appointed and acting deputy of any of said officials on his or her behalf, and delivered to the Underwriter shall be deemed a District representation and warranty to the Underwriter as to the truth of the District's statements therein.

(j) The District has not received any judicial or administrative notice that in any way questions the exclusion of the interest on the Bonds from the gross income of the owners thereof for federal income tax purposes and the Internal Revenue Service has not notified the District of any listing or proposed listing of the District as a bond issuer whose arbitrage certifications may not be relied upon.

(k) Prior to the Closing Date, the District shall have taken all actions necessary to be taken by the



District for: (i) the issuance and sale of the Bonds upon the terms set forth herein, in the Official Statement and in the Bond Resolution, (ii) the use by the Underwriter of the Official Statement, and (iii) the execution and delivery by the District of this Agreement, the Bonds and all such other instruments and the taking of all such other actions on the part of the District as may be necessary or appropriate for the effectuation and consummation of the transactions on the part of the District contemplated by this Agreement, the Bond Resolution and the Bonds. Between the date of this Agreement and the Closing Date, the District will take such actions as are reasonably necessary to cause the warranties and representations contained in this Agreement to be true as of the Closing Date.

(l) The information supplied by the District to bond counsel with respect to the use of the proceeds of the District's Bonds and any other information supplied by the District to Bond Counsel is true, correct and complete in all material respects for the purposes for which it is supplied.

(m) The District will not take or omit to take any action, which action or omission will in any way result in the proceeds from the sale of the Bonds being applied in a manner other than as provided in the Bond Resolution.



Exhibit B to  
Bond Purchase Agreement

- (a) There shall have occurred any legislative, executive or regulatory action or any court decision which, in the judgment of the Underwriter, casts sufficient doubt on the legality of, or the exclusion from gross income for federal income tax purposes of interest on, obligations such as the Bonds so as to materially impair the marketability or lower the opinion of the Underwriter, impracticable or inadvisable to proceed with the offering or delivery of the Bonds on the terms and in the manner contemplated in this Agreement and in the Official Statement.
- (b) There shall have occurred any action by the Securities and Exchange Commission (the "Commission") or a court that would require registration of the Bonds under the Securities Act of 1933, as amended (the "Securities Act"), in connection with the public offering thereof, or qualification of the Bond Resolution under the Trust Indenture Act of 1939, as amended.
- (c) There shall have occurred any event or condition which, in the judgment of the Underwriter, renders untrue or incorrect in any material respect the information contained in the Official Statement or which requires that information not reflected in such Official Statement should be reflected therein in order to make the statements and information contained therein not misleading in any material respect.
- (d) An order, decree or injunction of any court of competent jurisdiction, or any order, ruling, regulation or administrative proceeding by any governmental body or board, shall have been issued or commended, or any legislation shall have been enacted, with the purpose or effect of prohibiting the issuance, offering or sale of the Bonds as contemplated hereby or by the Official Statement or the execution or performance of this Agreement or the Bond Resolution in accordance with their respective terms.
- (e) The market price of the Bonds shall be adversely affected in the Underwriter's reasonable judgement by the occurrence of any or all of the following events: (A) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; (B) the New York Stock Exchange, or any governmental authority, shall impose, as to the Bonds or similar obligations, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, underwriters; (C) a general banking moratorium shall have been established by federal, Illinois or New York authorities; (D) any outbreak or escalation of hostilities or other national or international calamity or crisis, the effect of which, on the financial markets of the United States of America being such as to make it, in the opinion of the Underwriter, impracticable or inadvisable to proceed with the public offering and delivery of the Bonds on the terms and in manner contemplated in this Bond Purchase Agreement and the Official Statement; (E) a downgrading shall have occurred in any ratings accorded the Bonds or any other obligations of the District by any "nationally recognized statistical rating organization," as such term is defined by the Commission for purposes of Rule 436(g)(2) under the Securities Act or such rating agency shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of the Bonds or any other obligations of the District; or (F) some other event of which the Underwriter is not aware on the date hereof shall have occurred.
- (f) That the District shall perform or have performed at the Closing Date all its obligations required under or specified in this Agreement, the Official Statement, the Bond Resolution and any other resolution of the District, to be performed on or prior to the Closing Date.





STATE OF ILLINOIS    )  
                                  ) SS  
COUNTY OF COOK     )

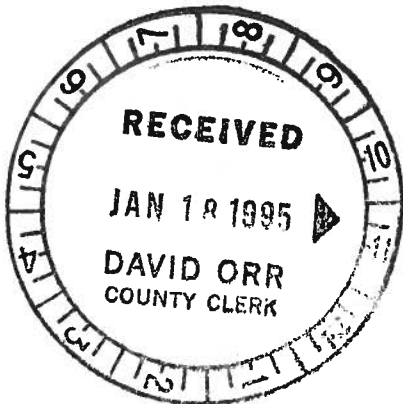
**DIRECTION FOR ABATEMENT OF TAXES**

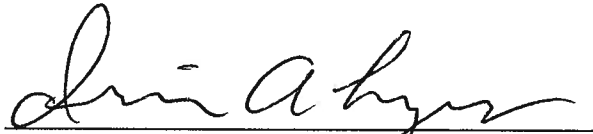
TO: THE COUNTY CLERK OF THE COUNTY OF COOK, ILLINOIS

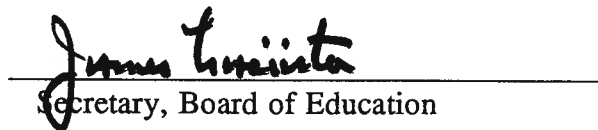
Please take note of the advice and terms on the attached Notification of Sale of \$4,900,000 School Bonds, Series 1995, dated January 1, 1995 (the "*Bond Notification*"), of the President of the Board of Education of Township High School District Number 225, Cook County, Illinois (the "*District*"), and the Assistant Superintendent for Business Affairs of the District. Terms used herein are defined by reference to the Bond Notification.

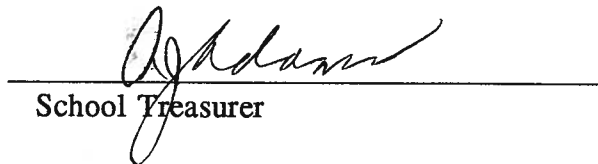
YOU ARE ACCORDINGLY ORDERED AND DIRECTED to abate from the taxes levied in Section 7 of the Bond Resolution that amount representing the reduction in taxes as referred to in the Bond Notification.

IN WITNESS WHEREOF, we hereunto affix our official signatures, this 18th day of January, 1995.



  
\_\_\_\_\_  
President, Board of Education

  
\_\_\_\_\_  
Secretary, Board of Education

  
\_\_\_\_\_  
School Treasurer

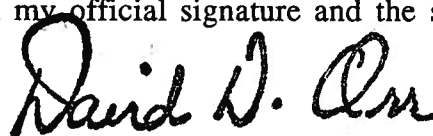


STATE OF ILLINOIS     )  
                                  ) SS  
COUNTY OF COOK     )

**FILING CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly elected, qualified and acting County Clerk of The County of Cook, Illinois (the "County"), and as such officer I do further certify that on the 18<sup>th</sup> day of January, 1995, there was filed in my office as County Clerk a NOTIFICATION OF SALE OF \$4,900,000 SCHOOL BONDS, SERIES 1995, signed by the President of the Board of Education (the "Board") of Township High School District Number 225, Cook County, Illinois (the "District"), and the Assistant Superintendent for Business Affairs of the District, and a DIRECTION FOR ABATEMENT OF TAXES, signed by the President and Secretary of the Board and the School Treasurer of the District, each as attached hereto, and that said Notification of Sale and Direction for Abatement of Taxes have been placed on file in and appear in the records of my office and that said taxes heretofore levied for the payment of the District's School Bonds, Series 1995, dated January 1, 1995, will be reduced and abated as provided in said Notification of Sale.

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the County, this 18<sup>th</sup> day of January, 1995.



---

County Clerk of The County of Cook,  
Illinois

[SEAL]



STATE OF ILLINOIS     )  
                                  ) SS  
COUNTY OF COOK     )

**NOTIFICATION OF SALE OF \$4,900,000  
SCHOOL BONDS, SERIES 1995**

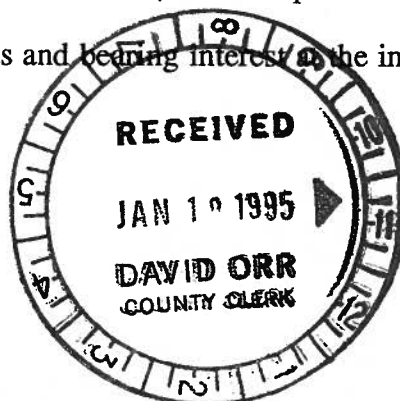
To: Board of Education of Township High School District Number 225,  
Cook County, Illinois

Please be advised that responsive to authority contained in a resolution adopted by the Board of Education (the "*Board*") of Township High School District Number 225, Cook County, Illinois (the "*District*"), on the 28th day of December, 1994, and being entitled:

RESOLUTION providing for the issue of \$4,900,000 School Bonds, Series 1995, of Township High School District Number 225, Cook County, Illinois, and for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on said bonds.

(the "*Bond Resolution*"), a contract for the purchase of \$4,900,000 School Bonds, Series 1995 (the "*Bonds*"), of the District was awarded by the undersigned President of the Board and Assistant Superintendent for Business Affairs of the District, as the "Designated Representatives" of the District under the Bond Resolution, to the purchaser thereof, namely, William Blair & Company, Chicago, Illinois, at a price of \$4,922,933, plus accrued interest to the delivery date. It is hereby found and determined that said price is in excess of 97% of the principal amount of the Bonds, plus accrued interest to date of delivery.

The Bonds shall be dated January 1, 1995, shall be in denominations of \$5,000 and integral multiples thereof, and shall become due (without option of prior redemption) on December 1 of the years, in the amounts and bearing interest at the interest rates per annum as follows:





YEAR	PRINCIPAL AMOUNT	INTEREST RATE
1995	\$ 750,000	4.90%
1996	750,000	8.45%
1997	750,000	5.20%
1998	750,000	5.30%
1999	1,080,000	6.00%
2000	820,000	5.45%

The first interest payment date on the Bonds shall be June 1, 1995.

Please be further advised that the undersigned do hereby find and determine that the Bonds have been sold at such price and bear interest at such rate that neither the true interest cost (yield) nor the net interest rate received upon the sale of the Bonds exceeds the maximum rate otherwise authorized by applicable law, and that no person holding any office of the District either by election or appointment, is in any manner interested, either directly or indirectly, in his own name or in the name of any other person, association, trust or corporation, in the contract for the purchase and sale of the Bonds.

Please be further advised that Section 7 of the Bond Resolution provides for a direct annual tax in and for each of the years 1994 to 1999, inclusive, to pay the interest on the Bonds promptly when and as the same falls due and to pay and discharge the principal thereof at maturity. Please be further advised that the Bonds were sold on terms resulting in a final schedule of taxes levied, to be abated and to be extended as follows:

YEAR OF LEVY	AMOUNT OF TAX LEVIED IN BOND RESOLUTION	AMOUNT OF TAX TO BE ABATED	AMOUNT OF TAX TO BE EXTENDED FOR COLLECTION
1994	\$1,117,500.00	\$103,165.42	\$1,014,334.58
1995	1,061,250.00	59,635.00	1,001,615.00
1996	1,005,000.00	66,760.00	938,240.00
1997	948,750.00	49,510.00	899,240.00
1998	1,222,500.00	33,010.00	1,189,490.00
1999	881,500.00	16,810.00	864,690.00





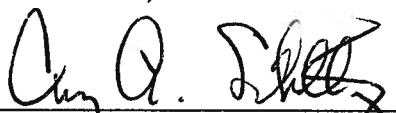
It is hereby found and determined that all of the provisions of the Bond Resolution related to this Bond Notification have been fully and completely satisfied in all respects whatsoever.

Finally, please be advised that this Bond Notification shall be entered into the records of the District and made available to all members of the Board at the next regular public meeting thereof.

Respectfully submitted this 18th day of January, 1995.



President, Board of Education



Assistant Superintendent for  
Business Affairs



**ACKNOWLEDGMENT OF FILING**

Filed in the office of the Secretary of the Board of Education of Township High School District Number 225, Cook County, Illinois, this 18th day of January, 1995.

*James Lucivita*

Secretary, Board of Education





STATE OF ILLINOIS     )  
                                  ) SS  
COUNTY OF COOK       )

**AVAILABILITY OF BOND NOTIFICATION**

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Education (the "Board") of Township High School District Number 225, Cook County, Illinois (the "District"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the District and of the Board.

I do further certify that I made available to all members of the Board at the regular meeting of the Board held on the 23rd day of January, 1995, a Notification of Sale of \$4,900,000 School Bonds, Series 1995, dated January 1, 1995, a true, correct and complete copy of which is attached hereto.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 13<sup>th</sup> day of January, 1995.

James Luciw  
Secretary, Board of Education





STATE OF ILLINOIS        )  
  ) SS  
COUNTY OF COOK         )


**TREASURER'S SURETY BOND CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting School Treasurer of Township Number 42, Range Number 12, Cook County, Illinois, and as such official I do further certify that I am ex-officio Clerk of the Trustees of Schools of said Township and Range (the "Trustees") and am also the Township School Treasurer who receives the taxes of Township High School District Number 225, Cook County, Illinois (the "District"), all or the greater part of which District is located within said Township and Range.

I do further certify that I have executed a surety bond in accordance with all of the provisions of Section 19-6 of the School Code of the State of Illinois, as amended, said surety bond being payable to the Trustees and conditioned upon the faithful discharge of my duties with respect to the disbursement of the proceeds of the sale of the \$4,900,000 School Bonds, Series 1995, dated January 1, 1995, proposed to be issued by the District.

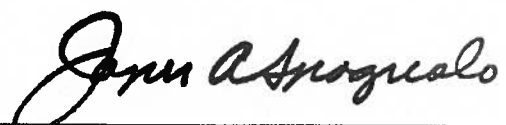
I do further certify that said surety bond in the amount of \$4,900,000 and with U.S.F. & G. as surety thereon was duly submitted to the Trustees for approval or rejection at a legally convened meeting held on the 16th day of December, 1994, and pursuant to motion duly made, seconded and adopted was approved by the Trustees.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 16th day of December, 1994.

  
\_\_\_\_\_  
Township School Treasurer and ex-officio  
Clerk of the Trustees of Schools

I, the undersigned, do hereby certify that I am the duly qualified and acting State Superintendent of Education of the State of Illinois, and as such official I do further certify that as of the date hereof said surety bond has been filed in my office and has been approved by me and deposited in the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 29<sup>th</sup> day of December, 1994.

  
\_\_\_\_\_  
State Superintendent of Education

STATE OF TEXAS

1884

County of \_\_\_\_\_

WITNESSES

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Education of the County of \_\_\_\_\_, State of Texas, and that I have this day read and approved the following resolution, to-wit: That the Board of Education do hereby resolve that the \_\_\_\_\_

I, the undersigned, do hereby certify that I have this day read and approved the following resolution, to-wit: That the Board of Education do hereby resolve that the \_\_\_\_\_


I, the undersigned, do hereby certify that I have this day read and approved the following resolution, to-wit: That the Board of Education do hereby resolve that the \_\_\_\_\_

I, the undersigned, do hereby certify that I have this day read and approved the following resolution, to-wit: That the Board of Education do hereby resolve that the \_\_\_\_\_

  
\_\_\_\_\_  
Secretary of the Board of Education

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Education of the County of \_\_\_\_\_, State of Texas, and that I have this day read and approved the following resolution, to-wit: That the Board of Education do hereby resolve that the \_\_\_\_\_

I, the undersigned, do hereby certify that I have this day read and approved the following resolution, to-wit: That the Board of Education do hereby resolve that the \_\_\_\_\_

  
\_\_\_\_\_  
Secretary of the Board of Education



STATE OF ILLINOIS        )  
                                  ) SS  
COUNTY OF COOK         )

**INCUMBENCY, NON-LITIGATION, NON-CERTIFICATION, NON-ARBITRAGE,  
COMFORT AND SIGNATURE IDENTIFICATION CERTIFICATE**

We, the undersigned, being authorized and directed to sign the bonds hereinafter described, do hereby certify that we are now and were at the time of signing said bonds the duly qualified and acting officials of Township High School District Number 225, Cook County, Illinois (the "*District*"), as indicated by the titles appended to our respective signatures, and that as such officials we have executed \$4,900,000 School Bonds, Series 1995, of the District (the "*Bonds*"), dated January 1, 1995, fully registered and without coupons, due serially on December 1 of the years and in the amounts and bearing interest as follows:

YEAR OF MATURITY	PRINCIPAL AMOUNT	RATE OF INTEREST
1995	\$ 750,000	4.90%
1996	750,000	8.45%
1997	750,000	5.20%
1998	750,000	5.30%
1999	1,080,000	6.00%
2000	820,000	5.45%

by signing the Bonds in the manner and capacity indicated by our respective signatures and titles appended hereto.

We do further certify that there is no litigation or controversy pending or threatened questioning or affecting in any manner whatsoever the corporate existence of the District, the boundaries thereof, the right of the District to levy taxes for school purposes, the title of any of its present officials to their respective offices, the proceedings incident to the issue or sale of the Bonds or the issue, sale or validity of the Bonds, and that none of the proceedings providing for the issue or sale of the Bonds have been revoked or rescinded.

We do further certify that the District has not been certified to be in financial difficulty by the State Board of Education of the State of Illinois pursuant to Section 1A-8 of the School Code of the State of Illinois, as amended.

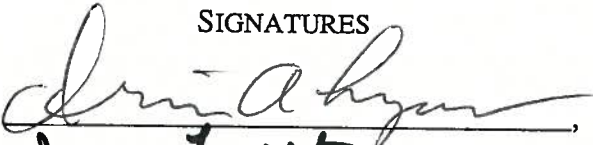
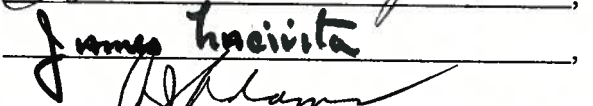
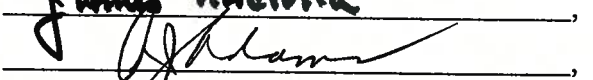
We do further certify that all of the certifications, conclusions, expectations, representations and statements made and set forth by the Board of Education of the District in Section 10 of the resolution adopted on the 28th day of December, 1994, authorizing the Bonds (the "*Resolution*") are still reasonable and true; that the undersigned have reviewed the facts, estimates and circumstances in existence on the date hereof and such facts, estimates and circumstances, together with the expectations of the District as to future



events, are set forth in summary form in said Statement of Need and in said section; that said facts and estimates are true and are not incomplete in any material respect; and that such expectations are reasonable and there are no other facts, estimates or circumstances that would materially change such expectations.

We do further certify that to the best of our knowledge and belief all Official Statements, Notices of Sale and other documents, information or materials, together with any supplements thereto, distributed and all representations made by the District and by its officials in any manner whatsoever in connection with the sale of the Bonds did not at any time and do not now contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; that the District has duly performed all of its obligations under the Resolution to be performed on or prior to the date hereof; and that all representations and warranties of the District contained in all contracts entered into by the District providing for the sale of the Bonds are true and correct on and as of the date hereof as if made at the date hereof and the District has complied with all of the agreements and satisfied all the conditions on its part to be performed or satisfied prior to the date hereof.

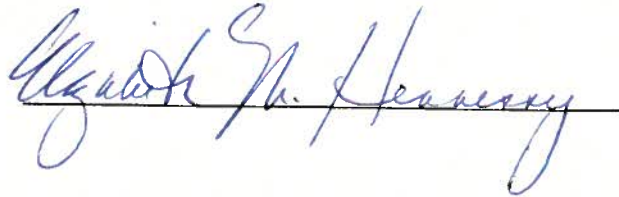
IN WITNESS WHEREOF, we hereunto affix our official signatures, this 19th day of January, 1995.

SIGNATURES	OFFICIAL TITLES
 _____	President, Board of Education
 _____	Secretary, Board of Education
 _____	School Treasurer

I do hereby certify that I am an associate of William Blair & Company, Chicago, Illinois, and that I am personally acquainted with the officials whose signatures appear above and that I know that they are now and were at the time of signing the Bonds the duly qualified and acting officials of the District, as indicated by the titles appended to their respective signatures, and I do hereby identify said signatures, together with those on the Bonds, as being in all respects true and genuine.

DATED as of the date shown hereinabove.

(BANK SEAL)





### TREASURER'S RECEIPT

I, the undersigned, do hereby certify that I am the duly qualified and acting School Treasurer who receives the taxes of Township High School District Number 225, Cook County, Illinois (the "*District*"), and as such official I do further certify that \$4,900,000 School Bonds, Series 1995, of the District (the "*Bonds*"), dated January 1, 1995, fully registered and without coupons, have been delivered to the purchaser thereof, namely, William Blair & Company, Chicago, Illinois, and that the Bonds have been paid for in full by said purchaser in accordance with the terms of sale and at a price of not less than 100% of the par value of the Bonds, plus accrued interest to date of delivery and a premium of \$22,933.00 and that the Bonds have been sold at such price and bear interest at such rates that neither the true interest cost (yield) nor the net interest rate received by the District upon such sale exceed 5.795%.

I do further certify that the total aggregate indebtedness of the District, howsoever evidenced and howsoever incurred, including the Bonds, does not exceed the sum of \$12,947,190, and that the amount now to the credit of the Working Cash Fund of the District (the "*Fund*"), including the amount of cash on hand and any transfers from the Fund to any other funds of the District, the amount of all taxes levied or extended for the Fund, but not yet received by the District, and the proceeds received by the District from the issue of the Bonds, does not exceed the sum of \$11,993,146.68.

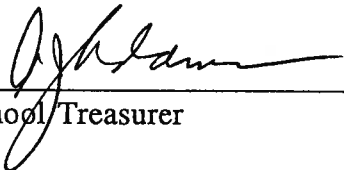
I do further certify that the officials whose signatures appear upon the Bonds were in occupancy and possession of their respective offices at the time of signing and delivery of the Bonds.

I do further certify that a portion of the proceeds of the Bonds in the amount of \$0 have been invested in obligations the interest upon which is tax-exempt under the provisions of Section 103 of the Internal Revenue Code of 1986 (the "*Code*"), (but is not



an item of tax preference for purposes of the alternative minimum tax imposed by Section 5.5 of the Code), subject to such tax-exempt obligations being rated at the time of purchase by the District within the four highest general classifications established by a rating service of nationally recognized expertise in rating bonds of states and the political subdivisions thereof.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 19th day of January, 1995.

  
\_\_\_\_\_  
School Treasurer





STATE OF ILLINOIS        )  
                                      ) SS  
COUNTY OF COOK         )

**CERTIFICATE OF BOND REGISTRAR**


We, the undersigned, do hereby certify that we are officers of LaSalle National Trust, N.A., Chicago, Illinois (the "*Bond Registrar*"), and as such officers we do further certify as follows:

1. That the Bond Registrar has been appointed bond registrar for \$4,900,000 School Bonds, Series 1995, dated January 1, 1995 (the "*Bonds*"), of Township High School District Number 225, Cook County, Illinois (the "*District*"), pursuant to a resolution adopted by the Board of Education of the District on the 28th day of December, 1994 (the "*Bond Resolution*").

2. That the Bond Registrar has heretofore and does hereby accept the duties as bond registrar so imposed by the Bond Resolution.

3. That pursuant to proper authorization and direction from the District dated as of the date hereof, the Bond Registrar has authenticated and delivered Bonds in the amount of \$4,900,000 to the purchaser thereof, namely, William Blair & Company, Chicago, Illinois.

4. That each of the persons named below is an authorized agent of the Bond Registrar; one or more of such persons, in accordance with the provisions of the Bond Resolution, are duly authorized and empowered to authenticate and did authenticate on the date hereof the Bonds issued under the Bond Resolution; and the signature appearing after the name of each such person as follows is a true and correct specimen of each such person's genuine signature:

NAME	OFFICE	SIGNATURE
Estelita B. Esmenda	<b>TRUST OFFICER</b>	
_____	_____	_____
_____	_____	_____
_____	_____	_____

5. That the Bond Registrar has full power and authority under the applicable laws of the United States of America and the State of Illinois to act as bond registrar for the Bonds in the manner contemplated by the Bond Resolution; it has taken all necessary corporate action by its properly authorized officers, employees or agents to accept said offices and duties; and the undersigned are duly qualified and acting officers of the Bond



Registrar as indicated by the titles set under their names and are authorized by the Bond Registrar to execute and attest this Certificate.

6. That the Bond Registrar acknowledges receipt of a certified copy of the Bond Resolution.

IN WITNESS WHEREOF, we hereunto affix our signatures and the seal of the Bond Registrar, this 19th day of January, 1995.

LASALLE NATIONAL TRUST, N.A.  
Chicago, Illinois

By *James P. Macky*  
Its Assistant Vice President

Attest: *[Signature]*  
Its Assistant Secretary

(SEAL OF BOND REGISTRAR)

the first or last day of the month next to the date of the bond.

It is the duty of the surety to see that the bond is properly executed.

In witness whereof, we have hereunto set our hands and the seal of the Court at the City of New York, this 15th day of January, 1912.

CLERK OF THE COURT  
CITY OF NEW YORK

  
\_\_\_\_\_  
Clerk of the Court

  
\_\_\_\_\_  
Surety

CLERK OF THE COURT



LETTER OF REPRESENTATIONS

January 19, 1995

Midwest Securities Trust Company  
One Financial Place  
440 South LaSalle Street  
Chicago, Illinois 60605

Re: Township High School District Number 225, Cook County, Illinois  
\$4,900,000 School Bonds, Series 1995

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Ladies and Gentlemen:

The purpose of this letter is to set out certain matters relating to the safekeeping and book-entry of \$4,900,000 School Bonds, Series 1995 (the "*Bonds*"), issued by Township High School District Number 225, Cook County, Illinois (the "*Issuer*"). The Bonds are being issued pursuant to proceedings adopted by the governing body of the Issuer on December 28, 1994 (the "*Authorization*").

In order to induce the Issuer and LaSalle National Trust, N.A., Chicago, Illinois (the "*Bond Registrar*"), to deposit the Bonds with Midwest Securities Trust Company ("*MSTC*") and in order to induce MSTC to accept the Bonds as eligible for deposit at MSTC and to hold such Bonds for the term thereof for the benefit of those participant brokers, dealers, banks and other financial institutions which are members of MSTC ("*Participants*"), the Issuer, Bond Registrar and MSTC agree as follows:

1. MSTC agrees to designate the Bonds as eligible securities under its By-laws and Rules, and agrees to abide by such By-laws and Rules, as well as the Procedures adopted by MSTC pursuant thereto, at all times in connection with the performance of its obligations in connection with the safekeeping and book-entry of the Bonds. MSTC agrees to use its best efforts to notify the Bond Registrar of any proposed changes in such Rules, By-laws or Procedures which would affect the Bonds or their transfer.

2. At the closing of the initial issuance of the Bonds scheduled for January 19, 1995, the Issuer will cause the Bond Registrar to deposit with MSTC one Bond certificate for each maturity registered in the name of Kray & Co., an Illinois general partnership which is the nominee of MSTC, having an aggregate face value of \$4,900,000 representing 100% of the principal amount of such Bonds, and such Bond certificates shall remain in the custody of MSTC.



3. In the event of a redemption or other early withdrawal resulting in retirement of all Bonds outstanding, the Bond Registrar shall give MSTC and the other registered securities depositories notice of such event, including second notices of advance refunding, not less than thirty (30) nor more than sixty (60) days prior to the redemption date.

4. In the event of a redemption or any other early withdrawal resulting in retirement of less than all Bonds outstanding, the Bond Registrar shall give MSTC and the other registered securities depositories notice of such event, including second notices of advance refunding, not less than thirty (30) nor more than sixty (60) days prior to the redemption date. MSTC and the Bond Registrar shall cooperate in determining the method of allocating the reduction among beneficial owners.

5. All redemption notices to MSTC and the other registered securities depositories should contain the following: (a) CUSIP numbers; (b) certificate numbers and called amounts of each certificate for partial calls; (c) publication date; (d) redemption date; (e) redemption price; (f) redemption agent and address; (g) date of issue; (h) interest rate; (i) maturity date; and (j) any other descriptive information that accurately identifies the called Bonds.

6. All notices to MSTC and the other registered securities depositories shall be forwarded at least two business days prior to the Publication date by hand delivery (with receipt) or Express or Courier Service, or certified or registered United States mail to:

- (i) Midwest Securities Trust Company  
Capital Structures - Call Notification  
One Financial Place  
440 South LaSalle Street  
Chicago, Illinois 60605  
FAX - (312) 663-2343
- (ii) The Depository Trust Company  
711 Stewart Avenue  
Garden City, New York 11530  
Attention: Call Notification Dept.  
FAX - (516) 227-4039 or 4190
- (iii) Philadelphia Depository Trust Company  
Reorganization Division  
1900 Market Street  
Philadelphia, Pennsylvania 19103  
Attention: Bond Department  
DEX - (215) 496-5058

and to one or more information services of national recognition that disseminate redemption information.





7. Interest payments shall contain the Bonds' CUSIP numbers and be forwarded to MSTC or its nominee Kray & Co. (c/o P.O. Box 96625, Chicago, Illinois 60693), or its registered assigns, in next day funds or its equivalent on each interest payment date no later than 12:00 noon (Chicago, Illinois time) *provided* that readily available funds have been received by the Issuer. At the option of the Issuer such interest payments may be made by wire transfer to: Federal Reserve Bank of Chicago, for the credit of Midwest Securities Trust Company, ABA No. 071002299, Attn: Bond Interest. Interest payments shall be made payable to the order of Kray & Co. The payment shall list each CUSIP number and respective interest amount represented by that payment. MSTC agrees that it will credit such payments to the accounts of its Participants in accordance with its Rules and Procedures, as in effect from time to time.

8. Principal and Premium Payments; Other Payees. MSTC understands that, except as to partial prepayments of principal, principal and premium are payable upon surrender of the Bond certificates to the Bond Registrar. From funds received by the Bond Registrar from the Issuer. Payments of principal or premium shall contain each Bond's CUSIP number and be wired or otherwise forwarded to MSTC or its nominee Kray & Co., or its registered assigns, in next day funds or its equivalent, on each payment date no later than 12:00 noon (Chicago, Illinois time). In the event that a payment reflects funds paid on more than one CUSIP number, the payment shall contain a reference to each CUSIP number represented by that payment. Principal payments shall be made payable to the order of Kray & Co. and be sent to:

MIDWEST SECURITIES TRUST COMPANY  
ONE FINANCIAL PLACE  
440 SOUTH LASALLE STREET  
CHICAGO, ILLINOIS 60605  
ATTN: REORGANIZATION DEPARTMENT

At the option of the Issuer, such payments of principal or premium may be made by wire transfer to: Federal Reserve Bank of Chicago, for the credit of Midwest Securities Trust Company, ABA No. 071002299.

If Bond certificates are authenticated and delivered by the Issuer or Bond Registrar other than to MSTC or its nominee Kray & Co., pursuant to the Authorization, any payment of principal or interest due MSTC or Kray & Co. shall be made to MSTC or its nominee Kray & Co. on the payment date and in immediately available funds if such other certificate holders are entitled to receive payment of principal or interest in such funds.

9. MSTC may request payment of interest or principal or premium to be made to another address or in another manner than as described in paragraphs 7 and 8 hereof, and the Bond Registrar and Issuer shall cooperate with respect to such changes to the extent permitted under the Authorization. If the Bond Registrar or Issuer shall be unable to make any interest or principal amounts by the payment date, the Bond Registrar or Issuer shall so advise MSTC by telex (Number 254236) no later than 4:00 p.m. (Chicago, Illinois time) on



the day prior to the payment date. Such notice shall be addressed to the Vice President, Operations and the Managers of Bond Interest and Reorganization Departments.

10. MSTC may direct the Issuer or Bond Registrar to use any other address or department of MSTC as the address or department to which notices may be sent.

11. In the event of a redemption, acceleration or any other early withdrawal necessitating a reduction in the aggregate principal amount of Bonds outstanding, MSTC, in its discretion, (a) may request the Issuer or Bond Registrar to issue and authenticate new Bond certificates, or (b) shall make an appropriate notation on the Bond certificates indicating the date and amounts of such reduction in principal.

12. The Authorization provides that in the event the Issuer determines that (a) MSTC is incapable of discharging responsibilities described herein and in the Authorization, or (b) it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Issuer or Bond Registrar may notify MSTC that it will arrange for another securities depository to maintain custody of the certificates for the Bonds or issue Bond certificates to each beneficial owner, as appropriate. In the event that MSTC is no longer to serve as securities depository for the Bonds, MSTC, the Issuer and the Bond Registrar will cooperate with one another and others in taking appropriate action (i) to make available one or more separate certificates evidencing the Bonds to MSTC's Participants having Bonds credited to their MSTC accounts or (ii) to arrange for another securities depository to maintain custody of one or more certificates evidencing the Bonds.

13. The Issuer or Bond Registrar may be permitted under the Authorization to send notices to beneficial owners of Bonds both periodically and as a result of particular occurrences. As such, the Issuer or Bond Registrar may request from MSTC lists of the principal amount of Bonds held for the account of its Participants to permit the Issuer or Bond Registrar to send such notices and otherwise discharge their responsibilities under the Authorization. The Issuer agrees to pay all reasonable fees to MSTC for the provision of such lists.

14. The Issuer hereby authorizes MSTC to provide the Bond Registrar with lists of the principal amount of Bonds held for the account of its Participants and also authorizes the Bond Registrar to provide MSTC with such signatures, signature specimens and authorizations to act as may be deemed necessary by MSTC to permit MSTC to discharge its obligations to its Participants and proper regulatory authorities. This authorization, unless revoked by the Issuer, shall continue for the term of the Bonds, until and unless the above-named Bond Registrar shall no longer be acting under the Authorization. In such event, the Issuer shall provide MSTC with similar evidence of the authorization of any successor Bond Registrar to so act.

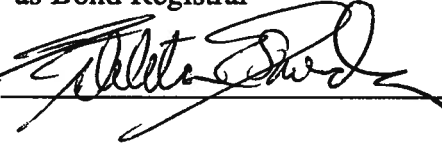
15. The Issuer will not be responsible or liable for maintaining, supervising or reviewing the records maintained by MSTC, its Participants or persons acting through such Participants and the Issuer and the Bond Registrar will have no responsibility or obligation to the Participants or beneficial owners with respect to the Bonds so long as MSTC or a nominee of MSTC is the registered owner of the Bonds.



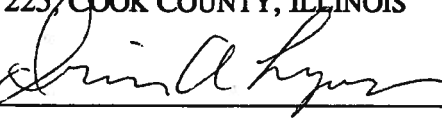
16. In the event that a vote of bondholders is to occur, Bonds registered in the name of MSTC or its nominee may be voted in fractions representing portions of such Bonds in the principal amount of \$5,000, or any integral multiple thereof.

Yours very truly,

LASALLE NATIONAL TRUST, N.A.,  
as Bond Registrar

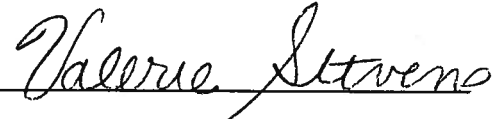
By  \_\_\_\_\_

TOWNSHIP HIGH SCHOOL DISTRICT NUMBER  
225, COOK COUNTY, ILLINOIS

By  \_\_\_\_\_

ACCEPTED BY:

MIDWEST SECURITIES TRUST COMPANY

By  \_\_\_\_\_

Date: 1-19-95



CHAPMAN AND CUTLER

Theodore S. Chapman  
1877-1943  
Henry E. Cutler  
1879-1959

111 West Monroe Street, Chicago, Illinois 60603-4080

TWX 910-221-2103 Telex 206281

FAX (312) 701-2361

Telephone (312) 845-3000

2 North Central Avenue  
Phoenix, Arizona 85004  
(602) 256-4060

50 South Main Street  
Salt Lake City, Utah 84144  
(801) 533-0066

January 19, 1995

William Blair & Company  
222 West Adams Street  
29th Floor  
Chicago, Illinois 60606

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance and sale by Township High School District Number 225, Cook County, Illinois (the "*District*") of its \$4,900,000 School Bonds, Series 1995, dated January 1, 1995 (the "*Bonds*"). As bond counsel, we have examined the proceedings, certificates, records and documents which we have deemed necessary and relevant as a basis for the opinions hereinafter set forth. During the course of this examination, we have assumed the genuineness of all signatures and the authenticity of all documents submitted to us as certified copies. All capitalized terms used but not defined herein shall have the meanings given them in the Bond Purchase Agreement, dated January 18, 1995 (the "*Bond Purchase Agreement*"), between the District and William Blair & Company, Chicago, Illinois (the "*Underwriter*").

Based upon the foregoing, we are of the opinion that:

1. The District is a body politic and corporate duly organized and validly existing under the laws of the State of Illinois, and has full power and authority to enter into, execute and deliver the Official Statement and the Bond Purchase Agreement, provided that no opinion is expressed with respect to the power and authority of the District to indemnify or reimburse the Underwriter for liabilities or expenses with respect to misstatements or omissions in the Official Statement.

2. The Official Statement and the Bond Purchase Agreement have been duly authorized by all necessary action on the part of the District, have been duly executed and delivered by authorized officers of the District, and, assuming the due authorization, execution and delivery of the Bond Purchase Agreement by the Underwriter, the Bond Purchase Agreement (other than the indemnification and reimbursement provisions included therein with respect to misstatements or omissions in the Official Statement as to which no opinion is expressed) constitutes a legal, valid and binding obligation of the District enforceable in accordance with its terms.





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3. The Bonds have been duly authorized by all necessary action on the part of the District, have been duly executed by authorized officers of the District, and constitute legal, valid and binding obligations of the District in accordance with their terms.

4. The Bonds are exempt securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended (the "*Securities Act*"), and Section 304(a)(4)(A) of the Trust Indenture Act of 1939, as amended (the "*Trust Indenture Act*"), and it is not necessary, in connection with the public offering and sale of the Bonds, to register the Bonds under the Securities Act or qualify the Bond Resolution under the Trust Indenture Act.

5. The Bonds conform in all material respects to the descriptions thereof contained in the Official Statement, and the statements contained in the Official Statement under the caption entitled "Tax Exemption" are accurate statements or summaries of the matters set forth therein and fairly present the information purported to be shown and nothing has come to our attention that would lead us to believe that the information contained under such caption omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading. Except as described in this paragraph, we assume no responsibility for and have not undertaken to determine independently the accuracy, fairness or completeness of any statements contained in the Official Statement.

Very truly yours,

*Chapman and Cutler*

DLJohnson:cms



# CHAPMAN AND CUTLER

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January 19, 1995

We hereby certify that we have examined certified copy of the proceedings of the Board of Education of Township High School District Number 225, Cook County, Illinois (the "District"), passed preliminary to the issue by the District of its fully registered School Bonds, Series 1995 (the "Bonds"), to the amount of \$4,900,000, dated January 1, 1995, due serially on December 1 of the years and in the amounts and bearing interest as follows:

1995	\$ 750,000	4.90%
1996	750,000	8.45%
1997	750,000	5.20%
1998	750,000	5.30%
1999	1,080,000	6.00%
2000	820,000	5.45%

and we are of the opinion that such proceedings show lawful authority for said issue under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the District, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate or amount.

It is our opinion that, subject to the condition that the District comply with certain covenants made to satisfy pertinent requirements of the Internal Revenue Code of 1986 (the "Code"), under present law, the Bonds are not private activity bonds within the meaning of Section 141 of the Code, and interest on the Bonds is not includible in gross income of the owners thereof for federal income tax purposes and will not be treated as an item of tax preference in computing the alternative minimum tax for individuals and corporations. Interest on the Bonds is exempt from present federal income taxation, except to the extent that such interest will be taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations, in computing the environmental tax imposed on certain corporations and in computing the "branch profits tax" imposed on certain foreign corporations.



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It is also our opinion that the District has properly designated the Bonds as “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Code.

*Chapman and Cutler*

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