



## Official Notice of Sale

**\$200,000,000**

**Board of Education of the City of Chicago  
Educational Purposes  
Tax Anticipation Notes, Series 2018A**

October 15, 2018

**NOTICE IS HEREBY GIVEN** that electronic bids will be received by the Board of Education of the City of Chicago (the “**Board**”) for the purchase of all or a part of the Board’s Educational Purposes Tax Anticipation Notes, Series 2018A (the “**Notes**”) to be sold in a principal amount of \$200,000,000. Bids for the purchase of the Notes will be submitted via Parity. No other method of submitting bids will be accepted. The bids will be received via Parity up to the time described below under the captions “Time” and “Procedures for Electronic Bidding.”

The Notes are limited obligations of the Board and are payable solely from Pledged Tax Receipts (as defined in the Preliminary Official Statement). The Preliminary Official Statement contains certain information regarding the Board, Chicago Public Schools, Security for the Notes, and Investment Considerations and should be read in conjunction herewith.

**Time.** Bids for the Notes will be received by the Board at the time shown below on October 25, 2018 (subject to the provisions described below under the caption “Procedures for Electronic Bidding”) or at such later date and/or other time as shall be established by the Board and communicated on Thomson Municipal Market Monitor News ([www.tm3.com](http://www.tm3.com)) (“TM3”), as described herein under the caption “Cancellation or Postponement.” If no legal bid or bids are received for the Notes on October 25, 2018, an alternate date and time may be designated by the Board and communicated on TM3.

### Time for Receipt of Bids

10:00 a.m. Chicago time

**Procedures for Electronic Bidding.** To bid for the Notes, each bidder must register electronically via Parity pursuant to this Official Notice of Sale. By submitting a bid, each bidder represents and warrants to the Board that its bid is submitted by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Notes.

Each bidder shall be solely responsible for registering to bid via Parity and making the necessary arrangements to access Parity for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Sale. Neither the Board nor Parity shall have any duty or obligation to undertake such registration to bid for any bidder or to provide or assure such access to any bidder. Neither the Board nor Parity shall be responsible for a bidder’s failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, Parity. The Board is using Parity as a communication mechanism, and not as the Board’s agent, to conduct the electronic bidding for the Notes. The Board is not bound by any advice or determination of Parity to the effect that any particular bid complies with the terms of this Official Notice of Sale. All costs and expenses incurred by a bidder in connection with its registration and submission of any bids via Parity are the sole responsibility of such bidder, and the Board is not responsible, directly or indirectly, for any such costs or

expenses. To the extent that any instructions or directions set forth in Parity conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. If a bidder encounters any difficulty in registering to bid or submitting, modifying or withdrawing a bid for the Notes, such bidder should telephone Parity's new issues desk at (212) 849-5021 and notify the Board's financial advisor, PFM Financial Advisors LLC by telephone at (312) 523-2437.

Electronic bids for the purchase of the Notes must be submitted via Parity by the time specified above on October 25, 2018. Bids submitted after such time will not be deemed received for the purposes of this bidding process. Bids will be communicated electronically to the Board on October 25, 2018 after the deadline for submitting bids for the Notes. Prior to that time, a bidder may (i) input the proposed terms of its bid via Parity, (ii) modify the proposed terms of its bid, in which event the proposed terms as last modified will (unless the bid is withdrawn as described herein) constitute its bid for the Notes, or (iii) withdraw its proposed bid. Once the bids are communicated electronically via Parity to the Board, each bid will constitute an irrevocable offer to purchase the Notes on the terms therein provided. For purposes of the electronic bidding process, the time as maintained on Parity shall constitute the official time. For information purposes only, bidders are requested to state in their bids the net effective interest rate to the Board, as described under "Basis of Award" set forth below, represented by the rate or rates of interest and the bid price specified in their respective bids.

**Details of Notes.** The Notes will be dated the Date of Delivery, which is expected to be October 31, 2018, will mature on March 29, 2019 and will be subject to redemption prior to maturity at the option of the Board in whole or in part on any business day occurring on or after March 1, 2019 without premium.

The Notes will be issued as fixed rate notes. Interest will be payable at maturity or optional redemption calculated on the basis of actual days elapsed over a 365-day year, as shown above. Bids shall be received on an interest rate basis in an integral multiple of One-Twentieth ( $1/20$ ) or One-Eighth ( $1/8$ ) of One Percent (1%). The rate of interest permitted for the Notes may be no higher than 5%.

The Notes will be issued by means of a book-entry-only system evidencing ownership therein, in principal amounts of \$100,000 or integral multiples of \$5,000 in excess of \$100,000, and transfer thereof on the records of The Depository Trust Company ("DTC") and its participants. The book-entry-only system is more fully described in the Preliminary Official Statement.

**Bidding Parameters.** Bids to purchase the Notes may be for all or part of the offering. Bidders may submit separate bids for any portion of the Notes, provided that no bid for less than \$25,000,000 of the Notes will be considered, and all bids must be in integral multiples of \$25,000,000. No "all or none" bids will be accepted. Bidders shall specify the principal amount of Notes to be purchased pursuant to such bid and specify the rate of interest and premium, if any, at which the bidder will purchase all or any portion of the Notes. No bid to purchase the Notes at less than par will be accepted. Bidders may submit more than one bid to purchase the Notes, subject to the provisions above under "Procedures for Electronic Bidding."

The Board has not contracted for the issuance of any credit enhancement for the Notes. If the Notes qualify for any credit enhancement, any purchase of such credit enhancement shall be at the sole option and expense of the successful bidder(s) and any increased costs of issuance or delivery of the Notes resulting by reason of such credit enhancement shall be assumed by such bidder(s). Bids shall not be conditioned upon the issuance of any such credit enhancement. Any failure of the Notes to be enhanced or of any such credit enhancement to be issued shall not in any way relieve the successful bidder of its contractual obligations arising from the acceptance of its bid for the purchase of the Notes.

Bids may not include any conditions not otherwise expressly provided for herein.

**Good Faith Deposit.** Upon notification from the Board, each successful bidder shall wire transfer to the Board an amount equal to one half of 1% of the aggregate principal amount of the Notes (the “Good Faith Deposit”) awarded to it, in immediately available funds, no later than 1:00 p.m. (Chicago time) on the bid date. The Board will provide wiring instruction for the Good Faith Deposit to the successful bidder(s) upon verification and award. In the event that the Board has not received such funds by the time stated, the Board may revoke prior acceptance of the bid. No interest on the Good Faith Deposit will accrue to the successful bidder(s). The Good Faith Deposit will be applied to the purchase price of the applicable Notes. If a successful bidder fails to honor its accepted bid, its Good Faith Deposit will be retained by the Board.

**Basis of Award.** The Board reserves the right to reject any or all proposals and to waive any irregularity or informality with respect to any proposal. All bids shall remain firm until 3:00 pm (Chicago time). Prior to 3:00 pm (Chicago time), the Board will officially award the Notes or will reject the bids.

The Notes will be awarded to the bidder or bidders offering the lowest true interest cost, determined in the manner hereinafter stated. The actuarial yield on the Notes using the true interest cost method will be computed at that yield which, if used to compute the present value of all payments of principal and interest on the Notes as of October 31, 2018, produces an amount equal to the aggregate bid price. Such calculation will be made based upon a 365-day year (actual/365). If this procedure produces a tie, the Notes will be awarded and sold to bidders based on a ratable apportionment between or among such bidders. The Board reserves the right to award the Notes, if issued, to any bidder in an amount less than the principal amount of Notes bid for, in which event any premium bid shall be proportionately reduced.

**Official Statement.** The Preliminary Official Statement dated October 15, 2018 and the information contained therein are subject to completion or amendment in the Official Statement in final form (the “Final Official Statement”). The Preliminary Official Statement may be viewed and downloaded from the Electronic Municipal Market Access (EMMA) system established by the Municipal Securities Rulemaking Board at [www.emma.msrb.org](http://www.emma.msrb.org).

The Board does not intend to print physical copies of the Final Official Statement but instead will make available to the successful bidder(s) an electronic version of the Final Official Statement via the EMMA system. The Board will post the Final Official Statement within seven business days of the date of sale but not later than two business days prior to settlement. Once posted, the Final Official Statement may be viewed and downloaded from the EMMA website, [www.emma.msrb.org](http://www.emma.msrb.org). Each successful bidder shall be required to cooperate in providing the information required to complete the Final Official Statement.

**Reoffering Price Certification.** The successful bidder shall assist the Board in establishing the issue price of the Notes and shall execute and deliver to the Board at Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Note, together with the supporting pricing wires or equivalent communications, substantially in the form attached to this Notice of Sale as Exhibit 1, with such modifications as may be appropriate or necessary, in the reasonable judgment of the successful bidder, the Board and Co-Bond Counsel. All actions to be taken by the Board under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the Board by the Board’s municipal advisor identified herein and any notice or report to be provided to the Board may be provided to the Board’s municipal advisor. The Board intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the “competitive sale requirements”) because (i) the Board shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters; (ii) all bidders shall have an equal

opportunity to bid; (iii) the Board may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and (iv) the Board anticipates awarding the sale of the Notes to the bidder or bidders who submit firm offers to purchase the Notes or portions thereof at the highest price (or lowest interest cost), as set forth in this Notice of Sale. Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in the bid.

In the event that the competitive sale requirements are not satisfied, the Board shall so advise the prospective winning bidder prior to awarding the Note. The Board shall treat (i) the first price at which 10% of the Notes (the “10% test”) is sold to the public as the issue price of the Notes. The prospective winning bidder shall advise the Board if the Notes satisfy the 10% test as of the date and time of the award of the Notes.

The Board will not require bidders to comply with the “hold-the-offering-price rule” and therefore does not intend to use the initial offering price to the public as of the sale date of the Notes as the issue price of the Notes. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that the Notes will be subject to the 10% test in order to establish the issue price of the Notes.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to the Notes, the applicable winning bidder agrees to promptly report to the Board the prices at which the unsold Notes have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to the Notes.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Notes of each lot allotted to it until it is notified by the successful bidder that either the 10% test has been satisfied as to the Notes of that lot or all Notes of that lot have been sold to the public, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the public the unsold Notes of each lot allotted to it until it is notified by the successful bidder or such underwriter that either the 10% test has been satisfied as to the Notes of that lot or all Notes of that lot have been sold to the public, if and for so long as directed by the party to winning bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Notes to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (1) “public” means any person other than an underwriter or a related party,
- (2) “underwriter” means (A) any person that agrees pursuant to a written contract with the Board (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a

member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the public),

(3) a purchaser of any of the Notes is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(4) “sale date” means the date that the Notes are awarded by the Board to the successful bidder or bidders.

**Expenses.** Each bid will be deemed to be an all-in bid. The successful bidder(s) will be under no obligation to pay the Board’s costs of issuance. The Board will not pay the expenses of any bidder(s), whether or not successful, in connection with the offering, issuance or purchase of the Notes.

**Delivery of Notes.** The Notes will be delivered to the successful bidder(s) therefor on October 31, 2018, in New York, New York, at DTC, against payment of the purchase price therefor (less the amount of such successful bidders’ respective Good Faith Deposits). The successful bidder(s) must make payment for the purchase price of the Notes in Federal Funds by 10:00 a.m. (Chicago time) October 31, 2018.

There will also be furnished to the successful bidder(s) the usual closing papers, including (a) a certificate signed by the General Counsel of the Board stating that no litigation of any kind is now pending or, to his knowledge, threatened seeking to restrain or enjoin the issuance or delivery of the Notes or the levy or collection of a material portion of the taxes or other revenues of the Board, or in any manner questioning the proceedings or authority under which the Notes are issued, or affecting the validity of the Notes, or contesting in any way the completeness, accuracy or fairness of the Preliminary Official Statement or Final Official Statement or contesting the title to the office of any official signing the Notes or the Final Official Statement; and (b) a certificate signed by the Board to the effect that, except for the initial offering prices or yields of the Notes on the inside cover page of the Final Official Statement and any other information concerning the reoffering of the Notes included therein at the request of the successful bidder(s) and the information in the Preliminary Official Statement and Final Official Statement under the heading “Book-Entry-Only System” and in any Appendix other than Appendix A, to the best of their respective knowledge and belief, the Preliminary Official Statement, both as of its date and the date of sale of the Notes, and the Final Official Statement, both as of the date of sale and the date of settlement of the Notes, did not contain any untrue statement of a material fact and did not 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.

**Legal Opinions.** The approving opinion of Ice Miller LLP and Pugh, Jones & Johnson, P.C., Co-Bond Counsel, in substantially the form set forth in the Preliminary Official Statement, will be furnished to the successful bidder(s). The Preliminary Official Statement contains a discussion of the effect of the Internal Revenue Code of 1986, as amended (the “Code”), on the exclusion from gross income of interest on the Notes and a discussion of Co-Bond Counsel’s opinion insofar as it concerns such exclusion. An opinion of Ice Miller LLP and Pugh, Jones & Johnson, P.C., Co-Bond Counsel, will also be furnished to the successful bidder(s) to the effect that (i) the information contained in the Preliminary Official Statement and the Final Official Statement under the headings “The Notes,” “Security for the Notes” and in Appendix C insofar as such information constitutes summaries of certain provisions of the Notes and applicable

Illinois law, presents a fair summary of such provisions and that the statements in the Preliminary Official Statement and the Final Official Statement under the caption “Tax Exemption” and in the summary tax opinion contained on the cover of the Preliminary Official Statement and the Final Official Statement, insofar as such statements purport to summarize certain provisions of the Code or purport to summarize such counsel’s opinion regarding the Notes, are correct in all material respects, and (ii) in the course of such counsel’s participation in the preparation of the Preliminary Official Statement and the Final Official Statement, no facts came to such counsel’s attention that have caused it to conclude that the Preliminary Official Statement, as of its date, or the Final Official Statement, as of the date of sale or the date of settlement of the Notes (except for the financial and statistical data included therein, the initial offering prices or yields of the Notes, if any, on the inside cover page of the Final Official Statement, any other information concerning the reoffering of the Notes included therein at the request of the successful bidder(s) and the stabilization clause, if any, and the information in the Preliminary Official Statement and the Final Official Statement under the headings “Book-Entry-Only System,” and “Ratings” and in any other document specifically referenced therein, including any Appendix other than Appendix C as to which no opinion need be expressed) contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading. An opinion of Mayer Brown LLP, Disclosure Counsel, will also be furnished to the successful bidder(s) to the effect that in the course of such counsel’s participation in the preparation of the Preliminary Official Statement, and as it may have been further supplemented as of the date of sale of the Notes, no facts came to such counsel’s attention that have caused it to conclude that the Board’s financial disclosure as it may have been supplemented as of the date of sale of the Notes, as of said date of sale or as of the date of settlement of the Notes (except for the financial and statistical data included therein and the information contained in the Exhibits thereto, as to which no opinion need be expressed), contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

**CUSIP Numbers.** CUSIP numbers will be applied for by the successful bidder(s) awarded the highest principal amount of the Notes, but the Board will assume no obligation for the assignment or printing of such numbers on the Notes or for the correctness of such numbers. Neither failure to print such numbers on any Note nor any error with respect thereto shall constitute cause for a failure or refusal by any successful bidder(s) to accept delivery of and make payment for the Notes. The CUSIP Service Bureau charge for the assignment of CUSIP numbers on the Notes shall be the responsibility of and shall be paid for by the successful bidder(s) awarded the highest principal amount of Notes in each series.

**Right to Modify or Amend Notice of Sale.** The Board reserves the right to modify or amend this Official Notice of Sale in any respect prior to the bid date. If any modifications occur, supplemental information with respect to the Notes will be communicated by posting on TM3 not later than 8:30 a.m. (Chicago time) on the day on which bids may be submitted, and bidders shall bid upon the Notes based upon the terms thereof set forth in this Official Notice of Sale, as so modified by such supplemental information.

**Cancellation or Postponement.** The Board reserves the right to cancel or postpone the date and time established for the receipt of bids. **Any such cancellation or postponement will be announced by posting on TM3 prior to commencement of the bidding.** If any date and time fixed for the receipt of bids and the sale of the Notes is postponed, an alternate sale date and time will be announced at least one business day prior to such alternate sale date. On any such alternate sale date and time, any bidder may submit bids electronically as described above for the purchase of the Notes in conformity in all respects with the provisions of this Official Notice of Sale, except for the date and time of sale and except for any changes announced by posting on TM3 at the time the sale date and time are announced.

**Minority/Women Business Enterprises.** It is the policy of the Board that appropriate consideration be given to firms who (a) are minority business enterprises and women's business enterprises; and (b) have significant local ownership or presence. The Board requests and strongly urges bidders to make a good-faith effort to meet this goal by including such firms in their management group or syndicate and/or in the provision of legal services or other advisory services.

**Additional Information.** Further information concerning the Board and the Notes are contained in the Preliminary Official Statement dated October 15, 2018, to which bidders are directed, and to which this Official Notice of Sale is attached. The Preliminary Official Statement is provided for informational purposes only and is not a part of this Official Notice of Sale. Copies of the Preliminary Official Statement and this Official Notice of Sale may be viewed and downloaded at the EMMA website, [www.emma.msrb.org](http://www.emma.msrb.org). Additional information may be obtained from Jennie Huang Bennett, Chief Financial Officer, Board of Education of the City of Chicago (773) 553-2595.

**BOARD OF EDUCATION OF THE CITY OF  
CHICAGO**

By: \_\_\_\_\_  
Senior Vice President of Finance

**Exhibit 1 to Official Notice of Sale**

**FORM OF ISSUE PRICE CERTIFICATE**

\$200,000,000  
BOARD OF EDUCATION OF THE CITY OF CHICAGO  
EDUCATIONAL PURPOSES  
TAX ANTICIPATION NOTES, SERIES 2018A

**Issue Price Certificate – Competitive Sale Requirements**

The undersigned, on behalf of \_\_\_\_\_ (“Winning Underwriter”), hereby certifies as set forth below with respect to the sale of the \$200,000,000 principal amount of the Board of Education of the City of Chicago Educational Purposes Tax Anticipation Notes, Series 2018A (the “Notes”).

1. Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering price of the Notes to the Public by the Winning Underwriter is \$ \_\_\_\_\_ (the “Expected Offering Price”). The Expected Offering Price is the price for the Notes used by Winning Underwriter in formulating its bid to purchase the Notes.

(b) Winning Underwriter was not given the opportunity to see other bids prior to submitting its bid but was able to see the ranking of its bid relative to other bids (i.e., “Leader”, “Cover”, “3rd” etc.).

(c) The bid submitted by Winning Underwriter constituted firm offer to purchase the Notes.

2. Defined Terms.

(a) Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means, in, the case of corporations, any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(b) Sale Date means the first day on which there is a binding contract in writing for the sale of the Notes. The Sale Date of the Notes is October 25, 2018.

(c) Underwriter means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Winning Underwriter’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986 and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Board of Education of the City of Chicago with respect to certain of the representations set forth in the Tax Compliance Certificate pertaining to the Notes and with respect to compliance with the federal income tax rules affecting the Notes, and by



Co-Bond Counsel, in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

### **Issue Price Certificate – 10% Test**

The undersigned, on behalf of \_\_\_\_\_ (“Underwriter”), hereby certifies as set forth below with respect to the sale of the \$ \_\_\_\_\_ principal amount of Educational Purposes Tax Anticipation Notes, Series 2018A (the “Notes”).

1. Sale of the Notes. As of the date of this certificate, the first price at which at least 10% of the Notes was sold to the Public is the respective price listed in Schedule A. [NOTE: This statement must be modified if 10% of the Notes are not sold by the issue date of the Notes]

2. Defined Terms.

(a) Issuer means the Board of Education of the City of Chicago.

(b) Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) An underwriter means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986 and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Compliance Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Co-Bond Counsel in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

[SUCCESSFUL BIDDER], as Underwriter

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

**OFFICIAL BID FORM**  
**(Electronic Bids also accepted via PARITY – see the Official Notice of Sale)**

**\$200,000,000**  
**BOARD OF EDUCATION OF THE CITY OF CHICAGO**  
**EDUCATIONAL PURPOSES**  
**TAX ANTICIPATION NOTES, SERIES 2018A**

**Board of Education of the City of Chicago**  
**42 West Madison Street, 2<sup>nd</sup> Floor**  
**Chicago, IL 60602**

**Sale Date: October 25, 2018**

We offer to purchase the Educational Purposes Tax Anticipation Notes, Series 2018A (the “Notes”) of the Board of Education of the City of Chicago (the “Board”), in the principal amount(s) set forth below, described in the Official Notice of Sale, dated October 15, 2018 of said Notes, which Official Notice of Sale is by reference incorporated herein, and made a part of the bid described herein.

The Notes shall bear interest at the following rate(s) per annum (on an actual/365 basis), and we will pay the Board par value and accrued interest to the date of delivery (plus a premium, if any), as shown:

	<u>Principal Amount</u> <u>(\$25,000,000 minimum)*</u>	<u>Interest</u> <u>Rate**</u>	<u>Premium</u> <u>(if any)</u>
Bid A:	\$	%	\$
Bid B:	\$	%	\$
Bid C:	\$	%	\$
Bid D:	\$	%	\$
Bid E:	\$	%	\$

\*Bids in excess of \$25,000,000 must be in multiples of \$25,000,000.

\*\*Interest rate must be no greater than 5.0% and in multiples of 1/8 or 1/20 of one percent.

The Notes will mature on March 29, 2019 and are subject to redemption prior to maturity at the option of the Board on any business day on or after March 1, 2019.

In making this offer, we accept the terms and conditions as defined in the Official Notice of Sale. In submitting this bid, we represent that (i) this bid constitutes a firm offer to purchase the Notes on the terms set forth in this bid form and the Official Notice of Sale and is not subject to any conditions, except as permitted by the Official Notice of Sale, and (ii) we have an established industry reputation for underwriting new issuances of municipal bonds and notes. All blank spaces of this offer are intentional and are not to be construed as an omission. Our good faith deposit in the amount equal to one half of one percent (0.5%) of the aggregate principal amount of the Notes will be wired in immediately available federal funds to the Board no later than 1:00 p.m. (Chicago time) on the bid date according to the Official Notice of Sale, which deposit is promptly returned to us if our bid is not accepted, but otherwise applied in accordance with the Official Notice of Sale. We understand that in the event the Board awards to us part of the Notes subject to the bids described herein, it will refund a pro rata share of the selected good faith deposit.

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

Phone Number: \_\_\_\_\_

\_\_\_\_\_  
Company Name

No addition, alteration or change is to be made to the form of bid.

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