

Loan Proposal for:

GENEVA COMMUNITY
UNIT SCHOOL DISTRICT 304
A TRADITION OF EXCELLENCE

11/23/2015



Mitchell Belon – Senior Vice President



November 23, 2015

Donna Oberg, Asst. Superintendent
Geneva Community Unit School District 304
227 N. Fourth St.
Geneva, IL 60134

Dear Donna:

It is my pleasure to present the proposed terms in which MB Financial Bank contemplates providing the Geneva CUSD 304 with its requested credit facility. It would be our pleasure to continue to serve your organization, and expand it through assisting with this capital project.

At MB Financial, we have a proud tradition of providing relationship-driven financial solutions to both for-profit and not-for-profit organizations in the communities we serve. We feel strongly that our culture and approach to business aligns closely with your mission to provide local taxpayers with an unparalleled level of education.

The objective of our proposal is to provide you with a financing solution at a very competitive price. Thank you for giving us the opportunity to assist the District with this project. Please don't hesitate to contact me should you have any questions. We look forward to receiving your feedback regarding this proposal.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Mitchell Belon', written in a cursive style.

Mitchell Belon
Senior Vice President



1. Credit Proposal

MB Financial Bank, N.A. (the "Bank") is pleased to provide this financing proposal to Geneva CUSD 304, with respect to the credit facilities described below. This is a proposal and is subject to further due diligence including formal credit approval.

Summary of Terms and Conditions

| | |
|----------------------|--|
| Borrower: | Geneva Community Unit School District 304 |
| Amount: | Up to \$1,200,000 Term Loan |
| Purpose: | Proceeds to be used for capital investment to replace a boiler system. |
| Collateral: | Unsecured |
| Term/Amortization: | 5 year term / 5 year amortization. |
| Repayment: | Principal and interest, payable quarterly. |
| Pricing: | Tax-exempt fixed rate of 2.17% (as of 11/3/15). Fixed rate equal to 150 bps over the 5 year swap rate, multiplied by 70%. Calculated as $(1.50\% + 1.55\%) \times 70\% \times (365/360)$. |
| Fees: | .25% of the loan amount, or \$3,000. |
| Guarantors: | None |
| Tax Status: | Tax-exempt opinion to be received by Bank. Bond will be bank qualified. |
| Financial Covenants: | None |
| Reporting Items: | Annual audited financials for the Geneva CUSD 304 within 240 days of fiscal year-end. |
| Other Conditions: | a) District will provide a satisfactory legal opinion in form and content, attesting to the validity, enforceability, legality, and bank qualified tax-exempt status of the obligation. b) This bond structure must be a binding, Full Faith and Credit General Obligation of the District. |



Documentation: The Borrower and the Bank will enter into a customary Loan Agreement containing mutually agreeable terms and conditions. Geneva CUSD 304 will pay all out of pocket expenses, including legal fees and documentation expenses incurred by the Bank in connection with the proposed credit facility. Bond documents will be in form and substance satisfactory to Bank and its counsel, and be executed and delivered.

2. Acceptance and Due Diligence

It is our pleasure to present the proposed terms under which MB Financial Bank may provide Geneva CUSD 304 with this credit facility.

On the date of acceptance of this proposal, we would request that Geneva CUSD 304 pay a Due Diligence/Work Deposit to cover out of pocket costs in the amount of \$3,000. If the Bank elects not to complete this financing, the deposit shall be returned to Geneva CUSD 304, less any expenses incurred by the Bank. If the District elects not to complete this financing with the Bank, the Bank shall retain the full amount of the deposit to compensate the Bank for time spent, expenses incurred, and labor and credit services performed by the Bank.

We look forward to receiving your commentary regarding this financing proposal. We appreciate the opportunity to provide this financing. If you have any questions, please don't hesitate to contact us.

Sincerely,

MB Financial Bank, N.A.

By: 

Mitchell Belon
Senior Vice President

Accepted and Agreed to on this _____ day of November, 2015 by Geneva CUSD 304

By: _____
Donna Oberg, Assistant Superintendent