

ACTION ITEM

January 15, 2025

TO: Board of Education
FROM: Richard Cunningham
SUBJECT: ***Consideration of a resolution providing for the issue and sale of general obligation alternate bonds in an aggregate principal amount not to exceed \$31,000,000 for the purpose of building and equipping a new elementary school building and refunding certain outstanding bonds.***

PROPOSED MOTION BY THE BOARD OF EDUCATION:

"I recommend that the Board of Education authorize this resolution which provides for the issue and general obligation alternate bonds in an aggregate principal amount not to exceed \$31,000,000 for the purpose of building and equipping a new elementary school building and refunding certain outstanding bonds."

MOVED BY:

Seconded:

YEA:

NAY:

YEA:

NAY:

MR. BEARD _____

MR. POOL _____

MR. LONERGAN _____

MRS. TRACE _____

MRS. LEONARD _____

MRS. WILSON _____

MRS. STEWART _____

Background Information:

MINUTES of a regular public meeting of the Board of Education of School District Number 117, Morgan and Greene Counties, Illinois, held in the District Office Board Room, 211 West State Street, Jacksonville, Illinois, in said School District at 7:00 o'clock P.M., on the 15th day of January, 2025.

* * *

The meeting was called to order by the President, and upon the roll being called, Noel Beard, the President, and the following members were physically present at said location:

The following members were allowed by a majority of the members of the Board of Education in accordance with and to the extent allowed by rules adopted by the Board of Education to attend the meeting by video or audio conference: _____

No member was not permitted to attend the meeting by video or audio conference.

The following members were absent and did not participate in the meeting in any manner or to any extent whatsoever: _____

The President announced that the next item for consideration was the issuance of not to exceed \$31,000,000 general obligation alternate bonds to be issued by the District pursuant to the Local Government Debt Reform Act for the purpose of (a) building and equipping a new elementary school building, and (b) refunding certain of the District's outstanding bonds, and the Board would consider the adoption of a resolution providing for the sale of the bonds to the purchaser thereof, the pledge of certain revenues to the payment of principal and interest on the bonds and the levy of a direct annual tax sufficient to pay such principal and interest if the pledged revenues are insufficient to make such payment. The President then explained that the resolution

sets forth the parameters for the issuance of said bonds and sale thereof by the designated officials of the District and summarized the pertinent terms of said parameters governing the manner of sale, maturity, interest rates, purchase price, pledged revenues and tax levy for said bonds.

Whereupon Member _____ presented and the Secretary read by title a resolution as follows, a copy of which was provided to each member of the Board of Education prior to said meeting and to everyone in attendance at said meeting who requested a copy:

RESOLUTION providing for the issue of not to exceed \$31,000,000 General Obligation School Bonds (Alternate Revenue Source) of School District Number 117, Morgan and Greene Counties, Illinois, for the purpose of building and equipping a new elementary school building and refunding certain outstanding bonds of said School District, providing for the pledge of certain revenues and the levy of a direct annual tax sufficient to pay the principal and interest on said bonds and authorizing the sale of said bonds to the purchaser thereof.

* * *

WHEREAS, School District Number 117, Morgan and Greene Counties, Illinois (the “*District*”), is a duly organized and existing school district created under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the School Code of the State of Illinois (the “*School Code*”), and all laws amendatory thereof and supplementary thereto, including the Local Government Debt Reform Act of the State of Illinois, as amended (the “*Act*”); and

WHEREAS, the Board of Education of the District (the “*Board*”) has determined that it is advisable, necessary and in the best interests of the District to build and equip a new elementary school building (the “*Project*”), all in accordance with the preliminary plans and estimate of costs heretofore approved by the Board and now on file in the office of the Secretary of the Board (the “*Secretary*”); and

WHEREAS, the Board has further determined that it is advisable, necessary and in the best interests of the District to refund certain outstanding bonds of the District (as hereinafter more fully defined, the “*Refunding*”); and

WHEREAS, the Board has further determined that the Project and each of the projects financed with the proceeds of the bonds to be refunded pursuant to the Refunding is a “school facility purpose” within the meaning of the County School Facility Occupation Tax Law of the State of Illinois, as amended (the “*County Tax Law*”); and

WHEREAS, the Board has further determined that the estimated cost of the Project and the Refunding, including legal, financial, bond discount, capitalized interest, printing and publication costs and other expenses, to be not less than \$43,000,000, and there are insufficient funds on hand and lawfully available to pay such costs; and

WHEREAS, the District has issued and has outstanding its General Obligation School Bonds (Alternate Revenue Source), Series 2015 (the “*2015 Bonds*”), General Obligation School Bonds (Alternate Revenue Source), Series 2017 (the “*2017 Bonds*”), Taxable General Obligation School Bonds (Alternate Revenue Source), Series 2021A (the “*2021A Bonds*”), and General Obligation School Bonds (Alternate Revenue Source), Series 2021B (the “*2021B Bonds*”); and

WHEREAS, the Board has further determined that it is advisable, necessary and in the best interests of the District to refund all or a portion of the 2015 Bonds (said portion of the 2015 Bonds to be refunded being referred to herein as the “*Refunded Bonds*” and said portion of the 2015 Bonds not being refunded being referred to here as the “*Unrefunded Bonds*”) in order to restructure the debt service of the District or realize interest savings (the “*Refunding*”); and

WHEREAS, for the purpose of providing funds to pay the cost of the Project and for the Refunding, in accordance with the provisions of the School Code and the Act, the Board adopted a resolution on the 20th day of November, 2024 (the “*Authorizing Resolution*”), authorizing the issue of alternate bonds, being general obligation bonds payable (a)(i) together with the 2017, 2021A and 2021B Bonds, from amounts distributed to the District pursuant to Section 18-8.15 of the School Code or substitute distributions therefor as provided by the State of Illinois in the future, and (ii) together with the Unrefunded Bonds and the 2017, 2021A and 2021B Bonds (collectively, the “*Parity Bonds*”), from collections distributed to the District from those taxes imposed in The Counties of Morgan and Greene, Illinois (the “*Counties*”), pursuant to the County Tax Law (together, the “*Pledged Revenues*”), and (b) from ad valorem taxes levied against all of the taxable

property in the District without limitation as to rate or amount (the “*Pledged Taxes*”), all in accordance with the provisions of the Act, in an aggregate amount not to exceed \$43,000,000 (the “*Alternate Bonds*”); and

WHEREAS, on the 5th day of December, 2024, the Authorizing Resolution, together with a notice in the statutory form (the “*Notice*”), was published in *The Source*, the same being a newspaper of general circulation in the District, and an affidavit evidencing the publication of the Authorizing Resolution and the Notice has 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 publication of the Authorizing Resolution and Notice, and no petition with the requisite number of valid signatures thereon has been filed with the Secretary requesting that the question of the issuance of the Alternate Bonds be submitted to referendum; and

WHEREAS, the Board hereby determines that the Pledged Revenues will provide in each year an amount not less than 1.25 times debt service of the Alternate Bonds and the Parity Bonds, the same being the only alternate bonds of the District payable from the Pledged Revenues; and

WHEREAS, such determination is supported by the District’s most recent audit, the same being for the fiscal year ended June 30, 2024 (the “*Audit*”), which Audit has been presented to the Board and is now on file with the Secretary; and

WHEREAS, pursuant to and in accordance with the provisions of the Bond Issue Notification Act of the State of Illinois, as amended, the Board, on the 20th day of November, 2024, adopted a resolution calling a public hearing (the “*Hearing*”) for the 18th day of December, 2024, concerning the intent of the Board to sell Alternate Bonds in an amount not to exceed \$17,000,000 for the Project; and

WHEREAS, notice of the Hearing was given by (i) publication at least once not less than seven (7) nor more than thirty (30) days before the date of the Hearing in *The Source*, and (ii) posting at least 48 hours before the Hearing a copy of said notice at the principal office of the Board, which notice was continuously available for public review during the entire 48-hour period preceding the Hearing; and

WHEREAS, the Hearing was held on the 18th day of December, 2024, and at the Hearing, the Board explained the reasons for the proposed issue of such Alternate Bonds and permitted persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits; and

WHEREAS, the Hearing was finally adjourned on the 18th day of December, 2024; and

WHEREAS, the Board is now authorized to issue Alternate Bonds in an amount not to exceed \$17,000,000 to provide for the payment of the costs of the Project (the "*Project Bonds*"); and

WHEREAS, the Board is also now authorized to issue Alternate Bonds in an amount not to exceed \$43,000,000 (less the amount of the Project Bonds) to provide for the Refunding (the "*Refunding Bonds*"); and

WHEREAS, the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "*PTELL*"), imposes certain limitations on the "aggregate extension" of certain property taxes levied by the District, but provides that the definition of "aggregate extension" contained in the PTELL does not include extensions made for any taxing district subject to the PTELL to pay interest or principal on bonds issued under Section 15 of the Act; and

WHEREAS, the Board does hereby find and determine that the Alternate Bonds are being issued under Section 15 of the Act; and

WHEREAS, the County Clerks of The Counties (the "*County Clerks*"), are therefore authorized to extend and collect the Pledged Taxes without limitation as to rate or amount:

NOW, THEREFORE, Be It and It Is Hereby Resolved by the Board of Education of School District Number 117, Morgan and Greene Counties, 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; Acceptance of the Audit. It is hereby found and determined that the Board has been authorized by law to borrow the sum of not to exceed \$31,000,000 upon the credit of the District and as evidence of such indebtedness to issue the Alternate Bonds, being general obligation bonds payable from the Pledged Revenues as provided by the Act, to said amount, the proceeds of the Alternate Bonds to be used for the purpose of paying the costs of the Project and for the Refunding, and it is necessary and for the best interests of the District that there be issued at this time not to exceed \$43,000,000 of the Alternate Bonds so authorized. The Audit has been and is hereby accepted by the Board.

Section 3. Bond Details. There be borrowed on the credit of and for and on behalf of the District an amount of \$31,000,000 for the purposes aforesaid; and that the Alternate Bonds shall be issued to said amount and shall be designated "General Obligation School Bonds (Alternate Revenue Source), Series 2025" (the "Bonds") or with such other series designation as set forth in the Bond Notification (as hereinafter defined). The Bonds shall be comprised of Project Bonds (in an amount not to exceed \$17,000,000) and Refunding Bonds as set forth in the Bond Notification. The Bonds, if issued, shall be dated such date (not prior to January 15, 2025, and not later than July 15, 2025) as set forth in the Bond Notification, and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of \$5,000 each or authorized integral multiples thereof (but no single Bond shall represent installments of principal maturing on more than one date), and shall be numbered 1 and upward. The Bonds shall become

due and payable serially or be subject to mandatory redemption (subject to prior redemption as hereinafter described) on January 1 of each of the years (not later than 2049), in the amounts (not exceeding \$4,000,000 per year) and bearing interest at the rates per annum (not exceeding 5.50% per annum) as set forth in the Bond Notification.

The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Bonds is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on January 1 and July 1 of each year, commencing on July 1, 2025, or such other date as set forth in the Bond Notification. Interest on each Bond shall be paid by check or draft of the bond registrar and paying agent (which shall be a bank or trust company with an office located in the State of Illinois or Missouri) set forth in the Bond Notification (the "*Bond Registrar*"), payable upon presentation in lawful money of the United States of America, 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. The principal of the Bonds shall be payable in lawful money of the United States of America at the principal corporate trust office (the "*Principal Office*") of the Bond Registrar.

The Bonds shall be signed by the manual or duly authorized facsimile signatures of the President and Secretary of the Board, and shall be registered, numbered and countersigned by the manual or duly authorized facsimile signature of the School Treasurer who receives the taxes of the District (the "*School Treasurer*"), 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 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 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 at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

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, except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

(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 may be

registered in the Bond Register in the name of Cede & Co., or any successor thereto (“*Cede*”), as nominee of The Depository Trust Company, New York, New York, and its successors and assigns (“*DTC*”). In such event, all of the outstanding Bonds shall be registered in the Bond Register in the name of Cede, as nominee of DTC, except as hereinafter provided. The President and Secretary of the Board, the Superintendent and chief business official 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 DTC 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 Cede, as nominee of DTC, the District and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a “*DTC Participant*”) or to any person on behalf of whom such a DTC 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 DTC, Cede or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC 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 DTC 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 the 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 the 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 evidencing the obligation of the District to make payments of principal and interest with respect to any Bond. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, 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 "Cede" in this Resolution shall refer to such new nominee of DTC.

In the event that (i) the District determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the District, the Bond Registrar and DTC 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 DTC and DTC Participants of the availability through DTC of certificated Bonds and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede, as nominee of DTC. 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 provisions of this Resolution to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, 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 name provided in the Representation Letter.

Section 5. Redemption. (a) *Optional Redemption.* All or a portion of the Bonds due on and after the date, if any, specified in the Bond Notification shall be subject to redemption prior to maturity at the option of the District from any available funds, as a whole or in part, and if in part in integral multiples of \$5,000 in any order of their maturity as determined by the District (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on the date specified in the Bond Notification (but not later than January 1, 2035), and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

(b) *Mandatory Redemption.* The Bonds maturing on the date or dates, if any, indicated in the Bond Notification shall be subject to mandatory redemption, in integral multiples of \$5,000 selected by lot by the Bond Registrar, at a redemption price of par plus accrued interest to the redemption date, on January 1 of the years, if any, and in the principal amounts, if any, as indicated in the Bond Notification.

The principal amounts of Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the District may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Bond Registrar may, and if directed by the Board shall,

purchase Bonds required to be retired on such mandatory redemption date. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

(c) *General.* The Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The District shall, at least forty-five (45) days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar from the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided* that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall make such selection upon the earlier of the irrevocable deposit of funds with an escrow agent sufficient to pay the redemption price of the Bonds to be redeemed or the time of the giving of official notice of redemption.

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

Section 6. Redemption Procedure. Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the District by mailing the redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bond

or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,
- (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the Principal Office of the Bond Registrar, and
- (6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed at the option of the District shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the District, state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the District shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption shall have been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the District shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered holder a new Bond or Bonds of the same maturity in the amount of the unpaid principal.

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

Section 7. Form of Bond. The Bonds shall be in substantially the following form; *provided, however,* that if the text of any 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] and thereafter, as appropriate, shall be inserted immediately after paragraph [1]:

[Form of Bond - Front Side]

REGISTERED
NO. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTIES OF MORGAN AND GREENE

SCHOOL DISTRICT NUMBER 117

**GENERAL OBLIGATION SCHOOL BOND
(ALTERNATE REVENUE SOURCE), SERIES 2025**

See Reverse Side for
Additional Provisions

Interest Maturity Dated
Rate: ____% Date: January 1, 20__ Date: _____, 2025 CUSIP: _____

Registered Owner:

Principal Amount:

[1] KNOW ALL PERSONS BY THESE PRESENTS, that School District Number 117, Morgan and Greene Counties, 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 January 1 and July 1 of each year, commencing _____ 1, 20__, 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 _____, 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 the Pledged Revenues and the Pledged Taxes to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity; and that the District hereby covenants and agrees that it will properly account for the Pledged Revenues and the Pledged Taxes and will comply with all the covenants of, and maintain the funds and accounts as provided by, the resolution adopted by the Board of Education of the District on the 15th day of January, 2025 (the "*Bond Resolution*").

[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 School District Number 117, Morgan and Greene Counties, Illinois, by its Board of Education, has caused this Bond to be signed by the manual or duly authorized facsimile signatures of the President and Secretary of said Board of Education, and to be registered, numbered and countersigned by the manual or duly authorized facsimile signature of the School Treasurer who receives the taxes of the District, all as of the Dated Date identified above.

SPECIMEN
President, Board of Education

SPECIMEN
Secretary, Board of Education

Registered, Numbered and Countersigned:

SPECIMEN
School Treasurer

Date of Authentication: _____, 2025

CERTIFICATE
OF
AUTHENTICATION

Bond Registrar and Paying Agent:

_____, _____

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation School Bonds (Alternate Revenue Source), Series 2025, of School District Number 117, Morgan and Greene Counties, Illinois.

as Bond Registrar

By _____
SPECIMEN
Authorized Officer

[Form of Bond - Reverse Side]

SCHOOL DISTRICT NUMBER 117

MORGAN AND GREENE COUNTIES, ILLINOIS

**GENERAL OBLIGATION SCHOOL BOND
(ALTERNATE REVENUE SOURCE), SERIES 2025**

[6] This Bond is one of a series of bonds issued by the District for the purposes of refunding certain outstanding bonds of the District and building and equipping a new elementary school building, in full compliance with the provisions of the School Code of the State of Illinois (the “*School Code*”), and the Local Government Debt Reform Act of the State of Illinois (the “*Act*”), and all laws amendatory thereof and supplementary thereto, and is authorized by a resolution adopted by the Board of Education of the District (the “*Board*”) on the 20th day of November, 2024, and by the Bond Resolution, duly and properly adopted for that purpose, in all respects as provided by law.

[7] This Bond is payable (a)(i) together with the 2017, 2021A and 2021B Bonds (each as defined in the Bond Resolution) from amounts distributed to the District pursuant to Section 18-8.15 of the School Code or substitute distributions therefor as provided by the State of Illinois in the future, and (ii) together with the Parity Bonds (as defined in the Bond Resolution), from collections distributed to the District from those taxes imposed in The Counties of Morgan and Greene, Illinois, pursuant to the County School Facility Occupation Tax Law of the State of Illinois, as amended, and (b) from ad valorem taxes levied against all of the taxable property in the District without limitation as to rate or amount (the “*Pledged Taxes*”), all in accordance with the provisions of the Act. The District reserves the right to issue “Additional Bonds” without limit from time to time payable from the Pledged Revenues, and any such Additional Bonds will share ratably and equally in the Pledged Revenues with the Bonds and the Parity Bonds; *provided, however*, that no Additional Bonds will be issued except in accordance with the provisions of the Act. “*Additional Bonds*” means any alternate bonds issued in the future in accordance with the

provisions of the Act on a parity with and sharing ratably and equally in the Pledged Revenues with the Bonds and the Parity Bonds.

[8] [Mandatory redemption provisions, as applicable, will be inserted here]

[9] Bonds of the series of which this Bond is one due on or after January 1, 20__, are subject to redemption prior to maturity at the option of the District as a whole or in part in integral multiples of \$5,000 in any order of their maturity as determined by the District (less than all the Bonds of a single maturity to be selected by lot by the Bond Registrar), on January 1, 20__, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

[10] Notice of any such redemption shall be sent by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books of the District maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. When so called for redemption, this Bond will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

[11] This Bond is transferable by the Registered Owner hereof in person or by his or her attorney duly authorized in writing at the principal corporate trust office of the Bond Registrar in _____, _____, 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.

[12] 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 Bond 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 at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

[13] The District and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and 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 8. Sale of Bonds. One of the President of the Board and the Vice President of the Board together with one of the Superintendent of the District and the Chief School Business Official of the District (together, the “*Designated Representatives*”), are hereby authorized to proceed not later than the earlier of the reorganization of the Board following the April 1, 2025 consolidated election (if changes in Board membership occur) or the 15th day of July, 2025, without any further authorization or direction from the Board, to sell the Bonds upon the terms as prescribed in this Resolution. The Bonds hereby authorized shall be executed as in this Resolution provided as soon after the delivery of the relevant Bond Notification as may be, and thereupon be deposited with the School Treasurer, and, after authentication thereof by the Bond Registrar, be by said Treasurer delivered to the purchasers thereof (collectively, the “*Purchaser*”), upon receipt of the purchase price therefor, the same being not less than 99.0% of the principal amount of the Bonds (exclusive of original issue discount, if any) (the “*Purchase Price*”), plus accrued interest,

if any, to date of delivery. The Bond Notification shall include an allocation of the Purchase Price between Project Bonds and Refunding Bonds. The surety bond executed by said Treasurer in connection with the issuance of the Project Bonds as required by Section 19-6 of the School Code is hereby approved and shall be filed with the Regional Superintendent of Schools having jurisdiction over the District.

The Purchaser shall be: (a) pursuant to a competitive sale conducted by PMA Securities, Inc., Naperville, Illinois (“PMA”), the best bidder for the Bonds; (b) in a negotiated underwriting, a bank or financial institution listed in the Dealers & Underwriters or Municipal Derivatives sections of the most recent edition of The Bond Buyer’s Municipal Marketplace; or (c) in a private placement, (i) a bank or financial institution authorized to do business in the State of Illinois, (ii) a “governmental unit” as defined in the Act, or (iii) an “accredited investor” as defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933, as amended; *provided, however*, that the Purchaser as set forth in either (b) or (c) shall be selected only upon receipt by the District of the recommendation of PMA that the sale of the Bonds on a negotiated or private placement basis to the Purchaser is in the best interest of the District because of (i) the pricing of the Bonds by the Purchaser, (ii) then current market conditions or (iii) the timing of the sale of the Bonds; and *further provided*, that the Purchaser as set forth in (c) may be selected through the utilization of a placement agent selected by the Designated Representatives after consultation with PMA if the use of such placement agent is determined by the Designated Representatives to be in the best interest of the District.

Prior to the sale of any Bonds, the President of the Board or the Superintendent or business official of the District is hereby authorized to approve and execute a commitment for the purchase of a Municipal Bond Insurance Policy (as hereinafter defined), to further secure such Bonds, as long as the present value of the fee to be paid for the Municipal Bond Insurance Policy (using as a discount rate the expected yield on such Bonds treating the fee paid as interest on such Bonds) is

less than the present value of the interest reasonably expected to be saved on such Bonds over the term of such Bonds as a result of the Municipal Bond Insurance Policy.

Upon the sale of such Bonds, the Designated Representatives shall prepare a Notification of Sale of such 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 rates that either the true interest cost (yield) or the net interest rate received upon the sale of the Bonds does not exceed 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 regular 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.

Upon the sale of any Bonds, as evidenced by the execution and delivery of the Bond Notification by the Designated Representatives, the President and Secretary of the Board and the School Treasurer 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 contract for the sale of the Bonds between the District and the Purchaser (the "*Purchase Contract*"). 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, directly or indirectly, in his own name or in the name of any other person, association, trust or corporation, in the Purchase Contract.

The Bonds before being issued shall be registered, numbered and countersigned by the School Treasurer, such registration being made in a book provided for that purpose, in which shall be entered the record of the 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.

The use by the Purchaser of any Preliminary Official Statement and any final Official Statement relating to the Bonds (the "*Official Statement*") is hereby ratified, approved and authorized; the execution and delivery of the Official Statement is hereby authorized; and the officers 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, the Official Statement and the Bonds.

Section 9. Treatment of Bonds as Debt. The Bonds shall be payable from the Pledged Revenues and the Pledged Taxes and do not and shall not constitute an indebtedness of the District within the meaning of any constitutional or statutory limitation, unless the Pledged Taxes shall be extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, as set forth in Section 11 hereof, in which case the amount of the Bonds then outstanding shall be included in the computation of indebtedness of the District for purposes of all statutory provisions or limitations until such time as an audit of the District shall show that the Bonds have been paid from the Pledged Revenues for a complete fiscal year, in accordance with the Act.

Section 10. Bond Fund. There is hereby established a special fund of the District known as the "Alternate Bond Fund of 2025" (the "*Bond Fund*"). The Pledged Revenues and the Pledged Taxes shall be set aside as collected and be deposited into the Bond Fund, which is a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the District by this Resolution. The Bonds are secured by a pledge of all of the moneys on deposit in the Bond Fund, and such pledge is irrevocable until the Bonds have been paid in full or until the obligations of the District under this Resolution are discharged.

Section 11. Alternate Revenue Source; Additional Bonds; Tax Levy. For the purpose of providing funds required 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, the District covenants and agrees with the purchasers and the owners of the Bonds that the District will deposit the Pledged Revenues into the Bond Fund. All payments with respect to the Bonds shall be made directly from the Bond Fund. There are hereby created two accounts in the Bond Fund, designated as the Pledged Revenues Account and as the Pledged Taxes Account. Deposits of Pledged Revenues into the Pledged Revenues Account shall be on a parity with deposits of Pledged Revenues into the bond fund established for the Parity Bonds. All Pledged Taxes shall be deposited to the credit of the Pledged Taxes Account. Pledged Taxes on deposit to the credit of the Pledged Taxes Account shall be fully spent to pay the principal of and interest on the respective Bonds for which such taxes were levied and collected prior to use of any moneys on deposit in the Pledged Revenues Account.

The District reserves the right to issue “Additional Bonds” without limit from time to time payable from the Pledged Revenues, and any such Additional Bonds will share ratably and equally in the Pledged Revenues with the Bonds and the Parity Bonds; *provided, however,* that no Additional Bonds will be issued except in accordance with the provisions of the Act. “*Additional Bonds*” means any alternate bonds issued in the future in accordance with the provisions of the Act on a parity with and sharing ratably and equally in the Pledged Revenues with the Bonds and the Parity Bonds.

For the purpose of providing additional funds to pay the principal of or interest on the Bonds, there is hereby levied upon all of the taxable property within the District, in the years for which any of the Bonds are outstanding, 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 there be and there

hereby is levied upon all of the taxable property in the District the following direct annual taxes (the “*Pledged Taxes*” as heretofore defined):

FOR THE YEAR	A TAX SUFFICIENT TO PRODUCE THE SUM OF	
2024	\$ 0.00	for interest and principal up to and including January 1, 2026
2025	\$ 4,500,000.00	for interest and principal
2026	\$ 4,500,000.00	for interest and principal
2027	\$ 4,500,000.00	for interest and principal
2028	\$ 4,500,000.00	for interest and principal
2029	\$ 4,500,000.00	for interest and principal
2030	\$ 4,500,000.00	for interest and principal
2031	\$ 4,500,000.00	for interest and principal
2032	\$ 4,500,000.00	for interest and principal
2033	\$ 4,500,000.00	for interest and principal
2034	\$ 4,500,000.00	for interest and principal
2035	\$ 4,500,000.00	for interest and principal
2036	\$ 4,500,000.00	for interest and principal
2037	\$ 4,500,000.00	for interest and principal
2038	\$ 4,500,000.00	for interest and principal
2039	\$ 4,500,000.00	for interest and principal
2040	\$ 4,500,000.00	for interest and principal
2041	\$ 4,500,000.00	for interest and principal
2042	\$ 4,500,000.00	for interest and principal
2043	\$ 4,500,000.00	for interest and principal
2044	\$ 4,500,000.00	for interest and principal
2045	\$ 4,500,000.00	for interest and principal
2046	\$ 4,500,000.00	for interest and principal
2047	\$ 4,500,000.00	for interest and principal

Interest or principal coming due at any time when there are insufficient funds on hand from the Pledged Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Pledged Taxes herein levied; and when the Pledged Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced.

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 and Secretary of the Board and the School Treasurer 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 necessary to pay debt service on the Bonds

in the following bond year. Proper notice of such abatement shall be filed with the County Clerks in a timely manner to effect such abatement.

Section 12. Filing of Resolution and Certificate of Reduction of Taxes. Forthwith upon the passage of this Resolution, the Secretary is hereby directed to file a certified copy of this Resolution with the County Clerks, and it shall be the duty of the County Clerks to annually in and for each of the years 2025 to 2047, 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 Pledged Taxes Account of 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.

The President and Secretary of the Board and the School Treasurer are hereby directed to prepare and file with the County Clerks, a Certificate of Reduction of Taxes Heretofore Levied for the Payment of Bonds showing the Prior Bonds being refunded and directing the abatement of the taxes heretofore levied to pay the Refunded Bonds, all as provided by Section 19-23 of the School Code.

Section 13. Abatement of Pledged Taxes. Whenever the Pledged Revenues or other lawfully available funds are available to pay any principal of or interest on the Bonds when due, so as to enable the abatement of the Pledged Taxes levied for the same, the Board or the officers of the District acting with proper authority shall direct the deposit of such funds into the Pledged

Revenues Account. The Board shall direct the abatement of the Pledged Taxes by the amount of such deposit, and proper notification of such abatement shall be filed with the County Clerks in a timely manner to effect such abatement.

Section 14. General Covenants. The District covenants and agrees with the holders of the Bonds that so long as the Bonds or any of them remain outstanding and unpaid, either as to principal or interest:

A. The District hereby pledges the Pledged Revenues to the payment of the Bonds, and the Board covenants and agrees to provide for, collect and apply the Pledged Revenues to the payment of the Bonds and the provision of not less than an additional 0.25 times debt service on the Bonds and the Parity Bonds, all in accordance with Section 15 of the Act.

B. The District will punctually pay or cause to be paid from the sources herein provided the principal of and interest on the Bonds in strict conformity with the terms of the Bonds and this Resolution, and it will faithfully observe and perform all of the conditions, covenants and requirements thereof and hereof.

C. The District will pay and discharge, or cause to be paid and discharged, from the Bond Fund any and all lawful claims which, if unpaid, might become a lien or charge upon the Pledged Revenues or Pledged Taxes, or any part thereof, or upon any funds in the hands of the Bond Registrar, or which might impair the security of the Bonds. Nothing herein contained shall require the District to make any such payment so long as the District in good faith shall contest the validity of said claims.

D. The District will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the District, in which complete and correct entries shall be made of all transactions relating to the Pledged Revenues, the Pledged Taxes, the Bond Fund and associated subaccounts. Such books of record and accounts will at all times during business hours be subject to the inspection of the holders of not less than ten per cent (10%) of the principal amount of the outstanding Bonds or their representatives authorized in writing.

E. The District will preserve and protect the security of the Bonds and the rights of the registered owners of the Bonds, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the District, the Bonds shall be incontestable by the District.

F. The District will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Resolution, and for the better

assuring and confirming unto the registered owners of the Bonds of the rights and benefits provided in this Resolution.

G. As long as any Bonds are outstanding under this Resolution, the District will continue to deposit the Pledged Revenues into the Pledged Revenues Account and, if necessary, the Pledged Taxes into the Pledged Taxes Account. The District covenants and agrees with the purchasers of the Bonds and with the registered owners thereof that so long as any 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 collect the Pledged Revenues. The District and its officers will comply with all present and future applicable laws in order to assure that the Pledged Revenues and Pledged Taxes may be collected as provided herein and deposited into the Pledged Revenues Account and Pledged Taxes Account, respectively, as provided herein.

H. Once issued, the Bonds shall be and forever remain until paid or defeased a general obligation of the District, the payment of which its full faith and credit are pledged, and shall be payable, in addition to the Pledged Revenues, from the levy of the Pledged Taxes as provided in the Act.

Section 15. Use of Bond Proceeds. The sale proceeds of the Project Bonds are hereby appropriated for the purpose of paying the cost of the Project and the costs of issuance of the Bonds, and the portion thereof not needed to pay such costs of issuance shall be deposited into the Site and Construction/Capital Improvement Fund of the District (the "*Project Fund*").

The sale proceeds of the Refunding Bonds, together with such additional amounts as may be necessary from the general funds of the District, are hereby appropriated to pay the costs of issuance of the Bonds and to refund the Refunded Bonds, and that portion thereof not needed to pay such costs of issuance will be deposited into an escrow account pursuant to an escrow agreement (the "*Escrow Agreement*") between the District and Amalgamated Bank of Chicago, Chicago, Illinois, or another bank or trust company set forth in the Escrow Agreement (the "*Escrow Agent*"). The Escrow Agreement shall be in substantially the form set forth in *Exhibit A* hereto. The form of Escrow Agreement is made a part hereof by this reference. The Escrow Agreement shall be in substantially the form attached hereto with such changes therein as shall be approved by the officers of the District executing the Escrow Agreement, the execution thereof to

constitute evidence of the approval of such changes, for the purpose of refunding the Refunded Bonds.

The Board approves the form, terms and provisions of the Escrow Agreement and directs the President and Secretary of the Board to execute, attest and deliver the Escrow Agreement in the name and on behalf of the District. Amounts in the escrow will be used to purchase non-callable direct obligations of or non-callable obligations guaranteed by the full faith and credit of the United States of America as to principal and interest (“*Government Securities*”) sufficient to provide for the payment of all principal of and interest on the Refunded Bonds upon redemption prior to maturity. The Escrow Agent and the Purchaser are each hereby authorized to act as agent for the District in the purchase of the Government Securities.

At the time of the issuance of the Bonds, the costs of issuance of the Bonds may be paid by the Purchaser, the Escrow Agent or the Bond Registrar on behalf of the District from the proceeds of the Bonds.

Section 16. Non-Arbitrage and Tax-Exemption. The District hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Internal Revenue Code of 1986, as amended (the “*Code*”), or would otherwise cause the interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The District acknowledges that, in the event of an examination by the Internal Revenue Service (the “*IRS*”) of the exemption from federal income taxation for interest paid on the Bonds, under present rules, the District may be treated as a “taxpayer” in such examination and agrees that it will respond in

a commercially reasonable manner to any inquiries from the IRS in connection with such an examination.

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 to make such further covenants and certifications regarding the specific use of the proceeds of the Bonds as approved by the Board and 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 on 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 17. Reimbursement. With respect to expenditures for the Project paid within the 60 day period ending on this date and with respect to which no declaration of intent was previously made, the District hereby declares its intent to reimburse such expenditures and hereby allocates proceeds of the Project Bonds in the amount indicated in the Tax Exemption Certificate and

Agreement to be delivered in connection with the issuance of the Bonds to reimburse said expenditures.

Section 18. 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 19. 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 20. Municipal Bond Insurance. In the event the payment of principal and interest on the Bonds is insured pursuant to a municipal bond insurance policy (the "*Municipal Bond Insurance Policy*") issued by a bond insurer (the "*Bond Insurer*"), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the District and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of the Bonds, subrogation of the rights of the Bondholders to the Bond Insurer upon payment of the

Bonds by the Bond Insurer, amendment hereof, or other terms, as approved by the President of the Board on advice of counsel, his or her approval to constitute full and complete acceptance by the District of such terms and provisions under authority of this Section.

Section 21. Continuing Disclosure Undertaking. The President of the Board is hereby authorized, empowered and directed to execute and deliver a Continuing Disclosure Undertaking under Section (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the “*Continuing Disclosure Undertaking*”). When the Continuing Disclosure Undertaking is executed and delivered on behalf of the District as herein provided, the Continuing Disclosure Undertaking will be binding on the District and the officers, employees and agents of the District, and the officers, employees and agents of the District are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Resolution, the sole remedy for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order to cause the District to comply with its obligations under the Continuing Disclosure Undertaking.

Section 22. Record-Keeping Policy and Post-Issuance Compliance Matters. On May 20, 2015, the Board adopted a record-keeping policy (the “*Policy*”) in order to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the debt obligations of the District, the interest on which is excludable from “gross income” for federal income tax purposes or which enable the District or the holder to receive federal tax benefits, including, but not limited to, qualified tax credit bonds and other specified tax credit bonds. The Board and the District hereby reaffirm the Policy.

Section 23. Provisions a Contract. The provisions of this Resolution shall constitute a contract between the District and the owners of the outstanding Bonds. All covenants relating to the Bonds and the conditions and obligations imposed by Section 15 of the Act are enforceable by any holder of the Bonds affected, any taxpayer of the District and the People of the State of Illinois acting through the Attorney General or any designee.

Section 24. 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.

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Section 25. 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 January 15, 2025.

President, Board of Education

Secretary, Board of Education

EXHIBIT A

_____, 2025

Amalgamated Bank of Chicago
Chicago, Illinois

Re: School District Number 117,
Morgan and Greene Counties, Illinois
\$ _____ General Obligation School Bonds
(Alternate Revenue Source), Series 2025

Ladies and Gentlemen:

School District Number 117, Morgan and Greene Counties, Illinois (the “*District*”), by a resolution adopted by the Board of Education of the District (the “*Board*”) on the 15th day of January, 2025 (the “*Bond Resolution*”), has authorized the issue and delivery of \$ _____ General Obligation School Bonds (Alternate Revenue Source), Series 2025, dated _____, 2025 (the “*Bonds*”). The District has authorized by the Bond Resolution that proceeds of the Bonds be used to pay and redeem on _____, 2025, \$ _____ of the District’s outstanding and unpaid General Obligation School Bonds (Alternate Revenue Source), Series 2015, maturing on January 1 of the years and in the amounts as follows:

2027	\$
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037	
2038	
2039	
2040	

(the “*Refunded Bonds*”).

The District hereby deposits with you \$ _____ from the proceeds of the Bonds and \$ _____ from funds of the District on hand and lawfully available (collectively, the “*Deposit*”) and you are hereby instructed as follows with respect thereto:

1. Upon deposit, you are directed to purchase U.S. Treasury Securities State and Local Government Series Certificates of Indebtedness in the amount of \$_____ and maturing as described on *Exhibit A* hereto (the “*Securities*”). You are further instructed to fund a beginning cash escrow deposit on demand in the amount of \$_____. The beginning deposit and the Securities are to be held in an irrevocable trust fund account (the “*Trust Account*”) for the District to the benefit of the holders of the Refunded Bonds.

2. You shall hold the Securities and any interest income or profit derived therefrom and any uninvested cash in the Trust Account for the sole and exclusive benefit of the holders of the Refunded Bonds until redemption of the Refunded Bonds on _____, 2025, is made.

3. You shall promptly collect the principal, interest or profit from the proceeds deposited in the Trust Account and promptly apply the same as necessary to the payment of the Refunded Bonds as herein provided.

4. The District has called the Refunded Bonds for redemption and payment prior to maturity on _____, 2025. You are hereby directed to provide for and give or cause the Prior Paying Agent (as hereinafter defined) to give timely notice of the call for redemption of the Refunded Bonds. The form and time of the giving of such notice regarding the Refunded Bonds shall be as specified in the resolution authorizing the issuance of the Refunded Bonds. The District agrees to reimburse you for any actual out-of-pocket expenses incurred in the giving of such notice, but the failure of the District to make such payment shall not in any respect whatsoever relieve you from carrying out any of the duties, terms or provisions of this Agreement.

5. The Refunded Bonds are Local Government Securities as defined in the resolution adopted by the Western Illinois Economic Development Authority (WIEDA) providing for the issue of the Local Government Program Revenue Bonds, Series 2015 (Jacksonville School District Number 117 Project) of WIEDA (the “*WIEDA Bonds*”).

6. You are hereby further directed to give or cause the Prior Paying Agent to give notice of the call of the WIEDA Bonds, on or before the date the notice of such redemption is given to the holders of the Refunded Bonds, to holders of the WIEDA Bonds and to the Municipal Securities Rulemaking Board (the “*MSRB*”) through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. Information with respect to procedures for submitting notice can be found at <https://msrb.org>.

7. You shall remit the sum of \$_____ on _____, 2025, to Amalgamated Bank of Chicago, Chicago, Illinois, as paying agent for the Refunded Bonds

(the “*Prior Paying Agent*”), such sum being sufficient to pay the principal of and interest on the Refunded Bonds on such date, and such remittance shall fully release and discharge you from any further duty or obligation thereto under this Agreement.

8. You shall make no payment of fees, due or to become due, of the bond registrar and paying agent on the Bonds or the Refunded Bonds. The District shall pay the same as they become due.

9. If at any time it shall appear to you that the funds on deposit in the Trust Account will not be sufficient to pay the principal of and interest on the Refunded Bonds, you shall notify the District not less than five (5) days prior to such payment date and the District shall make up the anticipated deficit from any funds legally available for such purpose so that no default in the making of any such payment will occur.

10. Upon final disbursement of funds sufficient to pay the Refunded Bonds as hereinabove provided for, you shall transfer any balance remaining in the Trust Account to the District and thereupon this Agreement shall terminate.

Very truly yours,

SCHOOL DISTRICT NUMBER 117, MORGAN AND
GREENE COUNTIES, ILLINOIS

By _____
President, Board of Education

By _____
Secretary, Board of Education

Accepted this ____ day of _____, 2025.

AMALGAMATED BANK OF CHICAGO,
Chicago, Illinois

By _____
Its _____

EXHIBIT A

U.S. TREASURY SECURITIES

Member _____ moved and Member _____ seconded the motion that said resolution as presented and read by title be adopted.

After a full discussion thereof, the President directed that the roll be called for a vote upon the motion to adopt said resolution.

Upon the roll being called, the following members voted AYE: _____

The following members voted NAY: _____

Whereupon the President declared the motion carried and said resolution adopted, approved and signed the same in open meeting and directed the Secretary to record the same in the records of the Board of Education of School District Number 117, Morgan and Greene Counties, 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 MORGAN)

CERTIFICATION OF MINUTES AND RESOLUTION

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Education of School District Number 117, Morgan and Greene Counties, 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 constitutes a full, true and complete transcript of the minutes of the meeting of the Board held on the 15th day of January, 2025, insofar as same relates to the adoption of a resolution entitled:

RESOLUTION providing for the issue of not to exceed \$31,000,000 General Obligation School Bonds (Alternate Revenue Source) of School District Number 117, Morgan and Greene Counties, Illinois, for the purpose of building and equipping a new elementary school building and refunding certain outstanding bonds of said School District, providing for the pledge of certain revenues and the levy of a direct annual tax sufficient to pay the principal and interest on said bonds and authorizing the sale of said bonds to the purchaser thereof.

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 called and 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 an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Board at least 48 hours in advance of the holding of said meeting, that at least one copy of said agenda was continuously available for public review during the entire 48-hour period preceding said meeting, that a true, correct and complete copy of said agenda as so posted is attached hereto as *Exhibit A*, 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, and with the provisions of the School Code of the State of Illinois, as amended, and that the Board has complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Board.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 15th day of January, 2025.

Secretary, Board of Education

STATE OF ILLINOIS)
) SS
COUNTY OF MORGAN)

FILING CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Morgan, Illinois, and as such official I do further certify that on the ____ day of _____, 2025, there was filed in my office a duly certified copy of a resolution entitled:

RESOLUTION providing for the issue of not to exceed \$31,000,000 General Obligation School Bonds (Alternate Revenue Source) of School District Number 117, Morgan and Greene Counties, Illinois, for the purpose of building and equipping a new elementary school building and refunding certain outstanding bonds of said School District, providing for the pledge of certain revenues and the levy of a direct annual tax sufficient to pay the principal and interest on said bonds and authorizing the sale of said bonds to the purchaser thereof.

duly adopted by the Board of Education of School District Number 117, Morgan and Greene Counties, Illinois, on the 15th day of January, 2025, 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 Counties, this ____ day of _____, 2025.

County Clerk of The County of Morgan, Illinois

[SEAL]

STATE OF ILLINOIS)
) SS
COUNTY OF GREENE)

FILING CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Greene, Illinois, and as such official I do further certify that on the ____ day of _____, 2025, there was filed in my office a duly certified copy of a resolution entitled:

RESOLUTION providing for the issue of not to exceed \$31,000,000 General Obligation School Bonds (Alternate Revenue Source) of School District Number 117, Morgan and Greene Counties, Illinois, for the purpose of building and equipping a new elementary school building and refunding certain outstanding bonds of said School District, providing for the pledge of certain revenues and the levy of a direct annual tax sufficient to pay the principal and interest on said bonds and authorizing the sale of said bonds to the purchaser thereof.

duly adopted by the Board of Education of School District Number 117, Morgan and Greene Counties, Illinois, on the 15th day of January, 2025, 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 Counties, this ____ day of _____, 2025.

County Clerk of The County of Greene, Illinois

[SEAL]

STATE OF ILLINOIS)
) SS
COUNTY OF MORGAN)

FILING CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting School Treasurer who receives the taxes of School District Number 117, Morgan and Greene Counties, Illinois (the “*District*”), and as such official I do further certify that on the 15th day of January, 2025, there was filed in my office a duly certified copy of a resolution entitled:

RESOLUTION providing for the issue of not to exceed \$31,000,000 General Obligation School Bonds (Alternate Revenue Source) of School District Number 117, Morgan and Greene Counties, Illinois, for the purpose of building and equipping a new elementary school building and refunding certain outstanding bonds of said School District, providing for the pledge of certain revenues and the levy of a direct annual tax sufficient to pay the principal and interest on said bonds and authorizing the sale of said bonds to the purchaser thereof.

duly adopted by the Board of Education of the District on the 15th day of January, 2025, and that the same has been deposited in the official files and records of my office.

I do further certify that the descriptions of the outstanding General Obligation School Bonds (Alternate Revenue Source), Series 2015, of the District set forth in said resolution are accurate, and that said obligations are presently outstanding and unpaid and are binding and subsisting legal obligations of the District and have never been refunded by the District.

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IN WITNESS WHEREOF, I hereunto affix my official signature, this 15th day of January,
2025.

School Treasurer