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**SALES TAX SECURITIZATION CORPORATION**

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**Sales Tax Securitization Bonds**

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**Authorizing Resolution**

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**Adopted November 2, 2017**

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## SALES TAX SECURITIZATION BONDS

### **A Resolution Authorizing the Delegation of Authority to any Authorized Officer of the Corporation and the Approval of Various Documents in connection with the Corporation's Sales Tax Securitization Bonds**

**WHEREAS**, Public Act 100-0023, effective July 6, 2017, adding Division 13 to Article 8 of the Illinois Municipal Code, 65 ILCS 5/8-13-5 *et seq.* (the "Act"), authorizes any home rule municipality to enter into agreements to assign, sell, transfer or otherwise convey its interest in all or any part of any revenues or taxes that it receives from a State Entity (as defined in the Act); and

**WHEREAS**, the Sales Tax Securitization Corporation (the "Corporation") is organized in accordance with an ordinance adopted by the City Council of the City of Chicago (the "City") on October 11, 2017 (the "Authorizing Ordinance"); and

**WHEREAS**, the Act authorizes the City to sell to the Corporation and the Corporation desires to purchase from the City certain Sales Tax Revenues (as defined herein); and

**WHEREAS**, the Corporation has been established as a not for profit corporation and instrumentality of the City in order to issue obligations pursuant to the grant of power from the City contained in the Authorizing Ordinance, the proceeds of which will be used to (i) provide funding for any lawful purpose of the City, including but not limited to, funding for capital and infrastructure requirements of the City, refunding any outstanding obligations of the City and to refund outstanding obligations of the Corporation, and (ii) make payments to the City in consideration for the City's assignment of the Sales Tax Revenues; and

**WHEREAS**, in order to provide financing for the foregoing and for certain other related purposes, the Corporation intends to issue obligations (the "Bonds") pursuant to the Master Trust Indenture to be dated as of December 1, 2017, by and between the Corporation and The Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee") (substantially in the form attached hereto as Exhibit A, as the same is amended and supplemented from time to time in accordance with the provisions thereof, the "Master Indenture"), in various principal amounts and at various times; and

**WHEREAS**, any Bonds issued pursuant to the Master Indenture will be payable from and secured by the Trust Estate with the priority set forth in the Master Indenture, including all Sales Tax Revenues assigned to the Corporation pursuant to an Assignment, Purchase and Sale Agreement, to be dated as of December 1, 2017, by and among the City, the Corporation and the Trustee (substantially in the form attached hereto as Exhibit D, the "Sale Agreement"), under which the City has agreed to assign the Sales Tax Revenues to the Corporation for application in accordance with the terms of the Master Indenture; and

**WHEREAS**, the Authorizing Ordinance provides that the Corporation shall not issue obligations for the purposes described above unless the issuance of such obligations has been requested by the City and approved by the adoption of an ordinance of the City Council approving such financing; and

**WHEREAS**, by adoption of the Authorizing Ordinance, the City has approved the issuance of the obligations authorized to be issued by the Corporation pursuant to this Authorizing Resolution.

**BE IT RESOLVED by the Corporation, as follows:**

**ARTICLE I.**

**DEFINITIONS AND STATUTORY AUTHORITY**

**SECTION 1.01. Definitions.** (a) Capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed to such terms in the form of the Master Indenture presented at this meeting. In addition, the following terms shall have the following respective meanings:

**“Authorized Officer”** means in the case of the Corporation, the Chair, the President, and the Secretary-Treasurer, and when used with reference to any act or document also means any other person authorized by a resolution or the by-laws of the Corporation to perform such act or execute such document.

**“First Supplemental Indenture”** means the First Supplemental Trust Indenture, to be dated as of December 1, 2017, by and between the Corporation and the Trustee, authorizing the issuance of the Series 2017A Bonds and the Series 2017B Bonds.

**“Authorizing Resolution”** means this Sales Tax Securitization Bonds Authorizing Resolution relating to the issuance of the Corporation’s Sales Tax Securitization Bonds, including the Series 2017 Bonds.

**“Series 2017 Bonds”** means, collectively, the Series 2017A Bonds and the Series 2017B Bonds.

**“Series 2017A Bonds”** means the Series 2017A Bonds to be issued pursuant to the First Supplemental Indenture authorized pursuant to Section 2.01 of this Authorizing Resolution.

**“Series 2017B Bonds”** means the Taxable Series 2017B Bonds to be issued pursuant to the First Supplemental Indenture authorized pursuant to Section 2.01 of this Authorizing Resolution.

(b) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

(c) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms, as used in this Authorizing Resolution, refer to the Authorizing Resolution.

## ARTICLE II.

### DELEGATION OF AUTHORITY AND APPROVAL OF SERIES 2017 BONDS

**SECTION 2.01. Delegation of Authority.** There is hereby delegated to the Authorized Officers of the Corporation, subject to the limitations contained herein and in the Master Indenture, the Authorizing Ordinance and the Corporation's by-laws, the power with respect to the Series 2017 Bonds to determine and carry out the following:

(a) The sale of the Series 2017 Bonds at public or private sale at such price or prices as shall be determined by an Authorized Officer of the Corporation;

(b) The principal amount of Series 2017 Bonds to be issued; *provided, however*, that the aggregate principal amount of Bonds, including the Series 2017 Bonds and any additional Bonds issued pursuant to Section 3.01 of this Authorizing Resolution, shall not exceed \$3,000,000,000;

(c) The date or dates, maturity date or dates and principal amount of each maturity of the Series 2017 Bonds, the amount and date of each Sinking Fund Installment, if any, and which Series 2017 Bonds are Serial Bonds or Term Bonds, if any; *provided, however*, that no Series 2017 Bonds shall mature later than January 1 immediately succeeding the fortieth anniversary of the date on which such Series 2017 Bonds were initially issued;

(d) The interest rate or rates of the Series 2017 Bonds, *provided however*, that such interest rate or rates shall not exceed ten percent (10%) per annum, the date from which interest on the Series 2017 Bonds shall accrue and the first interest payment date therefor;

(e) The denomination or denominations of and the manner of numbering and lettering the Series 2017 Bonds;

(f) The Series 2017 Bonds that are Capital Appreciation Bonds or Deferred Income Bonds, if any;

(g) The Series 2017 Bonds which are Book Entry Bonds, if any, and the Depository therefor;

(h) The Credit Facility or Credit Facilities, if any, in connection with the Series 2017 Bonds;

(i) The Trustee and any other Paying Agent or Paying Agents and the place or places of payment of the principal, Sinking Fund Installments, if any, or Redemption Price of and interest on the Series 2017 Bonds;

(j) The Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2017 Bonds;

(k) Provisions for the sale or exchange of the Series 2017 Bonds and for the delivery thereof at public or private sale; *provided, however*, that the purchase price shall not be less than eighty-five percent (85%) of the principal amount of the Series 2017 Bonds sold;

(l) The forms of the Series 2017 Bonds and the forms of the Trustee's certificate of authentication thereon;

(m) Provisions with respect to funds and accounts and subaccounts therein, if applicable, and the revenues and application thereof;

(n) The Series 2017 Bonds which are tax exempt Series 2017 Bonds and which are not tax exempt Series 2017 Bonds;

(o) Directions for the application of the proceeds of the Series 2017 Bonds;  
and

(p) Any other provisions deemed advisable by an Authorized Officer of the Corporation, not in conflict with the provisions hereof or of the Master Indenture.

**SECTION 2.02. Approval of Master Indenture.** The form of the Master Indenture by and between the Corporation and the Trustee, attached hereto as Exhibit A, is hereby approved. Any Authorized Officer of the Corporation is hereby authorized to execute the Master Indenture in the name and on behalf of the Corporation substantially in such form, with such changes, insertions and omissions as may be approved by said Authorized Officer, said execution being conclusive proof of such approval.

(a) **Approval of First Supplemental Trust Indenture.** The form of the First Supplemental Trust Indenture related to the Series 2017 Bonds by and between the Corporation and the Trustee, attached hereto as Exhibit B, is hereby approved. Any Authorized Officer of the Corporation is hereby authorized to execute the First Supplemental Trust Indenture related to the Series 2017 Bonds in the name and on behalf of the Corporation substantially in such form, with such changes, insertions and omissions as may be approved in each document by said Authorized Officer, said execution being conclusive proof of the approval of each such document.

**SECTION 2.03. Approval of Bond Purchase Agreement.** The form of the Bond Purchase Agreement relating to the sale of the Series 2017 Bonds, by and between the Corporation and Jefferies LLC, as representative of the underwriters named therein (the "Underwriters"), attached hereto as Exhibit C, is hereby approved. Any Authorized Officer of the Corporation is hereby authorized to execute the Bond Purchase Agreement in the name and on behalf of the Corporation substantially in such form, with such changes, insertions and omissions as may be approved by said Authorized Officer, said execution being conclusive proof of such approval.

**SECTION 2.04. Approval of Sale Agreement.** The form of the Sale Agreement, attached hereto as Exhibit D, is hereby approved. Any Authorized Officer of the Corporation is hereby authorized to execute the Sale Agreement in the name and on behalf of the Corporation

substantially in such form, with such changes, insertions and omissions as may be approved by said Authorized Officer, said execution being conclusive proof of such approval.

**SECTION 2.05. Authorization and Ratification of the Preliminary Offering Circular.** The form of the Preliminary Offering Circular relating to the offering of the Series 2017 Bonds, attached hereto as Exhibit E (the “Preliminary Offering Circular”), is hereby approved. The use and distribution of the Preliminary Offering Circular by the Underwriters is hereby approved.

The Corporation authorizes any of said officers to deliver a certification to the effect that such Preliminary Offering Circular, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

**SECTION 2.06. Approval of the Offering Circular.** Any Authorized Officer of the Corporation is hereby authorized to execute, deliver and distribute, in the name and on behalf of the Corporation, a final Offering Circular substantially in the form of the Offering Circular presented at this meeting, with such changes, insertions and omissions as said Authorized Officer deems advisable, and to distribute or cause the distribution of said Offering Circular in connection with the offering and sale of the Series 2017 Bonds.

**SECTION 2.07. Continuing Disclosure Undertaking.** Any Authorized Officer of the Corporation is hereby authorized to execute in the name and on behalf of the Corporation the Continuing Disclosure Undertaking by the Corporation, in substantially the form described in the Preliminary Offering Circular authorized above, with such changes, insertions and omissions as may be approved in each document by said Authorized Officer, said execution being conclusive proof of the approval of each such document.

**SECTION 2.08. Approval and Ratification of Prior Actions.** The Corporation hereby ratifies, affirms and adopts all previous actions (including, but not limited to, all minutes, prior resolutions, formation documents and contracts, and including, but not limited to, selection of the Underwriters, lawyers, financial advisors and other advisors for the Series 2017 Bonds and execution of any documents and contracts in connection therewith) taken or entered into in the name of or otherwise with respect to the Corporation by any Authorized Officer of the Corporation as the actions of the Corporation.

**SECTION 2.09. Execution of Documents.** Any Authorized Officer of the Corporation is hereby authorized to execute and deliver, in the name and on behalf of the Corporation, any and all documents and instruments, and to do and cause to be done any and all acts and things, said Authorized Officer deems necessary or advisable in connection with the offering, sale and issuance of the Series 2017 Bonds and to carry out the transactions contemplated by this Authorizing Resolution.

### ARTICLE III.

#### APPROVAL OF FINANCING PROGRAM AND DELEGATION OF AUTHORITY

**SECTION 3.01. Authorized Aggregate Principal Amount.** There are hereby authorized to be issued one or more Series of Bonds, including the Series 2017 Bonds (which may be issued at one time or from time to time in any number of Series or subseries), which are entitled to the benefit, protection and security of the Master Indenture in an aggregate principal amount not to exceed the principal amount of the Bonds permitted by Section 2.01 of this Authorizing Resolution. Such Bonds shall be issued for the legally authorized purposes as set forth in the Act and the Master Indenture.

**SECTION 3.02. Delegation of Authority.** (a) There is hereby delegated to the Authorized Officers of the Corporation, subject to the limitations contained herein and in the Master Indenture, the Authorizing Ordinance and the Corporation's by-laws, the power with respect to the Bonds (other than the Series 2017 Bonds) to determine and carry out the following:

(1) The sale of the Bonds at public or private sale at such price or prices as shall be determined by an Authorized Officer of the Corporation;

(2) The principal amount of Bonds to be issued; *provided, however*, that the aggregate principal amount of all Bonds issued pursuant to this authorization (and the aggregate of all such Series and subseries) shall not exceed the limitations set forth in Section 2.01;

(3) The date or dates, maturity date or dates and principal amount of each maturity of the Bonds, the amount and date of each Sinking Fund Installment, if any, and which Bonds are Serial Bonds or Term Bonds, if any; *provided, however*, that no Bonds shall mature later than January 1 immediately succeeding the fortieth anniversary of the date on which such Bonds were initially issued;

(4) The interest rate or rates of the Bonds, *provided however*, that such interest rate or rates shall not exceed ten percent (10%) per annum, the date from which interest on the Bonds shall accrue and the first interest payment date therefor;

(5) The denomination or denominations of and the manner of numbering and lettering the Bonds;

(6) The Bonds that are Capital Appreciation Bonds or Deferred Income Bonds, if any;

(7) The Bonds which are Book Entry Bonds, if any, and the Depository therefor;

(8) The Credit Facility or Credit Facilities, if any, in connection with the Bonds;



(9) The Trustee and any other Paying Agent or Paying Agents and the place or places of payment of the principal, Sinking Fund Installments, if any, or Redemption Price of and interest on the Bonds;

(10) The Redemption Price or Redemption Prices, if any, and, subject to the Master Indenture, the redemption terms, if any, for the Bonds;

(11) Provisions for the sale or exchange of the Bonds and for the delivery thereof at public or private sale; *provided, however*, that the purchase price shall not be less than eighty-five percent (85%) of the principal amount of the Bonds sold;

(12) The forms of the Bonds and the forms of the Trustee's certificate of authentication thereon;

(13) Provisions with respect to funds and accounts and subaccounts therein, if applicable, and the revenues and application thereof;

(14) The Bonds which are tax exempt Bonds and which are not tax exempt Bonds;

(15) Directions for the application of the proceeds of the Bonds; and

(16) Any other provisions deemed advisable by an Authorized Officer of the Corporation, not in conflict with the provisions hereof or of the Authorizing Ordinance or the Corporation's By-Laws.

(b) Any Authorized Officer shall execute one or more Supplemental Trust Indentures evidencing the determinations made pursuant to this Authorizing Resolution and any such Supplemental Trust Indenture shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Supplemental Trust Indenture may be delivered to the extent more than one Series or subseries of Bonds are delivered from time to time, or other authority is exercised under this Authorizing Resolution from time to time and each such Supplemental Trust Indenture shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Bonds by the Trustee or other documentation. Determinations set forth in the related Supplemental Trust Indenture shall have the same effect as if set forth in this Authorizing Resolution. Any such Authorized Officer may exercise any authority delegated under this Authorizing Resolution from time to time following issuance of any Bonds, as appropriate for any purposes, including, in order to obtain a substitute or additional Credit Facility, enter into a bank direct purchase agreement or similar instrument, or to appoint new or additional agents or other parties deemed appropriate to a particular form of Bond or manner of sale.

**SECTION 3.03. Approval of Bond Purchase Agreement.** Any Authorized Officer of the Corporation is hereby authorized to execute one or more Bond Purchase Agreements relating to the Bonds in the name and on behalf of the Corporation substantially in such form, with such changes, insertions and omissions as may be approved by said Authorized Officer, said execution being conclusive proof of such approval.

**SECTION 3.04. Continuing Disclosure Undertaking.** Any Authorized Officer of the Corporation is hereby authorized to execute in the name and on behalf of the Corporation the Continuing Disclosure Undertaking by the Corporation, in such form and upon such terms and conditions as may be approved by said Authorized Officer, said execution being conclusive proof of such approval.

**SECTION 3.05. Approval of the Preliminary Offering Circular.** Any Authorized Officer of the Corporation is hereby authorized to make public and to authorize the use and distribution by the purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the “Preliminary Offering Circular”) in connection with each public offering or any direct or private placement of the Bonds. The Corporation authorizes any Authorized Officer to deliver a certification to the effect that such Preliminary Offering Circular or Offering Circular, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

**SECTION 3.06. Approval of the Offering Circular.** Any Authorized Officer of the Corporation is hereby authorized to execute, deliver and distribute, in the name and on behalf of the Corporation, a final Offering Circular in substantially in the form of each Preliminary Offering Circular or the most recently executed and delivered Offering Circular if there is no Preliminary Offering Circular, and to deliver such Offering Circular to the purchasers of such issue of Bonds, such execution being conclusive evidence of such approval.

**SECTION 3.07. Execution of Documents.** Any Authorized Officer of the Corporation is hereby authorized to execute and deliver, in the name and on behalf of the Corporation, any and all documents and instruments, and to do and cause to be done any and all acts and things, said Authorized Officer deems necessary or advisable in connection with the offering, sale and issuance of the Bonds and to carry out the transactions contemplated by this Authorizing Resolution.

**SECTION 3.08. Authorization of Consultants.** The Authorized Officers of the Corporation are hereby authorized to select and retain the underwriters, financial advisors, transaction counsel, and disclosure counsel with respect to the authorization, sale and issuance of the Bonds.

**SECTION 3.09. Authorization of Post-Issuance Compliance Policies.** (a) It is necessary and in the best interest of the Corporation to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the Bonds and other debt obligations of the Corporation, the interest on which is excludable from “gross income” for federal income tax purposes or which enable the Corporation or the holder to receive federal tax benefits, including, but not limited to, qualified tax credit bonds and other specified tax credit bonds (including the Series 2017A Bonds, the “Tax Advantaged Obligations”). Accordingly, each Authorized Officer is authorized to develop policies for approval by this Board with respect to record-keeping and post issuance compliance with the Corporation’s covenants related to its Tax Advantaged Obligations.

(b) It is necessary and in the best interest of the Corporation to ensure compliance with its responsibilities under federal securities laws, including its continuing disclosure undertakings under Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, such as the undertaking authorized in Section 2.06 hereof, and the statements of the Securities and Exchange Commission in enforcement actions. Accordingly, each Authorized Officer is authorized to develop appropriate policies and procedures to enable the Corporation to create accurate disclosures with respect to its (i) preliminary official statements, final official statements and any supplements or amendments thereto, disseminated by the Corporation pursuant to the issuance by the Corporation of any bonds, notes or other obligations, (ii) annual financial information, as required by the continuing disclosure undertakings to be filed with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system, and (iii) notices of reportable events, as described in such undertakings, and any other required or voluntary disclosures to EMMA.

#### **ARTICLE IV.**

#### **MISCELLANEOUS**

**SECTION 4.01. When Effective.** This Authorizing Resolution shall become effective immediately upon adoption by the Corporation.

EXHIBIT A  
FORM OF MASTER INDENTURE

EXHIBIT B

FORM OF FIRST SUPPLEMENTAL INDENTURE

EXHIBIT C

FORM OF BOND PURCHASE AGREEMENT

EXHIBIT D  
FORM OF SALE AGREEMENT

EXHIBIT E

FORM OF PRELIMINARY OFFERING CIRCULAR