

TENDER AGENT AGREEMENT

THIS TENDER AGENT AGREEMENT, dated as of February 1, 2009 (this "*Agreement*"), by and among The Bank of New York Mellon Trust Company, N.A., as bond registrar (in such capacity, the "*Bond Registrar*") and as tender agent (in such capacity, the "*Tender Agent*"), The Board of Trustees of the University of Illinois (the "*Board*"), and Citigroup Global Markets Inc., as remarketing agent (the "*Remarketing Agent*").

WHEREAS, the Board is issuing its University of Illinois Variable Rate Demand Auxiliary Facilities System Revenue Bonds, Series 2009A, in the aggregate principal amount of (the "*Series 2009A Bonds*") pursuant to a Resolution adopted on September 20, 1984, as supplemented and amended (the "*Bond Resolution*"); and

WHEREAS, the Board has authorized the execution and delivery of the Modal Agreement dated as of February 1, 2009 (the "*Modal Agreement*"), between the Board and the Bond Registrar, to set forth certain terms relating to the Series 2009A Bonds; and

WHEREAS, the Series 2009A Bonds and the Modal Agreement provide, among other things, that (a) during a Weekly Interest Rate Period or a Daily Interest Rate Period, the owners of the Series 2009A Bonds may elect to have their Series 2009A Bonds purchased at the time specified in the Modal Agreement, and (b) the Series 2009A Bonds are subject to mandatory tender for purchase (i) on the first day following the last day each Short-Term Interest Term, (ii) on the first day of each Interest Rate Period (or on the day which would have been the first day of an Interest Rate Period had one of the events specified in Section 305(b) or 305(c) of the Modal Agreement not occurred which resulted in the interest rate on such Series 2009A Bonds not being converted) at the Purchase Price, hereinafter defined, payable in immediately available funds, or (iii) if the Liquidity Facility for the Series 2009A Bonds terminates, expires or is replaced or written notice from the Liquidity Facility Provider that an event with respect to the Liquidity Facility has occurred which requires or gives the Liquidity Facility Provider the option to terminate such Liquidity Facility upon notice; and

WHEREAS, pursuant to the terms of that certain Remarketing Agreement dated as of February 1, 2009 (the "*Remarketing Agreement*") by and between the Board and the Remarketing Agent, the Remarketing Agent has agreed to use its best efforts to remarket Series 2009A Bonds which are subject to mandatory or optional tender for purchase in accordance with the terms of the Remarketing Agreement;

NOW THEREFORE, in consideration of the premises and in order to provide for the coordination of such arrangements, the parties hereto do hereby agree as follows:

Section 1. Defined Terms. Capitalized terms used in this Agreement and not otherwise defined herein shall have the meaning assigned to them in the Modal Agreement.

Section 2. Appointment of Tender Agent. For the purposes hereinafter described and upon the terms and subject to the conditions hereinafter set forth, The Bank of New York Mellon Trust Company, N.A., has been appointed to serve as Tender Agent under the Modal Agreement

and hereby accepts such appointment. The Tender Agent hereby agrees to assume and perform the duties and obligations contemplated under the Modal Agreement to be performed by the Tender Agent.

Section 3. Creation of Funds and Accounts. Pursuant to Section 502 of the Modal Agreement, there is hereby created and established with and by the Tender Agent a trust fund designated the “*Bond Purchase Fund.*” Pursuant to Section 502 of the Modal Agreement, there are hereby further created and established with and by the Tender Agent the following trust accounts designated as the “*Remarketing Account,*” the “*Liquidity Facility Purchase Account*” and the “*Board Purchase Account.*” The Remarketing Account, the Liquidity Facility Purchase Account and the Board Purchase Account shall comprise the Bond Purchase Fund referred to in Section 502 of the Modal Agreement. Only proceeds derived from the remarketing of Series 2009A Bonds shall be deposited into the Remarketing Account and such moneys will not be commingled with moneys derived from any other sources. Only moneys received pursuant to the Liquidity Facility in respect to the Series 2009A Bonds shall be deposited into the Liquidity Facility Purchase Account and such moneys will not be commingled with moneys derived from any other sources. Only moneys received from the Board will be deposited into the Board Purchase Account and such moneys will not be commingled with moneys derived from any other sources.

Section 4. Deposit of Series 2009A Bonds. The Tender Agent agrees to hold all Series 2009A Bonds delivered to it pursuant to Section 404 of the Modal Agreement, in trust for the benefit of the respective registered owners which shall have so delivered such Series 2009A Bonds until such Series 2009A Bonds shall have been delivered by the Tender Agent in accordance with Section 413 of the Modal Agreement.

Section 5. Remarketing of Series 2009A Bonds.

(a) (i) As soon as practicable upon its receipt, but not later than 11:15 a.m., Chicago, Illinois time, on the date of receipt of such notice, the Tender Agent shall notify the Remarketing Agent, the Liquidity Facility Provider, the Bond Registrar and the Board by telephone, promptly confirmed in writing, or by telecopy, of receipt, in the case of a Series 2009A Bond bearing interest at a Daily Interest Rate, from a registered owner of an outstanding Series 2009A Bond of a notice pursuant to subsection (b) of Section 404 of the Modal Agreement, specifying the principal amount of Series 2009A Bonds for which it has received a notice pursuant to Section 404(b) of the Modal Agreement, the names of the registered owners thereof and the date on which such Series 2009A Bonds are to be purchased in accordance therewith.

(ii) As soon as practicable upon its receipt, but not later than 11:00 a.m. Chicago, Illinois time, on the following Business Day, the Tender Agent shall notify the Remarketing Agent, the Liquidity Facility Provider, the Bond Registrar and the Board by telephone, promptly confirmed in writing, or by telecopy, of receipt, in the case of a Series 2009A Bond bearing interest at a Weekly Interest Rate, from a registered owner of an outstanding Series 2009A

Bond of a notice pursuant to subsection (a) of Section 404 of the Modal Agreement, specifying the principal amount of Series 2009A Bonds for which it has received a notice pursuant to Section 404(a) of the Modal Agreement, the names of the registered owners thereof and the date on which such Series 2009A Bonds are to be purchased in accordance therewith.

(iii) The Tender Agent shall notify the Remarketing Agent of a mandatory tender for purchase pursuant to subsection (c) of Section 404 of the Modal Agreement no later than 2:00 p.m., Chicago, Illinois time, on the Business Day prior to the Purchase Date, and of a mandatory tender for purchase pursuant to subsections (d) or (e) of Section 404 of the Modal Agreement no later than 10:00 a.m., Chicago, Illinois time, on the Business Day prior to the Purchase Date.

Any date on which Series 2009A Bonds are to be purchased pursuant to Section 404 of the Modal Agreement is hereinafter referred to as a "*Purchase Date*."

(b) Upon receipt by the Remarketing Agent of any of the notices referred to in Section 1(b) of the Remarketing Agreement, the Remarketing Agent shall offer for sale and use its best efforts to sell the Series 2009A Bonds tendered for purchase in accordance with the terms of the Remarketing Agreement.

(c) As soon as practicable, but in any event by no later than 11:00 a.m., Chicago, Illinois time, on the Purchase Date in the case of Series 2009A Bonds to be purchased pursuant to subsections [(b) and (c)] of Section 404 of the Modal Agreement and by no later than 3:00 p.m., Chicago, Illinois time, on the Business Day prior to the Purchase Date in the case of Series 2009A Bonds to be purchased pursuant to subsections [(a), (d) and (e)] of Section 404 of the Modal Agreement, the Remarketing Agent shall give the Bond Registrar and the Tender Agent notice by telephone, promptly confirmed in writing, or written notice, of the aggregate principal amount of Series 2009A Bonds tendered for purchase which have not been remarketed. By 11:30 a.m., Chicago, Illinois time, on the Purchase Date, the Remarketing Agent shall cause the Purchase Price of the Series 2009A Bonds to be delivered to the Tender Agent and, in accordance with the provisions of Section 412(c) of the Modal Agreement, shall give notice by facsimile transmission, telephone, telecopy, e-mail or similar electronic means, promptly confirmed by a written notice, to the Tender Agent, the Board and the Bond Registrar of the principal amount of Series 2009A Bonds sold by the Remarketing Agent and the name, address and taxpayer identification number of each such purchaser, the principal amount of Series 2009A Bonds to be purchased and the denominations in which such Series 2009A Bonds are to be delivered. Upon receipt from the Remarketing Agent of such information, the Bond Registrar shall prepare Series 2009A Bonds in accordance with such information received from the Remarketing Agent for registration of transfer and redelivery to the Remarketing Agent. Promptly upon receipt of such latter notice from the Remarketing Agent, the Tender Agent shall notify the Liquidity Facility Provider and the Board as to the projected Funding Amount, if any.

The term "*Funding Amount*" is hereby defined to mean an amount equal to the difference between (1) the total purchase price of those Series 2009A Bonds with respect to which a notice was received pursuant to subsection (a) or (b) of Section 404 of the Modal Agreement and those Series 2009A Bonds to be purchased pursuant to subsections (c), (d) or (e) of Section 404 of the Modal Agreement, and (2) of the purchase price of those Series 2009A Bonds to be purchased pursuant to Section 404 of the Modal Agreement that are remarketed by the Remarketing Agent and for which funds have been transferred to the Remarketing Agent by the purchasers thereof.

(d) By 11:45 a.m., Chicago, Illinois time, on the Purchase Date, the Tender Agent shall (i) notify the Board, the Bond Registrar and the Liquidity Facility Provider by telephone, promptly confirmed in writing, as to the aggregate purchase price of Series 2009A Bonds to be purchased and as to the Funding Amount and (ii) request a drawing under the Liquidity Facility by notice to the Liquidity Facility Provider in an amount equal to the Funding Amount, such drawing to be in the manner and form required by the by the Liquidity Facility. A copy of such drawing shall be mailed by the Tender Agent to the Board and the Bond Registrar. The Liquidity Facility Provider shall purchase such Series 2009A Bonds by 2:30 p.m., Chicago, Illinois time by transferring funds equal to the Purchase Price to the Tender Agent for deposit in the Liquidity Facility Account and notifying the Tender Agent of the Federal Reserve wire transfer number with respect to such transfer. As soon as practicable after its receipt of funds from the Liquidity Facility Provider, as described in the preceding sentence, the Tender Agent shall notify the Board, the Bond Registrar, the Remarketing Agent and the Liquidity Facility Provider by telephone promptly confirmed in a written notice if, after receipt and application of such funds, there is a deficiency in the Funding Amount.

As used herein, the term "*purchase price*" or "*Purchase Price*" of any Series 2009A Bond tendered for purchase means the principal amount thereof plus accrued interest to, but not including, the Purchase Date; *provided, however*, that if the Purchase Date for any Series 2009A Bond tendered for purchase is an Interest Payment Date, the purchase price thereof shall be the principal amount thereof and interest on such Series 2009A Bond shall be paid to the registered owner of such Series 2009A Bond pursuant to the Modal Agreement.

(e) Any Series 2009A Bonds which are subject to mandatory tender for purchase in accordance with subsections (c), (d) or (e) of Section 404 of the Modal Agreement which are not presented to the Tender Agent on the Purchase Date, and any Series 2009A Bond which are the subject of a notice of optional tender pursuant to subsections (a) or (b) of Section 404 of the Modal Agreement which are not presented to the Tender Agent on the Purchase Date, shall be deemed to have been purchased upon the deposit of moneys equal to the purchase price thereof into the Bond Purchase Fund in accordance with the provisions of the Modal Agreement.

Section 6. Deposit of Funds.

(a) The Tender Agent shall deposit into the Remarketing Account any amounts received in immediately available funds on any Purchase Date from the Remarketing Agent against receipt of Series 2009A Bonds by the Remarketing Agent pursuant to Section 8(a) hereof and on account of Series 2009A Bonds remarketed pursuant to the terms of the Remarketing Agreement.

(b) At or before 2:30 p.m., Chicago, Illinois time, on the Purchase Date, the amount of the drawing under the Liquidity Facility for the Series 2009A Bonds shall be paid directly to the Tender Agent. The Tender Agent shall deposit the funds made available by the Liquidity Facility Provider, which shall be immediately available funds, to the Liquidity Facility Purchase Account.

(c) The Tender Agent shall deposit any funds furnished to it by the Board pursuant to Section 411(b)(iii) of the Modal Agreement into the Board Purchase Account for the purchase of Series 2009A Bonds by the Board.

(d) The Tender Agent shall deposit into the Remarketing Account any amounts received in immediately available funds by 11:45 a.m., Chicago, Illinois time, on any Business Day on which Liquidity Facility Bonds are remarketed against receipt of Series 2009A Bonds remarketed by the Remarketing Agent pursuant to Section 8(b) hereof and on account of Liquidity Facility Bonds remarketed pursuant to the terms of the Remarketing Agreement. Amounts deposited in the Remarketing Account shall be transferred by the Tender Agent to the Liquidity Facility Provider or its designee. The Tender Agent shall give notice of such transfer to the Board.

(e) The Tender Agent shall have no responsibility with respect to the source of any funds provided to it for the purpose of paying the purchase price of the Series 2009A Bonds tendered for purchase, but shall be responsible for seeing that funds deposited with it pursuant to this Agreement are transferred to and expended from the appropriate fund and account. The Tender Agent shall have no obligation to expend its own funds in connection with any such purchase of Series 2009A Bonds, and shall have no obligation to pay the purchase price in any type of funds other than that received by the Tender Agent for such purpose as aforesaid. Moneys held by the Tender Agent in the Bond Purchase Fund shall not be invested.

Section 7. Disbursements. Subject to the provisions of Sections 6(d) and 6(e) hereof, moneys delivered to the Tender Agent on a Purchase Date shall be applied on such Purchase Date as provided in Section 411 and Section 414 of the Modal Agreement.

Section 8 Delivery of New Series 2009A Bonds Following Purchase of Series 2009A Bonds.

(a) By 11:45 a.m., Chicago, Illinois time, on the Purchase Date, a principal amount of Series 2009A Bonds equal to the amount of Series 2009A Bonds purchased (or

deemed purchased) with moneys from the Remarketing Account shall be made available by the Tender Agent to the Remarketing Agent against payment therefor. Prior to such deliveries the Bond Registrar shall prepare each Series 2009A Bond to be so delivered in the names as directed by the Remarketing Agent.

(b) A principal amount of Series 2009A Bonds equal to the amount of Series 2009A Bonds purchased from moneys on deposit in the Liquidity Facility Purchase Account shall pursuant to Section 413(b) of the Modal Agreement be delivered in certificated form to the Liquidity Facility Provider as soon as practical following their purchase or held by the Tender Agent as agent for the Liquidity Facility Provider, as directed by the Liquidity Facility Provider. No Liquidity Facility Bonds shall be released by the Tender Agent (1) unless the Liquidity Facility Provider has reinstated the amount available under the Liquidity Facility to reflect the principal amount of such Series 2009A Bonds plus the interest coverage thereon then required to maintain the short-term ratings on the Series 2009A Bonds, and the Tender Agent has received written evidence from the Liquidity Facility Provider of such reinstatement, or (2) until any such Series 2009A Bond is selected for redemption pursuant to the Modal Agreement and is delivered to the Bond Registrar for cancellation. In the event any Liquidity Facility Bonds are remarketed, a principal amount of Liquidity Facility Bonds registered by the Bond Registrar as requested by the Remarketing Agent shall, no later than 11:45 a.m., Chicago, Illinois time, on the Business Day such Liquidity Facility Bonds are remarketed, be made available by the Tender Agent to the Remarketing Agent against payment therefor in immediately available funds.

Section 9. Notices. Except as otherwise provided herein, all notices, requests and other communications to any party hereunder shall be in writing (including bank wire, telecopy, telex or similar writing) at the addresses provided for in Section 1004 of the Modal Agreement. Each such written notice, request or other communication shall be effective when delivered by hand or received by telex or telecopier or registered or first class mail, postage prepaid; *provided*, that notices under Section 5, 6 and 8 hereof may also be given by telephone and immediately confirmed in writing (including bank wire, telecopy, telex or similar writing). Each party may, by notice given to the other parties under this Agreement, designate other addresses to which subsequent notices, requests, reports or other communications shall be directed.

Section 10. Governing Law. This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Illinois.

Section 11. General. The Bank of New York Mellon Trust Company, N.A. hereby accepts its appointment as Tender Agent upon the terms and conditions hereof and in the Modal Agreement, including, without limitation, the following:

(a) The Board shall pay to the Tender Agent its fees for performing its duties as Tender Agent and shall reimburse the Tender Agent for any out-of-pocket expenses (including reasonable legal expenses) incurred by the Tender Agent in connection with such performance. The Tender Agent waives all rights of set-off or banker's lien which it may have under applicable law against any money from time to time held by it, as Tender

Agent, for the purchase of Series 2009A Bonds pursuant to the Modal Agreement, with respect to the payment of its fees or expenses or any indebtedness due to the Tender Agent by the Board.

(b) The duties and obligations of the Tender Agent shall be determined solely by the express provisions of this Agreement and the Modal Agreement and no implied duties or obligations or covenants shall be read into this Agreement or the Modal Agreement on the part of the Tender Agent. The duties and obligations of the Remarketing Agent shall be determined solely by the express provisions of this Agreement, the Remarketing Agreement and the Modal Agreement and no implied duties or obligations or covenants shall be read into this Agreement, the Remarketing Agreement or the Modal Agreement on the part of the Remarketing Agent.

(c) In the absence of negligence or willful misconduct on the part of the Tender Agent, the Tender Agent may conclusively rely as to the truth of the statements expressed therein upon any document furnished to the Tender Agent, and the Tender Agent may rely and shall be protected in acting upon any document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Tender Agent shall not be liable for any error or judgment made in good faith by a responsible agent of the Tender Agent unless the Tender Agent, or its agents, were negligent in ascertaining the pertinent facts.

(d) The Tender Agent shall be protected and shall incur no liability in acting or proceeding in good faith upon the written opinion of any attorney believed by the Tender Agent to be qualified in relation to the subject matter thereof.

(e) The Tender Agent may become the owner of, or acquire any interest in, any of the Board's obligations (including, without limitation, the Series 2009A Bonds) with the same rights that it would have if it were not the Tender Agent hereunder, and may engage or be interested in any financial or other transaction with the Board, and may act for, or as depository, trustee or agent for, any holders of any obligations of the Board, or any committee or body of such holders, as freely as it were not the Tender Agent hereunder.

(f) Anything herein to the contrary notwithstanding, the Tender Agent shall have no liability hereunder for any act or omission except as shall result from the negligence or willful misconduct of the Tender Agent or of its agents.

(g) The Bank of New York Mellon Trust Company, N.A., is a national banking association with trust powers duly organized under the laws of the United States of America and has a combined capital stock, surplus and undivided profits of at least \$15,000,000. The Bank of New York Mellon Trust Company, N.A., is authorized by law to perform all the duties imposed upon it by the Modal Agreement and this Agreement.

(h) The Tender Agent is hereby indemnified and saved harmless by the University from all losses, liabilities, costs and expenses, including attorney fees and

expenses, which may be incurred by it as a result of its acceptance of appointment as Tender Agent hereunder or arising from the performance of its duties hereunder, unless such losses, liabilities, costs and expenses shall have been finally adjudicated to have resulted from the willful misconduct or gross negligence of the Tender Agent, and such indemnification shall survive its resignation or removal, or the termination of this Agreement.

(i) Any banking association or corporation into which the Tender Agent may be merged, converted or with which the Tender Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Tender Agent shall be a party, or any banking association or corporation to which all or substantially all of the Tender Agents' rights, obligations and immunities hereunder without the execution or filing of any paper or any further action the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 12. Term. This Agreement shall remain in full force and effect until the earlier of (i) such time as the principal of and premium, if any, and interest on the Series 2009A Bonds shall have been paid or provision for such payment shall have been made in accordance with the Bond Resolution, and (ii) the establishment of a Long-Term Interest Rate Period ending on the maturity date of the Series 2009A Bonds; *provided* that, the Board, the Remarketing Agent and the Tender Agent shall have fulfilled all their respective obligations hereunder, whereupon this Agreement shall terminate. The Tender Agent may resign and shall be subject to removal in accordance with the provisions of Section 410(b) of the Modal Agreement.

Section 13. Amendments. This Agreement may not be amended without the written consent of each of the parties hereto and the Liquidity Facility Provider. In addition, this Agreement may not be amended so as to adversely affect the right of the owners of the Series 2009A Bonds to deliver such Series 2009A Bonds to the Tender Agent for purchase hereunder on the Purchase Date at the purchase price without the written consent of the owners of each such Series 2009A Bond so affected.

Section 14. Successors. The rights, duties and obligations of the Board, the Bond Registrar, the Remarketing Agent and the Tender Agent hereunder shall inure, without further act, to their respective successors and permitted assigns; *provided, however*, that the Tender Agent may not assign its obligations under this Agreement without the prior written consent of the Board and the Liquidity Facility Provider. In addition to the parties hereto, this Agreement shall inure to the benefit of and be enforceable by the Liquidity Facility Provider.

Section 15. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

Section 16. Applicable Time. Whenever any time of day or particular hour is specified herein, such time or hour shall be determined on the basis of Central Standard Time or Central Daylight Savings Time, whichever is then in effect in Chicago, Illinois.

Section 17. Book Entry System. So long as a book-entry system is in effect with respect to the Series 2009A Bonds, all references in this Agreement to purchases or sales of Series 2009A Bonds shall mean the purchase or sale of beneficial ownership of such Series 2009A Bonds within such book-entry system and all purchases and transfers of beneficial ownership of such Series 2009A Bonds by the Tender Agent shall be conducted in accordance with such book-entry system as such book-entry system shall be in effect and revised from time to time.

IN WITNESS WHEREOF, the parties hereto have caused this Tender Agent Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Bond Registrar and Tender
Agent

By: _____
Title: _____

THE BOARD OF TRUSTEES OF THE UNIVERSITY
OF ILLINOIS

By: _____
Title: Vice President/CFO and Comptroller

CITIGROUP GLOBAL MARKETS INC., as
Remarketing Agent for the Series 2009A
Bonds

By: _____
Title: _____

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