

**THE BOARD OF TRUSTEES OF
THE UNIVERSITY OF ILLINOIS**

**University of Illinois
Variable Rate Demand Auxiliary Facilities System
Revenue Bonds, Series 2014C (Taxable)**

REMARKETING AGREEMENT

This **REMARKETING AGREEMENT**, dated as of _____, 2014 (this “**Agreement**”), by and between **THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS** (the “**Issuer**”) and **WELLS FARGO BANK, NATIONAL ASSOCIATION** (the “**Remarketing Agent**”).

WHEREAS, the Issuer is issuing its University of Illinois Variable Rate Demand Auxiliary Facilities System Revenue Bonds, Series 2014C (Taxable) (the “**Bonds**”) pursuant to University of Illinois Revenue Bond Financing Act for Auxiliary Facilities, 110 ILCS 40511, et seq. (the “**Act**”) and by the resolution adopted by the Issuer on September 20, 1984 (the “**Original Resolution**” and, as amended and supplemented to date including by the Twentieth Supplemental System Bond Resolution, the “**Resolution**”) which names The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois, as bond registrar and paying agent (the “**Bond Registrar**”);

WHEREAS, as additional security for the payment of the principal and purchase price of and interest on the Bonds, the Issuer has caused The Northern Trust Company (the “**Credit Facility Provider**”) to issue its irrevocable direct-pay letter of credit (the “**Credit Facility**”) to the Bond Registrar pursuant to the Letter of Credit and Reimbursement Agreement dated as of _____, 2014 (the “**Reimbursement Agreement**”) among the Issuer, the Bond Registrar and the Credit Facility Provider; and

WHEREAS, a Modal Agreement dated as of _____, 2014 (the “**Modal Agreement**”) between the Issuer and the Bond Registrar was executed to provide for and in connection with the Bonds;

NOW, THEREFORE, for and in consideration of the mutual agreements set forth herein, the parties hereto hereby agree as follows:

Section 1. Definitions. All capitalized terms used in this Agreement which are not otherwise defined shall have the meanings ascribed to them in the Modal Agreement.

Section 2. Appointment of Remarketing Agent; Responsibilities of Remarketing Agent.

(a) Subject to the terms and conditions contained herein and in the Modal Agreement, the Issuer hereby appoints the Remarketing Agent as the exclusive remarketing agent for the Bonds pursuant to the Modal Agreement, and the Remarketing Agent hereby accepts such appointment in connection with the offering and sale of the

Bonds from time to time in the secondary market subsequent to the initial offering, issuance and sale of the Bonds.

(b) The Remarketing Agent agrees to determine the rate of interest for the Bonds bearing interest at the [Weekly] Rate on each date on which such rate is to be established or reset, as provided in [Section 2.03(c)] of the Modal Agreement as the rate, which in the professional judgment of the Remarketing Agent, taking into account prevailing market conditions, which is the minimum rate of interest necessary to enable the Remarketing Agent to remarket the Bonds bearing such interest rate at a price equal to the principal amount thereof plus accrued interest thereon, if any.

(c) In its capacity as Remarketing Agent, upon (A) notice of an optional tender from a Holder or, if the Bonds are held in a Book Entry System, a Beneficial Owner (each as defined in the Modal Agreement) given pursuant to and in accordance with the Modal Agreement or (B) a Mandatory Purchase Date, the Remarketing Agent shall, in accordance with and subject to the terms and conditions of this Agreement and the Modal Agreement, offer for sale and use its best efforts to remarket any Bonds which are the subject of any such notice at a price equal to the principal amount thereof plus accrued interest thereon, if any, subject, in all respects, to the terms and conditions of this Agreement and the Modal Agreement.

(d) In accordance with the timing and provisions of Section 2.06(a) of the Modal Agreement, the Remarketing Agent shall give the Bond Registrar, the Issuer and the Credit Facility Provider notice by telephone (promptly confirmed by telecopy) of the aggregate principal amount of the Bonds for which it has arranged placement, together with the principal amount of the Bonds, if any (and such other particulars with respect thereto as the Bond Registrar may deem necessary), for which it has not arranged placement. By the times required in the Modal Agreement, on the Optional Tender Date, the Remarketing Agent shall (1) cause the Purchase Price of the Bonds to be delivered to the Bond Registrar and (2) give telephonic notice, promptly confirmed by telecopy, to the Bond Registrar on each date on which Bonds shall be purchased pursuant to the Modal Agreement, specifying the principal amount of the Bonds, if any, sold by it pursuant to the Modal Agreement, along and the information necessary to enable the Bond Registrar to prepare new Bond certificates with respect to the Bonds that were remarketed.

(e) As to Credit Provider Bonds, the Remarketing Agent shall remarket, provide notice, and remit the proceeds of such remarketing at the times and in the manner described in the Modal Agreement.

(f) The Issuer agrees with the Remarketing Agent that, unless this Agreement has been previously terminated pursuant to the terms hereof, the Remarketing Agent shall act as exclusive remarketing agent with respect to the Bonds on the terms and conditions herein contained at all times, including any remarketing of the Bonds in connection with, or in anticipation of, the establishment of the Fixed Rate extending to the final maturity of the Bonds.

(g) It is understood and agreed that the Remarketing Agent's responsibilities hereunder will include (i) the solicitation of purchases of Bonds from investors able to purchase tax-exempt securities comparable to the Bonds in Authorized Denominations; (ii) effecting and processing such purchases; (iii) billing and receiving payment for Bonds purchased; (iv) causing the proceeds from the secondary market sale of the Bonds to be transferred to the Bond Registrar for deposit in the Remarketing Proceeds Account in the Bond Purchase Fund held by the Bond Registrar pursuant to the Modal Agreement and (v) performing such other related functions as may be requested by the Issuer and agreed to by the Remarketing Agent. The Remarketing Agent will keep records of trades and make trade confirmations in accordance with prudent industry practices.

(h) The Remarketing Agent agrees that, so long as it is the Remarketing Agent under this Agreement, it will perform the obligations contemplated to be performed by the Remarketing Agent under the Modal Agreement.

(i) The Remarketing Agent will not be liable to the Issuer, the Bond Registrar or the Credit Facility Provider on account of the failure of any person to whom the Remarketing Agent has sold a Bond to pay for such Bond or to deliver any document in respect of the sale. It is understood and agreed that the Remarketing Agent shall not be obligated to advance its own funds to purchase, or to effect the purchase of, any Bonds. The Remarketing Agent may purchase Bonds as described in Section 10 hereof.

(j) Notwithstanding any provisions of this Agreement, the Modal Agreement or the Reimbursement Agreement, it is the intention of the Issuer and Remarketing Agent that the use of the term "agent" with reference to the Remarketing Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom and is intended to create or reflect only an independent contractor relationship between contracting parties, and the Remarketing Agent shall exercise its own independent judgment in connection with its rights and duties as Remarketing Agent. In exercising its rights and duties as Remarketing Agent, the Remarketing Agent is not required to act at the direction of the Issuer, the Bond Registrar or the Credit Facility Provider.

Section 3. Payment of Fees and Expenses. In consideration of the services to be performed by the Remarketing Agent under this Agreement, the Issuer agrees to pay to the Remarketing Agent the following fees:

(a) so long as the Bonds bear interest at a Weekly Rate, a fee equal to 0.08% percent per annum of the weighted average daily principal amount of Bonds outstanding, calculated on the basis of a 360-day year for the actual number of days elapsed;

(b) in the event that the Bonds are converted to bear interest at a different rate, a fee as shall be agreed to by the Issuer and the Remarketing Agent at that time;

(c) in connection with, or in anticipation of, the establishment of the Fixed Rate, a fee as shall be agreed to by the Issuer and the Remarketing Agent at that time; and

(d) expenses incurred by the Remarketing Agent in connection with its services hereunder, including, but not limited to, fees incurred in connection with the registration of the Bonds under any state securities laws and expenses incurred in connection with the preparation of a new official statement or other offering materials as provided in Section 5 (including, but not limited to, counsel fees and disbursements).

The fees referred to in clause (a) above shall be paid by the Issuer to the Remarketing Agent on the first Business Day of each April and October, commencing April 1, 2014. The fee referred to in clause (c) above shall be paid by the Issuer to the Remarketing Agent on the effective date of the establishment of the Fixed Rate and shall include all reasonable costs relating to the preparation of any disclosure documents in connection with the establishment of a Fixed Rate. The fees and expenses referred to in clause (d) above shall be payable by the Issuer upon demand. The Remarketing Agent shall have the right from time to time to increase the fees referred to above by delivering written notice to the Issuer not less than 30 days prior to the effective date of such increase. In the event that the Issuer objects to such fee increase, the Remarketing Agent shall be under no obligation to establish the interest rate or remarket the Bonds upon and after such effective date. In the event that the Remarketing Agent and the Issuer are unable to agree upon the fees described in clauses (b) and (c) above, the Remarketing Agent shall be under no obligation to establish the interest rate or remarket the Bonds upon and after such conversion. The Issuer shall pay the Remarketing Agent's fees and expenses under this Agreement without regard to any claim, set-off, defense or other right which the Issuer may have at any time against the Remarketing Agent or any other person, whether in connection with this Agreement, the Bonds or any unrelated transactions.

Section 4. The Bonds. As more fully described in the Resolution, the Bonds will be issuable, subject to the terms and conditions thereof, in the form of fully registered Bonds in Authorized Denominations. The Bonds shall initially bear interest at a [Weekly] Rate determined by the Remarketing Agent on or prior to the date of issuance of the Bonds.

Section 5. Furnishing of Offering Materials.

(a) The Issuer agrees to furnish the Remarketing Agent with as many copies of the Official Statement, dated [DATE] (as amended or supplemented, the "**Official Statement**") as the Remarketing Agent may reasonably request, and such other information with respect to the Issuer and the Bonds as the Remarketing Agent shall reasonably request from time to time. The Issuer consents to the use of the Official Statement and all other documents and information provided to the Remarketing Agent by the Issuer for the purpose of remarketing the Bonds.

(b) The Issuer agrees to cooperate with the Remarketing Agent in the preparation of a new official statement or other offering material for the Bonds in the event the Remarketing Agent reasonably determines that the preparation and distribution of such official statement or offering material is desirable in connection with remarketing the Bonds.

(c) If, at any time during the term of this Agreement, any event known to the Issuer relating to or affecting the Bonds, the Issuer, the Credit Facility, any alternate liquidity facility for the Bonds, any alternate credit enhancement for the Bonds, the Credit Facility Provider, this Agreement or the Modal Agreement shall occur which might affect the correctness or completeness of any statement of a material fact contained in the Official Statement, the Issuer will promptly notify the Remarketing Agent in writing of the circumstances and details of such event. The Issuer agrees to prepare an amendment or supplement to the Official Statement acceptable to the Remarketing Agent if in the judgment of the Issuer or the Remarketing Agent such amendment or supplement is necessary to ensure that at all times the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading. All costs incurred in connection with the preparation of such amendment or supplement shall be borne by the Issuer.

(d) In connection with the remarketing of the Bonds as a result of, or in anticipation of, (i) an expiration or termination of the Credit Facility, any alternate credit enhancement or any alternate liquidity facility for the Bonds, or (ii) a conversion of the interest rate borne by the Bonds from the [Weekly] Rate to any other interest rate permitted under the Modal Agreement, the Issuer shall prepare or cause to be prepared any disclosure documents (including continuing disclosure undertakings required by the rules and regulations of the Securities and Exchange Commission) which in the sole judgment of the Remarketing Agent or the Issuer are necessary or desirable. All costs incurred in connection with the preparation of such disclosure documents shall be borne by the Issuer.

Section 6. Representations, Warranties and Covenants of the Issuer. The representations and warranties of the Issuer set forth in the Bond Purchase Agreement, dated [DATE] (the “**Bond Purchase Agreement**”), relating to the Bonds are true and correct and are hereby incorporated by reference herein, as though fully set forth herein. In addition, the Issuer, by its execution hereof, represents and warrants to, and covenants and agrees with, the Remarketing Agent as follows:

(a) It has the authority to take all actions required or permitted to be taken by it under, and to perform and observe the covenants and agreements on its part contained in, this Agreement, the Resolution, the Modal Agreement, the Bond Purchase Agreement and any other instrument or agreement relating thereto (collectively, the “**Closing Documents**”).

(b) It has, on or before the date hereof, duly taken all action necessary to be taken by it prior to such date for: (i) the execution, delivery and performance of the Closing Documents that have been executed in connection with the transactions contemplated hereby and by the Official Statement; and (ii) the carrying out, giving effect to, consummation and performance of the transactions and obligations contemplated hereby and by the Official Statement; *provided* that no representation is made with respect to compliance with the securities or Blue Sky laws of the various states of the United States.

(c) The Closing Documents that have been executed in connection with the consummation of the transactions contemplated hereby and by the Official Statement have been duly executed and delivered by it and constitute its legal, valid and binding obligations, enforceable against it in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws, or equitable principles relating to or limiting creditors' rights generally.

(d) The execution and delivery of the Closing Documents that have been executed in connection with the consummation of the transactions contemplated hereby and by the Official Statement, compliance with the terms, conditions or provisions thereof, and consummation of the transactions herein and therein contemplated do not and will not violate any law, regulation, order, writ, injunction or decree of any court or governmental body or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any mortgage, lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Issuer pursuant to, any mortgage, resolution, agreement or instrument to which the Issuer is a party or by which it or any of its properties is bound other than those provided for in or contemplated by the Resolution.

(e) All authorizations, consents and approvals of, notices to, registrations or filings with, or actions in respect of, any governmental body, agency or other instrumentality or court required in connection with the execution, delivery and performance by the Issuer of the Closing Documents that have been executed in connection with the consummation of the transactions contemplated hereby and by the Official Statement have been obtained, given or taken and are in full force and effect; *provided* that no representation is made with respect to compliance with the securities or Blue Sky laws of the various states of the United States.

(f) Other than as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation before or by any court, public board or body pending or, to the knowledge of the Issuer, threatened against or affecting it wherein an unfavorable decision, ruling or finding is likely to have a material adverse effect on the financial condition or solvency of the Issuer or the ability of the Issuer to perform its obligations under the Closing Documents.

(g) (i) The information contained in the Official Statement and (ii) the information contained in the Issuer's most recent filing with the Municipal Securities Rulemaking Board's (the "MSRB") Electronic Municipal Market Access system ("EMMA") made in connection with the Bonds as it relates to the financial condition of the Issuer is correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading. The Issuer makes no representation as to information in the Official Statement relating to the Credit Facility Provider and provided by the Credit Facility Provider for inclusion therein.

(h) The Issuer has taken no action, and has not omitted to take any action, which action or omission to take action would in any way affect or impair the excludability of interest on the Bonds from gross income to the holders thereof for federal income tax purposes.

(i) The Issuer will cooperate with the Remarketing Agent in obtaining the qualification of the Bonds for offering and sale under the laws of such jurisdictions as the Remarketing Agent shall designate; provided that, unless it consents thereto, the Issuer shall not be required to incur any expense, consent to service of process in any jurisdiction or qualify to do business in any jurisdiction where it is not now so subject.

Section 7. Conditions to Remarketing Agent's Obligations. The obligations of the Remarketing Agent under this Agreement have been undertaken in reliance on, and shall be subject to, the due performance by the Issuer of its obligations and agreements to be performed hereunder and to the accuracy of and compliance with the representations, warranties and agreements of the Issuer contained or incorporated by reference herein, on and as of the date of delivery of this Agreement and on and as of each date on which Bonds are to be remarketed pursuant to this Agreement. At or prior to the closing date for the Bonds, the Remarketing Agent shall have received copies of all closing documents required by, and delivered pursuant to, the Bond Purchase Agreement. The obligations of the Remarketing Agent hereunder with respect to each date on which Bonds are to be remarketed pursuant to this Agreement are also subject, in the discretion of the Remarketing Agent, to the following further conditions that (i) the Bonds, the Credit Facility, the Resolution, the Reimbursement Agreement, and the Modal Agreement shall be in full force and effect and shall not have been amended, modified or supplemented in any way which would materially and adversely affect the Bonds or the rights and obligations of the Remarketing Agent, except as may have been agreed to in writing by the Remarketing Agent; (ii) no event of default and no event which, with the passage of time or the giving of notice or both, would constitute an event of default, under the Modal Agreement, the Resolution, the Credit Facility, or the Reimbursement Agreement, shall have occurred; (iii) there shall be in full force and effect such additional resolutions, agreements, certificates (including such certificates as may be required by regulations of the Internal Revenue Service in order to establish the exclusion from gross income of interest on the Bonds for federal income tax purposes) and opinions which are reasonably required by Bond Counsel and counsel for the Remarketing Agent and which shall be reasonably satisfactory in form and substance to Bond Counsel and counsel for the Remarketing Agent; (iv) no failure by the Credit Facility Provider to honor a demand for payment under the Credit Facility shall have occurred; (v) there shall have been no material adverse change in the condition (financial or otherwise) of the Issuer since the date of the Official Statement; and (vi) the information in the Official Statement continues to be true and correct in all material respects and does not contain untrue statements of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

Section 8. Term and Termination of Agreement.

(a) (i) This Agreement shall become effective upon its execution by the Remarketing Agent and the Issuer and shall continue in full force and effect until the earlier of (A) the resignation or removal of the Remarketing Agent pursuant to this

Section 8, (B) such time as the principal of and premium, if any, and interest on the Bonds shall have been paid or provision for such payment shall have been made in accordance with the Resolution, (C) the conversion of the Bonds to a Fixed Rate.

(ii) In accordance with the provisions of Section 7.05 of the Modal Agreement, (A) the Remarketing Agent may at any time resign and be discharged of its duties and obligations under the Modal Agreement and under this Agreement upon providing to the Issuer, the Credit Facility Provider and the Bond Registrar 30 days' prior written notice; *provided, however*, if no successor Remarketing Agent has been appointed in accordance with the Modal Agreement on or prior to the effective date of such resignation the Remarketing Agent shall give written notice to Holders pursuant to the Modal Agreement and (B) the Remarketing Agent may be removed at any time, upon not less than 30 days' notice, at the direction of the Issuer, by an instrument signed by the Issuer and filed with the Remarketing Agent, the Bond Registrar and the Credit Facility Provider; *provided* that no such removal shall be effective until a successor Remarketing Agent has been appointed in accordance with the Modal Agreement and such successor Remarketing Agent has accepted such appointment.

(iii) In addition, notwithstanding the provisions of the Modal Agreement, in the event the remarketing fees payable to the Remarketing Agent pursuant to Section 3 hereof are not paid when due the Remarketing Agent may resign and be discharged of its duties and obligations under the Modal Agreement and this Agreement upon providing to the Issuer, the Credit Facility Provider and the Bond Registrar five (5) days' prior written notice, regardless of whether a successor remarketing agent shall have been appointed.

(b) In addition to the provisions of subsection (a) hereof, the Remarketing Agent may suspend its obligations under this Agreement at any time by notifying the Issuer, the Bond Registrar and the Credit Facility Provider in writing of its election so to do, if:

(i) Legislation shall be adopted, or a decision by a court established under Article III of the Constitution of the United States or the United States Tax Court shall be rendered or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which results in the imposition of federal income taxation, upon revenues or other income of the general character to be derived by the Issuer (or by any similar bodies) or causing interest received on the Bonds not to be excluded from gross income for purposes of federal income taxation; or

(ii) Legislation shall be adopted, or a decision by a court of the United States shall be rendered, or stop order, ruling, regulation or official statement by, or on behalf of, the United States Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made or

proposed, to the effect that the offering or sale of obligations of the general character of the Bonds or the issuance of the Credit Facility, is or would be in violation of any provision of the Securities Act of 1933, as amended and as then in effect (the “**Securities Act**”), or the Securities Exchange Act of 1934, as amended and as then in effect, or that the Resolution or Modal Agreement shall be required to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect (the “**1939 Act**”), or with the purpose or effect of otherwise prohibiting the offering or sale of obligations of the general character of the Bonds, or the Bonds, as contemplated hereby, without registration under the Securities Act or qualification of the 1939 Act, as amended; or

(iii) Any information shall have become known, which, in the Remarketing Agent’s sole judgment, makes untrue, incorrect or misleading in any material respect any statement or information contained in the Official Statement, or causes the Official Statement to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact required to be stated therein or necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or

(iv) Except as provided in clauses (i) and (ii) of this Section 8(b), any legislation, resolution, ordinance, rule or regulation shall be introduced in, or be enacted by, any federal governmental body, department or agency of the United States or the State of Illinois, or a decision by any court of competent jurisdiction within the United States or the State of Illinois shall be rendered, which, in the Remarketing Agent’s reasonable opinion, materially adversely affects the marketability of the Bonds; or

(v) Additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; or

(vi) Any governmental authority shall impose, as to the Bonds, or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force; or

(vii) A general banking moratorium shall have been established by federal, Illinois or New York authorities; or

(viii) Any rating assigned to the Bonds by a national rating service, including Moody’s Investors Service, Inc, Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc. or Fitch Ratings, if the Bonds are then rated by such rating service, is downgraded, withdrawn or suspended; or

(ix) A war involving the United States shall have been declared, or any existing conflict involving the armed forces of the United States shall have escalated, or any other national emergency relating to the effective operation of government or the financial community shall have occurred, which, in the

Remarketing Agent's reasonable opinion, materially adversely affects the marketability of the Bonds; or

(x) Any litigation shall be instituted, pending or threatened to restrain or enjoin the sale or remarketing of the Bonds or in any way protesting or affecting any authority for or the validity of the Bonds, the Modal Agreement, the Credit Facility, the Reimbursement Agreement, or this Agreement, or the existence or powers of the Issuer or the Credit Facility Provider; or

(xi) There is any material adverse change in the affairs of the Credit Facility Provider, or the Issuer, which in the sole judgment of the Remarketing Agent, makes it impractical or inadvisable to proceed with the remarketing of the Bonds as contemplated by this Agreement and by the Official Statement;

(xii) If at any time Rule 15c2-12(b)(5) of the Securities and Exchange Commission is then applicable to the Bonds, unless a continuing disclosure agreement meeting the requirements of such Rule is then in effect with respect to each "Obligated Person" as set forth in such Rule;

(xiii) The expiration or termination of the Credit Facility unless it is being replaced by an alternate credit facility or liquidity facility acceptable to the Remarketing Agent;

(xiv) Any material representation or warranty of the Issuer contained in the Resolution, the Modal Agreement, the Bond Purchase Agreement, this Agreement or the Reimbursement Agreement, proves to have been untrue or incorrect in any material respect when made or deemed to be made which, in the Remarketing Agent's reasonable opinion, materially adversely affects the marketability of the Bonds; or

(xv) Any condition set forth in Section 7 hereof is not satisfied.

Section 9. Indemnification.

(a) In connection with any remarketing of the Bonds, the Issuer shall and hereby does indemnify and hold harmless the Remarketing Agent and its officers, directors and employees and each person, if any, who controls the Remarketing Agent within the meaning of the Securities Act (collectively, the "**Indemnified Parties**"), to the extent permitted under applicable law, against any losses, claims, damages or liabilities, joint or several, to which the Indemnified Parties may become subject, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon (i) any untrue statement or alleged untrue statement of any material fact contained in the Official Statement, or in other offering material related to the Bonds or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading or (ii) the representations and warranties incorporated in Section 6 hereof being untrue at the time of remarketing of any Bond pursuant hereto; and will reimburse the Indemnified Parties for any legal or other expenses reasonably incurred by the Indemnified Parties in connection with investigating or defending any

such loss, claim, damage, liability or action; provided, however, that the Issuer will not be liable in any such case to any Indemnified Party to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any of such documents or under the caption “UNDERWRITING” in reliance upon and in conformity with written information furnished to the Issuer by the Remarketing Agent or a controlling person of the Remarketing Agent specifically for use therein; and provided further that the indemnity provision contained in this subparagraph (a) with respect to the Official Statement or other offering material related to the Bonds shall not inure to the benefit of the Remarketing Agent (or to the benefit of any person controlling the Remarketing Agent) with respect to any such loss, claim, damage, liability or action asserted by any person if a copy of the Official Statement or other offering material related to the Bonds not containing the untrue statement or alleged untrue statement or omission or alleged omission that is the basis of the loss, claim, damage, liability or action for which indemnification is sought was available to the Remarketing Agent and was not properly mailed, delivered or given to such person. This indemnity provision will be in addition to any liability which the Issuer may otherwise have.

(b) Promptly after receipt by an Indemnified Party under this Section 9 of notice of the commencement of any action, such Indemnified Party will, if a claim in respect thereof is to be made against the Issuer under this Section 9, notify the Issuer in writing of the commencement thereof, but the omission so to notify the Issuer will not relieve the Issuer from any liability which it may have to any Indemnified Party otherwise than under this Section 9 except to the extent that the Issuer is able to demonstrate actual prejudice in not being so notified. In case any such action is brought against any Indemnified Party, and it notifies the Issuer of the commencement thereof, the Issuer will be entitled to participate in, and, to the extent that it may wish, jointly with any other indemnifying party, similarly notified, to assume the defense thereof so long as its interests are not adverse to those of the Indemnified Party, with counsel reasonably satisfactory to such Indemnified Party, and after notice from the Issuer to such Indemnified Party of its election to assume the defense thereof, the Issuer will not be liable to such Indemnified Party under this Section 9 for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof other than reasonable costs of investigation. Upon assumption by the Issuer of the defense of any such action or proceeding, the Indemnified Party shall have the right to participate in such action or proceeding and to retain its own counsel but the Issuer shall not be liable for any legal expenses of other counsel subsequently incurred by such Indemnified Party in connection with the defense thereof unless (i) the Issuer has agreed to pay such fees and expenses, (ii) the Issuer shall have failed to employ counsel reasonably satisfactory to the Indemnified Party in a timely manner or (iii) the Indemnified Party shall have been advised by counsel that there are actual or potential conflicting interests between the Issuer and the Indemnified Party, including situations in which there are one or more legal defenses available to the Indemnified Party that are different from or additional to those available to the Issuer. If the Issuer does not elect to assume the defense of any such suit, it will reimburse the Indemnified Parties for the reasonable fees and expenses of any counsel retained by them. In the event that the parties to any such action (including impleaded parties) include one or more indemnifying parties and one or more Indemnified Parties, and one or more Indemnified Parties shall have been advised by counsel reasonably satisfactory to the Remarketing Agent and the Issuer that there may be one or more legal defenses available to any of the Indemnified Parties, which are different from, additional to, or in

conflict with those available to any of the indemnifying parties, the indemnifying parties will reimburse the Indemnified Parties for the reasonable fees and expenses of any counsel retained by the Indemnified Parties (it being understood that the indemnifying parties shall not, in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys for all Indemnified Parties, which firm shall be designated by the Indemnified Parties, the Remarketing Agent or the Issuer, as the case may be). Each indemnifying party agrees promptly to notify each Indemnified Party of the commencement of any litigation or proceedings against it in connection with the remarketing of the Bonds. The Issuer shall not consent to the terms of any compromise or settlement of any action defended by the Issuer in accordance with the foregoing without the prior consent of the Indemnified Party. No indemnifying party shall be liable under this Section 9 for the amount of any compromise or settlement of any action unless such compromise or settlement has been approved in writing by such indemnifying party, which approval shall not be unreasonably withheld. The indemnity agreements contained in this Section 9 shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any Indemnified Party, or the delivery of and any payment for any Bonds hereunder, and shall survive the termination or cancellation of this Agreement.

(c) If the indemnification provided for in subparagraph (a) of this Section 9 is unavailable, because of limitations imposed by securities laws or for any other reason, to a party that would otherwise have been an Indemnified Party under subparagraph (a) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each party that would have been an indemnifying party thereunder shall, in lieu of indemnifying such Indemnified Party, contribute to the amount paid or payable by such Indemnified Party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion so that the Remarketing Agent is responsible for that portion represented by the percentage that the Remarketing Agent's commission with respect to such remarketing bears to the aggregate principal amount of such Bonds being remarketed and the Issuer is responsible for the balance; provided, however, that no person guilty of fraudulent misrepresentation within the meaning of Section 11(f) of the Securities Act shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation within the meaning of Section 11(f) of the Securities Act. The amount paid or payable by an Indemnified Party as a result of the losses, claims, damages or liabilities (or actions in respect thereon referred to above in this subparagraph (c)) shall be deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such action or claims (which shall be limited as provided in subparagraph (b) above if the indemnifying party has assumed the defense of any such action in accordance with the provisions thereof).

Section 10. Dealing in Bonds by Remarketing Agent. The Remarketing Agent, in its individual capacity, either as principal or agent, may in its sole discretion, buy, sell, own, hold and deal in any of the Bonds, and may join in any action which any Holder may be entitled to take with like effect as if it did not act in any capacity hereunder. The Bonds purchased by the Remarketing Agent as described in the preceding sentence shall have the same characteristics, including, without limitation, interest rate, as other Bonds not held by the Remarketing Agent and which are not Credit Provider Bonds. The Remarketing Agent, in its individual capacity, either as principal or agent, may also engage in or be interested in any

financial or other transaction with the Issuer and may act as depositary, Bond Registrar or agent for any committee or body of bondholders with respect to other obligations of the Issuer, as freely as if it did not act in any capacity hereunder.

Section 11. Remarketing Agent Not Acting as Underwriter. It is understood and agreed by both parties hereto that the Remarketing Agent is only obligated hereunder to use its best efforts to solicit indications of interest on the part of purchasers of any tendered Bonds. The Remarketing Agent shall be construed to be acting as agent only for and on behalf of the owners from time to time of the Bonds.

Section 12. Remarketing Agent's Performance.

(a) The duties and obligations of the Remarketing Agent shall be determined solely by the express provisions of this Agreement and the Modal Agreement. In the event of any conflict between this Agreement and the Modal Agreement, the provisions of this Agreement shall be controlling. The Remarketing Agent shall not be responsible for the performance of any duties or obligations other than as are specifically and expressly set forth in this Agreement or the Modal Agreement, and no implied covenants or obligations shall be read into this Agreement or the Modal Agreement against the Remarketing Agent.

(b) The Remarketing Agent may conclusively rely upon any notice or document given or furnished to the Remarketing Agent and conforming to the requirements of this Agreement or the Modal Agreement and shall be protected in acting upon any such notice or document reasonably believed by it to be genuine and to have been given, signed or presented by the proper party or parties.

(c) The Remarketing Agent shall not be liable for any actions taken or omitted to be taken pursuant to this Agreement except for its own gross negligence or willful misconduct.

Section 13. Compliance with MSRB Rule 34(c) and Agreement to Provide Liquidity Documents.

(a) In connection with its services under this Agreement, the Remarketing Agent will be required to comply with Rule G-34(c) of the MSRB ("Rule G-34(c)"). Rule G-34(c) and related MSRB guidance requires the Remarketing Agent to submit to the MSRB's Short-term Obligation Rate Transparency ("SHORT") System:

(i) certain information with respect to each interest rate determination for variable rate demand obligations; and

(ii) current copies of the following, if applicable, (A) the letter of credit agreement, (B) the standby bond purchase agreement, (C) any other document that establishes an obligation to provide liquidity for variable rate demand obligations, and (D) those documents that include provisions detailing critical aspects of the liquidity provisions for variable rate demand obligations, including, but not limited to, (1) the circumstances under which a liquidity facility

may terminate, (2) the notice period for bondholder tenders and (3) the term out (amortization) period for variable rate demand obligations held by the liquidity provider; ((A) through (D) collectively, the “Liquidity Documents”).

(b) In order to assist the Remarketing Agent to comply with its obligations under Rule G-34(c), the Issuer shall provide to the Remarketing Agent, in the form of a word-searchable PDF file or in such other form as the Remarketing Agent shall notify the Issuer in writing is required by the MSRB, the following documents at the following times:

(i) On [DATE] (the “**Closing Date**”), a copy of the executed Liquidity Documents;

(ii) No later than ten Business Days prior to the proposed date of any amendment, including an extension or renewal of the expiration date, or replacement or termination of the then current Liquidity Documents, written notice that the current Liquidity Documents are proposed to be amended, extended, renewed, replaced or terminated and the expected date of execution and delivery of the amendment, extension, renewal, replacement or termination of the Liquidity Documents;

(iii) Within one Business Day after the execution and delivery of any amendment, including any renewal, extension, replacement or termination of the then current Liquidity Documents, a copy of the executed amendment, renewal, extension, replacement or termination along with a brief summary thereof; and

(iv) No later than ten Business Days after receiving a request from the Remarketing Agent for any document relating to the liquidity supporting the Bonds; such document requested by the Remarketing Agent relating to the liquidity supporting the Bonds.

(c) The Issuer agrees with the Remarketing Agent as follows:

(i) the Remarketing Agent will not redact any information in the Liquidity Documents that the Issuer provides to the Remarketing Agent, and will have no liability to the Issuer or any other party for any disclosure of confidential or sensitive information resulting from its compliance with Rule G-34(c); and

(ii) all Liquidity Documents and information filed by the Remarketing Agent pursuant to the requirements of Rule G-34(c) will be publicly available on the MSRB’s SHORT System, in the form such Liquidity Documents and information is provided to the Remarketing Agent.

(d) The Issuer represents and warrants that any Liquidity Document that is redacted by the Issuer and provided to the Remarketing Agent pursuant to this Section of the Agreement shall be redacted in a manner consistent with MSRB Notice 2011-17.

(e) The Issuer shall pay or reimburse the Remarketing Agent for all charges and expenses incurred in obtaining the documents required to be filed pursuant to Rule G-34(c).

(f) In the event additional legal or regulatory requirements are imposed on the Remarketing Agent's performance of its obligations under this Agreement, the Issuer agrees to cooperate with the Remarketing Agent and shall provide such documents and take such other steps as may be reasonably requested by the Remarketing Agent in order to comply with such additional requirements.

Section 13. No Advisory or Fiduciary Role. The Issuer acknowledges and agrees that: (i) the transaction contemplated by this Agreement is an arm's length, commercial transaction between the Issuer and the Wells Fargo Bank, National Association in which Wells Fargo Bank, National Association is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer; (ii) Wells Fargo Bank, National Association has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether Wells Fargo Bank, National Association or its affiliates have provided other services or is currently providing other services to the Issuer on other matters); (iii) the only obligations Wells Fargo Bank, National Association has to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Agreement and the Bond Purchase Agreement; and (iv) the Issuer has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

Section 14. Intention of Parties. It is the express intention of the parties hereto that no purchase, sale or transfer of any Bonds, as herein provided, shall constitute or be construed to be the extinguishment of any Bond or the indebtedness evidenced thereby or the reissuance of any Bonds or the refunding of any indebtedness represented thereby.

Section 15. Notices, Etc. The provisions of Section 9.04 of the Modal Agreement with respect to the service of any notice, request, complaint, demand or other paper under this Agreement to the Issuer, the Credit Facility Provider, the Remarketing Agent and the Bond Registrar are incorporated herein by reference.

Section 16. Miscellaneous.

(a) This Agreement, and the obligations of the Issuer hereunder, may not be assigned or delegated to any other person without the prior written consent of the Remarketing Agent. This Agreement, and the rights and obligations of the Remarketing Agent hereunder, may be assigned by the Remarketing Agent to any other direct or indirect subsidiary of Wells Fargo & Company or any other affiliate of the Remarketing Agent meeting the requirements of Section 7.04 and 7.05 of the Modal Agreement without the consent of any person, and upon such assignment, such subsidiary or affiliate shall become the Remarketing Agent hereunder and under the Modal Agreement without any further action. Any other assignment of this Agreement by the Remarketing Agent shall require the consent of the Issuer, which consent shall not be unreasonably withheld. This Agreement will inure to the benefit of and be binding upon the Issuer and the

Remarketing Agent and their respective successors and assigns, and will not confer any rights upon any other person, partnership, association or corporation other than persons, if any, controlling the Remarketing Agent or the Issuer within the meaning of the Securities Act. The terms “successors” and “assigns” shall not include any purchaser of any of the Bonds merely because of such purchase.

(b) All of the representations, warranties and agreements of the Issuer in this Agreement shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of the Remarketing Agent, (ii) delivery of and any payment for any Bonds hereunder or (iii) termination or cancellation of this Agreement.

(c) Section headings have been inserted in this Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Agreement and will not be used in the interpretation of any provisions of this Agreement.

(d) If any provisions of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

(e) Whenever any time of day or particular hour is specified herein, such time or hour shall be determined on the basis of Eastern Standard Time or Eastern Daylight Savings Time, whichever is then in effect in New York City, New York.

(f) This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

(g) This Agreement may be amended from time to time only by an instrument in writing executed by the parties hereto.

(h) This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Illinois.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

**THE BOARD OF TRUSTEES OF THE
UNIVERSITY OF ILLINOIS**

By: _____

Name: _____

Title: _____

**WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Remarketing Agent**

By: _____
Name: _____
Title: _____