

This Preliminary Official Statement and the information contained herein are subject to completion, amendment or other change without any notice to the purchaser of an offer to buy, nor shall there be any sale, of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED MAY __, 2009

NEW ISSUE
BOOK-ENTRY-ONLY

RATINGS

Moody's: ___

Standard & Poor's: ___

(See "DESCRIPTION OF RATINGS" herein)

In the opinion of Katten Muchin Rosenman LLP, Bond Counsel, under existing law, the interest portion of the Installment Payments under the Installment Purchase Contracts (the "Certificate Interest"), for so long as the Installment Purchase Contracts are in effect, is not includable in the gross income of the owners thereof for Federal income tax purposes and, assuming continuing compliance with the applicable requirements of the Internal Revenue Code of 1986, will continue to be excluded from the gross income of the owners thereof for Federal income tax purposes. Certificate Interest is not an item of tax preference for purposes of computing individual or corporate alternative minimum taxable income and is not taken into account when computing corporate alternative minimum taxable income for purposes of the corporate alternative minimum tax. Certificate Interest is not exempt from present Illinois income taxes. See "TAX MATTERS" herein.

\$ _____*

CERTIFICATES OF PARTICIPATION (REFUNDING), SERIES 2009A
Evidencing Proportionate Interests in
Installment Payments to be Made by
THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS

Dated: Date of Issuance

Due: October 1, as shown on inside cover

This Official Statement has been prepared by the Board of Trustees of the University of Illinois (the "Board") to provide information with respect to the Certificates of Participation (Refunding), Series 2009A (the "Series 2009A Certificates"). Selected information is presented on the cover page for the convenience of the user. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision. Holders and prospective purchasers of the Series 2009A Certificates after the date hereof should be aware that certain information contained in this Official Statement may no longer be accurate and should refer to the revisions, supplements and additions to this Official Statement, if any, or any new offering materials for current information after such date.

THE SERIES 2009A CERTIFICATES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, BY VIRTUE OF THE EXEMPTION FROM REGISTRATION PROVIDED IN SECTION 3(a)(2) THEREOF.

Authorization:

The Series 2009A Certificates are being issued pursuant to a Resolution of the Board adopted on May 21, 2009 (the "Resolution").

Purpose:

The proceeds of the Series 2009A Certificates, together with other funds of the Board, including the proceeds of the Board's Certificates of Participation (Refunding), Series 2009B (the "Series 2009B Certificates" and together with the Series 2009A Certificates and any additional Parity Certificates, as defined herein, the "Certificates") which are being issued simultaneously with the issuance of the Series 2009A Certificates, will be used to (i) provide for the refunding of the Board's outstanding Variable Rate Demand Certificates of Participation (Projects), Series 2007C and Variable Rate Demand Certificates of Participation (Projects), Taxable Series 2007D and (ii) pay costs incidental to the issuance of the Certificates. See "PLAN OF FINANCE" herein.

Security:

The Series 2009A Certificates evidence and represent an undivided proportionate interest in certain Installment Payments required under two Installment Purchase Contracts to be paid by the Board to the Trustee under the Indenture securing the Series 2009A Certificates. The Board has covenanted to include in each annual operating budget for the University an amount of Legally Available Non-Appropriated Funds which, when combined with the State-appropriated funds, will be sufficient to make the Installment Payments and Additional Payments under the Installment Purchase Contracts when due in each Fiscal Year. The Board has further covenanted under the Installment Purchase Contracts to include in each of its annual operating budget appropriation requests to the Illinois General Assembly a request for funds that will be sufficient to pay all Installment Payments and Additional Payments due and payable during the next occurring Fiscal Year of the State to be paid from State-appropriated funds. The Series 2009A Certificates are being issued on a parity and of equal rank with the Series 2009B Certificates. Subject to certain conditions and limitations described herein, additional Parity Certificates of equal rank with the Series 2009A Certificates and the Series 2009B Certificates may be issued from time to time.

Interest Payment Dates:

The Series 2009A Certificates will be payable on October 1, 2009 and thereafter semiannually on April 1 and October 1 of each year to and including the date of maturity or redemption, whichever is earlier.

Redemption:

The Series 2009A Certificates are subject to optional and mandatory redemption as more fully described herein. See "DESCRIPTION OF THE SERIES 2009A CERTIFICATES - Redemption."

Denominations:

\$5,000 or any integral multiple thereof.

Closing/Issuance Date:

On or about June __, 2009.

Registration:

New Issue, Book-Entry

Trustee:

The Bank of New York Mellon Trust Company, N.A.

Bond Counsel:

Katten Muchin Rosenman LLP, Chicago, Illinois

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Underwriters' Counsel:

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Financial Advisor:

Scott Balice Strategies, LLC, Chicago, Illinois

J.P. Morgan

Melvin Securities, L.L.C.

The date of this Official Statement is June __, 2009

* Preliminary, subject to change.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS*

\$ _____ CERTIFICATES OF PARTICIPATION (REFUNDING), SERIES 2009A

<u>Maturity</u> <u>(October 1)</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP**</u>
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* Preliminary, subject to change.

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+ Priced to October 1, 20__ optional redemption date.

REGARDING THIS OFFICIAL STATEMENT

This Official Statement, which includes the cover page and the appendices hereto, does not constitute an offer to sell or the solicitation of any offer to buy, nor shall there be any sale of any of the Series 2009A Certificates, by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement in connection with the offering of the Series 2009A Certificates, and if given or made, such information or representation must not be relied upon as having been authorized by the Board, the Trustee, the Financial Advisor or the Underwriters.

The Underwriters have provided the following sentence for inclusion in the Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under Federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

The information set forth herein has been obtained from the Board and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness by, and is not to be construed as a promise or guarantee of, the Trustee or the Underwriters. This Official Statement contains, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion contained herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Board or the information or opinions contained herein since the date of this Official Statement.

The Official Statement contains "forward-looking statements" within the meaning of the Federal securities laws. These forward-looking statements include, among others, statements concerning expectations, beliefs, opinions, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THE PRICES AT WHICH THE SERIES 2009A CERTIFICATES ARE OFFERED TO THE PUBLIC MAY VARY FROM THE INITIAL PUBLIC OFFERING PRICES APPEARING ON THE COVER PAGE HEREOF. IN ADDITION, THE UNDERWRITERS MAY ALLOW CONCESSIONS OR DISCOUNTS FROM SUCH INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS, AND THE UNDERWRITERS MAY ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICES OF THE SERIES 2009A CERTIFICATES AT LEVELS ABOVE THE LEVELS THAT MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET IN ORDER TO FACILITATE THEIR DISTRIBUTION. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE SERIES 2009A CERTIFICATES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE INDENTURE HAS NOT BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE SERIES 2009A CERTIFICATES IN ACCORDANCE WITH APPLICABLE PROVISIONS OF LAW OF THE STATES IN WHICH THE SERIES 2009A CERTIFICATES HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF.

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OFFICIAL STATEMENT

relating to
\$ _____ *

**CERTIFICATES OF PARTICIPATION (REFUNDING),
SERIES 2009A
Evidencing Proportionate Interests in
Installment Payments to be Made by
THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS**

INTRODUCTION

This Official Statement, including the cover page and appendices hereto (the "Official Statement"), is provided to prospective purchasers in connection with the sale and delivery of Certificates of Participation (Refunding), Series 2009A (the "Series 2009A Certificates"), in the aggregate principal amount of \$ _____.

The Series 2009A Certificates are being issued pursuant to the Indenture of Trust dated as of June 1, 2009 as supplemented by the First Supplemental Indenture of Trust dated as of June 1, 2009 (collectively, the "Indenture"), each from the Board of Trustees of the University of Illinois (the "Board") to The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

The Series 2009A Certificates, together with each additional Parity Certificate, represent proportionate interests of the Registered Owners thereof in payments to be made by the Board as installment purchase payments (the "Installment Payments") pursuant to the provisions of two Installment Purchase Contracts, each dated as of June 1, 2009 (each an "Installment Purchase Contract" and collectively the "Installment Purchase Contracts"), between the Trustee and the Board, as purchaser.

The Series 2009A Certificates, together with other funds of the Board, including the proceeds of the Board's Certificates of Participation (Refunding), Series 2009B (the "Series 2009B Certificates" and together with the Series 2009A Certificates and any additional Parity Certificates, as defined herein, the "Certificates"), which are being issued simultaneously with the issuance of the Series 2009A Certificates, are being issued to (i) provide for the refunding of the Board's outstanding Variable Rate Demand Certificates of Participation (Projects), Series 2007C (the "Series 2007C Certificates") and Variable Rate Demand Certificates of Participation (Projects), Taxable Series 2007D (the "Series 2007D Certificates") and (ii) pay the costs associated with issuing the Series 2009A Certificates.

The Series 2007C and Series 2007D Certificates were issued to (i) finance a portion of the cost of various buildings on the University's campuses at Rockford, Illinois and Urbana, Illinois (the "Improvements"), consisting of the College of Medicine Rockford National Center for Rural Health Professionals Facility located on the Rockford, Illinois campus and the Petascale Computing Facility and related infrastructure located on the Urbana, Illinois campus and (ii) pay costs incidental to the issuance of such obligations. Upon issuance of the Series 2009A Certificates and the Series 2009B Certificates and the refunding of the Series 2007C and Series 2007D Certificates, all unspent proceeds from the Series 2007C and Series 2007D Certificates will be transferred to the Trustee to purchase the Improvements (as defined below) pursuant to two Amended and Restated Acquisition Agreements, each dated as of June 1, 2009 (collectively, the "Acquisition Agreements"), between the Board and the Trustee.

* Preliminary, subject to change.

The Board, as governing body of the University of Illinois (the "University"), has or will enter into equipment contracts or purchase orders, construction contracts, or as applicable, professional services or specialty services contracts (collectively, the "Improvement Contracts") with certain contractors (the "Contractors") to acquire, construct, equip and improve the Improvements as more fully described under the caption "PLAN OF FINANCE." The Board is acquiring the Improvements pursuant to the Installment Purchase Contracts.

Under the Acquisition Agreements, the Board's right, title and interest in and to the Improvements and in and to the Improvement Contracts will be assigned to the Trustee; *provided that*, under each Installment Purchase Contract, title to the Improvements in existence at the time such Installment Purchase Contract is entered into will automatically thereupon vest in the Board without action by the Trustee and title to all Improvements acquired thereafter will automatically so vest in the Board upon acquisition without action by the Trustee, but subject to the provisions of such Installment Purchase Contract immediately re-vesting such title in the Trustee upon the occurrence of an Event of Default under such Installment Purchase Contract. Under the Acquisition Agreements, the Board will reserve, among other things, the rights to demand, accept and retain all rights in and to all property, data and service that the Contractors are obligated to provide pursuant to the Improvement Contracts and all rights under all warranty and indemnity provisions contained in the Improvement Contracts.

Pursuant to the Indenture, the Trustee will hold for the benefit of the Owners of the Certificates its rights in and to (i) the Installment Purchase Contracts, including its right to receive Installment Payments from the Board under the Installment Purchase Contracts, (ii) the Improvements purchased pursuant to the Acquisition Agreements and (iii) amounts on deposit from time to time in the funds and accounts created pursuant to the Indenture (other than the Rebate Fund). However, the assignment of the Installment Purchase Contracts under the Indenture shall not transfer, impair or diminish any rights of the Trustee under any assigned instrument for indemnification, reimbursement of fees, costs and expenses, or to receive notices or approve amendments. The funds created pursuant to the Indenture, which secure the Certificates, include moneys and investments held by the depository of the Board in the Acquisition Fund created under the Indenture. Such funds are held by the Trustee under the Indenture for the benefit of Certificate Owners, subject to their use and application in accordance with the provisions of the Installment Purchase Contracts and the Indenture.

Initially capitalized terms used but not otherwise defined in the body of this Official Statement have the meanings set forth in "APPENDIX C – Summary of Certain Legal Documents."

THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS

The University is governed by the Board, which consists of eleven voting members, including one student member and the Governor of the State of Illinois (the "State"), who serves as an ex-officio member, and two nonvoting student members. The Board is responsible for the general supervision and management of the educational program and the lands, buildings and other properties of the University and the control of the revenues and expenditures in support thereof. Additional information regarding the Board and the University is set forth in "APPENDIX A – The Board of Trustees of the University of Illinois" and is included for informational purposes only. The Board has no obligation to update such information.

DESCRIPTION OF THE SERIES 2009A CERTIFICATES

General

The Series 2009A Certificates, together with each additional Parity Certificate, represent an undivided proportionate interest in the principal portion of the Installment Payments due and payable with respect to the maturity date of the Series 2009A Certificates and in the interest portion of the Installment Payments due and payable to and including such maturity date.

Interest

Interest represented by the Series 2009A Certificates will be payable on April 1 and October 1, commencing October 1, 2009. The principal represented by the Series 2009A Certificates will be payable when due upon presentation and surrender thereof at the designated corporate trust operations office of the Trustee. Interest will be paid by check or draft of the Trustee mailed to the persons in whose names the Series 2009A Certificates are registered (the "Owners") on the registration books maintained by the Trustee as of the March 15 or September 15 preceding the applicable Interest Payment Date (a "Regular Record Date") at the address appearing in such registration books or at such other address as the Owner may have filed with the Trustee for such purpose. Payment of interest with respect to a Series 2009A Certificate held by an Owner of \$1,000,000 or more in aggregate principal amount of Series 2009A Certificates may also be paid by wire transfer to a bank in the continental United States indicated in writing by such Owner on or prior to the Regular Record Date for such payment.

Each Series 2009A Certificate will accrue interest from the Interest Payment Date next preceding the date of its execution, unless: (i) executed on an Interest Payment Date, in which case interest will accrue from such Interest Payment Date, (ii) executed prior to October 1, 2009, in which case interest accrues from the dated date of the Series 2009A Certificates, (iii) executed after a Regular Record Date and before the following Interest Payment Date, in which case interest shall be payable from such Interest Payment Date or (iv) payment of interest is in default, in which case interest is payable from the last Interest Payment Date on which interest has been paid.

Redemption

Redemption Upon Event of Non-Appropriation, Exercise of Option to Prepay and Termination of Installment Purchase Contracts. The Series 2009A Certificates are subject to redemption, in whole or in part, at the price of 100% of the principal amount thereof, plus accrued interest to the redemption date, on any date on which the Installment Purchase Contracts are terminated by the Board because (i) an Event of Non-Appropriation has occurred, (ii) the Board has determined that there are not sufficient Legally Available Non-Appropriated Funds to pay all or such non-appropriated part of the portion of the Installment Payments under such Installment Purchase Contracts coming due during the then current fiscal year, and (iii) the Board has exercised its option, pursuant to the Installment Purchase Contracts to prepay the Series 2009A Certificates by the deposit of funds in the Installment Payment Fund sufficient to redeem such Series 2009A Certificates on such termination date at such redemption price.

The Installment Purchase Contracts and the Board's obligations to pay Installment Payments and Additional Payments thereunder are subject to termination 60 days after the Board certifies to the Trustee that the events described in clauses (i) and (ii) of the preceding paragraph have occurred.

Redemption Upon Optional Termination of Installment Purchase Contracts. The Series 2009A Certificates are subject to mandatory redemption, in whole or in part, at the redemption prices set forth below, plus accrued interest to the date fixed for redemption on the following dates, if the Board notifies

the Trustee not less than 60 days prior thereto that it is exercising its option to terminate the Installment Purchase Contracts:

Redemption Date	Redemption Price
October 1, 2012	____%
October 1, 2017	____
October 1, 2022	100

Redemption Upon Failure to Renew Installment Purchase Contracts. The Series 2009A Certificates are subject to mandatory redemption, in whole or in part, at the price of the principal amount thereof, plus accrued interest to the date fixed for redemption, on October 1, 2017, unless the Board notifies the Trustee not less than 60 days prior thereto that the Installment Purchase Contracts have been renewed and the Expiration Date extended for not more than an additional ten years in accordance with the terms of the Installment Purchase Contracts. If the Expiration Date is so extended, the Series 2009A Certificates will be subject to mandatory redemption, in whole, at the price of the principal amount thereof, plus accrued interest to the date fixed for redemption, on the new Expiration Date.

Optional Redemption. The Series 2009A Certificates are subject to optional redemption prior to maturity on any date on or after October 1, 20__ at the price of the principal amount thereof, plus accrued interest to the date fixed for redemption, in whole or in part and if in part, in such order of maturity and by lot within a maturity as determined by the Board.

[Mandatory Sinking Fund Redemption. The Series 2009A Certificates are subject to mandatory redemption prior to maturity in part by lot as selected by the Trustee, at the principal amount to be redeemed plus accrued interest to the redemption date, on October 1 of the years and in the principal amounts as follows:

Year	Amount
	\$

* Final Maturity

Mandatory Sinking Fund Redemption – Reduction by Optional Redemption or Purchase. The principal amount of such Series 2009A Certificates to be redeemed in each year as set forth in the preceding table may be reduced through the earlier optional redemption thereof, with any partial optional redemptions to be credited against future sinking fund requirements as determined by the Board. In addition, on or prior to the 45th day preceding any mandatory redemption date, the Trustee may, and if directed by the Board shall, purchase Series 2009A Certificates required to be retired on such redemption date. Any such Series 2009A Certificates so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption of such Series 2009A Certificates on such next mandatory redemption date.]

Notice of Redemption

The Trustee shall give notice of each redemption by mailing a copy of such notice, first class United States mail, postage prepaid, not less than 30 days nor more than 60 days before the redemption date, to all Owners of the Series 2009A Certificates which are to be redeemed at their last addresses appearing upon the Certificate Register. The notice shall identify the Series 2009A Certificates to be redeemed and shall state: (1) the redemption date, (2) the redemption price, (3) that the Series 2009A Certificates called for redemption must be surrendered to collect the redemption price, (4) the address at which the Series 2009A Certificates must be surrendered and (5) that interest on the Series 2009A Certificates called for redemption ceases to accrue on the redemption date.

With respect to any optional redemption of the Series 2009A Certificates, unless moneys sufficient to pay the principal of, and the premium, if any, and interest on, the Series 2009A Certificates to be redeemed shall have been received by the Trustee prior to the giving of such notice of redemption, such notice shall state that said redemption shall be conditional upon the receipt of such moneys by the Trustee on or prior to the date fixed for redemption. Such moneys shall be held uninvested or, at the direction of the Comptroller, shall be invested in United States Government Securities which mature on such date or dates as necessary to provide funds on a timely basis for such redemption. If such moneys are not received by the redemption date, such notice shall be of no force and effect, the Trustee shall not redeem such Series 2009A Certificates, the redemption price shall not be due and payable and the Trustee shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Series 2009A Certificates will not be redeemed.

Failure to give any required notice of redemption or any defect in any notice given as to any particular Series 2009A Certificates shall not affect the validity of the call for redemption of any Series 2009A Certificates in respect of which no such failure or defect has occurred. Any notice mailed as provided in the Series 2009A Certificates shall be conclusively presumed to have been given, whether or not actually received by the addressee Owner.

Partial Redemption

Any partial redemption of Series 2009A Certificates shall be made only in authorized denominations. The portion of Series 2009A Certificates to be redeemed shall be selected by lot by the Trustee from among all Outstanding Series 2009A Certificates called for redemption (or, so long as the Book-Entry System is in effect, beneficial ownership interests in the Series 2009A Certificates shall be selected for redemption in accordance with the rules and procedures established by the Securities Depository). Each Series 2009A Certificate shall be considered a separate Series 2009A Certificate in the minimum authorized denominations for purposes of selecting Series 2009A Certificates to be redeemed.

Transfer and Exchange

See "BOOK-ENTRY ONLY SYSTEM" for a discussion of transfer and exchange of the beneficial ownership interests in Series 2009A Certificates while they are in the book-entry system described therein. If the book-entry system is discontinued, the Series 2009A Certificates may be transferred or exchanged only upon surrender thereof at the designated corporate trust operations office of the Trustee with a written instrument of transfer satisfactory to the Trustee duly executed by the Owner or his duly authorized attorney. As a condition to such transfer or exchange, the Owner shall pay to the Trustee any tax or other governmental charge in connection therewith.

Payment of the Series 2009A Certificates

The Installment Purchase Contracts require that Installment Payments are to be made by the Board, which payments have been assigned to the Trustee. Such Installment Payments are designed to be sufficient to meet the principal and interest payments due with respect to the Series 2009A Certificates during the term of the Installment Purchase Contracts.

BOOK-ENTRY ONLY SYSTEM

The following information concerning The Depository Trust Company, New York, New York ("DTC") and its book-entry system has been furnished for use in this Official Statement by DTC. The Board, the University, the Trustee and the Underwriters take no responsibility for the accuracy or completeness of such information.

General

DTC will act as securities depository for the Series 2009A Certificates. The Series 2009A Certificates will be issued as fully-registered certificates registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificated Series 2009A Certificate will be issued for each maturity of the Series 2009A Certificates, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Series 2009A Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2009A Certificates on DTC's records. The ownership interest of each actual purchaser of each Series 2009A Certificate ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction.

Transfers of ownership interests in the Series 2009A Certificates are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2009A Certificates, except in the event that use of the book-entry system for the Series 2009A Certificates is discontinued. See "–Successor Securities Depository; Discontinuation of Book-Entry System."

To facilitate subsequent transfers, all Series 2009A Certificates deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2009A Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2009A Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2009A Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2009A Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2009A Certificates, such as redemptions, tenders, defaults, and proposed amendments to the Series 2009A Certificate documents. For example, Beneficial Owners of Series 2009A Certificates may wish to ascertain that the nominee holding the Series 2009A Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2009A Certificates of a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2009A Certificates unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Board as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2009A Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2009A Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Board or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Board or the Trustee, as applicable, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Board or the Trustee, disbursement of such payments to

Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2009A Certificates at any time by giving reasonable notice to the Board or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, certificated Series 2009A Certificates are required to be printed and delivered.

The Board may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificated Series 2009A Certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Board believes to be reliable, but the Board takes no responsibility for the accuracy thereof.

NEITHER THE BOARD NOR THE TRUSTEE HAS ANY RESPONSIBILITY OR OBLIGATION TO THE PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, CEDE & CO. OR ANY PARTICIPANT; THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR PURCHASE PRICE OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2009A CERTIFICATES; ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO BENEFICIAL OWNERS UNDER THE INDENTURE; THE SELECTION BY DTC OR ANY PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES 2009A CERTIFICATES; OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC.

Successor Securities Depository; Discontinuation of Book-Entry System

In the event that (i) the Board determines that DTC is incapable of discharging its responsibilities described in the Indenture and in the blanket letter of representations from the Board and accepted by DTC (the "Representation Letter"), (ii) the Representation Letter shall be terminated for any reason or (iii) the Board determines that it is in the best interest of the Beneficial Owners of the Series 2009A Certificates that they be able to obtain certificated Series 2009A Certificates, the Board will notify DTC and the Direct Participants of the availability through DTC of certificated Series 2009A Certificates and the Series 2009A Certificates will no longer be restricted to being registered in the registry maintained by the Trustee in the name of Cede & Co., as nominee of DTC. At that time, the Board may determine that the Series 2009A Certificates shall be registered in the name of and deposited with a successor depository operating a universal book-entry system, as may be acceptable to the Board, or such depository's agent or designee, or if the Board does not select such an alternate universal book-entry system, then the Series 2009A Certificates may be registered in whatever name or names registered owners of Series 2009A Certificates transferring or exchanging Series 2009A Certificates shall designate, in accordance with the provisions of the Indenture.

SECURITY FOR THE SERIES 2009A CERTIFICATES

General

The Series 2009A Certificates, together with each additional Parity Certificate, evidence and represent an undivided proportionate interest in the Installment Payments required under the Installment

Purchase Contracts to be paid by the Board to the Trustee under the Indenture. The Board has covenanted to include in each annual operating budget for the University an amount of Legally Available Non-Appropriated Funds which, when combined with the State-appropriated funds, will be sufficient to make the Installment Payments and Additional Payments under each Installment Purchase Contract when due in each fiscal year. The Board has further covenanted under the Installment Purchase Contracts to include in each of its annual operating budget appropriation requests to the Illinois General Assembly a request for funds that will be sufficient to pay that portion of the Installment Payments and Additional Payments due and payable during the next occurring fiscal year of the State to be paid from State-appropriated funds. The Series 2009A Certificates are being issued on a parity and of equal rank with the Series 2009B Certificates. Subject to certain conditions and limitations described herein, additional Parity Certificates of equal rank with the Series 2009A Certificates and the Series 2009B Certificates may be issued from time to time.

THE BOARD'S OBLIGATION TO MAKE INSTALLMENT PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE BOARD OR THE STATE WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION. NEITHER THE FAITH AND CREDIT OF THE BOARD OR THE STATE NOR THE TAXING POWER OF THE STATE IS PLEDGED TO MAKE INSTALLMENT PAYMENTS. THE BOARD HAS NO TAXING POWERS. PAYMENT OF THE PRINCIPAL AND INTEREST REPRESENTED BY THE SERIES 2009A CERTIFICATES WILL BE MADE BY THE TRUSTEE SOLELY FROM (A) AMOUNTS DERIVED UNDER THE TERMS OF THE INSTALLMENT PURCHASE CONTRACTS, INCLUDING INSTALLMENT PAYMENTS, (B) AMOUNTS FROM TIME TO TIME ON DEPOSIT WITH THE TRUSTEE OR HELD BY THE BOARD UNDER THE TERMS OF THE INDENTURE, AND (C) PROCEEDS FROM THE EXERCISE OF REMEDIES BY THE TRUSTEE UNDER THE INDENTURE.

The Board has the right to terminate the Installment Purchase Contracts and its obligation to pay Installment Payments thereunder, as described below under "- Termination of Installment Purchase Contracts."

Termination of Installment Purchase Contracts

Term of Agreement. The initial term of the Installment Purchase Contracts shall continue until October 1, 2017 (as it may be renewed or extended, the "Expiration Date") unless earlier terminated or renewed and extended prior thereto. The term of the Installment Purchase Contracts may be renewed and the Expiration Date extended up to October 1, 2027, upon at least 60 days' written notice by the Board to the Trustee. The Trustee will give written notice to the Board not less than 120 days and not more than 150 days prior to October 1, 2017, that the Installment Purchase Contracts will terminate if not renewed.

Termination of Installment Purchase Contracts Upon Non-Appropriation and Non-Availability of Funds. The Installment Purchase Contracts and the Board's obligation to pay Installment Payments and Additional Payments thereunder is subject to termination 60 days after the Board certifies to the Trustee that (i) the General Assembly of the State has failed to appropriate requested funds necessary to make that portion of the Installment Payments due during the then current fiscal year to be paid from State-appropriated funds (an "Event of Non-Appropriation") and (ii) the Board has determined that there are not sufficient Legally Available Non-Appropriated Funds to pay all or such non-appropriated part of the portion of the Installment Payments coming due during the then-current fiscal year. The termination of the Installment Purchase Contracts would be effective on the date that is 60 days following such certification.

Termination of Installment Purchase Contracts at the Option of the Board. The Board has the option to terminate the Installment Purchase Contracts on October 1, 2012 and on any Business Day after October 1, 2017 upon written notice to the Trustee at least 60 days prior to the termination date.

Prepayment Options. The Installment Purchase Contracts are subject to termination prior to their Expiration Date to the extent the Indenture is discharged by its terms. Such discharge may require that the Board exercise its option to prepay the Installment Payments due under such terminated Installment Purchase Contracts in whole or in part in connection with an optional redemption of the Series 2009A Certificates as described above under the subheading "DESCRIPTION OF THE SERIES 2009A CERTIFICATES – Redemption – *Optional Redemption.*"

In addition, (i) on or after an Event of Non-Appropriation and determination by the Board of the existence of insufficient Legally Available Non-Appropriated Funds to make Installment Payments under the Installment Purchase Contracts as described under the subheading "DESCRIPTION OF THE SERIES 2009A CERTIFICATES – Redemption – *Redemption Upon Event of Non-Appropriation, Exercise of Option to Prepay, and Termination of Installment Purchase Contracts,*" the Board may exercise its option to, or (ii) upon the termination of the Installment Purchase Contracts by the Board as described under the subheading "DESCRIPTION OF THE SERIES 2009A CERTIFICATES – Redemption – *Redemption Upon Optional Termination of Installment Purchase Contracts,*" or the Board's failure to renew and extend the Installment Purchase Contracts as described under the subheading "DESCRIPTION OF THE SERIES 2009A CERTIFICATES – Redemption – *Redemption Upon Failure to Renew Installment Purchase Contracts,*" the Board is required to prepay the Installment Payments due under the Installment Purchase Contracts after the termination date or Expiration Date, as applicable. Such prepayment price shall be applied to the redemption of such Series 2009A Certificates as described under the subheading "DESCRIPTION OF THE SERIES 2009A CERTIFICATES – Redemption".

In the event the Installment Purchase Contracts are terminated as described under the subheading "*– Termination of Installment Purchase Contracts Upon Non-Appropriation and Non-Availability of Funds,*" above, and the Board does not exercise its option to prepay the outstanding Series 2009A Certificates related to the Installment Purchase Contracts in connection therewith, the Board will have no further payment obligations under the Installment Purchase Contracts. Upon termination of the Installment Purchase Contracts as a result of an Event of Default (See "APPENDIX C – Summary of Legal Documents – Purchase Contracts – Events of Default") or an Event of Non-Appropriation in connection with which the Board determines not to exercise its prepayment option, the Board is required by the Installment Purchase Contracts to surrender the Improvements related to the Installment Purchase Contracts to the Trustee. Upon such termination as a result of an Event of Non-Appropriation or upon an Event of Default under the Indenture, the Trustee may exercise one or more of the remedies provided in the Indenture, and apply the proceeds thereof, if any, along with the moneys in the Installment Payment Fund established by the Indenture to the payment of Series 2009A Certificates. However, due to the nature of the Improvements, it is unlikely that revenues from the Trustee's sale or rental of the Improvements would be sufficient to pay in full the principal of, or interest or premium, if any, on, the outstanding Series 2009A Certificates.

For a further discussion of certain risks associated with the termination of the Installment Purchase Contracts, see "SERIES 2009A CERTIFICATE OWNERS' RISKS – Termination of the Installment Purchase Contracts" and "*– Limited Nature of the Improvements.*"

Sources of Payments

The Board is obligated to make Installment Payments under the Installment Purchase Contracts either from funds derived from State appropriations or from Legally Available Non-Appropriated Funds.

The State appropriated funds and the sources of revenue derived from Board activities are more fully described in APPENDIX A.

The Illinois Constitution of 1970 requires the General Assembly to appropriate moneys for the purpose of operating and maintaining all State institutions of higher learning. Such moneys are derived from taxation as well as from other sources as determined by the General Assembly to insure the proper maintenance of the institutions. State appropriated funds represent a significant percentage of the Board's operating revenues. For its fiscal year ended June 30, 2008, unrestricted State appropriations to the University were approximately \$_____ million. Such Funds were previously appropriated as a lump sum, and were not specifically designated by the General Assembly, and were available to the Board for its general use, including its obligation to make Installment Payments.

The State Finance Act was amended in 2003 by adding a new section with respect to appropriations for higher education. For future Fiscal Years, commencing with Fiscal Year 2005, State appropriations for operations to the Board, and to the boards of all of the other public universities, shall identify the amounts appropriated for personal services, State contributions to social security for Medicare, contractual services, travel, commodities, equipment, operation of automotive equipment, telecommunications, awards and grants, and permanent improvements (each line item) rather than provide for appropriations in a single, combined amount.

The Board is authorized by law to retain all tuition ("Tuition") and fees ("Fees") in its treasury and to credit such amounts to an account known as the University Income Fund.

Outstanding revenue bonds of the Board that have a pledge on Tuition and Fees are described in APPENDIX A hereto under the caption "Other Outstanding Indebtedness and Leasehold Obligations."

The Board retains the option to issue additional bonds with a pledge of Tuition and Fees in accordance with the provisions of these respective resolutions authorizing the issuance of the revenue bonds described in the preceding paragraph.

Tuition and Fees (exclusive of Tuition and Fee waivers and exemptions awarded to certain students and staff) were \$_____ million in Fiscal Year 2007 and \$_____ million in Fiscal Year 2008. Pro-forma maximum annual debt service in any future year is \$_____ million on the Auxiliary Facilities System Revenue Bonds and \$_____ million on the Health Services Facilities System Revenue Bonds.

Tuition and Fees have not been used for debt service or operations and maintenance expenses for (i) the Health Services Facilities System, (ii) the Auxiliary Facilities System, (iii) the Willard Airport Project or (iv) the UIC South Campus Development Project, all as more particularly described in APPENDIX A.

Certificates on a Parity with the Series 2009A Certificates

Additional certificates ranking on a parity with the Series 2009A Certificates and the Series 2009B Certificates ("Parity Certificates") may be issued under the Indenture upon compliance with all of the following conditions:

(i) The Comptroller signs a written certificate to the effect that the Board is not in default as to any covenant, condition or obligation in connection with all outstanding certificates, including the Series 2009A Certificates, under the Indenture, and that no Event of Non-Appropriation shall have occurred.

(ii) Such Parity Certificates must be issued for the purpose of completing the acquisition, development or implementation of the Improvements or for the purpose of refunding outstanding certificates, including the Series 2009A Certificates, or for any combination of such purposes.

(iii) Such Parity Certificates are authorized by a supplemental indenture conforming in all respects to the requirements of the Indenture, including a description of any additional improvements to be financed with proceeds of such Parity Certificates.

(iv) The Improvements to be financed or refinanced shall be covered by the Installment Purchase Contracts and the Board shall enter into an extension or supplement to the Installment Purchase Contracts, if necessary, as described in the Indenture.

Other Legally Available Funds

Legally Available Non-Appropriated Funds include any budgeted legally available funds of the Board derived from sources other than State appropriations on an annual basis. Such funds include but are not limited to, Tuition and Fees (in excess of an amount equal to annual debt service and mandatory transfers in each Fiscal Year pursuant to the resolutions authorizing the revenue bonds referred to hereinabove, which amount is pledged thereto), certain investment income, and indirect cost recoveries on grants and contracts. None of the net revenues of the Health Services Facilities System, the Auxiliary Facilities System, the Willard Airport Project or the UIC South Campus Development Project are Legally Available Non-Appropriated Funds.

There are outstanding Certificates of Participation issued on behalf of the Board that are described in APPENDIX A hereto under the caption "Other Outstanding Indebtedness and Leasehold Obligations," which outstanding Certificates of Participation have an equal claim to appropriated funds and Legally Available Non-Appropriated Funds as the Series 2009A Certificates. Maximum annual debt service in any future year is \$46.5 million on such Certificates of Participation.

Various factors outside the control of the Board may materially affect the funding levels from State appropriations and from the other sources referred to above. Public Act 93-0228, signed into law by the Governor of the State on July 22, 2003, amends the University of Illinois Act, and the laws of all of the other public universities in Illinois, to provide that, subject to certain conditions, for an undergraduate student who is an Illinois resident and who first enrolls at the University after the 2003-2004 academic year, the Tuition charged for four continuous academic years following initial enrollment shall not exceed the amount that the student was charged at the time the student enrolled in the University.

The General Assembly could further change the process by which it makes appropriations for the Board. Any significant change in the level of State appropriations or Legally Available Non-Appropriated Funds could affect the Board's ability to pay Installment Payments.

ESTIMATED SOURCES AND USES OF FUNDS

The University expects the sources and uses of funds for the Certificates to be applied as follows:

	Series 2009A	Series 2009B
<i>SOURCES OF FUNDS</i>		
Principal Amount of Certificates	\$	\$
Premium (Discount)	_____	_____
Total Sources of Funds	\$ _____	\$ _____
 <i>USES OF FUNDS</i>		
Refunding of Series 2007C and Series 2007D Certificates	\$	\$
Costs of Issuance ⁽¹⁾	_____	_____
Total Uses of Funds	\$ _____	\$ _____

(1) Includes the Underwriters' discount, legal and accounting fees, printing costs and other expenses incurred in connection with the issuance of the Certificates.

PLAN OF FINANCE

The Board has elected to currently refund and redeem all of the \$ _____ outstanding principal amount of the Series 2007C and Series 2007D Certificates (the "Refunding Plan"). The Series 2007C and Series 2007D Certificates will be redeemed on the date of issuance of the Series 2009A Certificates and the Series 2009B Certificates at the redemption price of par plus accrued interest to the redemption date.

[application of unspent proceeds]

SERIES 2009A CERTIFICATE OWNERS' RISKS

The purchase of the Series 2009A Certificates involves certain investment risks that are discussed throughout this Official Statement. Accordingly, each prospective Series 2009A Certificate purchaser should make an independent evaluation of all of the information presented in this Official Statement in order to make an informed investment decision. Certain of these risks are set forth below.

Limited Obligations

The Series 2009A Certificates, together with each additional Parity Certificate, evidence a proportionate interest in the right to receive payments made by the Board under two Installment Purchase Contracts. Such obligations constitute currently budgeted operating expenditures by the Board and do not constitute a general obligation or other indebtedness of the State or the Board within the meaning of the Constitution or laws of the State.

Termination of the Installment Purchase Contracts

As described above under the subheading "SECURITY FOR THE SERIES 2009A CERTIFICATES – Termination of Installment Purchase Contracts," each Installment Purchase Contract is subject to termination prior to its Expiration Date upon the occurrence of certain events.

There is no assurance that either Installment Purchase Contract will not be terminated prior to its Expiration Date.

In the event that an Installment Purchase Contract is terminated, for whatever reason, and the Installment Payments payable under such Installment Purchase Contract are not prepaid by the Board in whole, the Trustee may use the moneys in the Installment Payment Fund, the Acquisition Fund and its interest in the Improvement Contracts related to such Installment Purchase Contract to make payments on the Series 2009A Certificates related to such Installment Purchase Contract. The Trustee may also take such action as may be necessary to enforce the payment of the Board's obligations under such Installment Purchase Contract. Should an Event of Default occur, the Trustee may terminate such Installment Purchase Contract and exercise these remedies. No assurance can be made as to the amount of funds available from any source for the payment of any of the Series 2009A Certificates. Due to the nature of the Improvements, it is unlikely that revenues from the Trustee's exercise of such remedies would be sufficient to pay in full the principal of, or interest or premium, if any, with respect to the Series 2009A Certificates.

Delays in Exercising Remedies

A termination of an Installment Purchase Contract as a result of an Event of Default thereunder will give the Trustee the right to possession of, and right to rent, lease or to sell, the Improvements related to such Installment Purchase Contract in accordance with the provisions of such Installment Purchase Contract and the Indenture. To the extent that particular Improvements do not constitute a complete building or structure, transfer of title of those Improvements to the Trustee if an Event of Default occurs may not provide meaningful security to Series 2009A Certificate Owners. See "Limited Nature of Improvements" below. In addition, the enforceability of the Installment Purchase Contracts and Indenture is subject to applicable bankruptcy laws, equitable principles affecting the enforcement of creditors' rights generally and of liens securing such rights, and the police powers of the State and its political subdivisions. Because of delays inherent in obtaining judicial remedies, it should not be assumed that these remedies could be accomplished rapidly. Any delays in the ability of the Trustee to obtain possession of and sell the Improvements may result in delays in any payment of the Series 2009A Certificates.

Limited Nature of the Improvements

The Improvements to be refinanced through the issuance of the Series 2009A Certificates constitute facilities that are designed for academic and administrative purposes of the University. Due to the limited purpose of the Improvements, it is unlikely that the proceeds of any sale or rental by the Trustee of the Improvements upon an Event of Default under the Installment Purchase Contracts would be sufficient to pay in whole or in substantial part the principal of, or interest or premium, if any, on the outstanding Series 2009A Certificates.

Destruction of the Improvements

Each Installment Purchase Contract requires that the Board maintain policies of property damage insurance but only for those structures which are currently used by the Board and in which the Improvements related to such Installment Purchase Contract are located. The Board is not required by either Installment Purchase Contract to procure or maintain, or cause to be procured and maintained, property insurance against loss or damage to any Improvements that are not located in such structures. Under each Installment Purchase Contract, upon any damage to or destruction of any portion of the Improvements related to an Installment Purchase Contract which are not covered by property insurance, the original cost of which, in the aggregate, exceeds \$250,000, the Board shall take one of the following actions, in the sole discretion of the Board Representative: (i) restore, repair or replace such damaged or destroyed Improvements to their original condition; (ii) amend such Installment Purchase Contract to add additional Improvements having at least the same original cost as such damaged or destroyed

Improvements; or (iii) secure the payment of the portion of Installment Payments relating to such damaged or destroyed Improvements by a deposit with the Trustee of an amount which, upon investment together with investment earnings, will be sufficient to pay a portion of the unpaid Installment Payments payable under such Installment Purchase Contract, including the principal and interest components thereof. Such portion of the principal component of the unpaid Installment Payments in each year shall be determined by multiplying the amount of the principal component of the unpaid Installment Payments due in each year by the ratio of (a) the original cost of such damaged or destroyed Improvements paid from the proceeds of the Series 2009A Certificates to (b) all Acquisition Costs, rounded up to the nearest \$5,000 of principal amount in each year.

THE TRUSTEE

The Bank of New York Mellon Trust Company, N.A., the Trustee, is a national banking association organized under the laws of the United States.

The Trustee will enter into the Installment Purchase Contracts, the Acquisition Agreements and the Indenture to facilitate the refinancing of the Improvements. The Trustee is not financially liable for the Installment Payments and the Series 2009A Certificate Owners will have no right to look to the Trustee for payment of the Series 2009A Certificates. The obligations of the Trustee with respect to the Series 2009A Certificates and the Improvements are limited to those specifically provided for in the Installment Purchase Contracts and the Indenture.

TAX MATTERS

Summary of Bond Counsel Opinion

Bond Counsel is of the opinion that under existing law, the interest portion of the Installment Payments under the Installment Purchase Contracts (the "Certificate Interest"), for so long as the Installment Purchase Contracts are in effect, is not includable in the gross income of the owners thereof for Federal income tax purposes and, if there is continuing compliance with the applicable requirements of the Internal Revenue Code of 1986 (the "Code"), will continue to be excluded from the gross income of the owners thereof for Federal income tax purposes. Bond Counsel is further of the opinion that Certificate Interest is not an item of tax preference for purposes of computing individual or corporate alternative minimum taxable income and is not taken into account when computing corporate alternative minimum taxable income for purpose of the corporate alternative minimum tax.

The Code contains certain requirements that must be satisfied from and after the date of issuance of the Series 2009A Certificates in order to preserve the exclusion from gross income for Federal income tax purposes of Certificate Interest. These requirements relate to the use and investment of the proceeds of the Series 2009A Certificates, the payment of certain amounts to the United States, the security and source of payment of the Series 2009A Certificates and the ownership and use of the property financed or refinanced with the proceeds of the Series 2009A Certificates. The Board has covenanted in the Resolution to comply with these requirements.

Bond Counsel expresses no opinion on the excludability from gross income for Federal income tax purposes of any payment on the Series 2009A Certificates to the extent that such payment accrues from and after the effective date of a termination of the Board's obligation to make Installment Payments under the Installment Purchase Contracts.

Certificate Interest is not exempt from present Illinois income taxes.

Certificates Purchased at a Premium or at a Discount

The difference (if any) between the initial price at which a substantial amount of each maturity of the Series 2009A Certificates is sold to the public (the "Offering Price") and the principal amount payable at maturity of such Series 2009A Certificates is given special treatment for Federal income tax purposes. If the Offering Price is higher than the maturity value of any of the Series 2009A Certificates, the difference between the two is known as "bond premium;" if the Offering Price is lower than the maturity value of any of the Series 2009A Certificates, the difference between the two is known as "original issue discount."

Bond premium and original issue discount are amortized over the term of each of the respective Series 2009A Certificates (or shorter period, as provided in the Income Tax Regulations) on the basis of the owner's yield from the date of purchase to the date of maturity, compounded at the end of each accrual period of one year or less with straight line interpolation between compounding dates, as provided more specifically in the Income Tax Regulations. The amount of bond premium accruing during each period is treated as an offset against interest paid on such Series 2009A Certificates and is subtracted from the owner's tax basis in such Series 2009A Certificates. The amount of original issue discount accruing during each period is treated as interest that is excludable from the gross income of the owner of such Series 2009A Certificates for Federal income tax purposes, to the same extent and with the same limitations as Certificate Interest, and is added to the owner's tax basis in such Series 2009A Certificates. Such Series 2009A Certificates' adjusted tax basis is used to determine whether, and to what extent, the owner realizes taxable gain or loss upon the disposition of such Series 2009A Certificates (whether by reason of sale, acceleration, redemption prior to maturity or payment at maturity of such Series 2009A Certificates).

Owners who purchase Series 2009A Certificates at a price other than the Offering Price, after the termination of the initial public offering or at a market discount should consult their tax advisors with respect to the tax consequences of their ownership of such Series 2009A Certificates. In addition, owners of Series 2009A Certificates should consult their tax advisors with respect to the state and local tax consequences of owning such Series 2009A Certificates; under the applicable provisions of state or local income tax law, bond premium and original issue discount may give rise to taxable income at different times and in different amounts than they do for Federal income tax purposes.

Exclusion from Gross Income: Requirements

The Code sets forth certain requirements that must be satisfied on a continuing basis in order to preserve the exclusion from gross income for Federal income tax purposes of Certificate Interest. Among those requirements are the following:

Limitations on Private Use. The Code includes limitations on the amount of the proceeds of the Series 2009A Certificates that may be used in the trade or business of, or used to make or finance loans to, persons other than governmental units.

Investment Restrictions. Except during certain "temporary periods," the proceeds of the Series 2009A Certificates and investment earnings thereon (other than amounts held in a reasonably required reserve or replacement fund, if any, or as part of a "minor portion") may generally not be invested in investments having a yield that is "materially higher" than the yield on the Series 2009A Certificates.

Rebate of Permissible Arbitrage Earnings. Unless the Series 2009A Certificates qualify for one of several exemptions, earnings from the investment of the "gross proceeds" of the Series 2009A Certificates in excess of the earnings that would have been realized if such investment had been made at a yield equal to the yield on the Series 2009A Certificates are required to be paid to the United States at periodic intervals. For this purpose, the term "gross proceeds" includes the proceeds of the Series 2009A Certificates, amounts received as a result of investing such proceeds and amounts to be used to pay debt service on the Series 2009A Certificates.

Covenants to Comply

The Board has covenanted in the Resolution to comply with the requirements of the Code relating to the exclusion from gross income for Federal income tax purposes of Certificate Interest.

Risk of Non-Compliance

In the event that the Board fails to comply with the requirements of the Code, Certificate Interest may become includable in the gross income of the Owners thereof for Federal income tax purposes; in certain events, taxation may be retroactive to the date of issue of the Series 2009A Certificates. In such event, there is no required acceleration of payment of principal of, or interest on, the Installment Payments nor payment of any additional interest or penalties to the Owners of the Series 2009A Certificates.

Federal Income Tax Consequences

Pursuant to Section 103 of the Code, Certificate Interest is not includable in the gross income of the Owners thereof for Federal income tax purposes. The Code, however, contains a number of provisions relating to the treatment of Certificate Interest which may affect the taxation of certain types of Owners depending on their particular tax situations. Some of the potentially applicable Federal income tax provisions are described in general terms below. *Prospective purchasers of the Series 2009A Certificates should consult their tax advisors concerning the particular Federal income tax consequences of their ownership of the Series 2009A Certificates.*

Cost of Carry. Owners of the Series 2009A Certificates will generally be denied a deduction for otherwise deductible interest on any debt that is treated for Federal income tax purposes as having been incurred or continued to purchase or carry the Series 2009A Certificates.

Individual Owners. Receipt of Certificate Interest may increase the amount of Social Security and Railroad Retirement benefits included in the gross income of the recipients thereof for Federal income tax purposes.

Certain Blue Cross or Blue Shield Organizations. Receipt of Certificate Interest may reduce a special deduction otherwise available to certain Blue Cross or Blue Shield organizations.

Property or Casualty Insurance Companies. Receipt of Certificate Interest may reduce otherwise deductible underwriting losses of a property or casualty insurance company.

Corporate Owners. Certificate Interest is generally taken into account in computing the earnings and profits of a corporation and consequently may be subject to Federal income taxes based thereon. Thus, for example, Certificate Interest is taken into account in computing the branch profits tax imposed on certain foreign corporations, the passive investment income tax imposed on certain S corporations, and the accumulated earnings tax.

Financial Institutions. Financial Institutions may be denied a deduction for their otherwise allowable interest expense in an amount determined by reference, in part, to their adjusted basis in the Series 2009A Certificates.

Foreign Personal Holding Company Income. A United States shareholder of a foreign personal holding company may realize taxable income to the extent that Certificate Interest held by such a company is properly allocable to the shareholder.

LITIGATION

To the best of the knowledge of appropriate Board officials, there are no lawsuits pending or threatened against the Board that question its right to enter into the financing documents or the validity or enforceability thereof or to consummate the transactions described therein or herein; nor are there lawsuits pending or threatened against the Board that, if decided adversely to the Board, would, individually or in the aggregate, impair the Board's ability to comply with all the requirements set forth in the financing documents or have a material adverse effect upon the financial condition of the University.

APPROVAL OF LEGAL PROCEEDINGS

Certain legal matters incidental to the authorization, validity and enforceability of the Installment Purchase Contracts and the Indenture and the authorization and issuance of the Series 2009A Certificates are subject to the approving legal opinion of Katten Muchin Rosenman LLP, Chicago, Illinois, as Bond Counsel ("Bond Counsel"). The proposed form of such opinion is attached hereto as APPENDIX D. Certain legal matters will be passed upon for the Underwriters by their counsel, Ungaretti & Harris LLP, Chicago, Illinois. Certain legal matters will be passed upon for the Board by its University Counsel, Thomas R. Bearrows, Esq., Chicago, Illinois and its special counsel, Freeborn & Peters LLP, Chicago, Illinois.

The legal opinions to be delivered concurrently with the delivery of the Series 2009A Certificates express the professional judgment of the attorneys rendering the opinions on the legal issues explicitly addressed in the opinions. By rendering a legal opinion, the opinion giver does not undertake to be an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Rendering an opinion does not guarantee the outcome of any legal dispute that may arise out of the transaction.

UNDERWRITING

The Series 2009A Certificates are being purchased by the Underwriters at an aggregate purchase price of \$_____ (which is equal to the original principal amount of the Series 2009A Certificates, plus a net original issue premium of \$_____, and less an Underwriters' discount of \$_____). The obligation of the Underwriters to purchase the Series 2009A Certificates is subject to certain conditions to closing set forth in the Certificate Purchase Agreement. The Underwriters will be obligated to purchase all of the Series 2009A Certificates if any are purchased. The Underwriters have agreed to make a *bona fide* public offering of all of the Series 2009A Certificates at not in excess of the initial public offering prices set forth or reflected on the inside cover page of this Official Statement. The Series 2009A Certificates may be offered and sold to certain dealers at prices lower than such public offering

prices, and, after completion of the initial *bona fide* public offering, such public offering prices may be changed, from time to time, by the Underwriters.

FINANCIAL ADVISOR

The Board has retained Scott Balice Strategies, LLC (the "Financial Advisor") in connection with the preparation of the Board's issuance of the Series 2009A Certificates. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. Scott Balice Strategies, LLC is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

FINANCIAL STATEMENTS

The financial statements of the University as of June 30, 2008 and for the fiscal year then ended are set forth in APPENDIX B. These financial statements have been audited by Clifton Gunderson LLP, independent auditors, as set forth in their report thereon also set forth in APPENDIX B.

DESCRIPTION OF RATINGS

Moody's Investors Service and Standard & Poor's Credit Markets Services, a Division of the McGraw Hill Corporation, have assigned the respective ratings set forth on the cover page of this Official Statement.

Such ratings express only the views of the respective rating agencies. An explanation of the significance of each of the ratings may be obtained from the rating agency furnishing the same. The ratings are not a "market" rating nor a recommendation to buy, sell, or hold the Series 2009A Certificates, and the ratings and the Series 2009A Certificates should be evaluated independently. There is no assurance that any of such ratings will continue for any given period of time or will not be revised, or withdrawn entirely by such rating agency, if, in its judgment, circumstances so warrant. The Board undertakes no responsibility either to bring to the attention of the owners of the Series 2009A Certificates any proposed change in or withdrawal of such rating or to oppose any such revision or withdrawal.

SECONDARY MARKET DISCLOSURE

Rule 15c2-12 (the "Rule") under the Exchange Act generally requires that "obligated persons," such as the Board and certain other parties, provide (i) continuing disclosure on an annual basis of financial information and operating data and (ii) notices of certain specified events that could affect the credit underlying the payment obligations of municipal securities. In order to assist the Underwriters in complying with certain provisions of Rule 15c2-12 of the Securities and Exchange Commission, the Board has agreed in a Continuing Disclosure Agreement to provide to certain parties certain annual financial information and operating data and notices of certain material events. The Form of Continuing Disclosure Agreement is included as APPENDIX E to this Official Statement. The Continuing Disclosure Agreement may be enforced by any beneficial or registered owner of Series 2009A Certificates, but the Board's failure to comply will not be a default under the Indenture.

On December 8, 2008, the Securities and Exchange Commission (the "Commission") approved an amendment to the Rule designating the Municipal Securities Rulemaking Board (the "MSRB") as the central repository for continuing disclosure by state and local government debt issuers including the Board. Under a separate MSRB rule change, the MSRB designated its Electronic Municipal Market Access ("EMMA") system as the system to be used for continuing disclosures to investors. The Commission and MSRB rule changes take effect on July 1, 2009.

ADDITIONAL INFORMATION

All of the summaries of the opinions, contracts, agreements, financial and statistical data, and other related documents described in this Official Statement are made subject to the provisions of such documents. These summaries do not purport to be complete statements of such provisions and reference is made to such documents, copies of which are publicly available for inspection at the offices of the Board's Financial Advisor, Scott Balice Strategies, LLC, 20 North Wacker Drive, Suite 2200, Chicago, Illinois 60606, or at the University's Office of the Vice President for Administration, 506 South Wright Street, Urbana, Illinois 61801.

The 96th Illinois General Assembly commenced on January 14, 2009. Various pieces of legislation have been introduced in the General Assembly and may in the future be introduced that, if passed, could have an impact, either directly or indirectly, on higher education in Illinois in general and the University of Illinois in particular. Issues affected may include, but are not limited to, governance, fiscal management, regulation, employment, and appropriations. The Board can make no representations as to the terms and provisions of any such legislation or potential legislation or as to the likelihood that any such legislation will ultimately be enacted.

CERTIFICATION

As of the date hereof, this Official Statement is, to the best of my knowledge, complete and correct in all material respects and does not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made herein, in light of the circumstances under which they were made, not misleading. The preparation of this Official Statement and its distribution have been authorized by the Board.

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

By: _____
Vice President, Chief Financial Officer and
Comptroller

APPENDIX A

THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS

APPENDIX B

**FINANCIAL INFORMATION FOR THE UNIVERSITY FOR THE YEAR
ENDED JUNE 30, 2008, INCLUDING MANAGEMENT'S DISCUSSION
AND ANALYSIS AND AUDITED FINANCIAL STATEMENTS**

APPENDIX C

SUMMARY OF CERTAIN LEGAL DOCUMENTS

APPENDIX D

FORM OF OPINION OF BOND COUNSEL

June ___, 2009

The Board of Trustees of
the University of Illinois
Urbana, Illinois

We have examined a record of proceedings of the Board of Trustees of the University of Illinois (the "Board") relating to the issuance of \$ _____ aggregate principal amount of University of Illinois Series 2009A Certificates of Participation (Refunding), Series 2009A (the "Series 2009A Certificates"). The Series 2009A Certificates are authorized and issued by virtue of a Resolution entitled [**Resolution Authorizing the Issuance and Sale of University of Illinois Certificates of Participation (Refunding), Series 2009A**] adopted by the Board on May 21, 2009 (the "Resolution"). The Series 2009A Certificates are being issued pursuant to an Indenture of Trust dated as of June 1, 2009 as supplemented by the First Supplemental Indenture of Trust dated as of June 1, 2009 (collectively, the "Indenture") between the Board and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). The Series 2009A Certificates are being issued to refinance certain improvements, as more fully described in the Indenture. In connection therewith, the Board has entered into two Amended and Restated Acquisition Agreements, each dated as of June 1, 2009 (the "Acquisition Agreements"), with the Trustee and two Installment Purchase Contracts, each dated as of June 1, 2009 (the "Installment Purchase Contracts"), with the Trustee pursuant to which the Board agrees to pay to the Trustee installment payments on the dates and in the amounts set forth therein (the "Installment Payments"). The Acquisition Agreements, the Installment Purchase Contracts and the Indenture are hereafter collectively referred to herein as the "Financing Agreements". Capitalized terms used herein and not defined have the meanings set forth in the Indenture.

The Series 2009A Certificates are dated the date hereof, and bear interest from their date payable on October 1, 2009 and semi-annually thereafter on each April 1 and October 1 until paid. Series 2009A Certificates mature on October 1 of each of the following years in the respective principal amounts set opposite such year and the Series 2009A Certificates maturing in each such year bear interest at the respective rates of interest per annum set opposite such year in the following table:

Year	Principal Amount	Rate of Interest
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The Series 2009A Certificates are subject to optional and mandatory redemption prior to maturity at the times, in the manner and upon the terms set forth in the Indenture.

Based upon our examination of said record of proceedings, we are of the opinion that:

1. The Board has all requisite power and authority under the Constitution and the laws of the State of Illinois to adopt the Resolution.
2. The Financing Agreements have been duly authorized, executed and delivered by the Board, constitute valid and binding obligations of the Board and are legally enforceable in accordance with their terms.

3. The Series 2009A Certificates have been validly executed and delivered by the Trustee pursuant to the Indenture and are valid evidences of undivided proportionate interests in the Installment Payments to be made by the Board pursuant to the Installment Purchase Contracts.

4. Under existing law, the interest portion of the Installment Payments under the Installment Purchase Contracts ("Certificate Interest"), for so long as the Installment Purchase Contracts are in effect, is not includable in the gross income of the owners thereof for Federal income tax purposes. If there is continuing compliance with the applicable requirements of the Internal Revenue Code of 1986 (the "Code"), we are of the opinion that Certificate Interest will continue to be excluded from the gross income of the owners thereof for Federal income tax purposes. We are further of the opinion that Certificate Interest is not an item of tax preference for purposes of computing individual or corporate alternative minimum taxable income and is not taken into account when computing corporate alternative minimum taxable income for purposes of the corporate alternative minimum tax.

The Code contains certain requirements that must be satisfied from and after the date hereof in order to preserve the exclusion from gross income for Federal income tax purposes of Certificate Interest. These requirements relate to the use and investment of the proceeds of the Series 2009A Certificates, the payment of certain amounts to the United States, the security and source of payment of the Series 2009A Certificates and the ownership and use of the property financed with the proceeds of the Series 2009A Certificates. The Board has covenanted to comply with these requirements.

We express no opinion on the excludability from gross income for Federal income tax purposes of any payment on the Series 2009A Certificates to the extent such payment accrues from and after the effective date of a termination of the Board's obligation to make Installment Payments under the Installment Purchase Contracts.

Certificate Interest is not exempt from Illinois income taxes.

In rendering the foregoing opinion, we have relied, among other things, upon the representations and certifications of the Board with respect to certain material facts solely within its knowledge relating to the application of the proceeds of the Series 2009A Certificates and the property financed with such proceeds.

In rendering the foregoing opinion, we advise you that the enforceability (but not the validity or binding effect) of the Financing Agreements and the Series 2009A Certificates (i) may be limited by any applicable bankruptcy, insolvency or other laws affecting the rights or remedies of creditors now or hereafter in effect and (ii) is subject to principles of equity in the event that equitable remedies are sought, either in an action at law or in equity.

Respectfully submitted,

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (the "Agreement") is executed and delivered by The Board of Trustees of the University of Illinois (the "Board") in connection with the issuance by the Board of its \$_____ Certificates of Participation (Refunding), Series 2009A of the University of Illinois (the "Series 2009A Certificates"). The Series 2009A Certificates are being issued pursuant to a Resolution of the Board approved May 21, 2009 (the "Resolution"). The Board covenants, undertakes and agrees as follows:

1. **Purpose of the Agreement.** This Agreement is being executed and delivered by the Board for the benefit of registered and beneficial owners of the Series 2009A Certificates and in order to assist the Participating Underwriters (as defined below) in complying with SEC Rule 15c2-12(b)(5). The Board is an "obligated person" within the meaning of the Rule. As required by the Rule, this Agreement is enforceable by registered and beneficial owners of the Series 2009A Certificates, as further provided in Section 10 of this Agreement.

2. **Definitions.** Initially capitalized terms used but not otherwise defined in this Agreement have the same meanings given them in the Resolution. In addition, the following terms have the following meanings:

"Board Annual Report" means the annual report of the Board described in Section 3 below.

"MSRB" means the Municipal Securities Rulemaking Board.

"NRMSIR" means each Nationally Recognized Municipal Securities Information Repository for purposes of the Rule.

"Participating Underwriters" means any of the original purchasers of the Series 2009A Certificates required to comply with the Rule in connection with the offering of the Series 2009A Certificates.

"Repositories" means each NRMSIR and the SID, if any.

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934, as the same may be amended from time to time ("1934 Act").

"SID" means any public or private repository or entity as may be designated by the State as a state repository for the purpose of the Rule. As of the date of this Agreement, there is no SID.

"Significant Event(s)" means anyone or more of the events described in Section 5 hereof.

"State" means the State of Illinois.

3. **Board Annual Report.** Within 180 days after each fiscal year of the Board, commencing with the fiscal year ended June 30, 2009, the Board shall provide to each of (i) each registered or beneficial owner of the Series 2009A Certificates who requests such information, (ii) each NRMSIR and (iii) the SID, if any, a report (the "Board Annual Report"), which shall contain:

- (a) Financial information and operating data relating to the Board updating the financial information and operating data presented in the Official Statement under the following captions (provided, however, that the updating information may be provided in such format as the Board deems appropriate):

"THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS

- Student Enrollment,"
- Student Admissions,"
- Tuition and Fees,"
- Financial Aid to Students,"
- Financial Condition of the University,"
- 2009 Budget and State Appropriations,"
- Voluntary Support,"
- University Investments," and
- Physical Plant."

- (b) Audited financial statements of the Board and the System for the most recently ended fiscal year, prepared in conformity with generally accepted accounting principles and audited in accordance to generally accepted auditing standards and the standards for financial audits contained in Government Auditing Standards (1994 Revision), issued by the Comptroller General of the United States. The Board may from time to time, in order to comply with Federal or State legal requirements, modify the basis upon which its financial statements are prepared. Notice of any such modification shall be provided to (i) either each NRMSIR or the MSRB and (ii) the SID, if any, and shall include a reference to the specific Federal or State law or regulation describing such accounting basis.

If audited financial statements are not available by the 180th day after the end of the applicable fiscal year, then they shall be provided when available, and unaudited financial statements shall be filed in place of audited financial statements by such date. If the Board changes its fiscal year, the Board shall send, or cause to be sent, notice of such change to (i) either each NRMSIR or the MSRB and (ii) the SID, if any.

If the Board does not provide the Board Annual Report by the date required in Section 3 to the parties described therein, the Board shall send a notice to such effect, in a timely manner, to (i) either each NRMSIR or the MSRB and (ii) the SID, if any.

If a change is made to the basis on which financial statements are prepared, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. Such comparison shall include a qualitative and, to the extent reasonably feasible,

quantitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information.

The Board will also provide, in a timely manner, to (i) either each NRMSIR or the MSRB and (ii) the SID, if any, notice of a failure to satisfy the requirements of this Section.

4. **Incorporation by Reference.** Any or all of the items listed in Section 3 above may be incorporated by reference from other documents, including other official statements of the Board or related public entities, which have been submitted to each of the Repositories. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Board shall clearly identify each such other document so incorporated by reference in the Board Annual Report.
5. **Reporting of Significant Events.** The Board will also provide, in a timely manner, to (i) either each NRMSIR or the MSRB and (ii) the SID, if any, notice of the occurrence of any of the following events (a "Significant Event") with respect to the Series 2009A Certificates, *if the event is material*:
 - (a) principal and interest payment delinquencies;
 - (b) non-payment related defaults;
 - (c) unscheduled draws on debt service reserves reflecting financial difficulties;
 - (d) unscheduled draws on credit enhancements reflecting financial difficulties;
 - (e) substitution of credit or liquidity providers, or their failure to perform;
 - (f) adverse tax opinions or events affecting the tax-exempt status of the Series 2009A Certificates;
 - (g) modifications to rights of holders of the Series 2009A Certificates;
 - (h) bond calls (other than scheduled mandatory redemptions);
 - (i) defeasances;
 - (j) release, substitution or sale of property securing repayment of the Series 2009A Certificates; and
 - (k) rating changes.
6. **Management Discussion of Items Disclosed in Board Annual Reports or as Significant Events.** If any item required to be disclosed in the Board Annual Report under Section 3, or as a Significant Event under Section 5, would be misleading without further discussion, the Board shall additionally provide a statement clarifying the disclosure in order that the statement made will not be misleading in light of the circumstances in which it is made.
7. **Termination of Reporting Obligation.** The Board's obligations under this Agreement will terminate upon the defeasance, prior redemption or payment in full of all of the Series 2009A Certificates or if the Board no longer remains an obligated person with respect to the Series 2009A Certificates within the meaning of the Rule.

8. **Amendment; Waiver.** Notwithstanding any other provisions of this Agreement, the Board may amend this Agreement, and any provision of this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in Federal securities laws, acceptable to the Board, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings therein to violate the Rule taking into account any subsequent change in or official interpretation of the Rule.
9. **Centralized Post Office.** Any filing required to be made with a NRMSIR or a SID, if any, under this Agreement may be made solely with an internet based electronic filing system (a "CPO") by transmitting such filing to the CPO, provided that (i) such CPO has received interpretive advice or some other approval from the SEC with respect to its status as a CPO satisfying the requirement of the Rule or (ii) an opinion from counsel has been issued stating that such filing meets the requirements of the Rule.
10. **Additional Information.** Nothing in this Agreement shall be deemed to prevent the Board from disseminating any information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Board Annual Report or notice of occurrence of a Significant Event, in addition to that which is required by this Agreement.
11. **Default.** The intent of the Board's undertaking is to provide on a continuing basis the information described and required in the Rule. In the event of a failure of the Board to comply with any provision of this Agreement, any registered or beneficial owner of Series 2009A Certificates may take action to compel performance by the Board under this Agreement. A default under this Agreement shall not be deemed a default or event of default under the Bond Resolution, and the sole remedy under this Agreement in the event of any failure of the Board to comply with this Agreement shall be an action to compel performance.
12. **Beneficiaries.** This Agreement shall inure solely to the benefit of the Board, the Participating Underwriters and registered and beneficial owners from time to time of the Series 2009A Certificates, and shall create no rights in any other person or entity.
13. **Contact Person.** The Board shall designate a contact person from whom annual financial information disclosure and material events disclosure can be obtained. The initial contact person is:

Comptroller
University of Illinois
506 South Wright Street
349 Henry Administration Building, MC-352
Urbana, Illinois 6180 I
Facsimile: (217) 244-8108
Telephone: (217) 333-1566
14. **Governing Law.** This Agreement shall be governed by the laws of the State.

IN WITNESS WHEREOF, the Board has executed and delivered this Agreement as of the date first above written.

THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS

By: _____
Vice President,
Chief Financial Officer and Comptroller

Dated: June __, 2009