

\$ _____ *

**The Board of Trustees of
the University of Illinois
University of Illinois
Auxiliary Facilities System
Refunding Revenue Bonds, Series 2011C**

BOND PURCHASE AGREEMENT

December __, 2011

The Board of Trustees of the University of Illinois
354 Henry Administration Building
506 South Wright Street
Urbana, Illinois 61801

Ladies and Gentlemen:

The undersigned, _____ (the "Representative") on its own behalf and on behalf of the other firms listed on Schedule 3 hereto (collectively, the "Underwriters"), offers to enter into this Bond Purchase Agreement with The Board of Trustees of the University of Illinois (the "Board"), which, upon the Board's written acceptance of this offer, will be binding upon the Board and upon the Underwriters. This offer is made subject to the Board's written acceptance hereof on or before 5:00 p.m., Chicago time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriters upon notice delivered to the Board at any time prior to the acceptance hereof by the Board. Initially capitalized terms used but not otherwise defined herein have the same meanings given them in the Official Statement or the Bond Resolution (each hereinafter defined), as the case may be or as the context may require.

1. Purchase and Sale of the Series 2011 Bonds.

Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriters hereby agree to purchase from the Board and the Board hereby agrees to sell and cause to be delivered to the Underwriters, all, but not less than all, of the Board's \$ _____ University of Illinois Auxiliary Facilities System Refunding Revenue Bonds, Series 2011C (the "Series 2011 Bonds"). The principal amount of the Series 2011 Bonds of each Series to be issued, the dated date therefor, the maturities, sinking fund and redemption provisions and interest rates per annum are set forth in Schedule 1 hereto and the Series 2011 Bonds shall otherwise have such terms and provisions as set forth in the Official Statement (hereinafter defined).

* Preliminary, subject to change.

The purchase price for the Series 2011 Bonds shall be \$ _____, which represents the principal amount of the Series 2011 Bonds, less an underwriting discount of \$ _____, plus a net original issue premium of \$ _____.

The Preliminary Official Statement of the Board dated December ____, 2011, including the cover page and Appendices thereto, relating to the Series 2011 Bonds is hereinafter called the "Preliminary Official Statement."

The Official Statement of the Board dated December ____, 2011, including the cover page and Appendices thereto, relating to the Series 2011 Bonds with such changes and amendments to the date hereof as have been mutually agreed to by the Board and the Underwriters, is hereinafter called the "Official Statement."

2. The Series 2011 Bonds and the Official Statement.

a. The Series 2011 Bonds shall be as described in, and shall be issued and secured under and pursuant to the provisions of, the resolution adopted by The Board of Trustees of the University of Illinois on September 20, 1984 as amended by bond resolutions adopted on June 20, 1985, May 8, 1986, May 9, 1991, June 11, 1993, January 18, 1996, October 15, 1999, June 1, 2000, March 8, 2001, May 23, 2001, May 15, 2003, March 10, 2005, July 14, 2005, September 7, 2006, May 22, 2008, January 15, 2009, May 20, 2010, June 9, 2011 and December 2, 2011 and all subsequent resolutions supplemental thereto (collectively, the "Bond Resolution").

b. Prior to or concurrently with the acceptance of this Bond Purchase Agreement by the Board, the Board has delivered to the Underwriters two certified copies of the Bond Resolution authorizing the issuance and sale of the Series 2011 Bonds. The Board hereby certifies that the Preliminary Official Statement is "deemed final" by the Board as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Act of 1934 (the "Rule"). The Board shall deliver to the Underwriters at the Closing (as hereinafter defined) five copies of the Official Statement manually signed on behalf of the Board by the Comptroller of the Board.

3. Sale to Underwriters.

It shall be a condition to the Board's obligations to sell and cause to be delivered the Series 2011 Bonds to the Underwriters and to the Underwriters' obligations to purchase, to accept delivery of and to pay for the Series 2011 Bonds that the entire principal amount of the Series 2011 Bonds shall be sold and caused to be issued and delivered by the Board and purchased, accepted and paid for by the Underwriters at the Closing. The Underwriters agree to offer the Series 2011 Bonds at prices not in excess of the initial offering prices or yields set forth in Schedule 1 hereto.

4. Use of Documents, Certain Covenants and Agreements of the Board.

a. The Board hereby authorizes, ratifies and confirms, as applicable, the use by the Underwriters of the Bond Resolution, the Continuing Disclosure Agreement to be dated the date of Closing and executed by an authorized official of the Board (the

"Continuing Disclosure Agreement") and the Official Statement and the information therein contained in connection with the public offering and sale of the Series 2011 Bonds.

b. The Board covenants and agrees:

i. To cause to be made available to the Underwriters such reasonable quantities of the Bond Resolution and the Continuing Disclosure Agreement as the Underwriters may request for use in connection with the offering and sale of the Series 2011 Bonds and to cause reasonable quantities of the Official Statement to be delivered to the Underwriters, without charge, within seven (7) business days after the date hereof and, in the event the Closing Date (as hereinafter defined) is less than seven business days after the date hereof, upon request of the Underwriters, in sufficient time to accompany any confirmation requesting payment from any customers of the Underwriters;

ii. To apply the proceeds from the sale of the Series 2011 Bonds as provided in and subject to all of the terms and provisions of the Bond Resolution and not to take or omit to take any action which action or omission would adversely affect the exclusion from gross income for Federal income tax purposes of the interest on the Series 2011 Bonds;

iii. To furnish such information and execute such instruments and take such action in cooperation with the Underwriters as the Underwriters may reasonably request (A) to (1) qualify the Series 2011 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriters may designate and (2) determine the eligibility of the Series 2011 Bonds for investment under the laws of such states and other jurisdictions and (B) to continue such qualifications in effect so long as required for the distribution of the Series 2011 Bonds; provided, however, that the Board will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction in which it is not now so subject;

iv. To advise the Underwriters immediately of receipt by the Board of any notification with respect to the suspension of the qualification of the Series 2011 Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose;

v. Prior to Closing, (A) other than as disclosed in the Official Statement not to offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by any of the revenues or assets that will secure the Series 2011 Bonds and (B) not to suffer any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the Board; and

vi. To furnish, to the Underwriters, upon its occurrence (promptly confirmed in writing), a description of any change in the financial position, results of operations or condition, financial or otherwise, of the Board that would require a supplement or amendment to the Official Statement in accordance with paragraphs j and k of Section 5 hereof.

5. Representations and Warranties of the Board.

The Board hereby represents and warrants to the Underwriters, which representations and warranties shall survive the purchase and offering of the Series 2011 Bonds, as follows:

a. The Board is a body corporate and politic of the State of Illinois (the "State") duly created, organized and existing under the laws of the State, including the University of Illinois Act (110 ILCS 305/0.01, *et seq.*), as amended and supplemented (the "Act"), and has full legal right, power and authority under the Act and the University of Illinois Revenue Bond Act for Auxiliary Facilities, as amended (110 ILCS 405/1, *et seq.*) (collectively, the "Acts"), and as of the date of the Closing will have full legal right, power and authority under the Acts and the Bond Resolution (i) to enter into this Bond Purchase Agreement, the Continuing Disclosure Agreement, the Escrow Agreement, the Arbitrage and Tax Agreement and Certificate dated the date of the Closing (collectively, the "Tax Agreement"), (ii) to sell and cause to be issued and delivered the Series 2011 Bonds to the Underwriters as provided herein, (iii) to carry out and consummate the transactions contemplated by this Bond Purchase Agreement, the Bond Resolution, the Continuing Disclosure Agreement, the Tax Agreement and the Official Statement, and (iv) to operate the University of Illinois, and the Board has complied, and will at the Closing be in compliance in all respects, with the terms of the Acts and the Bond Resolution as they pertain to such transactions;

b. By all necessary official action of the Board prior to or concurrently with the acceptance hereof, the Board has duly adopted the Bond Resolution, has duly authorized and approved the distribution and use by the Underwriters of the Preliminary Official Statement prior to the date hereof in connection with the public offering and sale of the Series 2011 Bonds and the execution, distribution and use of the Official Statement for use by the Underwriters in connection with the public offering, sale and issuance of the Series 2011 Bonds and all necessary action to be taken by the Board for its execution and delivery of, and the performance by the Board of the obligations on its part contained in, the Series 2011 Bonds, the Bond Resolution, the Continuing Disclosure Agreement, the Tax Agreement and this Bond Purchase Agreement and the consummation by it of all other transactions contemplated by the Official Statement, the Bond Resolution, this Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Agreement; the Bond Resolution, this Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Agreement constitute, or upon the execution thereof by the parties thereto will constitute, legal, valid and binding obligations of the Board, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights; the Series 2011 Bonds, when issued, authenticated and delivered to the Underwriters in accordance with the Bond Resolution

and this Bond Purchase Agreement will constitute legal, valid and binding special obligations of the Board entitled to the benefits of the Bond Resolution and enforceable against the Board in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights; upon the issuance, authentication and delivery of the Series 2011 Bonds as aforesaid, the Bond Resolution will provide, for the benefit of the holders from time to time of the Series 2011 Bonds, the legally valid and binding pledge of and lien it purports to create as set forth in Section 13 of the Original Resolution (as defined in the Bond Resolution) as amended and supplemented;

c. Except to the extent, if any, otherwise disclosed in the Preliminary Official Statement and the Official Statement, the Board is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of Illinois or the United States of America or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Board is a party or to which the Board or any of the property or assets of the System, are otherwise subject, and no event that would have a material adverse effect upon the financial condition of the Board has occurred and is continuing that constitutes or with the passage of time or the giving of notice, or both, would constitute a default or event of default by the Board under any such instrument; and the execution and delivery of the Series 2011 Bonds, this Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Agreement and the adoption of the Bond Resolution and compliance with the provisions on the Board's part contained therein, will not conflict with or constitute a breach of or default under any constitutional provision, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Board is a party or to which the Board or any of the property or assets of the System are otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the System to be pledged to secure the Series 2011 Bonds or under the terms of any such law, regulation or instrument, except as provided by the Series 2011 Bonds and in the Bond Resolution;

d. All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter that are required for the due authorization of, that would constitute a condition precedent to, or the absence of which would materially adversely affect the approval or adoption, as applicable, and the due performance by the Board of its obligations under, this Bond Purchase Agreement, the Bond Resolution, the Tax Agreement, the Continuing Disclosure Agreement and issuance of the Series 2011 Bonds have been duly obtained, except for such approvals, consents and orders as are stated in the Preliminary Official Statement and the Official Statement as yet to be obtained or as may be required under the Blue Sky or securities laws of any jurisdiction in connection with the offering and sale of the Series 2011 Bonds;

e. The Series 2011 Bonds conform to the description thereof contained in the Preliminary Official Statement (except for the omission of information permitted by

Section (b)(1) the Rule) and the Official Statement under the caption "DESCRIPTION OF THE SERIES 2011 BONDS"; and the Bond Resolution conforms to the description thereof contained in APPENDIX D to the Preliminary Official Statement and the Official Statement;

f. Except to the extent disclosed in the Preliminary Official Statement and the Official Statement, there is no legislation, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best knowledge of the Board, after due inquiry, threatened against the Board, affecting the corporate existence of the Board or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2011 Bonds or the collection of the Operating Revenues of the System or the Student Tuition and Fees, or the pledge of and lien on the Net Revenues and Student Tuition and Fees pursuant to the Bond Resolution or in any way contesting or affecting the validity or enforceability of the Series 2011 Bonds, the Bond Resolution, this Bond Purchase Agreement, the Continuing Disclosure Agreement or the Tax Agreement, or contesting the exclusion from gross income of interest on the Series 2011 Bonds for Federal income tax purposes, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or contesting the powers of the Board or any authority for the issuance of the Series 2011 Bonds, the adoption of the Bond Resolution, the execution and delivery of this Bond Purchase Agreement, the Continuing Disclosure Agreement or the Tax Agreement, nor, to the best knowledge of the Board, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Series 2011 Bonds, the Bond Resolution, this Bond Purchase Agreement, the Continuing Disclosure Agreement or the Tax Agreement;

g. The financial statements of, and other financial information regarding, the University and the System in the Preliminary Official Statement and the Official Statement fairly present the financial position and results of the operations of the University as of the dates and for the periods therein set forth. The audited financial statements for the University and the System for the year ended June 30, 2010 have been prepared in accordance with generally accepted accounting principles consistently applied, and except as noted in the Preliminary Official Statement and Official Statement, the other financial information in the Preliminary Official Statement and the Official Statement has been determined on a basis substantially consistent with that of the University's and the System's audited financial statements.

h. The Board is in compliance with each and every continuing disclosure agreement previously entered into by the Board.

i. The Preliminary Official Statement, as of its date and as of the date of this Bond Purchase Agreement (except for the omission of information permitted by Section (b)(1) the Rule), did not and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the

statements therein, in the light of the circumstances under which they were made, not misleading.

j. At the time of the Board's acceptance hereof and, unless the Official Statement is amended or supplemented, at all times subsequent thereto during the period up to and including the Closing Date, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

k. If the Official Statement is supplemented or amended at the time of each supplement or amendment thereto and, unless subsequently again supplemented or amended, at all times subsequent thereto during the period that is twenty-five (25) days from the "end of the underwriting period" (as defined in Rule 15c2-12), the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which made, not misleading.

l. Any certificate, signed by any official of the Board authorized to do so in connection with the transactions described in this Bond Purchase Agreement, shall be deemed a representation and warranty by the Board to the Underwriters as to the statements made therein.

6. Closing.

a. At 10:00 a.m., Chicago, Illinois, time on December ___, 2011, or at such other time and date as shall have been mutually agreed upon by the Board and the Underwriters (the "Closing Date"), the Board will, subject to the terms and conditions hereof, cause to be delivered to the Underwriters the Series 2011 Bonds duly executed and authenticated, together with the other documents hereinafter mentioned, and the Underwriters will, subject to the terms and conditions hereof, accept such delivery and pay the purchase price of the Series 2011 Bonds as set forth in Section 1 of this Bond Purchase Agreement by wire transfer of immediately available funds to the account of the Board. Payment for the Series 2011 Bonds as aforesaid shall be made at the offices of Perkins Coie LLP ("Bond Counsel"), in Chicago, Illinois, or such other place as shall have been mutually agreed upon by the Board and the Underwriters (the "Closing").

b. Delivery of the Series 2011 Bonds shall be made to DTC. The Series 2011 Bonds shall be delivered in fully registered form bearing CUSIP numbers without coupons, with one Series 2011 Bond for each maturity of Series 2011 Bonds registered in the name of Cede & Co.

7. Closing Conditions.

The Underwriters have entered into this Bond Purchase Agreement in reliance upon the representations, warranties and agreements of the Board contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments

to be delivered at the Closing and upon the performance by the Board of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriters' obligations under this Bond Purchase Agreement to purchase, to accept delivery of and to pay for the Series 2011 Bonds shall be conditioned upon the performance by the Board of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

a. The representations and warranties of the Board contained herein shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing;

b. At the time of the Closing, the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Underwriters;

c. At the time of the Closing, all official action of the Board relating to this Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Agreement, the Series 2011 Bonds and the Bond Resolution shall be in full force and effect; and the Underwriters shall have received, in appropriate form, evidence thereof;

d. At the time of the Closing, there shall not have occurred any change or any development involving a prospective change, in the condition, financial or otherwise, or in the revenues or operations of the Board, from that set forth in the Official Statement that, in any such case, in the reasonable judgment of the Underwriters, is material and adverse and that makes it, in the reasonable judgment of the Underwriters, impracticable to market the Series 2011 Bonds on the terms and in the manner contemplated in the Official Statement;

e. At or prior to the Closing, the Underwriters shall have received each of the following documents:

i. The Official Statement, and each supplement or amendment, if any, thereto executed on behalf of the Board by its Comptroller and copies of the audits referred to or appearing in the Official Statement;

ii. A copy of the Bond Resolution, duly certified by a duly authorized officer of the Board dated the date of the Closing to the effect that the Bond Resolution remains in full force and effect, with only such supplements or amendments as may have been agreed to by the Underwriters;

iii. A fully executed copy of the Continuing Disclosure Agreement.

iv. A fully executed copy of the Tax Agreement;

v. An opinion and letter, dated the date of the Closing, of counsel to the Board, in substantially the forms of Exhibit A-1, Exhibit A-2 and Exhibit A-3 hereto;

vi. Opinions, dated the date of Closing, of Bond Counsel, in substantially the forms set forth in APPENDIX E to the Official Statement;

vii. A supplemental opinion, dated the date of the Closing, of Bond Counsel, in substantially the form of Exhibit B hereto;

viii. An opinion, dated the date of the Closing and addressed to the Underwriters, of Ungaretti & Harris LLP, counsel for the Underwriters, in substantially the form of Exhibit C hereto;

ix. A certificate, dated the date of the Closing, executed by the Comptroller and Secretary of the Board stating that (A) each of the representations and warranties of the Board set forth in this Bond Purchase Agreement is true, accurate and complete in all respects as of the date of the Closing, as if made on the date of the Closing; (B) the Official Statement has been duly approved by the Comptroller of the Board; (C) this Bond Purchase Agreement has been duly approved by the Comptroller and Secretary of the Board; (D) the Bond Resolution has been duly adopted and is in full force and effect and has not been amended, modified or revoked; (E) there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or, to their knowledge, threatened against or affecting the Board, that would adversely affect the Board's ability to complete the transactions described in and contemplated by the Official Statement or in any way contesting or affecting in any manner whatsoever the corporate existence of the Board, or the titles of its present officials to their respective offices, or restraining or enjoining the issuance and delivery of the Series 2011 Bonds or the exercise by the Board of any of its powers, duties or obligations under the laws of the State of Illinois with respect to any revenues, assets and amounts pledged under the Bond Resolution, including the application of the proceeds of the sale of the Series 2011 Bonds and the payment, collection or application of revenues or other funds pursuant to the Bond Resolution, or the fixing or collection of the rates, charges and revenues pledged to the payment of the Series 2011 Bonds, or the pledge thereof, or the creation of the University of Illinois Auxiliary Facilities System as described in the Bond Resolution, or in any way contesting or affecting any authorization for or the validity or enforceability of the Series 2011 Bonds, the Bond Resolution, or the application of the proceeds of the Series 2011 Bonds or the payment, collection or application of revenues or other funds, or the pledge thereof pursuant to the Bond Resolution, and that none of the proceedings authorizing the issuance of the Series 2011 Bonds have been amended, revoked or rescinded; (F) the execution and delivery of the Series 2011 Bonds, the Bond Resolution, this Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Agreement, and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not conflict with or constitute on the part of the Board a breach of or default under any agreement or other instrument to which the Board is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Board is subject, or any agreement, resolution or other instrument to which the Board is subject or by which it is

bound; (G) the Series 2011 Bonds, the Bond Resolution, this Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Agreement have been duly authorized, executed and delivered by the Board and, assuming due authorization, execution and delivery by the other parties thereto, if any, constitute legal, valid and binding agreements of the Board enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and equitable remedies if equitable remedies are sought; (H) no authorization, approval, consent or other order of the State of Illinois or of any other governmental authority or agency within the State of Illinois, other than the Board, is required for the valid issuance and delivery of the Series 2011 Bonds, the valid authorization, execution and delivery by the Board of the Bond Resolution, this Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Agreement; (I) the information in the Preliminary Official State did not as of its date and as of the date of this Bond Purchase Agreement (except for the omission of information permitted by Section (b)(1) the Rule) contain an untrue statement of material fact or omit to state a material fact required or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (J) the information in the Official Statement did not as of its date and does not as of the Closing Date contain an untrue statement of material fact or omit to state a material fact required or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

x. A certificate of the Bond Registrar, dated the date of the Closing, and signed by an officer to the effect that: (A) the Bond Registrar is duly organized and existing as a national banking association in good standing under the laws of the United States of America having the full power and authority to act as bond registrar for the Series 2011 Bonds and to perform its duties under the Bond Resolution; (B) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Bond Registrar that has not been obtained is or will be required for the performance by the Bond Registrar of its duties under the Bond Resolution; and (C) the signer is a duly qualified and acting officer of the Bond Registrar;

xi. A letter from KPMG LLP consenting to the use of APPENDIX B and APPENDIX C of the Official Statement addressed to the Underwriters;

xii. Letters evidencing the ratings on the Series 2011 Bonds by Moody's Investors Service ("Moody's") of at least "___" and by Standard & Poor's Credit Ratings Services ("S&P") of at least "___" and that such ratings are in effect as of the date of Closing; and

xiii. Such additional legal opinions, certificates, instruments and other documents as the Underwriters or counsel to the Underwriters may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the Board's representations and warranties contained herein and

of the statements and information contained in the Official Statement and the due performance or satisfaction by the Board on or prior to the date of the Closing of all the respective agreements then to be performed and conditions then to be satisfied by the Board.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Bond Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriters and counsel to the Underwriters.

If the Board shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Series 2011 Bonds contained in this Bond Purchase Agreement, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Series 2011 Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriters nor the Board shall be under any further obligation hereunder, except that the respective obligations of the Board and the Underwriters set forth in Sections 8 and 10 hereof shall continue in full force and effect.

In the event that the Underwriters fail (other than for a reason permitted hereunder) to accept and pay for the Series 2011 Bonds at the Closing as herein provided, the Underwriters shall pay to the Board an amount equal to the amount set forth in Schedule 2 attached hereto as and for full liquidated damages for such failure and for any defaults hereunder on the part of the Underwriters and such amount shall constitute a full release and discharge of all claims and damages for such failure and for any and all such defaults, and the Board shall have no further action for damages, specific performance or any other legal or equitable relief against the Underwriters.

8. Indemnification and Contribution.

The Board agrees, to the extent permitted by law, to indemnify and hold harmless the Underwriters and each person, if any, who controls the Underwriters within the meaning of either Section 15 of the Securities Act of 1933, as amended (the "Securities Act") or Section 20 of the Securities Exchange Act of 1934, as amended, from and against any and all losses, claims, damages and liabilities caused by any untrue statement or alleged untrue statement of a material fact contained in (a) the Preliminary Official Statement as of its date and as of the date of this Bond Purchase Agreement (except for the omission of information permitted by Section (b)(1) the Rule) and (b) the Official Statement as of its date and as of the Closing Date, or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based upon information relating to the Underwriters furnished to the Board in writing by the Underwriters expressly for use therein.

The Underwriters agree to indemnify and hold harmless the Board, its directors and its officers, but only with reference to information relating to the Underwriters furnished to the

Board in writing by the Underwriters expressly for use in the Official Statement, or any amendment or supplement thereto.

In case any action or claim (including any governmental investigation) shall be brought or asserted against any person in respect of which indemnity may be sought pursuant to either of the two preceding paragraphs, such person (hereinafter called the indemnified party) shall promptly notify the person against whom such indemnity may be sought (hereinafter called the indemnifying party) in writing and the indemnifying party upon request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such action and shall pay the fees and disbursements of such counsel related to such action. In any such action, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnified party and the indemnifying party shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such action (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the indemnifying party shall not, in connection with any action or related actions in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all such indemnified parties, and that all such fees and expenses shall be reimbursed as they are incurred. Such firm shall be designated in writing by the Underwriters in the case of parties indemnified pursuant to the first paragraph of this Section 8 and by the Board in the case of parties indemnified pursuant to the second paragraph of this Section 8. The indemnifying party shall not be liable for any settlement of any action effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel contemplated by the third sentence of this paragraph, the indemnifying party agrees that it shall be liable for any settlement of any action effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by such indemnifying party of the aforesaid request and (ii) such indemnifying party shall not have reimbursed the indemnified party, in accordance with such request prior to the date of such settlement. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such action.

If the indemnification provided for in the first or second paragraphs of this Section 8 is unavailable to an indemnified party in respect of any losses, claims, damages or liabilities referred to therein, then each indemnifying party under such paragraph, in lieu of indemnifying such indemnified party thereunder, shall, to the extent permitted by applicable law, contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Board and the Underwriters from the offering of the Series 2011 Bonds or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, then, to the extent permitted by

applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Board and of the Underwriters in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Board and the Underwriters shall be deemed to be in the same respective proportions as the net proceeds from the offering (before deducting expenses) received by the Board and the total underwriting discounts and commissions received by the Underwriters, bear to the aggregate public offering price of the Series 2011 Bonds. The relative fault of the Board and the Underwriters shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Board or by the Underwriters.

The Board and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section were determined by allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable by an indemnified party as a result of the losses, claims, damages and liabilities referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim.

The indemnity and contribution agreements contained in this Section and the representations and warranties of the Board contained in this Bond Purchase Agreement shall remain operative and in full force and effect regardless of (i) any termination of this Bond Purchase Agreement, (ii) any investigation made by or on behalf of the Underwriters or any person controlling the Underwriters or by or on behalf of the Board, its officers or directors or any other person controlling the Board and (iii) acceptance of and payment for any of the Series 2011 Bonds.

9. Termination.

The Underwriters shall have the right to terminate their obligations under this Bond Purchase Agreement to purchase, to accept delivery of and to pay for the Series 2011 Bonds by notifying the Board of its election to do so if, after the execution hereof and prior to the Closing:

a. (i) Legislation (including any amendment thereto) shall have been introduced in or adopted by either House of the Congress of the United States or legislation is proposed for consideration by Senate Finance Committee or House Ways and Means Committee by any member thereof or presented as an option for consideration by either such committee by the staff of such committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or a bill to amend the Internal Revenue Code (which, if enacted, would be effective as of a date prior to the Closing) shall be filed in either house, or (ii) a decision shall have been rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court, or (iii) an order, filing, ruling, regulation (final, temporary or proposed), press release, statement or other form of official notice shall have been issued or proposed by or on behalf of the Treasury Department of the United States or the

Internal Revenue Service or any other agency of the United States having jurisdiction over the subject matter, or (iv) a release or official statement shall have been issued by the President of the United States or by the Treasury Department of the United States or the Internal Revenue Service, the effect of which, in any such case described in clauses (i), (ii), (iii) or (iv) would be to impose, directly or indirectly, Federal income taxation upon interest received on obligations of the general character of the Series 2011 Bonds or upon income of the general character to be derived by the Board, other than as imposed on the Series 2011 Bonds and income therefrom under the Federal tax laws in effect on the date hereof, in such a manner as in the judgment of the Underwriters would make it impracticable to market the Series 2011 Bonds on the terms and in the manner contemplated in the Official Statement;

b. Legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Series 2011 Bonds are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Bond Resolution is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering, or sale of obligations of the general character of the Series 2011 Bonds, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect;

c. (i) The Constitution of the State shall be amended or an amendment shall be proposed, or (ii) legislation shall be enacted or introduced, or (iii) a decision shall have been tendered as to matters of Illinois law, or (iv) any order, ruling or regulation shall have been issued or proposed by or on behalf of the State by an official, agency or department thereof, affecting the tax status of the Board, its property or income, its notes or bonds (including the Series 2011 Bonds) or the interest thereon, that in the judgment of the Underwriters would make it impracticable to market the Series 2011 Bonds on the terms and in the manner contemplated in the Official Statement;

d. (i) Trading generally shall have been suspended or materially limited or restricted on or by, as the case may be, any of the New York Stock Exchange, the American Stock Exchange, the National Association of Securities Dealers, Inc., the Chicago Board Options Exchange, the Chicago Mercantile Exchange or the Chicago Board of Trade, (ii) trading of any securities of the Board shall have been suspended on any exchange or in any over-the-counter market, (iii) a general moratorium on commercial banking activities in New York shall have been declared by either Federal or New York State authorities, or (iv) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis that, in the judgment of the Underwriters, is material and adverse and in the case of any of the events specified in clauses (i) through (iv), such event singly or together with any other such event makes it, in the reasonable judgment of the Underwriters, impracticable to market

the Series 2011 Bonds on the terms and in the manner contemplated in the Official Statement;

e. There shall have occurred any downgrading or withdrawal of the rating accorded any of the Board's obligations secured on a parity with the Series 2011 Bonds (including the rating to be accorded the Series 2011 Bonds) by any "nationally recognized statistical rating organization," as such term is defined for purposes of Rule 436(g)(2) under the Securities Act, which event, in the reasonable opinion of the Underwriters, materially adversely affects the market price of the Series 2011 Bonds or makes it impracticable or inadvisable to market the Series 2011 Bonds on the terms or in the manner contemplated in the Official Statement;

f. Legislation shall have been enacted by the Federal government or the State of Illinois, a decision of any Federal or State of Illinois court shall have been made, or a ruling or regulation (proposed, temporary or final) of the Securities and Exchange Commission or other governmental agency shall have been made or issued that, in the opinion of counsel for the Underwriters, has the effect of requiring the contemplated distribution of the Series 2011 Bonds or any agreement offered in connection therewith to be registered under the Securities Act or the Bond Resolution to be qualified as an indenture under the Trust Indenture Act of 1939, as amended; or

g. The purchase of and payment for the Series 2011 Bonds by the Underwriters, or the resale of the Series 2011 Bonds by the Underwriters, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission.

h. Any event occurring, or information becoming known which, in the reasonable judgment of the Underwriters, makes untrue in any material respect any material statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

i. A material disruption in securities settlement, payment or clearance services shall have occurred having a material adverse impact on the sale or delivery of the Series 2011 Bonds.

10. Expenses.

a. The Underwriters shall be under no obligation to pay, and the Board shall pay, any expenses incident to the performance of the Board's obligations hereunder, including, but not limited to (i) the cost of preparation and printing of the Series 2011 Bonds, (ii) the fees and disbursements of Bond Counsel to the Board; (iii) the fees and expenses of Special Issuer's Counsel to the Board; (iv) the fees and disbursements of the Financial Advisor to the Board; (v) the fees and disbursements of any other engineers, accountants, and other experts, consultants or advisers retained by the Board; and (vi) the fees, if any, for ratings.

b. The Board hereby agrees to reimburse the Underwriters at or prior to the Closing Date for all costs and expenses that the Underwriters may, from time to time, incur and/or advance for which the Board is responsible hereunder, such as (i) the cost of preparation and printing of this Bond Purchase Agreement and any Blue Sky Survey; (ii) all advertising expenses in connection with the public offering of the Series 2011 Bonds; (iii) all other expenses incurred by them or any of them in connection with the public offering of the Series 2011 Bonds, including the fees and disbursements of counsel retained by them; (iv) the costs of printing and distribution of the Preliminary Official Statement and the Official Statement; and (v) all other expenses (including without limitation travel, meals and other miscellaneous expenses) incurred by or on behalf of the Board and its employees in connection with the public offering and distribution of the Series 2011 Bonds.

c. If this Bond Purchase Agreement shall be terminated by the Underwriters because of any failure or refusal on the part of the Board to comply with the terms or to fulfill any of the conditions of this Bond Purchase Agreement, or if for any reason the Board shall be unable to perform its obligations under this Bond Purchase Agreement, the Board will reimburse the Underwriters for all out-of-pocket expenses (including the fees and disbursements of their counsel) reasonably incurred by the Underwriters in connection with this Bond Purchase Agreement or the offering contemplated hereunder.

11. No Fiduciary Relationship.

The Board acknowledges and agrees that (i) the purchase and sale of the Series 2011 Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the Board and the Underwriters, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and are not acting as agents or fiduciaries of the Board, (iii) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the Board with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto and the Underwriters have no obligation to the Board with respect to the offering contemplated hereby except the obligations expressly set forth in this Bond Purchase Agreement and (iv) the Board has consulted its own legal, financial and other advisors to the extent it has deemed appropriate.

12. Notices.

Any notice or other communication to be given to the Board under this Bond Purchase Agreement may be given by delivering the same in writing at University of Illinois, Office of the Comptroller, 354 Henry Administration Building, 506 South Wright Street, Urbana, Illinois 61801, Attention: Walter K. Knorr, Vice President for Administration and Comptroller, and any notice or other communication to be given to the Underwriters under this Bond Purchase Agreement may be given by delivering the same in writing to _____, _____, _____, _____, Attention: _____.

13. Parties in Interest.

This Bond Purchase Agreement as heretofore specified shall constitute the entire agreement between us and is made solely for the benefit of the Board and the Underwriters (including successors or assigns of the Underwriters) and no other person shall acquire or have, any right hereunder or by virtue hereof. This Bond Purchase Agreement may not be assigned by the Board. All of the Board's representations, warranties and agreements contained in this Bond Purchase Agreement shall remain operative and in full force and effect, regardless of (i) any investigations made by or on behalf of the Underwriters; (ii) delivery of and payment for the Series 2011 Bonds pursuant to this Bond Purchase Agreement; and (iii) any termination of this Bond Purchase Agreement. This Bond Purchase Agreement shall be amended only with the prior written consent of the Board and the Underwriters.

14. Effectiveness.

This Bond Purchase Agreement shall become effective upon the acceptance hereof by the Board and shall be valid and enforceable at the time of such acceptance.

15. Choice of Law.

This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

16. Severability.

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

17. Business Day.

For purposes of this Bond Purchase Agreement, "business day" means any day on which the New York Stock Exchange is open for trading.

18. Section Headings.

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

This Bond Purchase Agreement may be executed in several counterparts each of which shall be regarded as an original (with the same effect as if the signatures thereto and hereto were upon the same document) and all of which shall constitute one and the same document.

Very truly yours,

_____, as Representative of
the Underwriters

By: _____

Accepted and agreed to this ____ day of
December, 2011

THE BOARD OF TRUSTEES OF THE
UNIVERSITY OF ILLINOIS

By: _____
Walter K. Knorr
Vice President, Chief Financial Officer
and Comptroller

EXHIBIT A-1

FORM OF OPINION OF BOARD'S COUNSEL

[LETTERHEAD OF UNIVERSITY COUNSEL]

December __, 2011

Perkins Coie LLP
Chicago, Illinois

Moody's Investors Service, Inc.
New York, New York

Standard & Poor's Ratings Services
New York, New York

Re: \$_____ The Board of Trustees of the University of Illinois
University of Illinois Auxiliary Facilities System Refunding Revenue Bonds, Series
2011C

Ladies and Gentlemen:

I am University Counsel for The Board of Trustees of the University of Illinois (the "Board"), in connection with the issuance on this date by the Board of its \$_____ University of Illinois Auxiliary Facilities System Revenue Bonds, Series 2011C (the "Series 2011 Bonds") issued pursuant to the resolution of the Board adopted on September 20, 1984, as amended by bond resolutions adopted on June 20, 1985, May 8, 1986, May 9, 1991, June 11, 1993, January 18, 1996, October 15, 1999, June 1, 2000, March 8, 2001, May 23, 2001, May 15, 2003, March 10, 2005, July 14, 2005, September 7, 2006, May 22, 2008, January 15, 2009, May 20, 2010, June 9, 2011 and December 2, 2011 (collectively, the "Bond Resolution") and, in connection therewith, have examined, or caused to be examined, the following:

- A. the Bond Resolution;
- B. the Bond Purchase Agreement dated December 5, 2011 (the "Purchase Agreement") between the Board and _____, as Representative of the Underwriters;
- C. the Continuing Disclosure Agreement dated as of the date hereof (the "Continuing Disclosure Agreement"); and
- D. the Arbitrage and Tax Agreement and Certificate dated the date hereof (collectively, the "Tax Agreement").

The Bond Resolution, the Purchase Agreement, the Continuing Disclosure Agreement and the Tax Agreement are hereinafter collectively referred to as the "Documents."

I have also examined (i) the Preliminary Official Statement dated December 5, 2011, relating to the Series 2011 Bonds, (the "Preliminary Official Statement"), (ii) the Official Statement dated December __, 2011, relating to the Series 2011 Bonds (the "Official Statement"), and (iii) such other records, instruments and documents, along with any questions of law or fact as I have deemed appropriate or necessary for the issuing of the opinions provided hereinafter. Where relevant I have assumed the authenticity of any documents submitted to me as originals, the genuineness of all associated signatures (other than those of the Board), the legal capacity of natural persons and corporations and the conformance of all certified copies of documents to the originals.

Based upon the foregoing, under current laws, regulations and rulings, it is my opinion that:

1. The Board is duly constituted and validly existing as a body corporate and politic with perpetual succession under the Constitution and laws of the State of Illinois and has all requisite power and authority thereunder to execute, deliver and perform its covenants and agreements under the Documents and to issue, sell and deliver the Series 2011 Bonds.

2. The consummation of the transactions described in the Documents and compliance with the provisions of the Series 2011 Bonds and the Documents will not conflict with or constitute a breach or violation of any law, regulation, court order, consent decree, bond, indenture, contract, agreement or other instrument to which the Board is a party or by which it is bound.

3. No consent of any other party and no consent, license, approval or authorization of, exemption by, or registration with any governmental body, authority, bureau or agency is required in connection with the issuance and delivery of the Series 2011 Bonds or the execution, delivery and performance by the Board of the Documents and there is no pending or, to the knowledge of the undersigned, threatened action or proceeding before any court, governmental authority or administrative agency to which the Board is a party which is likely, in any case or in the aggregate, to have a material adverse effect upon the validity of, or the ability of the Board to perform, its obligations under the Series 2011 Bonds or the Documents, nor am I aware of any facts or circumstances which would give rise to any such action or proceedings.

4. Based upon my participation in the preparation of the Official Statement, executed and delivered in connection with the sale of the Series 2011 Bonds and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained therein, nothing has come to my attention which would lead me to believe that the material contained in the Preliminary Official Statement as of its date and as of the date of the Purchase Agreement (except for the omission of information permitted by Section (b)(1) the Rule) and contained in the Official Statement as of its date and as of the date hereof contains any untrue statement of material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, we express no belief or opinion as to (i) any

financial, forecast, technical or statistical information or data; (ii) any information relating to the description of DTC or the book-entry system; (iii) information under the caption "TAX MATTERS" or otherwise pertaining to the tax status of the Series 2011 Bonds; or (iv) Appendices B, C or E.

5. The Board is a body corporate and politic acting for and on behalf of the State of Illinois and its acting in such capacity is not being and has not been challenged, contested or revoked nor, to the knowledge of the undersigned, is there any basis therefor.

6. The authorization, approval and execution of the Bond Resolution and all other proceedings of the Board relating to the transactions contemplated thereby, by the Series 2011 Bonds and by the Documents have been performed in accordance with all applicable open meeting, public bidding, conflict of interest and other laws of the State of Illinois.

Very truly yours,

UNIVERSITY COUNSEL

EXHIBIT A-2

FORM OF OPINION OF BOARD'S SPECIAL ISSUER'S COUNSEL

[LETTERHEAD OF UNGARETTI & HARRIS LLP]

December __, 2011

Perkins Coie LLP
Chicago, Illinois

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

Re: \$_____ The Board of Trustees of the University of Illinois
University of Illinois Auxiliary Facilities System Refunding Revenue Bonds, Series
2011C

Ladies and Gentlemen:

We have served as special issuer's counsel to The Board of Trustees of the University of Illinois (the "Board"), in connection with the issuance on this date by the Board of its \$_____ University of Illinois Auxiliary Facilities System Refunding Revenue Bonds, Series 2011C (the "Series 2011 Bonds") issued pursuant to the resolution of the Board adopted on September 20, 1984, as supplemented or amended by bond resolutions adopted on June 20, 1985, May 8, 1986, May 9, 1991, June 11, 1993, January 18, 1996, October 15, 1999, June 1, 2000, March 8, 2001, May 23, 2001, May 15, 2003, March 10, 2005, July 14, 2005, September 7, 2006, May 22, 2008, January 15, 2009, May 20, 2010, June 9, 2011 and December 2, 2011 (collectively, the "Bond Resolution").

We have reviewed the following materials:

- A. the Bond Resolution;
- B. the Bond Purchase Agreement dated December 5, 2011 (the "Purchase Agreement") between the Board and _____, as Representative of the Underwriters;
- C. the Continuing Disclosure Agreement; and
- D. the Arbitrage and Tax Agreement and Certificate dated the date hereof (collectively, the "Tax Agreement").

The Bond Resolution, the Purchase Agreement, the Continuing Disclosure Agreement and the Tax Agreement are collectively referred to as the "Documents."

We have also examined (i) the Preliminary Official Statement, dated December 5, 2011 relating to the Series 2011 Bonds (the "Preliminary Official Statement"), (ii) the Official Statement, dated December __, 2011, relating to the Series 2011 Bonds (the "Official Statement") and (iii) such other records, instruments and documents, along with any questions of law or fact as we have deemed appropriate or necessary in the circumstances. Where relevant, we have assumed the authenticity of any documents submitted to us as originals, the genuineness of all associated signatures (other than those of the Board), the legal capacity of natural persons and corporations and the conformance of all certified copies of documents to the originals.

We have also examined such other documents, records, certificates, opinions and instruments as we have deemed necessary as a basis for the opinions expressed below. As to certain questions of fact material to our opinions, we have, without independent investigation, relied (which reliance we believe to be reasonable) upon the representations by the Board, upon certificates of the Board and of other parties to and upon certifications of public officials.

Our opinions expressed herein are limited to the laws of the State of Illinois and the Federal laws of the United States in effect on the date hereof, and we do not express any opinion herein concerning any other law.

Based on the foregoing, and subject to the limitations and qualifications set forth herein including the specific limitations set forth in this paragraph, we are of the opinion that (i) the Documents are valid, legal and binding obligations of the Board, and (ii) except for the indemnification and contribution provisions of Section 8 of the Purchase Agreement, as to which we express no opinion, the Documents are enforceable against the Board in accordance with their respective terms, subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and by the availability of equitable remedies.

We are not passing upon and do not assume responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement or the Official Statement. However, based upon our participation in the preparation of the Preliminary Official Statement and the Official Statement, as special issuer's counsel to the Board, and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained therein, nothing has come to our attention which would lead us to believe that (a) the Preliminary Official Statement contained as of its date and as of the date of the Purchase Agreement any untrue statement of material fact or omitted to state (except for information relating to the terms of the Series 2011 Bonds that would fall within the omissions permitted by Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended) any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and (b) the Official Statement contains as of the date hereof any untrue statement of material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, we express no belief or opinion as to (i) any financial, forecast, technical or statistical information or data; (ii) any information relating to the description of DTC or the book-entry system; (iii) information under the caption "TAX MATTERS" or otherwise pertaining to the tax status of the Series 2011 Bonds; (iv) Appendices

B, C or E; or (v) the statements contained in the Preliminary Official Statement as of any date subsequent to the date of the Purchase Agreement.

This opinion is furnished by us at your request and for your sole benefit, and no other person or entity shall be entitled to rely upon the opinion without our prior written consent. This opinion may be disclosed to your counsel and copies of this opinion may be included in the compilation of closing documents pertaining to the Series 2011 Bonds.

Very truly yours,

UNGARETTI & HARRIS LLP

EXHIBIT A-3

FORM OF OPINION OF BOARD'S COUNSEL

CERTIFICATE AS TO TITLE
TO UNIVERSITY OF ILLINOIS
AUXILIARY FACILITIES SYSTEM

I, the undersigned, do hereby certify that I am University Counsel of The Board of Trustees of the University of Illinois (the "Board") and as such I am an officer of the Board. As such University Counsel I do hereby certify that the title to the respective sites of the facilities comprising the University of Illinois Auxiliary Facilities System described in the bond resolution adopted September 20, 1984, by the Board, as supplemented and amended by bond resolutions adopted June 20, 1985, May 8, 1986, May 9, 1999, June 11, 1993, January 18, 1996, October 15, 1999, June 1, 2000, March 8, 2001, May 23, 2001, May 15, 2003, March 10, 2005, July 14, 2005, September 7, 2006, May 22, 2008, January 15, 2009, May 20, 2010, June 9, 2011 and December 2, 2011, is vested, subject only to Permitted Encumbrances as defined in the Bond Resolution and except for certain leased parking spaces, in the Board.

The undersigned further certifies that the sites of the University of Illinois Auxiliary Facility System are occupied by and are in the possession of the Board.

Dated: December __, 2011

Thomas R. Bearrows
University Counsel
The Board of Trustees of the University of Illinois

EXHIBIT B

SUPPLEMENTAL OPINION OF BOND COUNSEL

[LETTERHEAD OF PERKINS COIE LLP]

December __, 2011

The Board of Trustees of the
University of Illinois
354 Henry Administration Building
506 South Wright Street
Urbana, Illinois 61801

Ladies and Gentlemen:

This opinion is delivered to you pursuant to Section 7(e)(vii) of the Bond Purchase Agreement dated December 5, 2011 (the "Purchase Agreement") between The Board of Trustees of the University of Illinois (the "Board") and _____, as Representative of the Underwriters. We have acted as bond counsel in connection with the issuance and sale of \$_____ University of Illinois Auxiliary Facilities System Refunding Revenue Bonds, Series 2011C (the "Series 2011 Bonds"). As bond counsel, we have examined the proceedings, certificates, records and documents that we have deemed necessary and relevant as a basis for the opinions hereinafter set forth. During the course of this examination, we have assumed the genuineness of all signatures and the authenticity of all documents submitted to us as originals and the conformity to original documents of all documents submitted to us as certified copies. All capitalized terms used but not defined herein shall have the meanings given them in the Purchase Agreement.

Based upon the foregoing, we are of the opinion that:

1. The Board is a body corporate and politic of the State of Illinois (the "State") duly created, organized and existing under the University of Illinois Act, 110 ILCS 305/0.01, *et seq.*, as amended and supplemented (the "Act"), and has full legal right, power and authority under the Act and the University of Illinois Revenue Bond Financing Act for Auxiliary Facilities, 110 ILCS 405/1, *et seq.*, as amended and supplemented (the "Revenue Bond Act" and with the Act, the "Authorizing Acts") (i) to enter into the Purchase Agreement, the Continuing Disclosure

Agreement and the Tax Agreement (collectively, the "Board Documents"), (ii) to issue, sell and deliver the Series 2011 Bonds to the Underwriters as provided in the Purchase Agreement and (iii) to carry out and consummate the transactions contemplated by the Purchase Agreement (other than the indemnification and contribution provisions included in Section 8 thereof, as to which we express no opinion), the other Board Documents and the Official Statement.

2. The Official Statement, the Bond Resolution and the Board Documents have been duly authorized by all necessary action on the part of the Board, have been executed and delivered by authorized officers of the Board, and, assuming the due authorization, execution and delivery of the Purchase Agreement by the other parties thereto, the Bond Resolution, the Purchase Agreement (other than the indemnification and contribution provisions included in Section 8 thereof, as to which we express no opinion) and the other Board Documents constitute the legal, valid and binding obligations of the Board enforceable in accordance with their respective terms, subject to the qualification that the enforcement thereof may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

3. In connection with the offering and sale of the Series 2011 Bonds under the circumstances described in the Official Statement, under existing law, the Series 2011 Bonds are not required to be registered under the Securities Act of 1933, as amended and the Bond Resolution is not required to be qualified under the Trust Indenture Act of 1939, as amended.

4. We have not been engaged nor have we undertaken to review or verify the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Series 2011 Bonds, except that in our capacity as Bond Counsel in connection with the issuance of the Series 2011 Bonds we have reviewed the information contained in the Official Statement under the captions "DESCRIPTION OF THE SERIES 2011 Bonds," "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — General," " — Student Tuition and Fees," " — Repair and Replacement Reserve Account," " — Rate Covenant," " — Parity Bonds," and " — Outstanding Parity Bonds," and "APPENDIX D — DEFINITIONS OF CERTAIN TERMS AND SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION," solely to determine whether such information and summaries conform to the Series 2011 Bonds and the Bond Resolution. The summary descriptions in the Official Statement under such captions, as of the date of the Official Statement and as of the date hereof, insofar as such descriptions purport to describe or summarize certain provisions of the Series 2011 Bonds (apart from the information relating to The Depository Trust Company and its book-entry only system) and the Bond Resolution, are accurate summaries of such provisions in all material respects. In addition, the information in the Official Statement under the caption "TAX MATTERS" purporting to describe or summarize our opinion concerning certain Federal and State tax matters relating to the Series 2011 Bonds has been reviewed by us and is an accurate summary in all material respects. Except as specifically described in this paragraph, we express no opinion with respect to and have not undertaken to determine independently the accuracy, fairness or completeness of any statements contained or incorporated by reference in the Official Statement.

In addition to this opinion, we have rendered an opinion as to the validity of the Series 2011 Bonds and the exclusion of interest on the Series 2011 Bonds from the gross income of the owners thereof for Federal income tax purposes, dated the date hereof. The Underwriters is hereby authorized to rely on such approving opinion as if such opinion were addressed to the Underwriters.

In rendering this opinion, we have relied upon certificates of the Board with respect to certain material facts solely within the knowledge of the Board. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

This letter is furnished by us as Bond Counsel. No attorney-client relationship has existed or exists between our firm and the Underwriters in connection with the Series 2011 Bonds or by virtue of this letter. This letter is not intended to be relied upon by the owners of the Series 2011 Bonds or by any other party to whom it is not specifically addressed.

Respectfully submitted,

PERKINS COIE LLP

EXHIBIT C

FORM OF OPINION OF UNDERWRITERS' COUNSEL

[LETTERHEAD OF UNGARETTI & HARRIS LLP]

December __, 2011

Re: \$ _____ The Board of Trustees of the University of Illinois
University of Illinois Auxiliary Facilities System Refunding Revenue Bonds, Series
2011C

Ladies and Gentlemen:

We have acted as counsel for _____, on its own behalf and on behalf of _____ and _____, (collectively, the "Underwriters") in connection with the purchase by the Underwriters of the above-referenced bonds (the "Series 2011 Bonds"), pursuant to the Bond Purchase Agreement, dated December __, 2011 (the "Bond Purchase Agreement"), between the Underwriters and The Board of Trustees of the University of Illinois (the "Board"). We, as counsel for the Underwriters, have examined and relied upon the following:

A. An executed copy of the resolution adopted by the Board on September 20, 1984, as amended by bond resolutions adopted on June 30, 1985, May 8, 1986, May 9, 2001, June 11, 1993, January 18, 1996, October 15, 1999, June 1, 2000, March 8, 2001, May 23, 2001, May 15, 2003, March 10, 2005, July 14, 2005, September 7, 2006, May 22, 2008, January 15, 2009, May 20, 2010, June 9, 2011 and December 2, 2011 (the "Bond Resolution");

B. A copy of the Preliminary Official Statement of the Board relating to the Series 2011 Bonds dated December 5, 2011 (the "Preliminary Official Statement") and an executed copy of the Official Statement of the Board relating to the Series 2011 Bonds dated December __, 2011 (the "Official Statement");

C. An executed counterpart of the Bond Purchase Agreement;

D. Opinions of Perkins Coie LLP, Bond Counsel of the Board, relating to the Series 2011 Bonds; and

E. Such other matters as we have deemed necessary to the opinions herein expressed.

In addition, we have examined and relied on originals or copies, certified or otherwise identified to our satisfaction, of such other documents, instruments or corporate records, and have made such investigation of law, as we have considered necessary or appropriate for the purposes of this opinion.

In accordance with our understanding with you, we rendered legal advice and assistance to you in the course of your investigation pertaining to, and your participation in the preparation of, the Preliminary Official Statement, the Official Statement and the issuance and sale of the Series 2011 Bonds. Rendering such assistance involved, among other things, discussions and inquiries concerning various legal and related subjects, and reviews of and reports on certain documents and proceedings. As counsel to the Underwriters, we also participated in the preparation of the Preliminary Official Statement and the Official Statement and in conferences with your representatives and those to the Board, the Board's counsel, Perkins Coie LLP, Bond Counsel of the Board, and others, during which the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed and reviewed.

The limitations inherent in the process of independently verifying factual matters are such that we assume no responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement and the Official Statement, and we express no opinion or belief as to the financial and statistical data contained in the Preliminary Official Statement and the Official Statement, the information regarding The Depository Trust Company and The Depository Trust Company's book-entry system contained in the Preliminary Official Statement, the Official Statement or the sections entitled "TAX MATTERS," and "FINANCIAL ADVISOR," and Appendices B, C and E included in the Preliminary Official Statement and the Official Statement. We have also assumed, but have not independently verified, that the signatures on all documents and certificates that we have examined were genuine.

On the basis of the information developed in the course of the performance of the services referred to above, and without having undertaken to determine independently the accuracy or completeness of the statements contained in the Preliminary Official Statement and the Official Statement, we hereby advise you, subject to the limitations expressed in the preceding paragraph, that we have no reason to believe that the Preliminary Official Statement and the Official Statement (except for forecasts, financial and statistical information or summaries of such information included therein, information regarding The Depository Trust Company and The Depository Trust Company's book-entry system included therein, the sections entitled "LITIGATION," "TAX MATTERS," and "FINANCIAL ADVISOR," and Appendices B, C and E included in the Preliminary Official Statement and the Official Statement, as to which we express no view) as of their respective date and, as to the Preliminary Official Statement, as of the date of the Bond Purchase Agreement and, as to the Official Statement, as of the date of this opinion contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements included therein, in light of the circumstances under which they were made, not misleading.

We are of the opinion that the Series 2011 Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Bond Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

We are delivering this opinion to you solely for your benefit and no persons other than you are entitled to rely on this opinion.

Very truly yours,

UNGARETTI & HARRIS LLP

SCHEDULE 1

BOND PRICING

The Board of Trustees of the University of Illinois
University of Illinois
Auxiliary Facilities System Refunding Revenue Bonds, Series 2011C

1. **Principal Amount:** \$ _____
2. **Dated:** Date of Delivery
3. **Maturity Schedule:**

<u>Year</u> <u>(April 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Approximate</u> <u>Price</u>
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C indicates priced to the optional call date.

4. **Redemption Provisions:**

Optional Redemption. The Series 2011 Bonds maturing on or after April 1, 2022 are subject to redemption prior to maturity, at the option of the Board, on or after October 1, 2021, in whole or in part at any time, and if in part, from such maturities as determined by the Board and within any maturity by lot, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the date fixed for redemption.

Mandatory Redemption of Term Bonds. The Series 2011 Bonds maturing on April 1, 20__, on April 1, 20__ and on April 1, 20__, are subject to mandatory redemption prior to maturity through the application of sinking fund payments, in integral multiples of \$5,000 selected by the Bond Registrar, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the date fixed for redemption, in the following principal amounts on April 1 in each of the years set forth below:

Series 2011C	
Term Bonds	
Due April 1, 20__	

<u>Year</u>	<u>Amount</u>

* Final Maturity

**Series 2011C
Term Bonds
Due April 1, 20__**

<u>Year</u>	<u>Amount</u>
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* Final Maturity

**Series 2011C
Term Bonds
Due April 1, 20__**

<u>Year</u>	<u>Amount</u>
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* Final Maturity

SCHEDULE 2

The Board of Trustees of the University of Illinois
University of Illinois
Auxiliary Facilities System Refunding Revenue Bonds, Series 2011

Par Amount of Series 2011 Bonds	\$
Multiplier	<u>1.0%</u>
Total Liquidated Damages	<u>\$</u>

SCHEDULE 3

LIST OF UNDERWRITERS

[to come]