
THE BOARD OF TRUSTEES
OF
THE UNIVERSITY OF ILLINOIS

THIRD SUPPLEMENTAL
SYSTEM REVENUE BOND
RESOLUTION

Approved July 25, 2013

Supplementing Resolution Approved January 22, 1997,
as supplemented and amended through the date hereof

Re: University of Illinois Health Services Facilities System
Revenue Bonds, Series 2013

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A RESOLUTION AUTHORIZING THE ISSUANCE AND DELIVERY OF UNIVERSITY OF ILLINOIS HEALTH SERVICES FACILITIES SYSTEM REVENUE BONDS, SERIES 2013, AND SUPPLEMENTING RESOLUTIONS DULY ADOPTED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS DATED JANUARY 22, 1997, MAY 17, 2007 AND MAY 22, 2008.

WHEREAS, The Board of Trustees of the University of Illinois (the “*Board*”) on January 22, 1997, did duly adopt a resolution entitled:

A RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF REVENUE BONDS FOR THE PURPOSE OF PAYING THE COST OF ACQUIRING, CONSTRUCTING, EQUIPPING AND IMPROVING CERTAIN HEALTH SERVICES FACILITIES, PAYING CERTAIN EXPENSES OF CREATING A HEALTH SERVICES FACILITIES SYSTEM, INCLUDING EXPENSES RELATING TO ISSUANCE OF THE BONDS, SETTING FORTH THE TERMS UNDER WHICH REVENUE BONDS ARE TO BE ISSUED, PROVIDING FOR THE RIGHTS OF THE OWNERS THEREOF AND PROVIDING FOR THE MANAGEMENT, MAINTENANCE, IMPROVEMENT AND OPERATION OF THE HEALTH SERVICES FACILITIES SYSTEM.

(the “*Original Resolution*” and as supplemented, modified or amended by any supplemental resolution adopted pursuant to its terms, including by this Third Supplemental Resolution, the “*Bond Resolution*”); and

WHEREAS, the System consists of the health services facilities and other revenue producing buildings and facilities of the Board described in *Exhibit A-2*, including the System Core Facilities described in *Exhibit A-1*; and

WHEREAS, pursuant to the Original Resolution the Board issued its (i) University of Illinois Health Services Facilities System Revenue Bonds, Series 1997A, which are no longer outstanding (the “*Series 1997A Bonds*”) and (ii) University of Illinois Health Services Facilities System Revenue Bonds, Series 1997B, which are currently outstanding in the aggregate principal amount of \$16,200,000 (the “*Series 1997B Bonds*”); and

WHEREAS, the Board on May 17, 2007, did duly adopt a resolution (the “*First Supplemental Resolution*”) providing for the issuance of additional Parity Bonds in accordance with the provisions of the Original Resolution for the purpose of refunding in advance of maturity the Series 1997A Bonds, designated “University of Illinois Variable Rate Demand Health Services Facilities System Revenue Refunding Bonds, Series 2007”, which are no longer outstanding (the “*Series 2007 Bonds*”); and

WHEREAS, the Board on May 22, 2008, did duly adopt a resolution (the “*Second Supplemental Resolution*”) providing for the issuance of additional Parity Bonds in accordance with the provisions of the Original Resolution for the purpose of refunding in advance of

maturity the Series 2007 Bonds designated “University of Illinois Variable Rate Demand Health Services Facilities System Revenue Refunding Bonds, Series 2008”, which are currently outstanding in the aggregate principal amount of \$37,675,000 (the “*Series 2008 Bonds*” and, together with the Series 1997B Bonds, the “*Outstanding Parity Bonds*”); and

WHEREAS, Section 6.02 of the Original Resolution permits the issuance of additional Parity Bonds of equal rank with the Outstanding Parity Bonds for the purpose, among others, of repairing, improving, or adding to the System Core Facilities if certain conditions specified in said Section 6.02 are met; and

WHEREAS, the Board, on due consideration and investigation, does now find and determine that it is advisable and necessary and required for the good and benefit of the University of Illinois (the “*University*”) and the best interests of its students and faculty to pay the costs of repairing, improving or adding to the System Core Facilities, including the costs of all or a portion of the repairs, improvements and additions to the System Core Facilities described in *Exhibit B* hereto (the “*Project*”); and

WHEREAS, in order to finance the Project, it is advantageous to the University and necessary that the Board borrow money and issue and sell revenue bonds under the provisions of the University of Illinois Revenue Bond Financing Act for Auxiliary Facilities, as amended, 110 ILCS 405/1, *et seq.*; and

WHEREAS, the Board now desires to create and to authorize the issuance and delivery of a series of Parity Bonds under and in accordance with the Bond Resolution, which Parity Bonds shall be known as “University of Illinois Health Services Facilities System Revenue Bonds, Series 2013” (the “*Series 2013 Bonds*”); and

WHEREAS, forms of a Preliminary Official Statement, Bond Purchase Agreement and Continuing Disclosure Undertaking (each as described and defined in Section 2.11 of this Third Supplemental Resolution) have been presented to the Board:

NOW, THEREFORE, BE IT RESOLVED by The Board of Trustees of the University of Illinois:

ARTICLE I

DEFINITIONS; PLEDGE OF REVENUES

Section 1.01. Defined Terms. Terms used in this Third Supplemental Resolution and not defined shall have the same meanings defined in the Original Resolution, as supplemented and amended.

For purposes of this Third Supplemental Resolution, the following terms shall have the following meanings:

“*Beneficial Owner*” means, so long as the Series 2013 Bonds are in the Book-Entry System described in Section 2.10 hereof, any person who acquires a beneficial ownership interest in a Series 2013 Bond held by the Securities Depository. If at any time the Series 2013 Bonds are not held in the Book-Entry System, Beneficial Owner shall mean Owner for purposes of this Third Supplemental Resolution.

“*Book-Entry System*” means the system maintained by the Securities Depository and described in Section 2.10 hereof.

“*Code*” means the Internal Revenue Code of 1986, as amended. References to the Code and to Sections of the Code shall include relevant regulations thereunder now or hereafter proposed or published in the Federal Register or as promulgated in final form.

“*Comptroller*” means the Comptroller of the Board or such other person as may at the time be the acting chief fiscal officer of the Board.

“*DTC*” means The Depository Trust Company, New York, New York.

“*Notification of Sale*” shall mean the Notification of Sale delivered by the Comptroller to the Board pursuant to Section 2.11 of this Third Supplemental Resolution in connection with the sale and issuance of the Series 2013 Bonds.

“*Original Resolution*” shall have the meaning ascribed to such term in the preambles to this Third Supplemental Resolution.

“*Outstanding Parity Bonds*” shall mean, collectively, the Series 1997B Bonds and Series 2008 Bonds outstanding from time to time.

“*Participant*”, when used with respect to any Securities Depository, means any participant of such Securities Depository.

“*Project*” shall mean the repair and improvement of, and additions to, the System Core Facilities, which shall include all or a portion of the repairs, improvements and additions to the System Core Facilities described in *Exhibit B* hereto.

“*Securities Depository*” means DTC or its nominee and the successors and assigns of such nominee, or any successor appointed under Section 2.10.

“*Series 1997B Bonds*” means the University of Illinois Health Services Facilities System Revenue Bonds, Series 1997B, of the Board, currently outstanding in the aggregate principal amount of \$16,200,000.

“*Series 2008 Bonds*” means the University of Illinois Variable Rate Demand Health Services Facilities System Revenue Refunding Bonds, Series 2008, of the Board, currently outstanding in the aggregate principal amount of \$37,675,000.

“*Series 2013 Bonds*” is defined in the preambles to this Third Supplemental Resolution.

“*Series 2013 Project Fund*” means the separate accounting fund of the Board established by Section 5.01 of this Third Supplemental Resolution for the purpose of holding certain proceeds of the Series 2013 Bonds.

“*Series 2013 Subaccount*” means the subaccount established by Section 4.02 of this Third Supplemental Resolution within the Bond and Interest Sinking Fund Account.

“*System*” means the health services facilities and other revenue producing buildings and facilities of the Board described in *Exhibit A-2* hereto, together with all equipment located thereon and all improvements, repairs, extensions or replacements therein and hereafter constructed or acquired, as *Exhibit A-2* may be amended as permitted in Section 9.16 of the Original Resolution.

“*System Core Facilities*” means the existing health services facilities and other revenue producing buildings and facilities of the Board described in *Exhibit A-1* hereto, together with all equipment located thereon and all improvements, repairs, extensions or replacements therein and hereafter constructed or acquired, and such additional facility or facilities, as the same, or any part or portion thereof, are hereafter from time to time acquired and included therein by the Board pursuant to the Bond Resolution, and excepting those parts of the System Core Facilities which from time to time may be disposed of or abandoned as provided in the Bond Resolution.

“*Tax Agreement*” shall mean a Tax Exemption Certificate and Agreement to be delivered by the Board upon the issuance of the Series 2013 Bonds.

“*Trustee*” means The Bank of New York Mellon Trust Company, N.A.

“*Underwriters*” means the group of underwriters identified in the form of Bond Purchase Agreement now before the Board and approved in Section 2.11 of this Third Supplemental Resolution and such other underwriters as may be appointed by the Comptroller, which additional underwriters shall be selected from the financial services providers approved during the Board’s most recent procurement process.

Section 1.02. Pledge of Revenues. The pledge of the Net Revenues of the System, MSP Revenues and Student Tuition, as provided in Section 7.03 of the Original Resolution, to the prompt payment of the interest on and principal of all outstanding Bonds and to the prompt payment of any additional obligations issued pursuant to Section 6.01 of the Original Resolution, is hereby ratified and confirmed. The Series 2013 Bonds, together with the Outstanding Parity Bonds and any Parity Bonds issued in the future, will be secured by a pledge of and lien on (i) the Net Revenues of the System, (ii) MSP Revenues in an amount not to exceed Annual Debt Service and mandatory transfers pursuant to the Bond Resolution for each Fiscal Year, (iii) Student Tuition in an amount not to exceed Annual Debt Service and mandatory transfers pursuant to the Bond Resolution for each Fiscal Year, subject to the Prior Pledge and (iv) moneys in the Bond and Interest Sinking Fund Account.

ARTICLE II

SERIES 2013 BONDS AND THE ISSUANCE THEREOF

Section 2.01. Purpose of Issuance of the Series 2013 Bonds. For the purpose of paying costs of the Project and costs of issuance in connection therewith, the Board hereby authorizes the issuance of its Series 2013 Bonds in the aggregate principal amount of not to exceed \$77,000,000, except as provided in Section 2.07 with respect to the replacement of mutilated, lost, stolen or destroyed Series 2013 Bonds. The Series 2013 Bonds shall be substantially in the form of *Exhibit C* to this Third Supplemental Resolution, which is hereby incorporated by reference and made a part hereof, and in the denominations described in Section 2.02 below. The Series 2013 Bonds may have notations, legends or endorsements required by law or by usage.

Section 2.02. Terms of Series 2013 Bonds. The Series 2013 Bonds shall be issued as fully registered Bonds, in the denomination of \$5,000 and integral multiples thereof (but no single Bond shall represent installments of principal maturing on more than one date), and shall be numbered 1 and upward. The Series 2013 Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid, or duly provided for, until the principal amount of the Series 2013 Bonds is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable semiannually on the first days of April and October in each year until paid, commencing on such date, and shall mature, subject to prior redemption upon the terms and conditions set forth in the Notification of Sale, on October 1 of each of the years, in the amounts and bearing interest at the rates per annum, and subject to optional and mandatory redemption as provided in the Notification of Sale.

The Comptroller is hereby authorized, empowered and directed to determine the principal amount, the dated date, the first interest payment date, the interest rates and the maturity schedule for the Series 2013 Bonds to be issued; *provided* that the Series 2013 Bonds shall (i) be in an aggregate original principal amount of not to exceed \$77,000,000; (ii) mature not later than thirty (30) years from the date of issuance thereof; (iii) bear interest at a rate or rates not to exceed 7.00% per annum and (iv) have a true interest cost of borrowing of not to exceed 7.00% per annum. In no case may the interest rate on any Series 2013 Bonds exceed the maximum rate permitted by law. The approval by the Comptroller of such terms of the Series 2013 Bonds, within the parameters set forth in this Section, shall be evidenced by execution of the Notification of Sale by the Comptroller.

The Series 2013 Bonds shall be subject to optional and mandatory sinking fund redemption prior to maturity as set forth in the Notification of Sale and in the form of Bond attached hereto as *Exhibit C*. The Comptroller is hereby authorized to determine the redemption terms for the Series 2013 Bonds as shall be in the best financial interest of the Board, *provided* that the Series 2013 Bonds shall not be subject to redemption prior to maturity at a redemption price in excess of 103% of the principal amount being redeemed.

Section 2.03. Payments on Series 2013 Bonds. Interest on each Series 2013 Bond shall be paid by check or draft of the Trustee payable upon presentation in lawful money of the United

States of America, to the person in whose name such Series 2013 Bond is registered at the close of business on the 15th day of the month next preceding the interest payment date. The principal of and premium, if any, on the Series 2013 Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Trustee.

Principal and premium, if any, upon presentation of the Series 2013 Bonds at the designated corporate trust office of the Trustee, and interest on the Series 2013 Bonds, held by an owner of at least \$1,000,000 in aggregate principal amount of the Series 2013 Bonds also may be paid by wire transfer to a bank in the continental United States designated in writing by such owner on the 15th day of the month next preceding the maturity, redemption or interest payment date on such Series 2013 Bonds. Payment as provided in this Section 2.03 shall be made in such coin or currency of the United States of America as, at the respective times of payment, shall be legal tender for the payment of public and private debts.

Section 2.04. Execution and Authentication of Series 2013 Bonds. The Series 2013 Bonds shall be executed on behalf of the Board, authenticated by the Trustee and delivered to or upon the written order of the Comptroller.

The Series 2013 Bonds shall be signed on behalf of the Board by the manual or facsimile signature of its President and two members of the Board and attested by the manual or facsimile signature of its Secretary, and the seal of the Board shall be impressed or imprinted on the Series 2013 Bonds by facsimile or otherwise. All authorized facsimile signatures shall have the same effect as if manually signed. If an officer of the Board whose signature is on a Series 2013 Bond no longer holds that office at the time the Trustee authenticates the Series 2013 Bond, the Series 2013 Bond shall nevertheless be valid. Also, if a person signing a Series 2013 Bond is the proper officer on the actual date of execution, the Series 2013 Bond shall be valid even if that person is not the proper officer on the nominal date of action.

A Series 2013 Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under this Bond Resolution until the Trustee manually signs the certificate of authentication on such Series 2013 Bond. Such signature shall be conclusive evidence that such Bond has been authenticated under this Bond Resolution.

Section 2.05. Bond Register. Series 2013 Bonds must be presented at the designated corporate trust office of the Trustee for registration of transfer, exchange and payment. Series 2013 Bonds tendered by their Owners must be delivered as specified in the Series 2013 Bonds. The Trustee shall keep a register of Series 2013 Bonds and of their transfer and exchange (the “*Bond Register*”), which Bond Register shall be open to inspection by the Board during normal business hours.

Section 2.06. Registration and Exchange of Series 2013 Bonds; Persons Treated as Owners. Series 2013 Bonds may be transferred only on the Bond Register maintained by the Trustee. Upon surrender for transfer of any Series 2013 Bond to the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or the Owner’s attorney duly authorized in writing, the Board shall execute and the Trustee shall authenticate and deliver

a new Series 2013 Bond or Bonds in an equal aggregate principal amount and of the same series and maturity and registered in the name of the transferee.

Series 2013 Bonds may be exchanged for an equal aggregate principal amount of Series 2013 Bonds of the same maturity and of different authorized denominations. The Board shall execute and the Trustee shall authenticate and deliver the new Series 2013 Bond or Bonds that the Bondholder making the exchange is entitled to receive, bearing numbers not then outstanding.

The Trustee shall not be required to transfer or exchange any Series 2013 Bond during the period beginning at the close of business on the fifteenth day of the calendar month next preceding any interest payment date for such Series 2013 Bond and ending on such interest payment date or during the period beginning 15 days before the mailing of a notice calling the Series 2013 Bonds or any portion of the Series 2013 Bonds for redemption and ending on the redemption date. In the event the Trustee transfers such Series 2013 Bonds, the new owner shall be given notice of the pending redemption.

The Owner of a Series 2013 Bond shall be the absolute owner of such Bond for all purposes, and all payments of principal, premium, if any, or interest shall be made only to or upon the written order of such Owner or such Owner's legal representative.

The Trustee shall require the payment by a Series 2013 Bondholder requesting exchange or transfer of any tax or other governmental charge required to be paid in respect of the exchange or transfer but will not impose any other charge.

Section 2.07. Mutilated, Lost, Stolen or Destroyed Series 2013 Bonds. If any Series 2013 Bond is mutilated, lost, stolen or destroyed, the Board shall execute and the Trustee shall authenticate and deliver a new Series 2013 Bond of the same maturity and denomination. Any mutilated Series 2013 Bond shall first be surrendered to the Trustee, and, in the case of any lost, stolen or destroyed Series 2013 Bond, there shall first be furnished to the Trustee and the Board evidence of such loss, theft or destruction, together with an indemnity satisfactory to them. If such Series 2013 Bond has matured, instead of issuing a replacement Bond, the Trustee may with the consent of the Board pay such Series 2013 Bond without requiring surrender of such Series 2013 Bond upon satisfaction of such requirements as the Trustee deems fit for the protection of the Board and the Trustee, including a lost instrument bond. The Board and the Trustee may charge reasonable fees and expenses in this connection.

Section 2.08. Cancellation of Series 2013 Bonds. Whenever a Series 2013 Bond is delivered to the Trustee for cancellation (upon payment, redemption or otherwise), or for transfer, exchange or replacement pursuant to Section 2.06 or 2.07, the Trustee shall promptly cancel and destroy such Series 2013 Bond and deliver a certificate of destruction to the Board.

Section 2.09. Temporary Series 2013 Bonds. Until definitive Series 2013 Bonds are ready for delivery, the Board may execute and the Trustee shall authenticate and deliver temporary Series 2013 Bonds substantially in the form of the definitive Series 2013 Bonds, with appropriate variations. The Board shall, without unreasonable delay, prepare and execute and

the Trustee shall authenticate and deliver definitive Series 2013 Bonds in exchange for the temporary Series 2013 Bonds. Such exchange shall be made by the Trustee without charge.

Section 2.10. Book-Entry System. The Series 2013 Bonds shall be initially registered in the name of Cede & Co., as nominee for DTC as the initial Securities Depository, and held in the custody of the Securities Depository. A single certificate shall be issued and delivered to the Securities Depository for each maturity of the Series 2013 Bonds. The Beneficial Owners of the Series 2013 Bonds will not receive physical delivery of Bond certificates except as provided herein. So long as there exists a Securities Depository as provided herein, all transfers of beneficial ownership interests in the Series 2013 Bonds shall be made by book-entry only, and no person purchasing, selling or otherwise transferring beneficial ownership interests in the Series 2013 Bonds will be permitted to receive, hold or deliver any Bond certificate. The Board and the Trustee shall treat the Securities Depository or its nominee as the sole and exclusive Bondholder for all purposes, including payments of principal of, premium, if any, and interest on the Series 2013 Bonds, notices and voting.

The Board and the Trustee covenant and agree, so long as DTC shall continue to serve as Securities Depository for the Series 2013 Bonds, to meet the requirements of DTC with respect to required notices and other provisions of the Letter of Representations between the Board and DTC.

The Board and the Trustee may conclusively rely upon (i) a certificate of the Securities Depository as to the identity of the Participants in the Book-Entry System with respect to the Series 2013 Bonds and (ii) a certificate of any such Participant as to the identity of, and the respective principal amount of Series 2013 Bonds beneficially owned by, the Beneficial Owners.

Whenever Series 2013 Bonds remain Outstanding and the beneficial ownership thereof must be determined by the books of the Securities Depository, the requirements in this Third Supplemental Resolution for holding, delivering or transferring Series 2013 Bonds shall be deemed modified to require the appropriate person to meet the requirements of the Securities Depository with respect to such actions to produce the same effect. Any provision hereof permitting or requiring delivery of Series 2013 Bonds shall, while the Series 2013 Bonds are in the Book-Entry System, be satisfied by notation on the books of the Securities Depository in accordance with state law.

The Trustee and the Board, at the direction and expense of the Board, may from time to time appoint a successor Securities Depository and enter into any agreement with such Securities Depository to establish procedures with respect to the Series 2013 Bonds not inconsistent with the provisions of this Third Supplemental Resolution. Any successor Securities Depository shall be a “clearing agency” registered under Section 17A of the Securities Exchange Act of 1934, as amended.

Neither the Board nor the Trustee shall have any responsibility or obligation to any Securities Depository, any Participant or the Beneficial Owners with respect to (i) the accuracy of any records maintained by the Securities Depository or any Participant; (ii) the payment by the Securities Depository or by any Participant of any amount due to any Beneficial Owner in

respect of the principal amount (including premium) or redemption price of, or interest on, any Series 2013 Bonds; (iii) the delivery of any notice by the Securities Depository or any Participant; (iv) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Series 2013 Bonds; or (v) any other action taken by the Securities Depository or any Participant in connection with the Series 2013 Bonds.

Bond certificates shall be delivered to and registered in the name of the Beneficial Owners only under the following circumstances:

(a) The Securities Depository determines to discontinue providing its service with respect to the Series 2013 Bonds and no successor Securities Depository is appointed as described above. Such a determination may be made at any time by giving reasonable notice to the Board or the Trustee and discharging its responsibilities with respect thereto under applicable law.

(b) The Board determines not to continue the Book-Entry System through any Securities Depository.

If at any time the Securities Depository ceases to hold the Series 2013 Bonds, all references herein to the Securities Depository shall be of no further force or effect.

Notwithstanding any other provision of this Third Supplemental Resolution to the contrary, so long as any Series 2013 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Series 2013 Bond and all notices with respect to such Series 2013 Bond shall be made and given, respectively, in the manner provided in the Letter of Representations between the Board and DTC.

Section 2.11. Sale of Series 2013 Bonds; Approval of Certain Documents. After this Third Supplemental Resolution becomes effective and at such time to be determined by the Comptroller, the Series 2013 Bonds may be sold in such principal amount and with such terms as shall be determined by the Comptroller to be desirable as provided in and within the limitations set forth in this Third Supplemental Resolution. The Series 2013 Bonds shall be sold at a price, exclusive of net original discount or premium, not less than 98 percent of the principal amount thereof plus accrued interest, if any. The Series 2013 Bonds as sold shall be executed as herein provided and delivered by or on behalf of the Board to the purchasers thereof, upon receipt of the purchase price therefor. At or before the delivery of the Series 2013 Bonds, the Comptroller shall file a Notification of Sale with the Board setting forth the aggregate original principal amount, maturities, interest payment dates, interest rates, redemption provisions and other pertinent details of the sale of the Series 2013 Bonds.

The preparation, use and distribution of a Preliminary Official Statement (the "*Preliminary Official Statement*") relating to the Series 2013 Bonds are hereby approved. The Preliminary Official Statement shall be in substantially the same form as now before the Board or with such changes therein as the Comptroller shall approve, his execution of the hereinafter mentioned Official Statement to constitute conclusive evidence of his approval of such changes. The Comptroller is hereby authorized, empowered and directed to execute and deliver an Official

Statement (the “*Official Statement*”) relating to the Series 2013 Bonds on behalf of the Board. The Official Statement shall be in substantially the form of the Preliminary Official Statement with appropriate revisions to reflect the terms and provisions of the Series 2013 Bonds being sold and as otherwise agreed upon by the Comptroller.

In order to provide for the sale of the Series 2013 Bonds to the Underwriters and to establish the terms and conditions of such sale, the Comptroller is hereby authorized, empowered and directed to execute and deliver on behalf of the Board the Bond Purchase Agreement between the Board and the Underwriters (the “*Bond Purchase Agreement*”) in substantially the same form as now before the Board, or with such changes therein as the Comptroller shall approve, his execution thereof to constitute conclusive evidence of his approval of such changes. When the Bond Purchase Agreement is executed and delivered on behalf of the Board as herein provided, the Bond Purchase Agreement will be binding on the Board and the officers, employees and agents of the Board, and the officers, employees and agents of the Board are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Bond Purchase Agreement as executed.

The Comptroller is hereby authorized, empowered and directed to execute and deliver a Continuing Disclosure Undertaking (the “*Continuing Disclosure Undertaking*”) relating to the Series 2013 Bonds in substantially the same form as now before the Board, or with such changes therein as the Comptroller shall approve, his execution thereof to constitute conclusive evidence of his approval of such changes. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the Board as herein provided, the Continuing Disclosure Undertaking will be binding on the Board and the officers, employees and agents of the Board, and the officers, employees and agents of the Board are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Third Supplemental Resolution, the sole remedies for failure to comply with a Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Series 2013 Bond to seek mandamus or specific performance by court order, to cause the Board to comply with its obligations under the Continuing Disclosure Undertaking.

ARTICLE III

REDEMPTION OF SERIES 2013 BONDS

Section 3.01. Notices to Trustee. If the Board elects to redeem any Series 2013 Bonds pursuant to the optional redemption provisions hereof and set forth in the Notification of Sale and the Series 2013 Bonds, the Board shall give written notice to the Trustee of the applicable provision, the redemption date, the principal amount of Series 2013 Bonds to be redeemed, the redemption price and other necessary particulars. The Board shall give such written notice at least 45 days before the redemption date unless a shorter period shall be acceptable to the Trustee. Whenever the Trustee is required to redeem Series 2013 Bonds pursuant to mandatory sinking fund redemption, the Trustee shall select the Series 2013 Bonds to be redeemed, give the

notice of redemption and pay the redemption price thereof without further direction from the Board.

Section 3.02. Redemption Dates and Certain Provisions. The redemption date of the Series 2013 Bonds to be redeemed pursuant to the optional redemption provisions applicable to the Series 2013 Bonds shall be a date permitted by the Series 2013 Bonds and specified by the Board in the notice delivered pursuant to Section 3.01. The redemption dates for mandatory sinking fund redemptions shall be as specified in the Notification of Sale executed and delivered by the Comptroller and in the Series 2013 Bonds.

The principal amounts of Series 2013 Bonds to be redeemed or paid on each date through mandatory sinking fund redemptions, if any, may be reduced through the earlier optional redemption thereof, with any partial optional redemption of Series 2013 Bonds being credited against such future mandatory sinking fund requirements of Series 2013 Bonds as determined by the Comptroller, with written notice of such determination to be given to the Trustee. In addition, on or prior to the 60th day preceding any mandatory sinking fund redemption date, the Trustee may, and if directed by the Comptroller shall, purchase Series 2013 Bonds required to be retired on such mandatory redemption date at a purchase price not exceeding the principal amount thereof plus accrued interest to the purchase date. Any such Series 2013 Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the payment required on such next mandatory redemption sinking fund date for the Series 2013 Bonds so purchased.

Section 3.03. Selection of Series 2013 Bonds to Be Redeemed. If less than all the Series 2013 Bonds that are subject to optional redemption shall be called for redemption, the particular maturities of the Series 2013 Bonds to be so redeemed shall be designated in writing by the Comptroller. If less than all the Series 2013 Bonds of a single maturity are to be redeemed under any provision of this Third Supplemental Resolution, the particular Series 2013 Bonds or portions thereof to be redeemed shall be selected by the Trustee in such a manner as the Trustee in its discretion may deem fair and appropriate, in the principal amount designated to the Trustee by the Board; *provided, however*, that the principal portion of any Series 2013 Bonds to be redeemed shall be in integral multiples of \$5,000, and that, in selecting such Series 2013 Bonds for redemption, the Trustee shall treat each Series 2013 Bond as representing that number of Series 2013 Bonds which is obtained by dividing the par value of such Series 2013 Bond by \$5,000 (such amount being hereinafter referred to as an “*applicable unit of principal amount*”). If it is determined that one or more, but not all, of the applicable units of principal amount represented by any such Series 2013 Bond is to be called for redemption, then, upon notice of intention to redeem such applicable unit or units, the Owner of such Series 2013 Bond, upon surrender of such Series 2013 Bond to the Trustee for payment to such Owner of the redemption price of the applicable unit or units of principal amount called for redemption, shall be entitled to receive a new Series 2013 Bond or Bonds in the aggregate amount equal to the applicable unit or units of principal amount not called for redemption. Such new Series 2013 Bonds representing the applicable unit or units of principal amount, as the case may be, not called for redemption shall be issued to the Owner thereof, without charge therefor. If the Owner of any such Series 2013 Bond of a denomination greater than the applicable unit or units of principal amount called for redemption shall fail to present such Series 2013 Bond to the Trustee for payment and

exchange as aforesaid, such Series 2013 Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the applicable unit or units of principal amount called for redemption (and to that extent only). While a Book-Entry System is in effect, the procedures of the Securities Depository shall control with respect to the selection of Series 2013 Bonds to be redeemed.

Section 3.04. Redemption Notices.

(a) *Official Notice of Redemption.* The Trustee shall mail a notice of redemption by first class mail to each Bondholder at its registered address at least 30 days before the redemption of the Series 2013 Bonds. Each notice of redemption shall identify the Series 2013 Bonds to be redeemed and shall state (1) the redemption date, (2) the redemption price, (3) that the Series 2013 Bonds called for redemption must be surrendered to collect the redemption price, (4) the address at which the Series 2013 Bonds must be surrendered and (5) that interest on the Series 2013 Bonds called for redemption ceases to accrue on the redemption date.

Unless moneys sufficient to pay the principal of, and the premium, if any, and interest on, the Series 2013 Bonds 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 Board shall not redeem such Series 2013 Bonds, 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 2013 Bonds will not be redeemed.

Failure to give any required notice of redemption as to any particular Series 2013 Bonds shall not affect the validity of the call for redemption of any Series 2013 Bonds in respect of which no such failure has occurred. Any notice mailed as provided in the Series 2013 Bonds shall be conclusively presumed to have been given, whether or not actually received by the addressee Owner.

(b) *Additional Notice of Redemption.* In addition to the redemption notice required in subsection (a) above, if the Book-Entry System is not then in effect for the Series 2013 Bonds, a further notice (the “*Additional Notice*”) shall be given by the Trustee as set out below. No defect in the Additional Notice nor any failure to give all or any portion of the Additional Notice shall in any manner defeat the effectiveness of a call for redemption if the notice required in subsection (a) above is given.

(1) Each Additional Notice shall contain (i) the CUSIP numbers of all Series 2013 Bonds being redeemed; (ii) the date of original issuance of the Series 2013 Bonds; (iii) the rate of interest borne by each Series 2013 Bond being redeemed; (iv) the Maturity Date or Maturity Dates of the Series 2013 Bonds being redeemed; and (v) any

other descriptive information needed to identify accurately the Series 2013 Bonds being redeemed.

(2) Each check or other transfer of funds issued for payment of the redemption price of the Series 2013 Bonds being redeemed shall bear the CUSIP number identifying, by series and maturity, the Series 2013 Bonds being redeemed with the proceeds of such check or other transfer.

(3) Each Additional Notice shall be sent at least 30 days before the redemption date electronically by the Board to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system for municipal securities disclosure in accordance with the terms of the Continuing Disclosure Undertaking.

Section 3.05. Payment of Series 2013 Bonds Called for Redemption. Upon surrender to the Trustee, Series 2013 Bonds called for redemption shall be paid as provided in this Article III and the Series 2013 Bonds at the redemption price stated in the notice, plus accrued interest, if any, to the redemption date; *provided, however*, that while a Book-Entry System is in effect, the Series 2013 Bonds held by the Securities Depository need not be surrendered for a partial redemption.

ARTICLE IV

PAYMENT OF SERIES 2013 BONDS

Section 4.01. Payment of Series 2013 Bonds. The Trustee will make payments of principal of, premium, if any, and interest on the Series 2013 Bonds from moneys available to the Trustee for such purpose pursuant to Article VII of the Original Resolution.

Section 4.02. Establishment of Series 2013 Subaccount. Pursuant to Section 7.01 of the Original Resolution, there is hereby created by the Board and ordered established with the Trustee a separate and segregated subaccount of the Bond and Interest Sinking Fund Account designated the "Series 2013 Subaccount" (the "*Series 2013 Subaccount*") for payment of the principal of and interest and premium, if any, on the Series 2013 Bonds. Moneys in the Series 2013 Subaccount shall be used solely for the payment of the principal of, premium, if any, and interest on the Series 2013 Bonds and for the redemption of the Series 2013 Bonds prior to maturity.

Section 4.03. Moneys Held in Trust. The Trustee shall hold in trust for the benefit of the Bondholders all moneys held by it for any payment on the Series 2013 Bonds. The Trustee shall promptly apply moneys received from the Board in accordance with this Bond Resolution and the Tax Agreement as directed by the Comptroller.

ARTICLE V

APPLICATION OF PROCEEDS OF SALE OF THE SERIES 2013 BONDS; ESTABLISHMENT OF SERIES 2013 PROJECT FUND

Section 5.01. Application of Series 2013 Bond Proceeds. Any accrued interest and capitalized interest for a period determined by the Comptroller and set forth in the Notification of Sale received upon the issuance and delivery of the Series 2013 Bonds shall be deposited into the Series 2013 Subaccount and applied to the payment of certain of the interest on the Series 2013 Bonds as provided in the Tax Agreement.

The remaining principal proceeds of the Series 2013 Bonds shall be retained by the Board in a separate accounting fund hereby established to be known as the "Series 2013 Project Fund" (the "*Series 2013 Project Fund*") and such moneys shall be initially deposited in a bank or banks which are members of the Federal Deposit Insurance Corporation. The moneys in the Series 2013 Project Fund shall be applied toward (i) the costs of the Project, (ii) the costs of issuance of the Series 2013 Bonds, or (iii) as provided in Sections 5.02 and 5.03 hereof, but in such a manner as to assure completion of the Project, free and clear of mechanic's liens and substantially in accordance with the plans and specifications therefor. The description of the Project set forth in *Exhibit B* hereto may be supplemented or amended at any time by the Board, without notice to or consent of the Owners of the Series 2013 Bonds, as long as the facilities to be added to the Project description in *Exhibit B* are authorized by the Act and upon receipt of a Favorable Opinion of Tax Counsel with respect to such supplement or amendment. Prior to the application of money in the Series 2013 Project Fund after an amendment or supplement to *Exhibit B* for the purposes described in (i) above, the Board shall adopt a resolution which describes the Project in sufficient detail to allow the Project to be included in the System and which includes the Project in the System Core Facilities.

Section 5.02. Investment of Series 2013 Project Fund. Pending disbursement for the purpose aforesaid, the Comptroller may from time to time invest all or any part of the moneys in the Series 2013 Project Fund in any investment permitted by the laws of the State for the investment of public funds and the Bond Resolution having a maturity date, or becoming due at the option of the holder, not more than three years subsequent to the date of investment having due regard to the estimates of the supervising architects in charge of the Project as to the times such moneys will be needed. Interest accruing as a result of any such investments when received shall be credited to (i) the Series 2013 Project Fund or (ii) such Subaccount or Subaccounts of the Bond and Interest Sinking Fund Account, as shall be determined by the Comptroller.

Section 5.03. Disposition of Surplus Construction Funds. Prior to completion of the Project, the Comptroller, upon determining that the amount on deposit in the Series 2013 Project Fund, together with anticipated interest earnings thereon, is sufficient to complete the Project, free and clear of mechanics' liens and substantially in accordance with the plans and specifications therefor, may withdraw such amount as may be determined in his discretion to be unnecessary for the completion of the Project from the Series 2013 Project Fund and deposit the same in such Subaccount or Subaccounts of the Bond and Interest Sinking Fund Account as shall be determined by the Comptroller.

After completion of the Project, the Comptroller shall deliver a certificate to the Trustee to the effect that the Project has been fully completed and the same shall be filed in the office of the Secretary of the Board. If funds remain in the Series 2013 Project Fund at the time of the filing of such certificate with the Secretary, said funds shall be withdrawn by the Comptroller and deposited in (i) the Repair and Replacement Account or (ii) such Subaccount or Subaccounts of the Bond and Interest Sinking Fund Account, as shall be determined by the Comptroller.

ARTICLE VI

ADDITIONAL COVENANTS OF THE BOARD

The Board hereby covenants and agrees that as long as any Series 2013 Bonds are outstanding as follows:

Section 6.01. Authority for Series 2013 Bonds. The Board is duly authorized under the laws of the State of Illinois and under all other applicable provisions of law to create and issue the Series 2013 Bonds herein provided for, and to pledge and apply the net income of the System as provided in the Bond Resolution; all corporate and other action on its part for the creation and issuance of the Series 2013 Bonds has been duly taken; the Series 2013 Bonds when issued and in the hands of the holders thereof will be valid and enforceable obligations of the Board according to the import thereof; this Third Supplemental Resolution and the Bond Resolution is and will remain valid obligations of the Board to secure the payment of the Series 2013 Bonds; and the Board has complete and lawful authority and privilege to acquire, construct, equip, operate, enlarge, improve, maintain, control and manage the System as herein provided.

Section 6.02. Construction of Project, Maintenance, Repairs, Application of Income, Operation of Additional Facilities. In furtherance of the covenant contained in Section 9.06 of the Original Resolution, the Board will cause the repairs, improvements and additions constituting the Project to be completed with all reasonable dispatch; it will at all times from income made available for such purpose maintain, preserve and keep and manage the System Core Facilities in an efficient and economical manner and all additions and betterments thereto and every part and parcel thereof in good repair, working order and operating condition so that it will at all times be available for reasonable use and occupancy; it will continuously operate and manage the System Core Facilities in an efficient and economical manner and on a revenue-producing basis (including, but not limited to, maintaining such licensures, accreditations and third-party reimbursement eligibilities as are necessary); and it will use and apply the income from the System only as provided in the Bond Resolution.

Section 6.03. Non-Arbitrage; Tax Law Compliance. The Board covenants that it will not make any investment or do any other act or thing during the period that any Series 2013 Bonds are outstanding which would cause such Series 2013 Bonds to become or be classified as “arbitrage bonds” within the meaning of Section 148 of the Code or “private activity bonds” within the meaning of Section 141 of the Code (other than qualified 501(c)(3) bonds within the meaning of Section 145 of the Code).

The Board also agrees and covenants with the purchasers and holders of the Series 2013 Bonds from time to time outstanding that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Series 2013 Bonds and affects the tax-exempt status of the interest of the Series 2013 Bonds.

The Board agrees to comply with all provisions of the Code, which if not complied with by the Board, would cause the interest on the Series 2013 Bonds not to be excludable from gross income of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing agreement, the Board agrees: (a) through its officers, to make such further specific covenants, representations and assurances as may be necessary or advisable; (b) to comply with all representations, covenants and assurances contained in the Tax Agreement; (c) to consult with such counsel and to comply with such advice as may be given; (d) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Series 2013 Bonds; (e) to file such forms, statements and supporting documents as may be required and in a timely manner; (f) to provide for such post-issuance record-keeping procedures or policies as the Comptroller and other officers shall deem necessary or advisable and (g) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Board in such compliance.

ARTICLE VII

AMENDMENT OF CERTAIN TERMS OF THE ORIGINAL RESOLUTION

Section 7.01. Amendment of Section 10.01 of the Original Resolution. Section 13.01(i) of the Original Resolution states that the Board may amend or supplement the Bond Resolution or the Bonds without notice to or the consent of any Bondholder to make any change that does not materially adversely affect the rights of any Bondholder. Within the meaning of and in accordance with Section 13.01(i) of the Original Resolution, the Board hereby amends the first paragraph of Section 10.01 of the Original Resolution to read as follows:

Section 10.01. Bonds Deemed Paid; Discharge of Bond Resolution. Any Bond shall be deemed paid for all purposes of this Bond Resolution when (a) payment of the principal of and premium, if any, and interest on such Bond to the due date of such principal and interest (whether at maturity, upon redemption or otherwise) either (1) has been made in accordance with the terms of the Bonds or (2) during any Commercial Paper Period or Long-Term Interest Rate Period as to the Series 1997B Bonds or with respect to any Bonds issued after the date of adoption of the Third Supplemental Resolution authorizing the issuance of the Series 2013 Bonds, has been provided for by irrevocably depositing with the Trustee (A) moneys sufficient to make such payment (*provided* that while a Letter of Credit is in effect, such moneys shall have been derived from the proceeds of a draw under such Letter of Credit) and/or (B) United States Government Securities (provided as to the Series 1997B Bonds that they have been purchased with moneys derived from the proceeds of a draw under such

Letter of Credit) maturing as to principal and interest in such amounts and at such times as will assure the availability of sufficient moneys to make such payment, and (b) all compensation and reasonable expenses of the Trustee pertaining to such Bond have been paid or provided for to the Trustee's satisfaction. When a Bond is deemed paid, it will no longer be secured by or entitled to the benefits of this Bond Resolution or be an obligation of the Board, except for payment from moneys or United States Government Securities under clause (a)(2) above and except that it may be tendered as provided in the Bonds and transferred, exchanged or replaced as provided in Article II.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Interpretation and Construction. This Third Supplemental Resolution is supplemental to and is adopted in accordance with Sections 13.01(i) and 13.01(k) of the Original Resolution. In all respects not inconsistent with, and except as amended by, this Third Supplemental Resolution, the Original Resolution, as supplemented, is hereby ratified, approved and confirmed, and all of the definitions, terms, covenants and restrictions of the Original Resolution, as supplemented, shall remain applicable except as otherwise expressly provided. All of the terms and provisions of this Third Supplemental Resolution shall be deemed to be a part of the terms and provisions of the Original Resolution, as supplemented, and the Original Resolution, as supplemented, and this Third Supplemental Resolution shall be read, taken and construed as one and the same instrument. In executing any Bond authorized by this Third Supplemental Resolution each officer, agent or employee of the Board and University shall be entitled to all of the privileges and immunities afforded to them under the terms of the Original Resolution.

Section 8.02. Instructions and Directions to Trustee.. The Trustee shall accept and act upon instructions or directions pursuant to this Third Supplemental Resolution sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the Board shall provide to the Trustee an incumbency certificate listing designated persons authorized to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Board elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Board agrees: (i) to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting instructions to the Trustee and that there may be more secure methods of transmitting instructions than the method(s) selected by the Board; and (iii) that the security procedures (if any) to be followed in connection with its transmission of

instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

Section 8.03. Resolution Effective on Passage. This Third Supplemental Resolution shall become effective upon its passage.

Vice President/CFO and Comptroller

ATTEST:

Secretary

(SEAL)

EXHIBIT A-1

THE SYSTEM CORE FACILITIES

The “System Core Facilities” consist of the following:

(i) the following facilities located in Chicago, Illinois:

- Eye and Ear Infirmary
- University of Illinois Hospital
- MRI Building
- Neuropsychiatric Institute
- Ambulatory Care Facility/Outpatient Care Center;

(ii) the 10,800 square foot Medical Office Building located in Rockford, Illinois, described in the Original Resolution; and

(iii) the Project described in *Exhibit B*, as construction of the components thereof is completed

EXHIBIT A-2

THE SYSTEM

The System consists of the System Core Facilities as well as the following facilities of the Board located in Chicago, Illinois:

- Clinical Sciences Building at 840 South Wood Street
- Clinical Sciences North Building at 820 South Wood Street

EXHIBIT B

THE PROJECT

The Project consists of repairing, improving or adding to the System Core Facilities by acquiring, constructing and equipping improvements to the System Core Facilities, including:

Original University of Illinois Medical Center Infrastructure Replacement and Renovations - Phase One, including:

- Electrical upgrades
- Mechanical infrastructure modernization
- Building Automation System
- Vertical Transportation System Upgrade
- Short Stay/Prep Recovery Unit
- Stem Cell Laboratory/Morgue Reconfiguration
- Food Elevators
- New Hybrid Operating Room
- USP-797 Pharmacy Compounding Room Compliance
- Eye and Ear Infirmary datacenter air conditioner replacement
- Emergency Department Triage
- Urgent Hospital Envelope Repair
- Eye and Ear Infirmary Remodel
- Systems/VOIP
- Mechanical
- Electrical
- Plumbing
- Lobby - existing
- Kitchen Reconfiguration
- Vertical Transportation
- Southwest Plaza with Lobby
- Infusion Center
- Northwest Plaza with Gastrointestinal Laboratory Remodel

EXHIBIT C

FORM OF SERIES 2013 BOND

The Series 2013 Bonds shall be in substantially the following form with such changes authorized by the Comptroller as provided in this Third Supplemental Resolution and the Notification of Sale:

[FORM OF SERIES 2013 BOND – FRONT SIDE]

REGISTERED
NO. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA

STATE OF ILLINOIS

THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS

UNIVERSITY OF ILLINOIS

HEALTH SERVICES FACILITIES SYSTEM REVENUE BOND, SERIES 2013

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____%	October 1, ____	_____, 2013	_____

Registered Owner:

Principal Amount:

THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS (the “*Board*”), a body corporate created and existing under the laws of the State of Illinois, hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above (or if this Series 2013 Bond is called for earlier redemption as described herein, on the redemption date), the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this Series 2013 Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on April 1 and October 1 of each year commencing _____ 1, 201_, until said Principal Amount is paid. The principal of and premium, if any, on this Series 2013 Bond are payable in lawful money of the United States of America at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois,

as bond registrar, paying agent and trustee (the “*Trustee*”). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the Board maintained by the Trustee at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Trustee, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar. Principal of and premium, if any, upon presentation of this Series 2013 Bond at the designated corporate trust office of the Trustee, and interest on this Series 2013 Bond, held by a Registered Owner of at least \$1,000,000 in aggregate principal amount of Series 2013 Bonds (as hereinafter defined), may be paid by wire transfer to a bank in the continental United States designated in writing by such Registered Owner on the fifteenth day of the month next preceding the maturity, redemption or interest payment date.

The Board has established a book-entry only system of registration for the Series 2013 Bonds (the “*Book-Entry System*”). Except as specifically provided otherwise in the Bond Resolution, the Securities Depository (or its nominee) will be the Registered Owner of this Series 2013 Bond. By acceptance of a confirmation of purchase, delivery or transfer, the Beneficial Owner of this Series 2013 Bond shall be deemed to have agreed to this arrangement. The Securities Depository (or its nominee), as Registered Owner of this Series 2013 Bond, shall be treated as its owner for all purposes.

This Series 2013 Bond is one of a duly authorized Series of \$_____ principal amount of the Series 2013 Bonds (the “*Series 2013 Bonds*”) of The Board of Trustees of the University of Illinois (the “*Board*”), issued or to be issued pursuant to a Bond Resolution of the Board duly adopted January 22, 1997, as supplemented and amended, and particularly as supplemented by a Third Supplemental Resolution of the Board duly adopted July 25, 2013 (said Bond Resolution as so supplemented and amended being herein referred to as the “*Bond Resolution*”) for the purpose of acquiring, constructing, equipping and improving certain facilities which are or will become part of the University of Illinois Health Services Facilities System (the “*System*”), all under and pursuant to The University of Illinois Revenue Bond Financing Act for Auxiliary Facilities, as amended, and the Bond Resolution, to which Bond Resolution reference is hereby made for a statement of the funds and revenues from which this Series 2013 Bond and the issue of which it is a part are payable and the conditions and restrictions pursuant to which outstanding bonds on a parity herewith have been issued and future additional bonds on a parity herewith may be issued (such parity bonds being collectively the “*Parity Bonds*”). All capitalized terms not defined herein shall have the meanings assigned to them in the Bond Resolution.

This Series 2013 Bond and the issue of which it is a part, together with such Parity Bonds as have been and are being issued contemporaneously herewith or as may be hereafter issued under the provisions of the authorizing Bond Resolution (collectively the “*Bonds*”), are payable from and secured by a pledge and lien on (i) the Net Revenues of the System, (ii) MSP Revenues in an amount not to exceed Annual Debt Service and mandatory transfers pursuant to the Bond Resolution for each Fiscal Year, (iii) Student Tuition in an amount not to exceed Annual Debt Service and mandatory transfers pursuant to the Bond Resolution for each Fiscal Year (subject to

the Prior Pledge described in the Bond Resolution) and (iv) moneys in the Bond and Interest Sinking Fund Account, all as defined and provided in the Bond Resolution. This Series 2013 Bond, and the series of which it forms a part, do not constitute an indebtedness of the University of Illinois, the Board or the State of Illinois, within any constitutional or statutory limitation, and neither the taxing power nor the general credit of the University of Illinois, of the Board or of the State of Illinois is pledged to the payment of this Series 2013 Bond or the interest thereon in the Bond Resolution.

All of the Bonds are equally and ratably secured by said pledge and lien without priority or preference one over the other by reason of Series designation, denomination, number, maturity, date or terms of redemption prior to maturity, date of sale or delivery or otherwise.

The Series 2013 Bonds are issuable as fully registered bonds in denominations of \$5,000 or any integral multiple thereof. Subject to the limitations and upon payment of the charges provided in the Bond Resolution, Series 2013 Bonds may be exchanged for a like aggregate principal amount of Series 2013 Bonds of the same tenor, maturity and rate of interest and of other authorized denominations.

The Series 2013 Bonds maturing on or after October 1, 20__, are subject to redemption prior to maturity at the option of the Board on any date on or after _____ 1, 20__, in whole or in part, and if in part, from the maturities designated by the Board and within a single maturity by lot as selected by the Trustee, at the redemption prices (expressed as a percentage of the principal amount being redeemed) set forth in the table below plus unpaid accrued interest to the redemption date:

<u>REDEMPTION PERIODS (DATES INCLUSIVE)</u>	<u>REDEMPTION PRICE</u>
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The Series 2013 Bonds maturing on October 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 Trustee, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the date fixed for redemption, on October 1 of the years and in the principal amounts as follows:

<u>YEAR</u>	<u>PRINCIPAL AMOUNT</u>
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The principal amount of Series 2013 Bonds to be redeemed or paid on each date through mandatory sinking fund redemptions may be reduced through the earlier optional redemption thereof, with any partial optional redemption of Series 2013 Bonds being credited against such future mandatory sinking fund requirements as determined by the Comptroller, with written

notice of such determination to be given to the Trustee. In addition, on or prior to the 60th day preceding any mandatory sinking fund redemption date, the Trustee may, and if directed by the Comptroller shall, purchase Series 2013 Bonds required to be retired on such mandatory redemption date at a purchase price not exceeding the principal amount thereof plus accrued interest to the purchase date. Any such Series 2013 Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the payment required on such next mandatory sinking fund date.

If less than all the Series 2013 Bonds that are subject to redemption shall be called for redemption, the particular maturities of the Series 2013 Bonds to be redeemed shall be designated by the Comptroller and, if less than all of the Series 2013 Bonds of such maturity are to be redeemed, the particular Series 2013 Bonds or portions thereof to be redeemed shall be selected by the Bond Registrar in such a manner as the Trustee in its discretion may deem fair and appropriate, in the principal amount designated to the Trustee by the Board; provided, however, that the principal portion of any Series 2013 Bonds to be redeemed shall be in integral multiples of \$5,000.

In the event a Series 2013 Bond is in a denomination larger than \$5,000, a portion of such Bond may be redeemed but only in a principal amount equal to \$5,000 or any integral multiple thereof. Notice of each redemption shall be given by mailing a copy of the redemption notice by first class mail (postage prepaid) at least thirty days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond, or portion thereof, to be redeemed at the address shown on the registration books; *provided, however*, that failure to give such notice by mailing, or any defect therein, as to any Series 2013 Bond shall not affect the validity of the proceedings for the redemption of any other Series 2013 Bond. All Series 2013 Bonds, or portions thereof, so called for redemption will cease to bear interest on the specified redemption date, provided funds for such redemption are on deposit at the place of payment at that time in accordance with the Bond Resolution, and shall no longer be protected by the Bond Resolution and shall not be deemed to be Outstanding under the provisions of the Bond Resolution. The Board shall have the option of calling Bonds, when subject to redemption according to their terms, of any one or more Series, in its discretion.

The Board has covenanted in the Bond Resolution that it will keep and perform all of the covenants and agreements in the Bond Resolution and that it will adopt such rules and regulations as are necessary to assure reasonable occupancy and use of the System Core Facilities and will maintain the Historical Debt Service Coverage Ratio at not less than 2:00:1.

The Bond Resolution provides that the Board may prepay or provide for the payment of the entire indebtedness of all Outstanding Bonds, any series thereof or any portion thereof, by depositing with the Trustee moneys and/or United States Government Securities in an amount, together with the income or increment to accrue thereon, sufficient to pay or redeem all such Bonds. In such case, the liability of the Board in respect of such Bonds shall continue, but the Owners thereof shall thereafter be entitled to payment only out of the moneys and/or United States Government Securities deposited with the Trustee. Upon such deposit, such Bonds of such series or any such portion thereof shall cease to be entitled to any lien, benefit or security under the Bond Resolution. The Board shall remain the obligor on such Bonds of such series, or

any such portion thereof, but the Owners thereof shall be entitled to payment (to the exclusion of all other Owners of Bonds) solely out of such cash and funds received from such United States Government Securities.

Reference is hereby made to the Bond Resolution for a more complete description of the nature and extent of the security, the rights of the Owners of the Bonds and the terms and conditions upon which the Bonds are, and are to be issued and secured, to all the provisions of which Bond Resolution, each Owner by the acceptance hereof assents.

This Series 2013 Bond is transferable by the Registered Owner hereof in person or by his attorney duly authorized in writing at the designated corporate trust office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Bond Resolution and upon surrender and cancellation of this Series 2013 Bond. Upon such transfer a new registered Series 2013 Bond or Bonds of the same series and tenor and the same maturity, of an authorized denomination or denominations, for the same aggregate principal amount will be issued to the transferee in exchange therefor. The Board and the Trustee may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and premium, if any, hereon and interest due hereon and for all other purposes and neither the Board nor the Trustee nor any paying agent shall be affected by any notice to the contrary. The Trustee shall not be required to transfer or exchange any Series 2013 Bond during the period beginning at the close of business on the fifteenth day of the calendar month next preceding any interest payment date for such Series 2013 Bond and ending on such interest payment date or during the period beginning 15 days before the mailing of a notice calling the Series 2013 Bonds or any portion of the Series 2013 Bonds for redemption and ending on the redemption date.

With the consent of the Board and to the extent permitted by and as provided in the Bond Resolution, the terms and provisions of the Bond Resolution, or of any instrument supplemental thereto, may be modified or altered by the assent or authority of the Owners of at least a majority in aggregate original principal amount of the Bonds then Outstanding thereunder.

This Series 2013 Bond is payable only from, and the Owner hereof shall never have the right to demand payment of this Series 2013 Bond or interest hereon out of any funds other than, the revenues and income pledged for payment hereof. This Series 2013 Bond shall in no case be or become a charge or debt against the State of Illinois or The Board of Trustees of the University of Illinois.

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Series 2013 Bond did exist, have happened, been done and performed in regular and due form and time as required by law; and that the amount of this Series 2013 Bond, and the Series of which it is one, and the total authorized issue of Series 2013 Bonds of which this Series is a part, do not exceed any limit prescribed by the Constitution or statutes of the State of Illinois.

This Series 2013 Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, The Board of Trustees of the University of Illinois has caused this Series 2013 Bond to be executed by the manual or facsimile signatures of its President and two of its members, its corporate seal or a facsimile thereof to be impressed or imprinted hereon, and attested by the Secretary by her manual or facsimile signature, all as of the Dated Date identified above.

THE BOARD OF TRUSTEES OF THE UNIVERSITY OF
ILLINOIS

Member

President

Member

Secretary

[SEAL]

CERTIFICATE
OF
AUTHENTICATION

Date of Authentication:
_____, 20__

This Bond is one of the Series 2013 Bonds described in the within mentioned Bond Resolution and is one of the University of Illinois Health Services Facilities System Revenue Bonds, Series 2013, of The Board of Trustees of the University of Illinois.

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,
as Trustee

By: _____
Authorized Officer

(FORM OF ASSIGNMENT)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto _____

(Please Print or Typewrite Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____,
attorney-in-fact, to transfer the said Bond on the Bond Register with full power of substitution in
the premises.

Dated: _____

Signature guaranteed: _____

NOTICE: The signature to this assignment must correspond with the name of the Registered
Owner as it appears upon the face of the within Bond in every particular, without
alteration or enlargement or any change whatever.