
THE BOARD OF TRUSTEES
OF
THE UNIVERSITY OF ILLINOIS

RESOLUTION
AUTHORIZING THE ISSUANCE AND SALE OF
UNIVERSITY OF ILLINOIS CERTIFICATES OF PARTICIPATION
(REFUNDING),
SERIES 2009A

and

UNIVERSITY OF ILLINOIS VARIABLE RATE DEMAND
CERTIFICATES OF PARTICIPATION
(REFUNDING),
SERIES 2009B

Adopted May 21, 2009

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Exhibit A – Certain Terms of the Certificates

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$115,000,000 OF UNIVERSITY OF ILLINOIS CERTIFICATES OF PARTICIPATION (REFUNDING), SERIES 2009A AND UNIVERSITY OF ILLINOIS VARIABLE RATE DEMAND CERTIFICATES OF PARTICIPATION (REFUNDING), SERIES 2009B, FOR REFUNDING ALL OR A PORTION OF THE VARIABLE RATE DEMAND CERTIFICATES OF PARTICIPATION (PROJECTS), SERIES 2007C AND THE VARIABLE RATE DEMAND CERTIFICATES OF PARTICIPATION (PROJECTS), TAXABLE SERIES 2007D AND AUTHORIZING THE EXECUTION, DELIVERY AND PERFORMANCE OF VARIOUS DOCUMENTS AND INSTRUMENTS IN CONNECTION WITH THE FOREGOING; DELEGATING TO THE COMPTROLLER THE AUTHORITY TO DETERMINE CERTAIN TERMS AND TERMS OF SALE OF THE CERTIFICATES WITHIN LIMITS PROVIDED IN THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE; AND CONCERNING RELATED MATTERS.

BE IT RESOLVED by the Board of Trustees of the University of Illinois as follows:

Section 1. Findings and Determinations. The Board of Trustees of the University of Illinois (the "*Board*") makes the following findings and determinations:

(a) The Board is a body corporate and politic duly created, organized and validly existing under the 1970 Illinois Constitution and the laws of the State of Illinois, including particularly the University of Illinois Act, as amended, 110 ILCS 305/0.01 *et seq.*, and the University of Illinois Trustees Act, 110 ILCS 310/0.01 *et seq.*

(b) Pursuant to Section 1 of the University of Illinois Act, the Board has the powers, among others, "to contract and be contracted with" and "to acquire, hold, and convey real and personal property". Pursuant to Section 7(a) of the University of Illinois Act, the Board is authorized "to provide for the requisite buildings, apparatus and conveniences" for the University of Illinois.

(c) Pursuant to Section 7(b) of the University of Illinois Act, the Board is authorized to "acquire any interests in land, buildings, or facilities by purchase, including installments over a period allowed by law..." in order to provide "buildings and facilities beneficial to, useful or supportive of University purposes" on or adjacent to the University's Chicago campus.

(d) The Board previously determined that it is necessary and desirable to refund all or a portion of its Variable Rate Demand Certificates of Participation (Projects), Series 2007C (the "*Series 2007C Certificates*") and its Variable Rate Demand Certificates of Participation (Projects), Taxable Series 2007D (the "*Series 2007D Certificates*").

(e) The estimated costs of the Refunding, including all costs of the borrowing provided for in this Resolution, are not less than an amount equal to the sum of \$115,000,000 (not including original issue discount or premium). There are not sufficient funds on hand and legally available to pay the estimated costs of the

Refunding. The moneys necessary to pay the costs of the Refunding shall be raised from multiple issues of obligations of the Board.

(f) It is necessary and in the best interests of the Board to borrow an amount not to exceed \$115,000,000 (not including original issue discount or premium) in order to finance the costs of the Refunding, and the costs of the borrowing provided for in this Resolution by providing for the issuance, sale and delivery of not to exceed \$115,000,000 (not including original issue discount or premium) aggregate principal amount of the Certificates (as hereinafter defined). In that connection, the Board desires to authorize the appropriate officers of the Board to execute and deliver on behalf of the Board the documents described below, drafts of which have been presented to this meeting of the Board and are on file with the Secretary of the Board, including, without limitation, drafts of (i) an Indenture of Trust, (ii) a First Supplemental Indenture of Trust, relating to a series of fixed rate Certificates designated Certificates of Participation (Refunding), Series 2009A (the "*Series 2009A Certificates*") and (iii) a Second Supplemental Indenture of Trust relating to a series of variable rate certificates designated Variable Rate Demand Certificates of Participation (Refunding), Series 2009B (the "*Series 2009B Certificates*" and together with the Series 2009A Certificates, the "*Certificates*"). The documents being authorized are as follows:

(i) One or more Indentures of Trust and Supplemental Indentures of Trust (collectively, the "*Trust Indentures*"), from the Board to The Bank of New York Mellon Trust Company, N.A., not individually but in its capacity as trustee thereunder (the "*Trustee*"), providing for the form and terms and the issuance, sale and delivery of the Certificates;

(ii) One or more Amended and Restated Acquisition Agreements (collectively, the "*Acquisition Agreements*"), between the Board and the Trustee, relating to the projects being refinanced;

(iii) One or more Installment Purchase Contracts (collectively, the "*Installment Purchase Contracts*"), between the Board and the Trustee relating to the projects being refinanced;

(iv) One or more Certificate Purchase Agreements (collectively, the "*Certificate Purchase Agreements*") between the Board and J.P. Morgan Securities Inc., as representative of the various underwriters specified therein (the "*Underwriters*"), providing for the terms of sale and conditions for delivery of the Certificates;

(v) One or more Continuing Disclosure Agreements ("*Continuing Disclosure Agreements*") of the Board;

(vi) One or more Standby Certificate Purchase Agreements (collectively, the "*Liquidity Facilities*"), among the Board, the Trustee and JPMorgan Chase Bank, National Association, or other banking institution selected

by the Comptroller (the "*Bank*") to provide liquidity for the purchase of tendered variable rate Certificates;

(vii) One or more Remarketing Agreements (collectively, the "*Remarketing Agreements*") between the Board and a remarketing agent (the "*Remarketing Agent*") relating to the remarketing of the Series 2009B Certificates; and

(viii) One or more Escrow Agreements (collectively, the "*Escrow Agreements*") of the Board relating to the refunding and defeasance of the Series 2007C Certificates and the Series 2007D Certificates.

(g) The Board has caused to be prepared a draft form of Preliminary Official Statement with respect to the Series 2009A Certificates that is to be used in connection with the marketing of the Series 2009A Certificates and a draft form of Official Statement that is to be used in connection with the marketing of the Series 2009B Certificates, each of which has been presented to this meeting of the Board and is on file with the Secretary of the Board. The Board desires to approve the use of the draft Preliminary Official Statement and draft Official Statement for that purpose and to authorize the preparation of one or more final Official Statements for the Certificates.

(h) The ability of the Board to cause the Certificates to be issued without further action by the Board at the time, in the aggregate principal amount, bearing interest at the rate or rates, maturing in the years and in the amounts, subject to mandatory redemption, mandatory sinking fund redemption or optional redemption upon the terms and having the other terms established by the Comptroller within the limits established in this Resolution will enhance the Board's opportunities to obtain financing for the Refunding upon the most favorable terms possible.

(i) No member of the Board, no officer of the Board, and no managerial or supervisory employee of the Board is now or was at any time on or after January 1, 2009, either an officer, director, employee or otherwise interested, either directly or indirectly, in his own name or in the name of any other person, association, trust or corporation in (1) the Underwriters, or any parent or subsidiary corporation of any of the Underwriters or any partnership which controls or is controlled by the Underwriters, or (2) the loan evidenced by the Certificates, or (3) any of the projects refinanced by the Certificates or the contract or contracts for the acquisition, construction, installation and equipping of the projects refinanced by the Certificates.

(j) No portion of the projects refinanced by the Certificates will be used for sectarian instruction or study or as a place for devotional activities or religious worship or primarily in connection with any part of a program of a school or department of divinity for any religious denomination or sect.

Section 2. Authorization of the Certificates. In order to finance the costs of the Refunding, the Board authorizes to be issued, sold and delivered not to exceed \$115,000,000

(not including original issue discount or premium) aggregate principal amount of the Certificates. Any additional costs of the Refunding not paid from the proceeds of sale of the Certificates will be paid by the Board from other sources.

Section 3. Terms of the Certificates. The Certificates shall be designated "University of Illinois Certificates of Participation" and shall contain such further designations as shall be determined by the Comptroller to be necessary or desirable to evidence their purpose, series and year and order of issuance. The Certificates shall be issuable as fully-registered obligations in denominations determined by the Comptroller. The Certificates shall be issued in such amount, be dated, shall mature on such dates in such amounts, shall be subject to mandatory redemption, mandatory sinking fund redemption and optional redemption prior to maturity on such dates in such amounts and at such redemption prices, shall be subject to optional and mandatory tender for purchase on such dates and such terms, shall bear interest at such rate or rates, payable at such intervals commencing on such date, as shall be determined by the Comptroller pursuant to the authority delegated by this Resolution.

Principal of, redemption premium, if any, and interest on the Certificates shall be payable at the principal corporate trust office of the Trustee in the City of Chicago, Illinois, or its successors and assigns as provided in the respective Trust Indenture.

The Certificates shall be executed, shall otherwise be in such form, shall have such redemption provisions and provisions for registration, transfer and exchange, and shall be subject to such other terms and conditions as are set forth in the respective Trust Indenture as executed and delivered.

The Board deems it proper to delegate to the Comptroller the authority to determine the following terms and terms of sale of the Certificates within the limits otherwise provided in this Resolution: (i) the aggregate principal amount of the Certificates and the aggregate principal amount per series, (ii) the number of series and series designations, (iii) the maturity schedule for the Certificates (consisting of the date or dates on which the Certificates mature and the amount of the Certificates maturing on each date), (iv) whether the Certificates will be issued initially at fixed interest rate or rates or at variable interest rate or rates and, if at variable interest rates, the interest rate modes therefor and the initial interest rate mode (which variable rate Certificates may thereafter bear interest at such other rates as may be set forth in a Trust Indenture), (v) the interest rates borne by the Certificates of each maturity, (vi) the maturities (if any) of the Certificates subject to mandatory sinking fund redemption prior to maturity and the dates and amounts of the mandatory sinking fund installments for each such maturity, (vii) the terms (if any) upon which the Certificates will be subject to optional and mandatory redemption, including the amount of any premium due upon optional and mandatory redemption of the Certificates, (viii) whether all or a portion of the Certificates will be subject to optional or mandatory purchase and whether a liquidity facility will be provided for said purchase, (ix) the purchase price for the Certificates to be paid by the Underwriters, (x) the identity of the Underwriters other than J.P. Morgan Securities Inc., (xi) the identity of the Remarketing Agent and the provider of a Liquidity Facility, and (xii) whether a series of Certificates will be issued on a taxable or tax-exempt basis. The foregoing determinations shall be subject to the following limitations: the aggregate principal amount of the Certificates shall

not exceed \$115,000,000 (not including original issue discount or premium), the final maturity of the Certificates shall be not later than 20 years after the date of issuance thereof, the true interest rate of the Series 2009A Certificates at the time of issuance will not exceed 6.50% per annum and the initial interest rate on the Series 2009B Certificates shall not exceed 8.00% per annum, with subsequent interest rates on the variable rate Certificates not to exceed the maximum permitted by applicable law, the redemption prices due upon the optional redemption of the Certificates may not exceed 115% of the principal amount of Certificates to be optionally redeemed, and the underwriters' compensation (whether in the form of a discount or a fee) shall not exceed 2.0% of the aggregate principal amount of the fixed rate Certificates and 1.0% of the aggregate principal amount of the variable rate Certificates, in each case exclusive of original issue discount. The terms of any series of Certificates and terms of sale determined by the Comptroller shall be included in *Exhibit A* to this Resolution, which shall be completed and executed by the Comptroller after the date this Resolution is adopted and prior to the execution and delivery of the Financing Agreements and the issuance of the Certificates, shall be attached to this Resolution and shall constitute conclusive evidence of those determinations. When *Exhibit A* has been executed by the Comptroller and attached to this Resolution, it shall form a part of this Resolution and the determinations of terms and terms of sale of the Certificates made by the Comptroller shall be effective for all purposes.

The Board deems it proper to delegate to the Comptroller the authority to determine and approve the final forms of the Trust Indentures, Installment Purchase Contracts, Acquisition Agreements, Certificates, Liquidity Facilities, Remarketing Agreements, Escrow Agreements and Certificate Purchase Agreements. The final forms of those documents shall be in substantially the forms presented at this meeting of the Board with such changes and revisions consistent with the intent and purposes of this Resolution as the Comptroller shall determine are necessary in order to comply with the terms of this Resolution and reflect the terms and terms of sale of the Certificates. The Comptroller's approval of the final forms of such documents shall be conclusive and shall be evidenced by the Comptroller's execution of the final forms of such documents.

Section 4. Sale of the Certificates; Delivery; Application of Proceeds.

Sale of the Certificates to the Underwriters upon the terms and conditions set forth in the Certificate Purchase Agreements and in *Exhibit A* is authorized. The Trustee is authorized and directed to execute and to deliver the Certificates to the Underwriters upon payment to the Trustee by the Underwriters of the purchase price for the Certificates in accordance with the terms of the Certificate Purchase Agreements and *Exhibit A*. The proceeds of sale of the Certificates shall be deposited with the Trustee and applied as provided in a Trust Indenture and *Exhibit A*.

Section 5. Acquisition Agreements. In order to (a) provide for the refinancing of projects originally funded by the Series 2007C Certificates and the Series 2007D Certificates, and (b) secure the Certificates by assigning to the Trustee all of the Board's right, title and interest in and to the Improvements and the Improvement Contracts (as defined in the Trust Indentures) except for certain reserved rights specified in the Acquisition Agreements and the granting clauses of the Trust Indenture, the Comptroller and the Secretary or an Assistant Secretary shall execute, acknowledge, attest and deliver one or more Acquisition Agreements in

the name and on behalf of the Board in substantially the form presented to this meeting of the Board, which is approved in all respects. The Acquisition Agreements as executed and delivered on behalf of the Board may contain such changes and revisions from the form of the Acquisition Agreement presented to this meeting of the Board as are consistent with the intent and purposes of this Resolution and as shall be approved by the Comptroller. His approval and the approval of the Board of such changes and revisions shall be evidenced conclusively by his execution of an Acquisition Agreement.

Section 6. Installment Purchase Contracts. In order to provide for (a) the issuance of the Certificates and the use of the proceeds of the Certificates to refinance the acquisition, construction, improvement and equipping of projects funded with the Series 2007C Certificates and the Series 2007D Certificates and (b) the Board to pay to the Trustee an amount sufficient to pay the principal of, premium, if any, and interest on and the redemption price of the Certificates when due, the Comptroller and the Secretary or an Assistant Secretary shall execute, acknowledge, attest and deliver one or more Installment Purchase Contracts in the name and on behalf of the Board in substantially the forms presented to this meeting of the Board, which are approved in all respects. The Installment Purchase Contracts as executed and delivered on behalf of the Board may contain such changes and revisions from the forms of the Installment Purchase Contracts presented to this meeting of the Board as are consistent with the intent and purposes of this Resolution and as shall be approved by the Comptroller. His approval and the approval of the Board of such changes and revisions shall be evidenced conclusively by his execution of an Installment Purchase Contract.

Section 7. Trust Indentures. In order to provide for the issuance, form, security and terms of the Certificates, the Comptroller and the Secretary or an Assistant Secretary shall execute, acknowledge, attest and deliver one or more Trust Indentures in the name and on behalf of the Board in substantially the forms presented to this meeting of the Board, which are approved in all respects. The Trust Indentures as executed and delivered on behalf of the Board may contain such changes or revisions from the forms of Trust Indentures presented to this meeting of the Board as are consistent with the intent and purposes of this Resolution as shall be approved by the Comptroller. His approval and the approval of the Board of such changes and revisions shall be evidenced conclusively by his execution of a Trust Indenture.

Section 8. Liquidity Facilities. In order to provide liquidity for the purchase of tendered variable rate Certificates, the Comptroller and the Secretary or an Assistant Secretary shall execute, acknowledge, attest and deliver one or more Liquidity Facilities in the name and on behalf of the Board in substantially the form presented to this meeting of the Board, which is approved in all respects. The Liquidity Facilities as executed and delivered on behalf of the Board may contain such changes and revisions from the form of Liquidity Facility presented to this meeting of the Board as are consistent with the intent and purposes of this Resolution and as shall be approved by the Comptroller. His approval and the approval of the Board of such changes and revisions shall be evidenced conclusively by his execution of a Liquidity Facility.

Section 9. Remarketing Agreements. In order to provide for the remarketing of tendered variable rate Certificates, the Comptroller and the Secretary or an

Assistant Secretary shall execute, acknowledge, attest and deliver one or more Remarketing Agreements in the name and on behalf of the Board in substantially the form presented to this meeting of the Board, which is approved in all respects. The Remarketing Agreements as executed and delivered on behalf of the Board may contain such changes and revisions from the form of Remarketing Agreement presented to this meeting of the Board as are consistent with the intent and purposes of this Resolution and as shall be approved by the Comptroller. His approval and the approval of the Board of such changes and revisions shall be evidenced conclusively by his execution of a Remarketing Agreement.

Section 10. Escrow Agreements. In order to provide for the refunding and defeasance of all or portion of the Series 2007C Certificates and the Series 2007D Certificates, if necessary, the Comptroller and the Secretary or an Assistant Secretary shall execute, acknowledge, attest and deliver one or more Escrow Agreements in the name and on behalf of the Board in substantially the form presented to this meeting of the Board, which is approved in all respects. The Escrow Agreements as executed and delivered on behalf of the Board may contain such changes and revisions from the form of Escrow Agreement presented to this meeting of the Board as are consistent with the intent and purposes of this Resolution and as shall be approved by the Comptroller. His approval and the approval of the Board of such changes and revisions shall be evidenced conclusively by his execution of a Escrow Agreement. The Comptroller is further authorized to take such actions as may be required to provide for the redemption of the Series 2007C and Series 2007D Certificates.

Section 11. Appointment of the Trustee, Paying Agent, and Registrar under the Trust Indenture. The Bank of New York Mellon Trust Company, N.A., of Chicago, Illinois, is appointed as the initial Trustee, paying agent and registrar under the Trust Indentures.

Section 12. Financing Statements. To evidence the security interest created by the Trust Indentures in the Trust Estate, the Board shall cause to be filed one or more Uniform Commercial Code financing statements in which the Board is the debtor and the Trustee is the secured party covering the Improvements and the Improvement Contracts (other than certain retained rights), the Acquisition Agreements and the Installment Purchase Contracts (other than certain unassigned rights), and all other and further rights and interests pledged and assigned by the Board to the Trustee under the Trust Indentures. The Trustee shall be responsible for filing necessary continuation statements at the times and in the form prescribed by Article 9 of the Uniform Commercial Code.

Section 13. Certificate Purchase Agreements. In order to provide for the sale of the Certificates to the Underwriters and to establish the terms and conditions of such sale, the Comptroller and the Secretary or an Assistant Secretary shall execute, acknowledge and deliver one or more Certificate Purchase Agreements in the name and on behalf of the Board in substantially the form presented to this meeting of the Board, which is approved in all respects. Each Certificate Purchase Agreement relating to variable rate Certificates shall provide for (a) the sale of the Certificates to the Underwriters at a price to be determined by the Comptroller, which shall not be less than 99% of their original aggregate principal amount, plus accrued interest (if any) to the date of delivery, plus any original issue premium and less any original issue discount, and (b) underwriters' compensation (whether in the form of a discount or a fee)

not exceeding 1.0% of the aggregate principal amount of such Certificates net of original issue discount or premium. Each Certificate Purchase Agreement relating to fixed rate Certificates shall provide for (a) the sale of the Certificates to the Underwriters at a price to be determined by the Comptroller, which shall not be less than 98% of their original aggregate principal amount, plus accrued interest (if any) to the date of delivery, plus any original issue premium and less any original issue discount, and (b) underwriters' compensation (whether in the form of a discount or a fee) not exceeding 2.0% of the aggregate principal amount of such Certificates net of original issue discount or premium. The Certificate Purchase Agreements as executed and delivered on behalf of the Board may contain such changes and revisions from the form of the Certificate Purchase Agreement presented to this meeting of the Board as are consistent with the intent and purposes of this Resolution and as shall be approved by the Comptroller. His approval and the approval of the Board of such changes and revisions shall be evidenced conclusively by his execution of such Certificate Purchase Agreement.

Section 14. Authorization of Preliminary Official Statements and the Official Statements. The forms of the draft Preliminary Official Statements presented to this meeting of the Board are approved and authorized, subject to appropriate insertions to complete it, as the Official Statement prepared for the information of the prospective purchasers of a series of the Certificates. The use prior to the date of adoption of this Resolution of one or more Preliminary Official Statements, or drafts of the Preliminary Official Statement, in connection with the marketing of the Certificates is ratified, confirmed and approved in all respects, and the Underwriters are authorized to continue to use the Preliminary Official Statement for that purpose until such time as the final Official Statement has been prepared.

Section 15. General Tax Covenants. The Board recognizes that the purchasers and Owners from time to time of the Certificates issued on a tax-exempt basis (including the Underwriters) will have accepted them on, and paid a price for them which reflects, the understanding that interest on such Certificates (the "Tax-Exempt Certificates") is exempt from Federal income taxation under laws in force at the time the Certificates are issued and delivered to the extent described in the Official Statements. In this connection, the President, Comptroller and other appropriate officials of the Board are authorized and directed to execute such certificates and make such representations as are necessary to establish, if true, that the Tax-Exempt Certificates are not (a) "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and any lawful regulations promulgated or proposed under that Section (collectively, the "*Code*"), and (b) "private activity bonds" within the meaning of Section 141 of the Code.

The Board covenants to and for the benefit of the Owners of the Tax-Exempt Certificates from time to time Outstanding (including the Underwriters) that it (i) will take all actions which are necessary to be taken (and avoid any actions which it is necessary to avoid being taken) so that interest on the Tax-Exempt Certificates will not be or become included in gross income for federal income tax purposes under existing law including, without limitation, the Code; (ii) will take all actions reasonably within its power to take which are necessary to be taken (and avoid taking any actions which are reasonably within its power to avoid taking and which it is necessary to avoid) so that interest on the Tax-Exempt Certificates will not be or become included in gross income for federal income tax purposes under the federal income tax

laws as in effect from time to time; (iii) will take no action in the investment of the proceeds of the Tax-Exempt Certificates, the funds held under the Trust Indenture or any other fund of the Board which would result in making interest on the Tax-Exempt Certificates subject to federal income taxes by causing the Tax-Exempt Certificates to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (iv) will not use any portion of the Project or permit any portion of the Project to be used in a manner which would result in making interest on the Tax-Exempt Certificates subject to federal income taxes by causing the Tax-Exempt Certificates to be "private activity bonds" within the meaning of Section 141 of the Code. In furtherance of the foregoing provisions, but without limiting their generality, the Board agrees:

- (i) through its officers, to make such further specific covenants, certifications and representations as shall be truthful, and assurances as may be necessary or advisable;
- (ii) to comply with all representations, covenants and assurances contained in certificates or agreements as may be prepared by bond counsel approving the Certificates;
- (iii) to consult with bond counsel and to comply with such advice as may be given;
- (iv) to file in a timely manner such forms, statements and supporting documents as may be required; and
- (v) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, arbitrage rebate consultants, attorneys and other persons to assist the Board in such compliance.

Proceeds of the Tax-Exempt Certificates will not be used, directly or indirectly, to reimburse the Board for expenditures made prior to the date of issuance and delivery of the Tax-Exempt Certificates except architectural or engineering or similar costs incurred prior to commencement of the Project or expenditures for which an official intent to reimburse has been properly declared under Treasury Regulations Section 1.150-2. This Resolution is itself a declaration of official intent under Treasury Regulations Section 1.150-2 as to all costs of the Project paid not more than sixty (60) days prior to or on or after the date of adoption of this Resolution and prior to issuance of the Tax-Exempt Certificates.

Section 16. Additional Covenants. The Board covenants with the Owners of the Certificates from time to time Outstanding that, so long as any Certificates remain Outstanding:

- (a) Improvement Contracts for the acquisition, construction, installation and equipping of the projects being refinanced, or any component part thereof, shall be let in strict compliance with applicable Illinois law and applicable rules and procedures of the University pertaining to contracts for public works and related contracts for services.

(b) Upon the execution and delivery of the Trust Indentures and the issuance of the Certificates, the provisions of the Acquisition Agreements, the Installment Purchase Contracts, the Trust Indentures and this Resolution shall constitute a contract between the Board and the Owners of the Certificates, and no changes, additions or alterations of any kind shall be made to them except as expressly provided in the Trust Indentures.

(c) The Board will punctually pay or cause to be paid all amounts due under an Installment Purchase Contract in strict conformity with the terms of such Installment Purchase Contract and this Resolution. The Board will faithfully observe and perform all of the conditions, covenants and requirements of the Acquisition Agreements, the Installment Purchase Contracts, the Trust Indentures and this Resolution.

(d) The Board will pay and discharge, or cause to be paid and discharged, from the Acquisition Fund and the Installment Payment Fund established under a Trust Indenture any and all lawful claims which, if unpaid, might become a lien or charge upon the Acquisition Fund or the Installment Payment Fund or any moneys held by the Trustee under a Trust Indenture, or which might impair the security of the Certificates. The Board is not be required to make any such payment so long as the Board in good faith shall contest the validity of said claims.

(e) The Board will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Board, in which complete and correct entries shall be made of all transactions relating to the refinanced projects and to the Certificates. Such books and records shall be subject at all times during business hours to inspection and copying by the Trustee or the registered owners of at least ten percent (10%) of the principal amount of the Certificates or their representatives duly authorized in writing.

(f) The Board will preserve and protect the security of the Certificates and the rights of the Owners of the Certificates and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Certificates by the Trustee, the Acquisition Agreements, the Installment Purchase Contracts, the Trust Indentures and the Certificates shall be incontestable by the Board.

(g) The Board will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Resolution, and to better assure and confirm to the Owners of the Certificates the rights and benefits provided in the Acquisition Agreements, the Installment Purchase Contracts, the Trust Indentures and this Resolution.

Section 17. Continuing Disclosure.

(a) As long as any Certificates are Outstanding, and to the extent required by law, the Board will provide continuing disclosure of information concerning its financial

condition and the Certificates to Owners of the Certificates, either directly or through a designated repository or by similar means.

(b) In order to provide for compliance with the covenant in subsection (a), the Comptroller shall execute and deliver one or more Continuing Disclosure Agreements in the name and on behalf of the Board in substantially the form presented to this meeting of the Board, which is approved in all respects. The Continuing Disclosure Agreements as executed and delivered on behalf of the Board may contain such changes or revisions from the form of the Continuing Disclosure Agreement as presented to this meeting of the Board as shall be approved by the Comptroller. His approval and the approval of the Board of such changes and revisions shall be evidenced conclusively by his execution of a Continuing Disclosure Agreement.

(c) The officers, employees and agents of the Board are 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 Agreements.

(d) Notwithstanding any other provision of the Installment Purchase Contracts, the Trust Indentures or this Resolution, the sole remedies for failure to comply with a Continuing Disclosure Agreement shall be the ability of the Owner or the beneficial owner of any Certificate to seek mandamus or specific performance by court order, to cause the Board to comply with its obligations under such Continuing Disclosure Agreement.

Section 18. Definitions and Rules of Interpretation.

(a) Capitalized terms used and not defined in this Resolution (including *Exhibit A*) have the meanings ascribed to them in the Trust Indentures on file with the Secretary of the Board.

(b) The headings of this Resolution are for convenience of reference only and shall not define or limit the provisions of this Resolution.

(c) References in this Resolution to the masculine include the feminine and neuter genders and *vice versa* and references to the singular include the plural and *vice versa*, unless the context or use indicates otherwise.

(d) Whenever in this Resolution the words "include" or "including" are followed by an item or a list of items, specifying the item or items is not intended to exclude items that are not listed.

(e) The exhibits to this Resolution are incorporated into and made a part of this Resolution by this reference.

Section 19. General. The President, Comptroller, Secretary and other officers and employees of the Board are each authorized and directed, in the name and on behalf of the Board, to execute any and all documents and certificates, and do any and all things deemed by them necessary or desirable in order to carry out the purposes of this Resolution, the issuance

and sale of the Certificates, and securing the Certificates under and pursuant to the Trust Indentures. Unless otherwise specifically provided, wherever in any of the documents to be executed and delivered by the Board in connection with the issuance of the Certificates pursuant to this Resolution it is provided that an action shall be taken by the Board, such action shall be taken by the then duly qualified and acting President, Comptroller or Secretary of the Board, or in the event of the unavailability, inability or refusal of the President, Comptroller or Secretary to act, any two members of the Board, each of whom is authorized, empowered, and delegated the power and duty and directed to take such action on behalf of the Board. Whenever in this Resolution it is provided that an action shall be taken or a determination shall be made by the Comptroller of the Board, in the event of the resignation, unavailability or inability of the Comptroller to act, such action shall be taken or determination shall be made by the person then acting as the chief financial officer of the Board or by the President of the Board, each of whom is authorized, empowered, and delegated the power and duty and directed to take such action or make such determination on behalf of the Board.

Section 20. Ratification of Proceedings. All proceedings, resolutions and actions of the Board and the Board's officers, employees, attorneys and agents taken in connection with and in furtherance of the issuance and sale of the Certificates and the Refunding and the refinancing of the projects are ratified, confirmed and approved.

Section 21. Recording of Resolution. Immediately after its passage, this Resolution shall be recorded in a book kept by the Secretary for the purpose.

Section 22. Severability. It is declared that all parts of this Resolution are severable. If any section, paragraph, clause or provision of this Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect the remaining provisions of this Resolution.

Section 23. Conflicting Resolutions. All resolutions or parts of resolutions previously adopted or passed by the Board which are in conflict with any of the provisions of this Resolution are repealed, but only to the extent of such conflict.

Section 24. Effective Date. This Resolution shall become effective and shall be in full force immediately upon its adoption.

ADOPTED by The Board of Trustees of the University of Illinois, on May 21, 2009.

EXHIBIT A

CERTAIN TERMS OF THE CERTIFICATES

Pursuant to the Resolution adopted by the Board of Trustees of the University of Illinois on May 21, 2009, the undersigned makes the following determinations delegated to the undersigned:

Basic Terms

Fixed Rate Certificates. The fixed rate Certificates shall be designated Certificates of Participation (Refunding), Series 2009A (the "*Series 2009A Certificates*") and shall be issued in the aggregate principal amount of \$ _____. The Certificates shall initially be dated _____, 2009. Interest on the Certificates shall be payable semi-annually on April 1 and October 1 of each year. The first interest payment date on the Certificates shall be October 1, 2009. The Certificates shall mature on October 1 in the years and the amounts and shall bear interest at the rates per annum, all as set forth below:

<u>MATURING (OCTOBER 1)</u>	<u>AMOUNT MATURING</u>	<u>INTEREST RATE</u>
2009	\$	%
2010		
2011		
2012		
2013		
2014		
2015		
2016		
2017		
2018		
2019		
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		

Variable Rate Certificates. The variable rate Certificates shall be designated Variable Rate Demand Certificates of Participation (Refunding), Series 2009B (the "*Series 2009B Certificates*") and shall be issued in the aggregate principal amount of \$ _____. The Series 2009B Certificates shall initially be dated _____, 2009. Interest on the Series 2009B Certificates shall be payable on the Interest Payment Dates set forth in the Second Supplemental Indenture of Trust (the "*Second Supplemental Indenture*") providing for the

issuance of the Series 2009B Certificates. The Series 2009B Certificates shall mature on October 1, 2027. The Interest Rate Periods or Modes are the Daily Interest Rate Period, Weekly Interest Rate Period, Commercial Paper Rate Period, and Fixed Interest Rate Period as set forth in the Second Supplemental Indenture and the initial Interest Rate Period shall be Weekly Interest Rate Period.

Mandatory Redemption of Series 2009A Certificates

The Series 2009A Certificates are subject to redemption, in whole or in part and if in part in the manner described below, at the price of 100% of the principal amount redeemed plus accrued interest to the date fixed for redemption, on any date on which a Purchase Contract is terminated by the Board because (i) an Event of Non-Appropriation has occurred, (ii) the Board has determined that there are not sufficient Legally Available Non-Appropriated Funds to pay all or such non-appropriated part of the portion of the Installment Payments under such Purchase Contract coming due during the then-current fiscal year, and (iii) the Board has exercised its option, pursuant to Article IX of the Installment Purchase Contract, to prepay the Series 2009A Certificates by the deposit of funds in the Installment Payment Fund sufficient, together with the amounts already on deposit, to redeem such Series 2009A Certificates on the termination date at the redemption price specified above.

In the case of the termination and prepayment of less than all of the Purchase Contracts, principal of the Certificates corresponding to the payments under the terminated Purchase Contract or Purchase Contracts will be redeemed.

The Series 2009A Certificates are subject to mandatory redemption, in whole or in part and if in part in the manner described in the next paragraph, if the Board notifies the Trustee not less than 60 days prior to the applicable redemption date that the Board is exercising its option to terminate one or more of the Purchase Contracts at the redemption prices set forth below equal to the percentage of the principal amount redeemed as set forth below, plus accrued interest to the date fixed for redemption, on the following dates.

<u>REDEMPTION DATE</u>	<u>REDEMPTION PRICE</u>
October 1, 2012	___%
October 1, 2017	___%
October 1, 2022	___%

In the case of the termination of less than all of the Purchase Contracts, principal of the Series 2009A Certificates corresponding to the payments under the terminated Purchase Contract or Purchase Contracts will be redeemed.

The Series 2009A Certificates are subject to mandatory redemption, in whole or in part and if in part in the manner described in the next paragraph, on October 1, 2017, at the redemption price of par plus accrued interest to the redemption date, without redemption premium, unless the Board notifies the Trustee not less than 60 days prior to that date that the

Board has renewed the Installment Purchase Contract and that the Expiration Date has been extended pursuant to Section 4.2(e) of the Installment Purchase Contract.

Mandatory Redemption of Series 2009B Certificate

The Series 2009B Certificates are subject to redemption, in whole or in part and if in part in the manner described below, at the price of 100% of the principal amount redeemed plus accrued interest to the date fixed for redemption, on any date on which a Purchase Contract is terminated by the Board because (i) an Event of Non-Appropriation has occurred, (ii) the Board has determined that there are not sufficient Legally Available Non-Appropriated Funds to pay all or such non-appropriated part of the portion of the Installment Payments under such Purchase Contract coming due during the then-current fiscal year, and (iii) the Board has exercised its option, pursuant to Article IX of the Installment Purchase Contract, to prepay the Series 2009B Certificates by the deposit of funds in the Installment Payment Fund sufficient, together with the amounts already on deposit, to redeem such Series 2009B Certificates on the termination date at the redemption price specified above.

In the case of the termination and prepayment of less than all of the Purchase Contracts, principal of the Certificates corresponding to the payments under the terminated Purchase Contract or Purchase Contracts will be redeemed.

The Series 2009B Certificates are subject to mandatory redemption, in whole or in part and if in part in the manner described in the next paragraph, if the Board notifies the Trustee not less than 60 days prior to the applicable redemption date that the Board is exercising its option to terminate one or more of the Purchase Contracts at the redemption price of 100% of the principal amount redeemed, plus accrued interest to the date fixed for redemption, on any date on which a Purchase Contract is terminated.

In the case of the termination of less than all of the Purchase Contracts, principal of the Series 2009B Certificates corresponding to the payments under the terminated Purchase Contract or Purchase Contracts will be redeemed.

The Series 2009B Certificates are subject to mandatory redemption, in whole or in part and if in part in the manner described in the next paragraph, on October 1, 2017, at the redemption price of par plus accrued interest to the redemption date, without redemption premium, unless the Board notifies the Trustee not less than 60 days prior to that date that the Board has renewed the Installment Purchase Contract and that the Expiration Date has been extended pursuant to Section 4.2(e) of the Installment Purchase Contract.

[Mandatory Sinking Fund Redemption]

Optional Redemption

The Series 2009A Certificates are subject to optional redemption prior to maturity on any date on or after October 1, _____ at a price equal to their principal amount plus in each case accrued interest to the date of redemption, without redemption premium.

The Series 2009B Certificates are subject to optional redemption prior to maturity on any date at a price equal to their principal amount plus in each case accrued interest to the date of redemption, without redemption premium.

Underwriters

In addition to J.P. Morgan Securities Inc., the Underwriters for the Series 2009A Certificates shall include the following: _____.

Purchase Price

The purchase price to be paid by the Underwriters for the Series 2009A Certificates shall be \$_____, representing their original aggregate principal amount, plus original issue premium in the amount of \$_____, less an underwriting discount in the amount of \$_____. **[In addition, the Underwriters will pay the costs of printing in the amount of \$_____ and may deduct such cost from the payment of the purchase price.]**

The purchase price for the Series 2009B Certificates shall be \$_____, which represents the principal amount of the Series 2009B Certificates less an underwriting discount of \$_____.

Application of Proceeds

The proceeds of sale of the Series 2009A Certificates in the amount of \$_____ shall be **[transferred to the Escrow Agreement to refund] [deposited to redeem]** \$_____ of the **[Series 2007C Certificates/Series 2007D Certificates.]**

The proceeds of sale of the Series 2009B Certificates in the amount of \$_____ shall be **[transferred to the Escrow Agreement to refund] [deposited to redeem]** \$_____ of the **[Series 2007C Certificates/Series 2007D Certificates.]**

[Signature Page Follows]

Date: _____, 2009

Comptroller
The Board of Trustees of the University of Illinois

[Signature Page to Exhibit A to Resolution]