

NEW ISSUE – BOOK-ENTRY ONLY

**RATING: Moody's: "Aa1/VMIG 1"
(See "Description of Rating")**

In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continuous compliance with the terms of the Bond Indenture described below, under present law, interest on the Bonds is excludable from the gross income of the owners of the Bonds for federal income tax purposes, is not an item of tax preference for purposes of the federal alternative minimum tax imposed on corporations and individuals and is not included in adjusted current earnings for the purpose of computing the alternative minimum tax imposed on corporations. See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Bonds. The interest on the Bonds is not exempt from present Wisconsin income taxes

\$18,970,000

**WISCONSIN HEALTH AND EDUCATIONAL FACILITIES AUTHORITY
VARIABLE RATE DEMAND REVENUE REFUNDING BONDS, SERIES 2009
(CONCORDIA UNIVERSITY WISCONSIN, INC.)**



PRICE	100%
DATED	Date of Issuance
MATURITY	May 1, 2039
CUSIP	97710B HB1
ISSUANCE	The Wisconsin Health and Educational Facilities Authority (the "Authority") will issue the Bonds through a book-entry system under a Bond Trust Indenture dated as of May 1, 2009, between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee.
INTEREST	The Bonds, as initially issued, will bear interest at a Weekly Rate, but may be converted to bear interest at a Daily Rate, a Commercial Paper Rate, an Adjustable Long Rate or a Fixed Rate. The Bonds will have different terms in each interest rate Mode; however, only the Weekly Mode and Daily Mode are described in this Official Statement. See " <i>THE BONDS – Interest Rate Modes.</i> " The Bonds will bear interest at an interest rate set weekly while the Bonds are in a Weekly Mode, and set each Business Day while the Bonds are in a Daily Mode. The Bonds will bear interest from the date of issuance, payable on the first Business Day of each month.
DENOMINATIONS	The Bonds will be issued in authorized denominations of \$5,000 or any multiple thereof.
TENDER FOR PURCHASE	The Bonds in a Weekly Mode or Daily Mode will be purchased upon the demand of the owner thereof. See " <i>THE BONDS – Purchase of Bonds on Demand of a Bondholder.</i> " The Bonds are also subject to mandatory tender under certain circumstances. See " <i>THE BONDS – Mandatory Purchase.</i> "
REDEMPTION	The Bonds are subject to optional redemption prior to maturity. See " <i>THE BONDS – Redemption of Bonds.</i> "
LETTER OF CREDIT	The payment of (i) the principal of and up to 34 days' interest on the Bonds, and (ii) the purchase price of Bonds that are tendered (or deemed tendered) for purchase on any optional or mandatory tender date as described herein and not remarketed will be secured by an irrevocable direct pay letter of credit (the "Chase Bank Letter of Credit") issued by

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

("Chase Bank"). The Chase Bank Letter of Credit will expire May 15, 2012, subject to prior termination upon the occurrence of certain events described herein, unless extended as described herein. Concordia University Wisconsin, Inc. (the "University") may substitute a letter of credit issued by another financial institution for the Chase Bank Letter of Credit. See "*SUBSTITUTE LETTER OF CREDIT.*"

USE OF THIS OFFICIAL STATEMENT	This Official Statement describes the terms of the Bonds only while they are in a Weekly Mode or Daily Mode, and should not be relied upon in considering whether to purchase Bonds in any other Mode.
PURPOSE	The Authority will lend the proceeds from the sale of the Bonds to the University which plans to use the proceeds to (i) refund certain outstanding bonds previously issued by the Authority on behalf of the University, (ii) finance costs, including capitalized interest, associated with the constructing, renovating, remodeling and equipping of certain of the University's educational facilities, including but not limited to an environmental center and science labs, and (iii) pay certain costs incurred in connection with the issuance of the Bonds. See " <i>PLAN OF FINANCE.</i> "
LIMITED OBLIGATION	THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE NOT A DEBT OR LIABILITY OF THE STATE OF WISCONSIN OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF OTHER THAN THE AUTHORITY. THE SOURCE OF PAYMENT AND SECURITY FOR THE BONDS IS MORE FULLY DESCRIBED HEREIN. THE AUTHORITY HAS NO TAXING POWER.

The Bonds are offered when, as and if issued and received by the Underwriter, subject to prior sale, to withdrawal or modifications of the offer without any notice, and to the approval of legality of the Bonds by Quarles & Brady LLP, Bond Counsel. Certain legal matters will be passed upon for the Authority by its general counsel, Quarles & Brady LLP, for the University by its counsel, Godfrey & Kahn, S.C., for Chase Bank by its counsel, Whyte Hirschboeck Dudek S.C., and for the Underwriter by its counsel, Reinhart Boerner Van Deuren s.c. For details of the Underwriter's compensation see "UNDERWRITING" herein. It is expected that the Bonds will be available for delivery via The Depository Trust Corporation, New York, New York on or about May 21, 2009.

ROBERT W. BAIRD & CO.

The date of this Official Statement is May 13, 2009

REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, broker, sales representative or other person has been authorized by the Authority, the University or Robert W. Baird & Co. Incorporated (the "Underwriter") to give information or to make any representations with respect to the Bonds except as expressly set forth in this Official Statement, and, if given or made, any such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall not be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. Certain information contained herein has been obtained from the University, Chase Bank, The Depository Trust Company and other sources which are believed to be reliable, but is not guaranteed as to adequacy, accuracy or completeness by, and is not to be construed to be the representations of the Authority or the Underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change since the date hereof in the business affairs or financial condition of the parties referred to herein.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. Such statements are generally identifiable by the terminology used such as "plan," "expect," "anticipate," "estimate" and other similar words.

The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The University does not plan to issue any updates or revisions to those forward-looking statements if or when expectations, events, conditions or circumstances change.

In connection with this offering, the Underwriter may over allot or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Bonds have not been registered under the Securities Act of 1933, as amended, and the Bond Indenture has not been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon certain exemptions contained in such federal laws. In making an investment decision, investors must rely upon their own examination of the Bonds and the security therefor, including an analysis of the risks involved. The Bonds have not been recommended by any federal or state securities commission or regulatory authority. The registration, qualification or exemption of the Bonds in accordance with applicable provisions of securities laws of the various jurisdictions in which the Bonds have been registered, qualified or exempted cannot be regarded as a recommendation thereof. Neither such jurisdictions nor any of their agencies have passed upon the merits of the Bonds or the adequacy, accuracy or completeness of this Official Statement. Any representation to the contrary may be a criminal offense.

The CUSIP number is included in this Official Statement for the convenience of the owners of the Bonds. No assurance can be given that the CUSIP number for the Bonds will remain the same after the date of issuance and delivery of the Bonds.

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OFFICIAL STATEMENT

\$18,970,000

**WISCONSIN HEALTH AND EDUCATIONAL FACILITIES AUTHORITY
VARIABLE RATE DEMAND REVENUE REFUNDING BONDS, SERIES 2009
(CONCORDIA UNIVERSITY WISCONSIN, INC.)**

INTRODUCTION

This Official Statement, including the cover page and Appendices, is furnished in connection with the offering of \$18,970,000 in aggregate principal amount of Variable Rate Demand Revenue Refunding Bonds, Series 2009 (Concordia University Wisconsin, Inc.) (the "Bonds") of the Wisconsin Health and Educational Facilities Authority (the "Authority"). The Bonds are being issued by the Authority in accordance with the provisions of Chapter 231 of the Wisconsin Statutes (as amended from time to time, the "Act").

The Bonds will be issued and secured under a Bond Trust Indenture, dated as of May 1, 2009 (the "Bond Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "Bond Trustee"). The Bond Trustee will be the registrar and paying agent for the Bonds.

Concurrently with the issuance of the Bonds, Concordia University Wisconsin, Inc., a Wisconsin nonstock corporation (the "University"), and the Authority will enter into a Loan Agreement, dated as of May 1, 2009 (the "Loan Agreement"), under which the proceeds to be received by the Authority from the sale of the Bonds will be lent to the University. Those proceeds will be used to (i) refund the certain outstanding bonds issued by the Authority on behalf of the University, (ii) finance costs, including capitalized interest, associated with the constructing, renovating, remodeling and equipping of certain of the University's educational facilities, including but not limited to an environmental center and science labs (the "Project"), and (iii) pay certain costs incurred in connection with the issuance of the Bonds. *See "PLAN OF FINANCE."*

As evidence of the borrowing under the Loan Agreement, the University will issue its Promissory Note, Series 2009 (the "Promissory Note") in an aggregate principal amount equal to the principal amount of the Bonds. The terms of the Promissory Note will require payments by the University that in the aggregate will be sufficient to provide for the timely payment of the principal of, premium, if any, and interest on the Bonds. The Promissory Note will be an unsecured obligation of the University. The Authority will pledge and assign the Promissory Note and certain of its rights under the Loan Agreement to the Bond Trustee as security for the Bonds.

Concurrently with the issuance of the Bonds, JPMorgan Chase Bank, National Association ("Chase Bank") will issue its irrevocable, direct-pay letter of credit (the "Chase Bank Letter of Credit") in favor of the Bond Trustee to secure payment of principal of and interest on the Bonds, and the Tender Price of the Bonds tendered for purchase as described herein and not remarketed. The Chase Bank Letter of Credit will have an initial stated expiration date of May 15, 2012, and will be in an initial amount equal to the sum of the aggregate outstanding principal amount of the Bonds plus 34 days' interest at the rate of 12% per annum (which is the maximum annual interest rate while the Bonds are in the Daily Mode or Weekly Mode). *See "LETTER OF CREDIT."* See APPENDIX A for a description of Chase Bank. The Chase Bank Letter of Credit will be issued pursuant to a Reimbursement Agreement dated as of May 1, 2009 (the "Chase Bank Reimbursement Agreement") among the University, Concordia University

Foundation, Inc., a Wisconsin nonstock corporation (the "Foundation"), and Chase Bank. See *"REIMBURSEMENT AGREEMENT."*

The Chase Bank Letter of Credit will expire (unless extended) on May 15, 2012, or at such earlier date described therein (including upon the conversion of the interest rate Mode applicable to the Bonds to any Mode other than the Weekly Mode or the Daily Mode). Subject to the conditions set forth in the Bond Indenture and the Loan Agreement, the University is permitted to replace the Chase Bank Letter of Credit with a substitute letter of credit (a "Substitute Letter of Credit"). Prior to the termination of the Chase Bank Letter of Credit, or upon any replacement with a Substitute Letter of Credit, the Bonds will be subject to mandatory tender for purchase. See *"THE BONDS – Mandatory Purchase."* The Chase Bank Letter of Credit and any Substitute Letter of Credit are collectively referred to herein as the "Letter of Credit." Chase Bank and the issuer of any Substitute Letter of Credit are collectively referred to herein as the "Letter of Credit Bank." The Chase Bank Reimbursement Agreement and any similar agreement between the University and the issuer of a Substitute Letter of Credit are referred to herein as the "Reimbursement Agreement."

Potential investors should base their investment decisions with respect to the Bonds solely upon the credit of Chase Bank. Except for a very limited description of the University contained in APPENDIX B, no information with respect to the University (financial or otherwise) is included in this Official Statement and the University makes no representation herein concerning its present or future financial condition. None of the University's buildings or other property is mortgaged or pledged as security for its obligations under the Promissory Note or Loan Agreement.

The Bonds will be limited obligations of the Authority, payable solely from revenues received by the Bond Trustee for the account of the Authority under the Loan Agreement and the Bond Indenture. The Bonds will be secured by (i) amounts drawn under the Letter of Credit, (ii) all payments and prepayments by the University on the Promissory Note or pursuant to the Loan Agreement (except for the Authority's fees and expenses and its right to indemnification in certain circumstances) and (iii) other money and investments held by the Bond Trustee under the Bond Indenture and the investment earnings thereon (collectively, the "Revenues"). See *"SECURITY AND SOURCE OF PAYMENT FOR THE BONDS."*

The Bonds will initially bear interest at a Weekly Rate, determined each week as described herein. See *"THE BONDS – Interest on the Bonds – Weekly Mode"*. The Bond Indenture provides that, upon the satisfaction of certain conditions, the University may cause the Bonds to be converted to a different interest rate Mode. On the effective date of any such conversion, certain other terms of the Bonds, including redemption provisions and tender rights, will be changed. Prior to the effectiveness of such a conversion, however, all Bonds will be subject to mandatory tender for purchase. See *"THE BONDS – Mandatory Purchase."* **THIS OFFICIAL STATEMENT DESCRIBES ONLY THE TERMS OF THE BONDS THAT WILL BE IN EFFECT WHILE THE BONDS ARE IN A WEEKLY MODE OR A DAILY MODE.**

This Official Statement contains brief descriptions or summaries of the Authority, the Bonds, the source of payment for the Bonds, the Chase Bank Letter of Credit, the Chase Bank Reimbursement Agreement, the Promissory Note, the Loan Agreement, and the Bond Indenture. The descriptions and summaries herein do not purport to be comprehensive or definitive and reference is made to each document for the complete details of all terms and conditions. See *"MISCELLANEOUS"* for information regarding availability of the documents.

THE BONDS

The following is a summary of certain provisions of the Bonds. Reference is made to the Bond Indenture and to the summary of the Bond Indenture included in APPENDIX C for a more complete description of the Bonds. Reference is also made to APPENDIX C – "SUMMARY OF THE BOND INDENTURE AND LOAN AGREEMENT – Definition of Certain Terms" for the definitions of certain terms used in the following summary. The discussion herein is qualified in all respects by those references.

General

The Bonds will be dated the date of their original issuance and will mature on May 1, 2039. The Bonds will initially be issued under a book-entry system, and registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). So long as DTC acts as securities depository for the Bonds, the principal of and interest on the Bonds will be paid as described herein under the caption "BOOK-ENTRY-ONLY SYSTEM," and all references herein to "Bondholder" or "Bondholders" are deemed to be Cede & Co., as nominee for DTC, and not to Direct Participants, Indirect Participants or Beneficial Owners, as hereinafter defined.

Interest Rate Modes

General

Pursuant to the Bond Indenture, the Bonds may be in one of five interest rate Modes: the Daily Mode, the Weekly Mode, the Commercial Paper Mode, the Adjustable Long Mode and the Fixed Mode. The Bonds may be in only one Mode at any given time. Generally, the Bonds will have different terms while in the different Modes, including different optional and mandatory tender provisions, redemption provisions, interest rate determination dates, rate change dates and interest payment dates. However, only the Weekly Mode and the Daily Mode are described herein. At any given time, all Bonds will be in the same Mode and will bear interest at the same interest rate (other than Bank Bonds and Borrower Bonds).

Upon the issuance and delivery of the Bonds, the Bonds will be in the Weekly Mode. Thereafter, the University may designate a subsequent Mode for the Bonds as described below.

Weekly Mode or Daily Mode

While the Bonds are in a Weekly Mode or a Daily Mode, they will bear interest during each Rate Period at a rate determined by the Remarketing Agent in accordance with the Bond Indenture. See "*THE BONDS – Interest on the Bonds.*" Owners of Bonds will be entitled to demand the purchase of their Bonds as described under "*THE BONDS – Purchase of Bonds on Demand of a Bondholder*" and the Bonds will be subject to mandatory purchase in certain events as described under "*THE BONDS – Mandatory Purchase*".

Adjustment Dates

The University may convert the Bonds to a different interest rate Mode by designating an Adjustment Date for the Bonds which shall be a Business Day. If the University designates a subsequent Mode with respect to the Bonds, the Bonds will be subject to mandatory tender for purchase as described in "*THE BONDS – Mandatory Purchase.*" In order for the designation of such Adjustment Date to take effect, certain conditions set forth in the Bond Indenture must be satisfied. If those conditions are not

met, the Bonds may be converted to the Weekly Mode, subject to certain conditions, or shall stay in the same Mode, as provided in the Bond Indenture.

Interest on the Bonds

General

Interest on the Bonds will be payable (a) on the first Business Day of each calendar month, commencing June 1, 2009, (b) on any Business Day on which the Bonds are subject to mandatory tender as described under "THE BONDS – Mandatory Purchase," (c) as to particular Bonds, on the redemption date thereof and (iv) at Maturity.

Interest on the Bonds will accrue from and including the date of the first authentication and delivery of the Bonds until payment of the principal or redemption price thereof shall have been made or provided for in accordance with the Bond Indenture, whether at Maturity or upon redemption or acceleration. Interest on the Bonds will be computed on the basis of a year of 365 days or 366 days, as applicable, for the actual number of days elapsed.

The interest rate on the Bonds will not exceed 12% per annum (which is the maximum annual interest rate while the Bonds are secured by the Chase Bank Letter of Credit).

Weekly Mode

For each Rate Period while the Bonds are in a Weekly Mode, the Bonds will bear interest at a Weekly Rate, determined in the following manner. On the Rate Determination Date for each Rate Period, the Remarketing Agent will determine the Weekly Rate, which will be a per annum interest rate equal to the lowest interest rate which, in the judgment of the Remarketing Agent, would enable the Bonds to be remarketed on the Rate Change Date for such Rate Period at a price equal to at the principal amount thereof, plus accrued interest thereon, if any. Each Rate Period will be the period from and including a Rate Change Date to but excluding the next Rate Change Date or the day immediately preceding the maturity of the Bonds. Rate Change Dates shall occur weekly, on Thursday or such other day of the week designated by the Remarketing Agent from time to time, and Rate Determination Dates shall occur on the Business Day next preceding each Rate Change Date, or such other day as may be designated by the Remarketing Agent from time to time.

In the event that the Weekly Rate for any Rate Period is not determined by the Remarketing Agent, the interest rate of for the immediately preceding Rate Period shall remain in effect for such Rate Period; except that if the Weekly Rate is not determined by the Remarketing Agent for two consecutive Rate Periods, the interest rate for each succeeding Rate Period until the Remarketing Agent again determines the rate shall be 100% of the SIFMA Municipal Swap Index (as defined in APPENDIX C) as of the Rate Determination Date.

Daily Mode

For each Rate Period while the Bonds are in a Daily Mode, the Bonds will bear interest at a Daily Rate, determined in the following manner. No later than 10:00 a.m., Wisconsin time, on the Rate Determination Date for each Rate Period, the Remarketing Agent will determine the Daily Rate, which will be a per annum interest rate equal to the lowest interest rate which, in the judgment of the Remarketing Agent, would enable the Bonds to be remarketed on the Rate Change Date for such Rate Period at a price equal to the principal amount thereof, plus accrued interest thereon, if any. Each Rate

Period will be the period from and including a Rate Change Date to but excluding the next Rate Change Date or the day immediately preceding the maturity of the Bonds. Rate Change Dates shall occur on each Business Day and Rate Determination Dates shall occur on each Rate Change Date.

In the event that the Daily Rate for any Rate Period is not determined by the Remarketing Agent, the interest rate of for the immediately preceding Rate Period shall remain in effect for such Rate Period; except that if the Daily Rate is not determined by the Remarketing Agent for two consecutive Rate Periods, the interest rate for each succeeding Rate Period until the Remarketing Agent again determines the rate shall be 100% of the SIFMA Municipal Swap Index (as defined in APPENDIX C) as of the Rate Determination Date.

Purchase of Bonds on Demand of a Bondholder

Any Bond (or portion thereof in an Authorized Denomination) will be purchased (unless earlier redeemed or subject to mandatory purchase in accordance with the Bond Indenture) on a Demand Date therefor upon the demand of the owner thereof, at a purchase price equal to 100% of the principal amount thereof plus accrued interest, if any, to such Demand Date, upon irrevocable written notice (which may be given by telecopy) to the Bond Trustee at its Principal Office. Any such notice must state (i) the principal amount and number of the Bond, the name and address of such owner and the taxpayer identification number, if any, of such owner and (ii) the Demand Date on which the Bond is to be purchased. While the Bonds are in a Daily Mode, the Demand Date shall be the Business Day on which the Bond Trustee receives notice prior to 9:30 a.m., Wisconsin time, from the owner thereof demanding to have the Bond (or any portion thereof in an Authorized Denomination) purchased on such date (or the succeeding Business Day if such notice is received after 9:30 a.m. Wisconsin time). While the Bonds are in a Weekly Mode, the Demand Date shall be the Business Day specified in the notice as the date on which the owner of the Bond intends to tender the Bond (or any portion thereof in an Authorized Denomination) for purchase, which Business Day shall be not less than seven calendar days after the date such notice is received by the Trustee prior to 2:00 p.m., Wisconsin time. The determination of the Bond Trustee as to whether a notice of tender has been properly delivered shall be conclusive and binding on such owner.

Mandatory Purchase

All of the Bonds are required to be tendered to the Bond Trustee for purchase, at a purchase price equal to 100% of the principal amount thereof, on the following dates:

(i) on each Adjustment Date (which is the date the Bonds are to be converted from one Mode to another),

(ii) on each Substitution Date (which is the date upon which a Substitute Letter of Credit becomes effective or is scheduled to become effective),

(iii) on the fifth Business Day following receipt by the Bond Trustee of a notice from the Letter of Credit Bank that an event of default has occurred under the Reimbursement Agreement and directing a mandatory tender of the Bonds, and

(iv) the Business Day that is five Business Days prior to the Stated Termination Date of the Letter of Credit (if no Commitment to issue a Substitute Letter of Credit has been provided).

The owners of the Bonds may not elect to retain the Bonds on a mandatory tender date.

The Bond Trustee shall give notice to the owners of the Bonds at the addresses set forth in the Bond Register not later than the fifteenth day next preceding any date upon which the Bonds are subject to mandatory tender as described above, except that in the case of a mandatory tender as a result of the events described in paragraph (iii) above, the Bond Trustee shall give such notice not later than four Business Days preceding the date on which the Letter of Credit may no longer be drawn upon. The notice shall state the basis for the mandatory tender, identify the mandatory tender date and state that the Bonds are required to be purchased on such date.

The University has the option to direct the mandatory tender for purchase of the Bonds, in whole or in part, on any date on which the Bonds could be redeemed as described under "THE BONDS – Redemption of Bonds – Optional Redemption," at a purchase price equal to the optional redemption price therefor. The Bond Trustee shall give the owners of the Bonds to be purchased notice of such purchase in the same manner as a notice of redemption. In the case of the purchase of less than all of the Bonds, the particular Bonds to be purchased shall be selected in the same manner as for selection of Bonds to be redeemed. The purchase of such Bonds shall be mandatory and enforceable against the owners of the Bonds and the owners of the Bonds shall have no right to retain their Bonds.

Redemption of Bonds

Optional Redemption

The Bonds shall be subject to redemption prior to Maturity at the option of the Authority upon the direction of the University and with the prior written consent of the Letter of Credit Bank, in whole or in part (and if in part in an Authorized Denomination) on any Business Day, at a redemption price equal to 100% of the principal amount thereof plus accrued interest, if any, to the redemption date.

In lieu of redeeming the Bonds, the Bond Trustee may, at the request of the University, use Eligible Funds to purchase the Bonds in the open market at a price not exceeding the redemption price then applicable under the Bond Indenture. Any Bonds so purchased in lieu of redemption may, at the option of the University, be delivered to the Bond Trustee for cancellation and any Bonds so delivered shall be canceled.

Notice of Redemption

Whenever the Bonds are to be redeemed, the Bond Trustee shall give notice of the redemption of the Bonds by first class mail, postage prepaid, not less than 15 days and not more than 30 days prior to the redemption date, to the registered owners of the Bonds to be redeemed at their addresses as shown on the Bond Register. The notice shall specify the redemption date, the redemption price and the place and manner of payment.

Failure to give notice in the manner described above or any defect in the notice will not affect the validity of any proceedings for redemption as to the Bonds for which notice is properly given. Interest will not accrue after the redemption date of the Bonds called for redemption if notice has been given and if Eligible Funds sufficient to pay principal of, premium, if any, and interest on the Bonds to the redemption date has been deposited with the Bond Trustee.

General

The redemption price will be paid to the owners of the Bonds from Eligible Funds (as defined in APPENDIX C).

At any time that Bank Bonds (as defined in APPENDIX C) are outstanding, Bonds to be redeemed will be selected first from Bank Bonds.

SECURITY AND SOURCE OF PAYMENT FOR THE BONDS

The Bonds and the interest payable thereon will not constitute a debt or liability of the State of Wisconsin or of any political subdivision thereof, other than the Authority to the limited extent described herein, but shall be payable solely from the funds pledged or available therefor in accordance with the Bond Indenture. The Bonds will not constitute a charge against the credit or taxing power of the State of Wisconsin or any political subdivision thereof. The State of Wisconsin shall not in any event be liable for the payment of the principal of or interest on the Bonds or for the performance of any pledge, obligation or agreement of any kind whatsoever which may be undertaken by the Authority. No breach by the Authority of any such pledge, obligation or agreement may impose any pecuniary liability upon the State of Wisconsin or any charge upon its general credit or against its taxing power. The issuance of the Bonds will not, directly, indirectly or contingently, obligate the State of Wisconsin or any political subdivision thereof to levy any form of taxation for the payment thereof or to make any appropriation for their payment. The Authority has no taxing power.

The Bonds are limited obligations of the Authority and are payable solely from the following sources: (i) amounts drawn under the Letter of Credit, (ii) all payments and prepayments by the University on the Promissory Note or pursuant to the Loan Agreement (except for the Authority's fees and expenses and its right to indemnification in certain circumstances) and (iii) other money and investments held by the Bond Trustee under the Bond Indenture and the investment earnings thereon.

The rights of the Authority in and to the Promissory Note, and in, to and under the Loan Agreement (other than the Authority's rights to receive fees and expenses and to indemnification in certain circumstances) will be assigned to the Bond Trustee to secure the payment of principal of and interest on the Bonds. The University agrees under the Loan Agreement to make its payments on the Promissory Note directly to the Bond Trustee.

The Promissory Note will be issued in a principal amount equal to the principal amount of the Bonds. The Promissory Note will be delivered to the Authority and assigned by the Authority to the Bond Trustee. The terms of the Promissory Note will require payments by the University which will be sufficient to provide for the timely payment of the principal of and interest on the Bonds. The Promissory Note will be an unsecured, general obligation of the University.

To further secure the payment of the Bonds, the University will cause Chase Bank to issue the Chase Bank Letter of Credit. The Chase Bank Letter of Credit will have an initial stated expiration date of May 15, 2012, and will be in the initial amount equal to the sum of the aggregate principal amount of the Bonds and 34 days of interest at 12% per annum (the maximum annual interest rate while the Bonds are secured by the Chase Bank Letter of Credit). See "*LETTER OF CREDIT*" and "*SUBSTITUTE LETTER OF CREDIT*."

THE BONDS ARE OFFERED ON THE BASIS OF THE CHASE BANK LETTER OF CREDIT AND FINANCIAL STRENGTH OF CHASE BANK AND NOT ON THE BASIS OF THE FINANCIAL STRENGTH OF THE UNIVERSITY.

APPENDIX A contains certain information about Chase Bank and its parent holding company, JPMorgan Chase & Co. The Chase Bank Letter of Credit is an obligation solely of Chase Bank. JPMorgan Chase & Co. is not obligated under the Chase Bank Letter of Credit.

BOOK-ENTRY-ONLY SYSTEM

General

When the Bonds are issued, only beneficial ownership interests will be available to purchasers through a book-entry-only system (the "Book-Entry-Only System") maintained by The Depository Trust Company, New York, New York ("DTC"). The following discussion will not apply to Bonds if issued in physical form due to the discontinuance of the Book-Entry-Only System. See "*Discontinuance of Book-Entry-Only System.*"

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co., DTC's partnership nominee, or such other name as requested by an authorized representative of DTC. The Bonds will be originally issued as one fully-registered Bond, in the aggregate principal amount of the issue, and will be deposited with the Bond Trustee, as custodian for DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act (hereinafter defined). DTC holds and provides asset servicing for over two million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments from over 85 countries that DTC's participants (the "Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation (also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC and the National Association of Securities Dealers, Inc. Access to the DTC system also is available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). Direct Participants and Indirect Participants are collectively referred to as "Participants." DTC has Standard & Poor's highest rating: AAA. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the Book-Entry-Only System must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (the "Beneficial Owner") is in turn to be recorded in the Direct or Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds,

except in the event that use of the Book-Entry-Only System for the Bonds is discontinued. See *"Discontinuance of Book-Entry-Only System."*

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Trustee and request that copies of notices be provided directly to them.

Redemption and mandatory tender notices shall be sent to DTC. If less than all of the Bonds of a maturity are being redeemed, DTC's practice is to determine by lot the amount of interest of each Direct Participant in the maturity to be redeemed.

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

Payments of principal or purchase price of and interest on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Authority or the Bond Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the Bond Trustee or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bond Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Discontinuance of Book-Entry-Only System

Certificates representing replacement Bonds may be issued directly to Beneficial Owners of such Bonds in the event that DTC determines to discontinue providing its service with respect to the Bonds by giving reasonable notice and all relevant information regarding the Beneficial Owners of the Bonds to the Authority and the Bond Trustee. If there is no successor to DTC appointed by the Authority, the Bond Trustee shall authenticate and deliver Bonds to the Beneficial Owners thereof. Additionally, in the event that the Authority determines to discontinue use of a book-entry system through DTC or a successor Securities Depository, the Authority shall notify the Bond Trustee and the Securities Depository and instruct the Securities Depository to notify owners of the availability through the Securities Depository of Bonds and the Bond Trustee shall transfer one or more separate Bonds to owners identified by the Securities Depository having Bonds credited to their accounts. In such event, the Bonds shall no longer be restricted to being registered in the registration books in the name of the Securities Depository, but may be registered in whatever name or names Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of the Indenture.

Payment Provisions

The principal of Bonds and the Tender Price of the Bonds upon optional or mandatory tender shall be payable upon the presentation and surrender thereof at the Principal Office of the Bond Trustee (which initially is in Milwaukee, Wisconsin). Interest on the Bonds shall be payable by a check mailed on the Interest Payment Date to the registered owner thereof as of the close of business of the Bond Trustee on the Record Date (which will be the Business Day immediately preceding such Interest Payment Date) at the address of such registered owner as it appears on the Bond Register or at such other address as is furnished to the Bond Trustee in wiring not later than the Record Date. Payment of interest on the Bonds shall be made to any owner of \$1,000,000 or more in aggregate principal amount of Bonds by wire transfer on an Interest Payment Date upon written notice from such owner containing the wire transfer address within the continental United States, which written notice is received not later than the Business Day next preceding the Record Date.

In the event that sufficient moneys are on deposit with the Bond Trustee to pay the applicable Tender Price of any Tendered Bond as provided in the Bond Indenture, such Tendered Bond shall be deemed to have been purchased whether or not delivered by the owner thereof on the date such Tendered Bond is to be purchased. From and after such date it will be the duty of the Bond Trustee to hold moneys on deposit for the benefit of the owners of Tendered Bonds not delivered by the owner thereof on the date the Bonds are to be purchased but without liability for interest.

Registration, Transfer and Exchange Provisions

The Bonds will be available only in fully registered form, in denominations of \$5,000 or any multiple thereof. The person in whose name the Bond is registered will be deemed and regarded as the absolute owner thereof for all purposes.

Subject to the limitations described in the last sentence of this paragraph, any Bond may be transferred upon presentation of such Bond at the Principal Office of the Bond Trustee, duly endorsed for transfer or accompanied by a written instrument of transfer satisfactory to the Bond Trustee which has been executed by the registered owner or such registered owner's duly authorized attorney. Bonds may be exchanged for other Bonds by surrendering the Bonds to be exchanged at the Principal Office of the Bond Trustee. The Bond Trustee shall require the payment by the Bondholder requesting such exchange or transfer of any resulting tax, fee or other governmental charge required to be paid with respect to such

exchange or transfer, and may also impose a service charge on the Bondholder for such exchange, change in registration or transfer. The Bond Trustee shall not be required to exchange or register the transfer of any Bond selected, called or being called for redemption in whole or in part or after the mailing of notice calling any Bond for redemption has been made, except that the Authority and the Bond Trustee shall be required to register the transfer of Tendered Bonds.

Selection of Bonds for Redemption

If less than all of the Bonds are called for redemption, the Bonds or portions thereof to be redeemed shall be selected by lot in such manner as the Bond Trustee may determine. In selecting the Bonds for redemption, the Bond Trustee shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by the minimum Authorized Denomination (which is \$5,000).

Beneficial Owners will have no right to a book-entry system or a depository for the Bonds.

Disclaimers

Information concerning DTC and the Book-Entry-Only System has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the University, the Authority or the Underwriter.

Neither the Authority, the University nor the Bond Trustee will have any responsibility or obligation to any DTC Participant, Indirect Participant, Beneficial Owner or other person with respect to: (i) the Bonds, (ii) the accuracy of any records maintained by DTC or any DTC Participant or Indirect Participant, (iii) the payment by DTC or any DTC Participant or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal of or interest on the Bonds, (iv) the delivery by DTC or any DTC Participant or Indirect Participant of any notice to any Beneficial Owner which is required or permitted to be given to Bondholders under the terms of the Bond Indenture, (v) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds, or (vi) any other action taken by DTC as Bondholder.

The Authority, the University and the Bond Trustee cannot and do not give any assurances that DTC, the DTC Participants or the Indirect Participants will distribute to the Beneficial Owners of the Bonds (i) payments of principal or redemption price of or interest on the Bonds, (ii) certificates representing an ownership interest or other confirmation of Beneficial Ownership interests in Bonds, or (iii) redemption or other notices sent to DTC or Cede & Co., its nominee, as the Registered Owner of the Bonds, or that they will do so on a timely basis or that DTC, DTC Participants or Indirect Participants will serve and act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission, and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

PLAN OF FINANCE

The Bond proceeds will be used to (i) refund the entire outstanding amounts of:

- the Authority's Variable Rate Demand Revenue Bonds, Series 2006 (Concordia University Wisconsin, Inc. Project), originally issued in the principal amount of \$12,000,000, of which \$11,220,000 remains outstanding, and

- the Authority's Variable Rate Demand Revenue Bonds, Series 2005 (Concordia University Wisconsin, Inc. Project) originally issued in the aggregate principal amount of \$10,540,000, of which \$3,665,000 remains outstanding.

(collectively, the "Prior Bonds"), all of which were issued to finance or refinance the University's educational facilities, (ii) finance costs, including capitalized interest, of the Project and (iii) pay certain costs incurred in connection with the issuance of the Bonds. The refunding of the Prior Bonds is referred to in this Official Statement as the "Refunding."

The Refunding will be accomplished by depositing proceeds of the Bonds with the trustees for the Prior Bonds. The University expects that a portion of the Prior Bonds will be redeemed on the closing date of the Bonds. With respect to the Prior Bonds remaining outstanding, the indentures pursuant to which the Prior Bonds were issued require that funds be deposited in amounts sufficient to pay principal of the outstanding Prior Bonds and interest on the outstanding Prior Bonds to the redemption date thereof assuming that the outstanding Prior Bonds bear interest until their redemption date at the respective maximum rates permitted thereby. Therefore, the University anticipates that the proceeds of the Bonds so deposited will exceed the amounts necessary to pay the aggregate redemption price of the outstanding Prior Bonds. Any amounts remaining after the redemption of the Prior Bonds will be transferred to the Project Fund created under the Bond Indenture and used by the University to pay costs of the Project.

ESTIMATED SOURCES AND USES OF FUNDS

Set forth below is a summary of the estimated sources and uses of funds related to the Bonds:

Sources:

Par Amount of Bonds	\$18,970,000
Existing Indenture Funds ⁽¹⁾	<u>2,271,341</u>
Total Sources	\$21,241,341

Uses:

Refunding Costs	\$14,926,973
Project Costs	5,500,000
2005 Bonds Project Costs ⁽²⁾	300,000
Issuance Expenses ⁽³⁾	<u>514,368</u>
Total Uses	\$21,241,341

⁽¹⁾ Funds held by the trustee for the Prior Bonds in the trust funds created under the indentures for the Prior Bonds.

⁽²⁾ The portion of the amount held by the trustee for the Prior Bonds which will be deposited into the Series 2005 Construction Fund Subaccount of the Construction Fund and used to pay costs of the project financed by the Series 2005 Bonds

⁽³⁾ Included in this amount are the estimated fees and expenses of the Underwriter (including Underwriter's discount), Underwriter's Counsel, Bond Counsel, Counsel to the University, the Bond Trustee, the cost of printing the Official Statement, the Letter of Credit Fees, rating agency fees and other miscellaneous costs incurred in connection with the issuance of the Bonds.

BONDHOLDERS' RISKS

The following discussion of risk factors is not complete and should be read in conjunction with all other parts of this Official Statement. This discussion of risk factors is not, and is not intended to be, exhaustive.

Letter of Credit

The ability of the Letter of Credit Bank to honor drawings on the Letter of Credit will be based solely on the Letter of Credit Bank's general credit. The Bond Trustee may not assert a claim for federal deposit insurance against the Federal Deposit Insurance Corporation in respect of the Bonds or the Letter of Credit. In the event of the insolvency of the Letter of Credit Bank, a claim by the Bond Trustee or the Bondholders under the Letter of Credit would probably be subordinate to the claims of the Letter of Credit Bank's depositors.

There can be no assurance that the credit strength of the Letter of Credit Bank will be maintained. A decline in the credit rating of the Letter of Credit Bank could result in a decline in the rating assigned to the Bonds.

Section 105 of the United States Bankruptcy Code empowers a bankruptcy court to issue such orders as are necessary or appropriate to carry out the provisions of the Bankruptcy Code. Court decisions discussing the enforceability of letters of credit indicate that it is possible that a bankruptcy court acting pursuant to Section 105 or other equitable powers under the Bankruptcy Code could enjoin a drawing by the Bond Trustee under the Letter of Credit or the payment by the Trustee to owners of amounts drawn under the Letter of Credit under various circumstances, including the bankruptcy or insolvency of, or of a similar event with respect to, the University or an affiliate of the University.

Liquidity for Optional Purchase on Demand Date and Mandatory Purchase

The Bond Indenture permits owners of the Bonds to tender their Bonds on any Demand Date for purchase at a price of 100% of the principal amount thereof plus accrued interest. The Bond Indenture also requires the owners of the Bonds to tender, and the University to purchase, all the outstanding Bonds on any mandatory purchase date at a price of 100% of the principal amount thereof.

Although the Remarketing Agent will attempt to remarket all the Bonds so tendered or required to be tendered at a price of par (in the case of a mandatory purchase) or par plus accrued interest to the date of purchase (in the case of an optional purchase), there is no assurance that all the Bonds will be successfully remarketed. See "*THE REMARKETING AGENT.*" The University has provided for the Letter of Credit which is available to be drawn upon by the Bond Trustee to pay the Tender Price. The ability of the Letter of Credit Bank to honor drawings on the Letter of Credit will be based solely on the Letter of Credit Bank's general credit as discussed above under "BONDHOLDERS' RISKS – Letter of Credit."

Internal Revenue Code Compliance

The Internal Revenue Service has determined that the University is a tax-exempt organization described in Section 501(c)(3) of the Code, and exempt from taxation under Section 501(a) of the Code. In the opinion of counsel to the University, the University operates in a manner consistent with such status as an organization described in Section 501(c)(3) of the Code.

As a tax-exempt, charitable organization, the University and its operations are subject to various requirements specified by the Code and the regulations promulgated thereunder. Compliance with those requirements is necessary to maintain the tax-exempt status of the University. Among the various provisions applicable to the University are restrictions prohibiting the University from entering into transactions with certain persons if such transactions would result in private inurement to, or confer a private benefit on, any such person.

The opinion of its counsel that the University is a tax-exempt organization is not binding upon the Internal Revenue Service or on any court. If the University should fail to meet any of the requirements specified by the Code and regulations thereunder as necessary to maintain its tax-exempt status, action could be initiated by federal, state or local tax authorities to attempt to subject the University, its property, and its revenues to taxation. If successful, such action could cause interest on the Bonds to be taxable to the holders thereof. The failure of the University to maintain its tax-exempt status could constitute a default under the Loan Agreement and the Bond Indenture and result in an Event of Taxability. The University has covenanted in the Loan Agreement that it will not take or omit to take any action, if such act or omission would result in an Event of Taxability.

Taxation of Interest on the Bonds

Because the existence and continuation of the excludability of the interest on the Bonds from federal gross income of the owners thereof depends upon events occurring after the date of issuance of the Bonds, the opinion of Bond Counsel described under the caption "TAX EXEMPTION" herein assumes the compliance by the University and the Bond Trustee with the provisions of the Code, and the regulations relating thereto. No opinion is expressed by Bond Counsel with respect to the excludability of the interest on the Bonds in the event of noncompliance with such provisions. The failure of the University to comply with the provisions of the Code and the regulations thereunder may cause the interest on Bonds to become includable in gross income of the owners thereof as of the date of issuance.

Enforceability of Remedies

All legal opinions with respect to the enforceability of the Bond Indenture and Loan Agreement will be expressly subject to a qualification that enforceability thereof may be limited by bankruptcy, reorganization, insolvency, moratorium, fraudulent conveyance or other similar laws affecting creditors' rights generally, and by applicable principles of equity if equitable remedies are sought.

Amendment of the Bond Indenture and the Loan Agreement

Certain amendments to the Bond Indenture and the Loan Agreement may be made without the consent of owners of the Bonds, and other amendments thereto may be made with the consent of the Owners of a majority in aggregate principal amount of the outstanding Bonds. Such amendments may adversely affect the security of the owners of the Bonds. See "*SUMMARY OF BOND INDENTURE AND LOAN AGREEMENT – Summary of Certain Provisions of the Bond Indenture – Supplemental Bond Indentures Not Requiring Consent of Bondholders,*" "*– Supplemental Bond Indentures Requiring the Consent of Bondholders*" and "*– Amendments to the Loan Agreement and Promissory Note Requiring Consent of Bondholders*" in APPENDIX C.

LETTER OF CREDIT

While the Bonds are in the Daily Mode or the Weekly Mode, the University is required to maintain a Letter of Credit in effect meeting the requirements of the Bond Indenture.

The Chase Bank Letter of Credit is an irrevocable obligation of the Chase Bank to pay to the Bond Trustee, upon a drawing made by the Bond Trustee in accordance with the terms of the Chase Bank Letter of Credit, (1) an amount sufficient to pay the principal of the Bonds, plus an additional amount up to 34 days' interest at a rate not to exceed 12% per annum, and (2) the purchase price of any Bonds that are tendered for purchase and not remarketed. The Chase Bank Letter of Credit expires upon the earliest to occur of: (i) May 15, 2012 (as extended from time to time), (ii) the earlier of (A) the date which is fifteen (15) days following the Conversion Date or the Adjustment Date to a Commercial Paper Mode or an Adjustable Long Mode of all of the Bonds as such date is specified in a certificate from the Bond Trustee or (B) the date on which Chase Bank honors a drawing under the Chase Bank Letter of Credit on or after the Conversion Date or such Adjustment Date, (iii) the date which is fifteen (15) days following receipt from the Bond Trustee of a certificate stating that either (A) no Bonds remain Outstanding within the meaning of the Bond Indenture, (B) all drawings required to be made under the Bond Indenture and available under the Chase Bank Letter of Credit have been made and honored, or (C) a Substitute Letter of Credit has been issued to replace the Chase Bank Letter of Credit pursuant to the Bond Indenture and the Loan Agreement, (iv) the date on which a drawing to pay the Bonds upon acceleration by the Bond Trustee is honored by Chase Bank, and (v) the date which is fifteen (15) days following receipt by the Bond Trustee of a written notice from Chase Bank specifying the occurrence of an Event of Default (as defined in the Chase Bank Reimbursement Agreement) and directing the Bond Trustee to accelerate the Bonds.

The amount available under the Chase Bank Letter of Credit will automatically be reduced by the amount of each drawing paid by Chase Bank, subject to reinstatement as provided below. The amount of any drawing for the payment of the principal of the Bonds shall also reduce the stated amount automatically by reducing the principal portion thereof by the amount of such principal payment and by reducing the interest portion thereof by an amount equal to 34 days of interest at the rate of 12% per annum on the principal amount so paid.

Amounts drawn for payment of interest due on the Bonds prior to their stated maturity date shall automatically be reinstated to the interest portion of the stated amount on the date of such interest drawing. Amounts drawn for payment of the purchase price of tendered Bonds shall be reinstated upon the remarketing of such tendered Bonds (or portions thereof) only upon the receipt by Chase Bank, or the Bond Trustee on behalf of Chase Bank, of (i) the remarketing proceeds with respect to the Bonds or beneficial ownership interests so remarketed and (ii) the certificate required by the Chase Bank Letter of Credit. Any other amounts drawn for the payment of principal of the Bonds shall not be reinstated.

Upon an acceleration of the Bonds, the Bond Trustee will be entitled to draw on the Chase Bank Letter of Credit to pay the principal of and interest on the Bonds to the date of acceleration (up to 34 days of interest).

SUBSTITUTE LETTER OF CREDIT

The Bond Trustee will, from time to time, at the written request of the University, accept a substitute or replacement Letter of Credit, which does not include an extension or renewal of the then-current Letter of Credit (a "Substitute Letter of Credit"), to replace the Letter of Credit then in effect (the "Existing Letter of Credit"). A Substitute Letter of Credit must: (i) permit draws to be made against it by the Bond Trustee as set forth in the Bond Indenture; (ii) be in an amount not less than the sum of the maximum principal amount of Bonds that will be outstanding commencing on the first date on which draws are permitted thereunder plus interest thereon in the Letter of Credit Interest Amount; (iii) permit draws to pay the Tender Price of any Bond; (iv) have an effective date (the "Substitution Date") not later than five Business Days before the Stated Termination Date of the Existing Letter of Credit; (v) have a

Stated Termination Date of not earlier than 364 days from the Substitution Date; (vi) not have an expiration date which occurs within ten days following a scheduled Interest Payment Date; (vii) if the Substitute Letter of Credit is not being issued in connection with a Mode conversion, be issued in favor of the Bond Trustee by a financial institution having a rating on its long-term debt from Standard & Poor's Ratings Services or Moody's Investors Services Inc. in the category of "A" (without regard to any refinement or gradation of rating category) or better or an equivalent rating from another national rating firm. A draft of the Substitute Letter of Credit in substantially final form and a Commitment therefor must be delivered to the Bond Trustee at least 30 days prior to proposed Substitution Date. On or prior to the Substitution Date, the University must deliver to the Bond Trustee and the Authority the Substitute Letter of Credit, written confirmation from the Rating Agency rating the Bonds of the rating on the Bonds after the Substitution Date, an opinion of counsel to the effect that the Substitute Letter of Credit has been duly authorized, executed and delivered and is a legally valid and binding obligation of its issuer enforceable in accordance with its terms (subject to customary exceptions as to enforceability) and an Opinion of Bond Counsel to the effect that the Substitute Letter of Credit is permitted by the Bond Indenture and it will not adversely affect the validity of the Bonds or any exclusion from gross income for federal income tax purposes to which interest on the Bonds would otherwise be entitled.

The Bonds will be subject to mandatory tender for purchase on any Substitution Date. *See "THE BONDS – Mandatory Purchase."*

Promptly following the effective date of a Substitute Letter of Credit accepted by the Bond Trustee, the Existing Letter of Credit may be delivered to its issuer for cancellation; provided that the Existing Letter of Credit shall not be so released upon the delivery of a Substitute Letter of Credit unless all conditions set forth in the Bond Indenture for the Substitute Letter of Credit to be effective have been satisfied and thereupon all references herein (and in the Bond Indenture and the Loan Agreement) to the Letter of Credit, the Letter of Credit Bank, the Reimbursement Agreement and the Stated Termination Date will be construed by reference to the Substitute Letter of Credit.

REIMBURSEMENT AGREEMENT

At the time of, or prior to, delivery of the Chase Bank Letter of Credit, Chase Bank, the University and the Foundation will enter into the Chase Bank Reimbursement Agreement. Under the Chase Bank Reimbursement Agreement, the University and the Foundation, jointly and severally, agree to reimburse the Chase Bank for the amount of any drawing under the Chase Bank Letter of Credit plus interest thereon. Under the Chase Bank Reimbursement Agreement, the University and the Foundation also agree to pay certain fees and expenses and other amounts to Chase Bank. The Chase Bank Reimbursement Agreement contains a number of financial and operational covenants and restrictions of the type typically found in such agreements. Such covenants and restrictions include, among others, the University's and Foundation's agreement to provide financial statements and other information to Chase Bank; the University's and Foundation's agreement to maintain their corporate existence and tax-exempt status; the University's and Foundation's agreement to satisfy certain financial covenants; restrictions on certain transactions with affiliates and others; and certain other matters. Such covenants and restrictions are for the benefit of Chase Bank only and may be waived or amended by Chase Bank without the consent of the Bond Trustee or any Bondholder. The Bondholders will have no rights or obligations as a result of any such covenants or amendments thereto or waivers thereof.

Issuance of the Chase Bank Letter of Credit is conditioned upon receipt by Chase Bank of certain legal opinions, the fees to be paid to Chase Bank for the issuance of the Chase Bank Letter of Credit and other requirements.

The Chase Bank Reimbursement Agreement contains certain defined events of default including, among others, failure to pay any amounts due under the Chase Bank Reimbursement Agreement, breach of the covenants and restrictions contained therein, events of default under the Bond Indenture or the Loan Agreement and certain other events. If the University or the Foundation default under any of their covenants, restrictions or obligations under the Chase Bank Reimbursement Agreement and if, as a result, Chase Bank demands an acceleration of the Bonds, then an Event of Default under the Bond Indenture will have occurred. Upon the occurrence of such an Event of Default, the Bond Trustee must declare the principal of all Bonds then outstanding to be immediately due and payable. *See "SUMMARY OF BOND INDENTURE AND LOAN AGREEMENT – Summary of Certain Provisions of the Bond Indenture – Events of Default" and "– Acceleration" in APPENDIX C.*

The Letter of Credit Bank, without the consent of the owners of the Bonds, the Bond Trustee or the Authority, will have the right to require the Bonds to be accelerated prior to their maturity, or to become subject to mandatory tender for purchase, upon the occurrence of a default under the Reimbursement Agreement.

THE AUTHORITY

Powers

The Authority has, among other powers, the statutory power to make loans to certain health care or educational institutions in Wisconsin, to finance the cost of projects and refinance or refund outstanding indebtedness and to assign loan agreements, notes, mortgages and other securities of health care and educational institutions to which the Authority has made loans, and the revenues therefrom, for the benefit of the holders of bonds issued to finance or refinance such projects.

Members of the Authority

The Authority consists of seven members, all of whom must be Wisconsin residents, appointed by the Governor of the State of Wisconsin by and with the consent of the Wisconsin State Senate. Members of the Authority serve staggered seven year terms and continue to serve until their successors are appointed. The members of the Authority receive no compensation for the performance of their duties but are paid their necessary expenses while engaged in the performance of such duties. No member, officer, agent or employee of the Authority may, directly or indirectly, have any financial interest in any bond issue or in any loan or any property to be included in, or any contract for property or materials to be furnished or used in connection with, any project of the Authority, under penalty of law. Members of the Authority, however, may serve as directors or officers of institutions for which the Authority is providing financing, but they may not vote or take part in the Authority's deliberations concerning such financing.

The present members of the Authority are:

	Term Expires (June 30)
John A. Noreika, Chairperson Executive Director Oakwood Village Madison, Wisconsin	2009
Tim Size, Vice Chairperson Executive Director Rural Wisconsin Health Cooperative Sauk City, Wisconsin	2011
Richard Canter Senior Vice President-Strategy and Corporate Affairs Wheaton Franciscan Healthcare, Inc. Milwaukee, Wisconsin	2015
Bruce Colburn Coordinator – Property Services (Central Region) Service Employees International Union Milwaukee, Wisconsin	2014
Kevin Flaherty VP/Relationship Manager Associated Commercial Finance, Inc. Milwaukee, Wisconsin	2010
Beth L. Gillis, M.D. Physician ThedaCare Physicians-Shawano Family Medicine Shawano, Wisconsin	2012
Ken Thompson Managing Partner Quinn David & Associates Milwaukee, Wisconsin	2013

Authority Counsel

Quarles & Brady LLP serves as general counsel to the Authority.

Financing Program of the Authority

The following summary outlines the principal amount of revenue bonds and notes issued during each of the Authority's fiscal years. These previous issues are secured by instruments separate and apart from the Bond Indenture.

Fiscal Year Ended June 30	Public Issues		Private Placements		Total	
	Number of Issues	Amount	Number of Issues	Amount	Number of Issues	Amount
1980	0	\$ 0	1	\$ 1,300,000	1	\$ 1,300,000
1981	3	24,480,000	4	20,365,000	7	44,845,000
1982	3	34,100,000	4	12,575,000	7	46,675,000
1983	1	4,000,000	1	600,000	2	4,600,000
1984	4	16,375,000	3	13,225,000	7	29,600,000
1985	6	196,505,000	2	2,200,000	8	198,705,000
1986	9	213,260,000	5	17,478,000	14	230,738,000
1987	12	191,610,000	9	48,410,000	21	240,020,000
1988	14	170,890,000	14	81,589,000	28	252,479,000
1989	20	254,979,000	6	14,394,000	26	269,373,000
1990	14	277,605,000	9	45,737,000	23	323,342,000
1991	11	233,590,000	3	37,500,000	14	271,090,000
1992	15	346,160,000	5	43,500,000	20	389,660,000
1993	25	579,235,000	6	18,775,000	31	598,010,000
1994	16	434,495,000	6	46,615,000	22	481,110,000
1995	7	101,770,000	6	18,847,000	13	120,617,000
1996	14	382,905,000	2	8,800,000	16	391,705,000
1997	28	706,960,300	1	764,000	29	707,724,300
1998	25	722,050,000	1	2,700,000	26	724,750,000
1999	28	710,960,000	4	36,000,000	32	746,960,000
2000	16	415,710,000	6	17,736,000	22	433,446,000
2001	19	437,580,450	8	26,589,000	27	464,169,450
2002	18	815,100,000	2	8,000,000	20	823,100,000
2003	14	296,895,000	3	15,935,000	17	312,830,000
2004	26	912,245,000	4	25,980,000	30	938,225,000
2005	32	923,038,430	2	23,067,000	34	946,105,430
2006	25	706,235,000	2	6,570,000	27	712,805,000
2007	25	1,238,330,000	2	29,090,000	27	1,267,420,000
2008	24	1,006,255,000	4	36,500,000	28	1,042,755,000
TOTAL	454	\$12,353,318,180*	125	\$660,841,000**	579	\$13,014,159,180

*Includes \$3,244,851,987 which was refinanced by subsequent Authority bond issues.

**Includes \$90,948,136 which was refinanced by subsequent Authority bond issues.

In its fiscal year beginning July 1, 2008, the Authority has issued and authorized the issuance of additional issues of bonds. The Authority plans to offer other obligations from time to time to finance other health and educational facilities. Such other obligations will be issued pursuant to and secured by instruments separate and apart from the Bond Indenture and the security for the Bonds.

Bonds of the Authority

The Authority may from time to time issue bonds for any corporate purpose and, pursuant to the Act, these bonds are negotiable for all purposes notwithstanding their payment from a limited source. The bonds are payable solely out of revenues of the Authority specified in the resolution under which they are issued or in a related trust indenture or mortgage. The Authority must pledge the revenues to be received on account of each financing as security for the bonds issued in that financing.

Interest Not Exempt from Wisconsin Income Taxes

Interest on bonds issued by the Authority is not exempt from present Wisconsin income taxes.

State of Wisconsin Not Liable on the Bonds

The Bonds and the interest payable thereon do not constitute a debt or liability of the State of Wisconsin or of any political subdivision thereof other than the Authority, but will be payable solely from the funds pledged for the Bonds in accordance with the Bond Indenture. The issuance of the Bonds does not, directly, indirectly or contingently, obligate the State of Wisconsin or any political subdivision thereof to levy any form of taxation for the payment for the Bonds or to make any appropriation for their payment. The State of Wisconsin will not in any event be liable for the payment of the principal of or interest on the Bonds or for the performance of any pledge, obligation or agreement of any kind whatsoever which may be undertaken by the Authority. No breach by the Authority of any such pledge, obligation or agreement may impose any pecuniary liability upon the State of Wisconsin or any charge upon its general credit or against its taxing power. The Authority has no taxing power.

The Act provides that the State of Wisconsin pledges to, and agrees with, holders of any obligations issued under the Act that it will not limit or alter the rights vested in the Authority by the Act until such obligations, together with the interest thereon, are fully met and discharged, provided nothing in the Act precludes such limitation or alteration if and when adequate provision will be made by law for the protection of the holders of such obligations.

ABSENCE OF MATERIAL LITIGATION

Authority

There is not now pending or, to the knowledge of the Authority, threatened any litigation restraining or enjoining the issuance or delivery of the Bonds or questioning or affecting the validity of the Bonds or the proceedings or authority under which they are to be issued. There is no litigation pending or, to its knowledge, threatened which in any manner questions the right of the Authority to enter into the Loan Agreement or to secure the Bonds in the manner provided in the Bond Indenture.

University

There is no litigation pending or, to the knowledge of the University, threatened against the University, which in any manner questions the right or ability of the University to undertake the Refunding, to enter into the Loan Agreement or to fulfill the obligations imposed upon the University thereby. The University is from time to time involved in various legal actions consistent with the general experience of entities of similar nature and size. While the ultimate outcome of such proceedings currently pending cannot be predicted with certainty, the University believes that the resolution of these

legal actions will not have a material adverse effect on the operation or condition, financial or otherwise, of the University.

LEGAL MATTERS

All legal matters incidental to the authorization and issuance of the Bonds by the Authority are subject to the approval of Quarles & Brady LLP, Bond Counsel. Certain legal matters will be passed upon for the Authority by its general counsel, Quarles & Brady LLP, for the University by its counsel, Godfrey & Kahn, S.C., for Chase Bank by its counsel, Whyte Hirschboeck Dudek S.C., and for the Underwriter by its counsel, Reinhart Boerner Van Deuren s.c.

TAX EXEMPTION

In General

The opinion of Bond Counsel and the descriptions of the tax laws contained in this Official Statement are based on laws and official interpretations of them which are in existence on the date the Bonds are issued. There can be no assurance that those laws or the interpretation of them will not change or that new laws will not be enacted or regulations issued while the Bonds are outstanding in a manner that would adversely affect the value of an investment in the Bonds or the tax treatment of the interest paid on the Bonds.

Federal Income Tax Opinion of Bond Counsel

Quarles & Brady LLP, Bond Counsel, will deliver a legal opinion with respect to whether the interest on the Bonds must be included in the gross income for federal income tax purposes of an owner of a Bond under existing law in substantially the form attached as APPENDIX D.

Other Federal Income Tax Considerations

The Code contains numerous provisions which could adversely affect the value of an investment in the Bonds for particular Bondholders. For example, (i) Section 265 of the Internal Revenue Code of 1986, as amended (the "Code"), denies a deduction for interest on indebtedness incurred or continued to purchase or carry the Bonds although the University has designated the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income, for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations, (ii) Section 265 of the Code denies a deduction for expenses that are allocable to the interest on the Bonds, (iii) Section 265 of the Code denies a deduction for otherwise allowable deductions of a regulated investment company that are allocable to distributions of the interest on the Bonds paid during the taxable year (or after the close of the taxable year pursuant to Section 855 of the Code), (iv) interest on the Bonds may affect the federal income tax liabilities of life insurance companies and, with respect to insurance companies subject to the tax imposed by Section 831 of the Code, Section 832(b)(5)(B)(i) reduces the deduction for loss reserves by 15 percent of the sum of certain items, including interest on the Bonds, (v) interest on the Bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the Code, (vi) passive investment income, including interest on the Bonds, may be subject to federal income taxation under Section 1375 of the Code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25% of the gross receipts of the Subchapter S corporation is passive investment income and (vii) Section 86 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take into account receipts or accruals of

interest on the Bonds in determining gross income. There may be other provisions of the Code which could adversely affect the value of an investment in the Bonds for particular Bondholders. Investors should consult their tax advisors to determine how the provisions described under this heading and other provisions of the Code relating to the ownership of tax-exempt obligations apply to them.

Wisconsin Income Tax

The interest on the Bonds is not exempt from present Wisconsin income taxes.

THE REMARKETING AGENT

Robert W. Baird & Co., the underwriter for the Bonds, will act as the Remarketing Agent under the Bond Indenture and as set forth in the Remarketing Agreement dated as of May 1, 2009 (the "Remarketing Agreement") between the Remarketing Agent and the University.

General

The Remarketing Agent will determine the interest rates on the Bonds. *See "THE BONDS – Interest on the Bonds."*

Bondholders have the right to tender their Bonds for purchase as described under "THE BONDS – Purchase of Bonds on Demand of a Bondholder." In addition, all outstanding Bonds are subject to mandatory tender for purchase on certain dates as described under "THE BONDS – Mandatory Purchase." Pursuant to the Remarketing Agreement, the Remarketing Agent will agree to use its best efforts to remarket (i) the Bonds which Bondholders have tendered for purchase pursuant to the optional tender provisions of the Bond Indenture referred to above and (ii) all outstanding Bonds on a mandatory tender date pursuant to the mandatory tender provisions of the Bond Indenture referred to above. The Remarketing Agent will solicit purchases of such Bonds at a price equal to the principal amount of such Bonds (in the case of a mandatory tender) or at a price equal to the principal amount of such Bonds plus accrued interest (in the case of an optional tender). The Remarketing Agent's responsibilities are subject to the various conditions set forth in the Remarketing Agreement and the Bond Indenture. Those Bonds which the Remarketing Agent is unable to remarket on a timely basis as required by the Bond Indenture are required to be purchased pursuant to a draw on the Letter of Credit for the purpose of paying amounts due on any tender date. *See "LETTER OF CREDIT."*

The Remarketing Agent may resign upon 30 days' written notice to the Bond Trustee, the Authority, the Letter of Credit Bank and the University. The Remarketing Agent may be removed at any time by the University by an instrument filed with the Authority, the Remarketing Agent, the Letter of Credit Bank and the Bond Trustee at least 30 days prior to such removal. Upon any such resignation or removal a successor Remarketing Agent will be appointed by the University, subject to the qualifications and conditions set forth in the Indenture.

The Remarketing Agent Is Paid by the University

The Remarketing Agent is appointed by the University and is paid by the University for its services. As a result, the interests of the Remarketing Agent may differ from those of existing Bondholders and potential purchasers of Bonds.

The Remarketing Agent May Purchase Bonds for Its Own Account

The Remarketing Agent acts as remarketing agent for a variety of variable rate demand obligations and, in its sole discretion, routinely purchases such obligations for its own account in order to achieve a successful remarketing of the obligations (i.e., because there are otherwise not enough buyers to purchase the obligations) or for other reasons. The Remarketing Agent is permitted, but not obligated, to purchase tendered Bonds for its own account and, if it does so, it may cease doing so at any time without notice. The Remarketing Agent may also make a market in the Bonds by routinely purchasing and selling Bonds other than in connection with an optional or mandatory tender and remarketing. Such purchases and sales may be at or below par. However, the Remarketing Agent is not required to make a market in the Bonds. The purchase of Bonds by the Remarketing Agent may create the appearance that there is greater third party demand for the Bonds in the market than is actually the case.

Bonds May Be Offered at Different Prices on Any Date

Pursuant to the Remarketing Agreement, the Remarketing Agent is required to determine the applicable rate of interest that, in its judgment, is the lowest rate that would permit the sale of the Bonds bearing interest at the applicable interest rate at par plus accrued interest, if any, on and as of each Determination Date. The interest rate will reflect, among other factors, the level of market demand for the Bonds (including whether the Remarketing Agent is willing to purchase Bonds for its own account). There may or may not be Bonds tendered and remarketed on the first day of a Rate Period, the Remarketing Agent may or may not be able to remarket any Bonds tendered for purchase on such date at par and the Remarketing Agent may sell Bonds at varying prices to different investors on such date or any other date. The Remarketing Agent is not obligated to advise purchasers in a remarketing if it does not have third party buyers for all of the Bonds at the remarketing price. In the event a Remarketing Agent owns any Bonds for its own account, it may, in its sole discretion in a secondary market transaction outside the tender process, offer such Bonds on any date, including the first day of a Rate Period, at a discount to par to some investors.

The Ability to Sell the Bonds Other than Through the Tender Process May Be Limited

The Remarketing Agent may buy and sell Bonds other than through the tender process. However, it is not obligated to do so and may cease doing so at any time without notice and may require Bondholders that wish to sell their Bonds to do so in accordance with the tender process set forth in the Indenture. Thus, investors who purchase Bonds, whether in a remarketing or otherwise, should not assume that they will be able to sell their Bonds other than by tendering the Bonds in accordance with the tender process.

Under Certain Circumstances, the Remarketing Agent May Be Removed, Resign or Cease Remarketing the Bonds, Without a Successor Being Named

Under certain circumstances, the Remarketing Agent may be removed or have the ability to resign or cease its remarketing efforts, without a successor having been named, subject to the terms of the Remarketing Agreement and the Indenture.

DESCRIPTION OF RATING

The Bonds have been assigned a bond rating of "Aa1/VMIG 1" by Moody's Investors Service, Inc. (the "Rating Agency") based on the condition that Chase Bank will issue the Chase Bank Letter of

Credit. The rating will apply to Bonds while the Chase Bank Letter of Credit secures the Bonds. The rating is not based upon a credit evaluation of the University.

The rating reflects only the views of the Rating Agency, and any explanation of the significance of the rating may be obtained only from the Rating Agency. Such rating is dependent upon the rating of Chase Bank and, accordingly, such rating may be lowered or withdrawn in the event that the rating of Chase Bank is lowered or is withdrawn. The rating for the Bonds is subject to revision, suspension or withdrawal at any time by the Rating Agency and any such revision, suspension or withdrawal may affect the market price or marketability of the Bonds. A rating is not a recommendation to buy, sell or hold the Bonds.

A further explanation of the rating by the Rating Agency may be obtained from the Rating Agency at 99 Church Street, New York, New York 10007.

UNDERWRITING

The Underwriter will agree to purchase all (but not less than all) of the Bonds at an aggregate purchase price of \$18,908,347.50 pursuant to a Bond Purchase Agreement to be entered into by the Authority, the Underwriter and the University (the "Bond Purchase Agreement"). Pursuant to the Bond Purchase Agreement, the University will agree to indemnify the Underwriter and the Authority against certain liabilities. The Underwriter reserves the right to join with dealers and other underwriters in offering the Bonds to the public. The obligation of the Underwriter to accept delivery of the Bonds is subject to the various conditions set forth in the Bond Purchase Agreement.

CONTINUING DISCLOSURE

In accordance with the requirements of Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934, as amended, the University has agreed with the Bond Trustee for the benefit of the holders of the Bonds to provide, or cause to be provided, in a timely manner notice of the occurrence of any of the following events respecting the Bonds if material:

- (a) Principal and interest payment delinquencies;
- (b) Non-payment related defaults;
- (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) Substitution of credit or liquidity providers, or their failure to perform;
- (f) Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- (g) Modifications to rights of Bondholders;
- (h) Bond calls;
- (i) Defeasances;
- (j) Release, substitution, or sale of property securing repayment of the Bonds; and
- (k) Rating changes.

In accordance with the Rule, prior to July 1, 2009, such notice will be provided either to each nationally recognized municipal securities repository ("NRMSIR") and to a public or private entity, if any, designated by the State of Wisconsin as a state depository ("SID") or to the Municipal Securities Rulemaking Board ("MSRB") and the SID, and on and after July 1, 2009, such notice shall be provided to the Electronic Municipal Market Access system.

Because no financial or operating data concerning the University is provided in this Official Statement, there is no obligation of the University to provide any such information with respect to its future financial condition or operations.

The University entered into a comparable undertaking in connection with the issuance of \$5,790,000 Wisconsin Health and Educational Facilities Authority Revenue Bonds, Series 1998 (Concordia University Wisconsin, Inc. Project) (the "Series 1998 Bonds"). Consistent with its undertaking, the University made annual filings with the NRMSIRs since 1999. However, it came to the attention of the University that its annual filings were not accompanied by an appropriate cover sheet adequately identifying the issue of bonds to which the filings were related. Thus, the filings, while made, may not be readily accessible in the data bases maintained by the NRMSIRs. Additionally, some of the University's filings may not have been made with NRMSIRs that have been newly recognized since the issuance of the Series 1998 Bonds on May 14, 1998. In order to assure that the University's annual financial information and operating data and annual financial statements are readily accessible and on file with all recognized NRMSIRs, in 2005 the University filed its annual financial information and operating data and annual financial statements for the fiscal years ending June 30, 1999 through and including June 30, 2004. The University is presently in compliance in all material respects with all previous undertakings under the Rule.

MISCELLANEOUS

The references herein to the Bonds, the Bond Indenture, the Letter of Credit, the Reimbursement Agreement, the Promissory Note and the Loan Agreement are brief outlines of certain provisions thereof and do not purport to be complete. For full and complete statements of such provisions reference is made to such documents. Copies of the documents mentioned under this heading are on file at the offices of the Authority and following delivery of the Bonds will be on file at the offices of the Bond Trustee.

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error in the printing of such numbers shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for any Bonds.

The attached Appendices are integral parts of this Official Statement and must be read together with all of the foregoing statements.

This Official Statement has been approved, after due investigation on their parts by the Authority with respect to the information under the headings "THE AUTHORITY" and "ABSENCE OF MATERIAL LITIGATION – Authority," and by the University with respect to the remaining information herein, for distribution by the Underwriter to prospective purchasers of the Bonds. The information herein under the heading "BOOK-ENTRY-ONLY SYSTEM – General " has been provided by DTC. The information in APPENDIX A has been provided by Chase Bank.

The execution and delivery of this Official Statement has been duly authorized by the Authority and the University.

**WISCONSIN HEALTH AND EDUCATIONAL
FACILITIES AUTHORITY**

BY /s/Lawrence R. Nines
Executive Director

This Official Statement is approved by:

CONCORDIA UNIVERSITY WISCONSIN, INC.

BY /s/ Allen Prochnow
Treasurer

APPENDIX A

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

JPMorgan Chase Bank, National Association (the "Bank") is a wholly owned bank subsidiary of JPMorgan Chase & Co., a Delaware corporation whose principal office is located in New York, New York. The Bank offers a wide range of banking services to its customers, both domestically and internationally. It is chartered and its business is subject to examination and regulation by the Office of the Comptroller of the Currency.

As of December 31, 2008, JPMorgan Chase Bank, National Association, had total assets of \$1,746.2 billion, total net loans of \$646.8 billion, total deposits of \$1,055.8 billion, and total stockholder's equity of \$128.8 billion. These figures are extracted from the Bank's unaudited Consolidated Reports of Condition and Income (the "Call Report") as at December 31, 2008, prepared in accordance with regulatory instructions that do not in all cases follow U.S. generally accepted accounting principles, which are filed with the Federal Deposit Insurance Corporation. The Call Report, including any update to the above quarterly figures, can be found at www.fdic.gov.

Additional information, including the most recent annual report on Form 10-K for the year ended December 31, 2008, of JPMorgan Chase & Co., the 2008 Annual Report of JPMorgan Chase & Co., and additional annual, quarterly and current reports filed with or furnished to the Securities and Exchange Commission (the "SEC") by JPMorgan Chase & Co., as they become available, may be obtained without charge by each person to whom this Official Statement is delivered upon the written request of any such person to the Office of the Secretary, JPMorgan Chase & Co., 270 Park Avenue, New York, New York 10017 or at the SEC's website at www.sec.gov.

The information contained in this Appendix relates to and has been obtained from the Bank. The delivery of the Official Statement shall not create any implication that there has been no change in the affairs of the Bank since the date hereof, or that the information contained or referred to in this Appendix is correct as of any time subsequent to its date.

APPENDIX B

CONCORDIA UNIVERSITY WISCONSIN, INC.

Concordia University Wisconsin, Inc. ("Concordia" or the "University"), originally known as Concordia College, was founded in 1881. In 1886, Concordia received a perpetual charter from the State of Wisconsin, which authorized it to provide "classical, technical, and religious instruction to young men and students who desire to prepare themselves for the ministry of the Lutheran Church." For approximately eight decades, Concordia offered high school and the first two years of a liberal arts college program. It became a coeducational institution in 1965. After discontinuing the high school program in the early 1970s, Concordia became a four-year college in 1977 and began developing Bachelor of Arts programs. In 1978 Concordia was authorized by The Lutheran Church-Missouri Synod to become a 4-year accredited college providing education in a variety of areas. In 1983 the College moved from its downtown Milwaukee location to a campus located along the Lake Michigan shoreline in Mequon, Wisconsin. Concordia College became Concordia University Wisconsin in 1989. The University's campus now consists of 192 acres with 15 interconnected buildings and two houses. Residential students are housed in eight residence halls and in off-campus apartments. Historically a school that educated students for the teaching and pre-seminary disciplines, the University now offers undergraduate degree granting programs as well as graduate programs in business, church music, education, nursing, occupational therapy, physical therapy, and student personnel administration. The University also has satellite centers and classroom sites, providing accelerated adult education and graduate studies, in 12 different locations in the States of Indiana, Louisiana, Missouri and Wisconsin.

The University has been continuously accredited by the Higher Learning Commission and is a member of the North Central Association of Colleges and Secondary Schools ("North Central Association"). The North Central Association's most recent accreditation visit in February 2003 resulted in a re-accreditation for ten years. A focused visit by the North Central Association in September 2004 allowed the University to expand nationally and internationally its graduate, distance learning, and adult education programs. The focused visit was requested by Concordia University and was aimed at creating expansion of current offerings in these rapidly growing educational delivery systems.

APPENDIX C

SUMMARY OF BOND INDENTURE AND LOAN AGREEMENT

Brief descriptions of the Bond Indenture and the Loan Agreement are set forth below. Those descriptions do not purport to be comprehensive or definitive. All references in this Official Statement to those documents are qualified in their entirety by reference to each document, copies of which are available for review prior to the issuance and delivery of the Series 2009 Bonds at the offices of the Authority and thereafter at the offices of the Bond Trustee.

DEFINITIONS OF CERTAIN TERMS

"Act" means Chapter 231, Wisconsin Statutes, as from time to time amended.

"Adjustable Long Mode" means any Adjustment Period during which the Rate Determination Date and Rate Change Date for each Rate Period therein (which shall have a duration of 30 days or more and less than or equal to the remaining term of the Series 2009 Bonds) shall be designated by the Borrower pursuant to the Bond Indenture and during which the Series 2009 Bonds bear interest at the Adjustable Long Rate.

"Adjustable Long Rate" means, for each Rate Period within an Adjustable Long Mode, a per annum interest rate borne by the Series 2009 Bonds established pursuant to the Bond Indenture.

"Adjustment Date" means (a) the Closing Date, (b) any date which is the first day of an Adjustment Period designated by the Borrower in the manner set forth in the Bond Indenture, and (c) any proposed Conversion Date designated by the Borrower in the manner set forth in the Bond Indenture.

"Adjustment Period" means, with respect to each Bond, each period commencing on an Adjustment Date for such Bond to the earlier of the Maturity thereof or the day immediately preceding the immediately succeeding Adjustment Date for such Bond, during which period such Bond shall operate in one type of Mode.

"Authority" means the Wisconsin Health and Educational Facilities Authority.

"Authorized Borrower Representative" means each person identified in a written certificate which is signed by the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer or any Assistant Treasurer of the Borrower, which contains a specimen of each such person's signature and which has been delivered to the Bond Trustee. Any Authorized Borrower Representative may be an employee of the Borrower.

"Authorized Denomination" means \$5,000 or any multiple thereof.

"Bank" means (a) JPMorgan Chase Bank, N.A. and any successor banking institution or (b) any financial institution which issues a Substitute Letter of Credit in accordance with the Bond Indenture, and any successor financial institution.

"Bank Bonds" means Bonds purchased with moneys drawn under the Letter of Credit for so long as the Series 2009 Bonds are so held by the Borrower, the Bank or the Bond Trustee, on its behalf, or a transferee of the Bank other than in connection with a remarketing pursuant to the Bond Indenture.

"Bankruptcy Condition" means (a) the filing of a petition in bankruptcy by or against the Borrower or the Authority as debtor under the United States Bankruptcy Code, 11 U.S.C. Sections 101 *et seq.* or (b) the commencement and continuance of other judicial proceedings with respect to the Borrower or the Authority as debtor under similar or successor federal or state bankruptcy, reorganization or insolvency laws.

"Bonds" means the Series 2009 Bonds.

"Bond Counsel" means Quarles & Brady LLP or any other nationally recognized municipal bond counsel acceptable to the Authority and the Bond Trustee.

"Bond Financed Property" means the Project Property and any and all property financed or refinanced, directly or indirectly, with the proceeds of the Series 2009 Bonds.

"Bondholder", "holder", "owner" or "owner of the Series 2009 Bonds" means the registered owner of any Bond.

"Bond Indenture" means the Bond Trust Indenture dated as of May 1, 2009 between the Authority and the Bond Trustee, as it may from time to time be amended or supplemented.

"Bond Purchase Agreement" means the Bond Purchase Agreement between the Purchaser, the Borrower and the Authority providing for the sale of the Series 2009 Bonds by the Authority to the Purchaser.

"Bond Purchase Fund" means the fund by that name created by the Bond Indenture.

"Bond Register" means the registration books of the Authority kept by the Bond Trustee (in its capacity as Registrar) or by the Bond Trustee's Agent (if designated by the Bond Trustee to act as Registrar pursuant to the Bond Indenture) or by any Co-Registrar (if designated by the Bond Trustee pursuant to the Bond Indenture) to evidence the registration and transfer of Bonds.

"Bond Sinking Fund" means the fund by that name created by the Bond Indenture.

"Bond Trustee" means The Bank of New York Mellon Trust Company, N.A. or any successor trustee under the Bond Indenture.

"Bond Trustee's Agent" means any agent designated by the Bond Trustee pursuant to the Bond Indenture.

"Borrower" means Concordia University Wisconsin, Inc. or any successor or assign.

"Borrower Bonds" means any Bonds which are registered in the name of the Borrower and are not Bank Bonds.

"Borrower's Closing Certificate" means the certificate of the Borrower dated the date of and delivered at the time of the issuance and sale of the Series 2009 Bonds.

"Borrower's Documents" means the Loan Agreement, the Bond Purchase Agreement, the Promissory Note, the Tax Exemption Agreement, the Reimbursement Agreement, the Remarketing Agreement, the Escrow Agreement, and all other documents to which the Borrower is a party related to the issuance of the Series 2009 Bonds.

"Business Day" means any day other than (a) a Saturday or Sunday, (b) a day on which banking institutions are required or authorized to be closed in the city or cities in which the designated corporate trust office of the Bond Trustee or any of the respective designated offices of the Registrar, Paying Agent and Remarketing Agent are located, (c) a day on which the office of the Bank at which demands under the Letter of Credit are to be presented is located is required or authorized by law to remain closed or (d) a day on which The New York Stock Exchange is closed for the entire day or Federal Reserve Banks are closed.

"Closing Date" means the date of the initial authentication and delivery of the Series 2009 Bonds.

"Code" means the Internal Revenue Code of 1986, as amended from time to time. Each reference to a section of the Code in this Appendix C shall be deemed to include the United States Treasury Regulations, including

temporary and proposed regulations, relating to such section which are applicable to the Series 2009 Bonds or the use of the proceeds thereof.

"Commercial Paper Mode" means any Adjustment Period during which the Rate Determination Date and Rate Change Date for each Rate Period therein (which shall have a duration of one day or more and less than or equal to 270 days) shall occur on the first day of such Rate Period which shall be designated by the Remarketing Agent pursuant to the Bond Indenture and during which the Series 2009 Bonds bear interest at a Commercial Paper Rate.

"Commercial Paper Rate" means, for each Rate Period within a Commercial Paper Mode, a per annum interest rate borne by the Series 2009 Bonds established pursuant to the Bond Indenture.

"Commitment" means a written commitment to issue a Substitute Letter of Credit from a financial institution which (i) is addressed to the Borrower, (ii) is signed by an authorized officer of such financial institution, (iii) has an expiration date not prior to the Stated Termination Date of the Letter of Credit then in effect and (iv) specifies terms for the Substitute Letter of Credit meeting the requirements of the Bond Indenture.

"Completion Date" means the completion date of the Project as determined in accordance with the Loan Agreement.

"Construction Fund" means the fund by that name created by the Bond Indenture.

"Continuing Disclosure Agreement" means the Continuing Disclosure Agreement dated as of May 1, 2009 between the Borrower and the Bond Trustee, as the same may be amended or supplemented from time to time.

"Conversion Date" means an Adjustment Date on which the Series 2009 Bonds begin to bear interest at a Fixed Rate.

"Daily Mode" means any Adjustment Period during which Rate Determination Dates and Rate Change Dates occur on each Business Day of each calendar week in the manner set forth in the Bond Indenture and during which the Series 2009 Bonds bear interest at the Daily Rate.

"Daily Rate" means, for each Rate Period within a Daily Mode, a per annum interest rate borne by the Series 2009 Bonds established pursuant to the Bond Indenture.

"Demand Date" means (a) with respect to Bonds bearing interest at a Daily Rate, the Business Day on which the Bond Trustee receives a notice prior to 9:30 a.m., Wisconsin time, from the beneficial owner thereof demanding to have the Bonds (or any portion thereof in an Authorized Denomination) purchased on such date (or the succeeding Business Day if such notice of demand is received after 9:30 a.m., Wisconsin time), as provided in the Bond Indenture, and (b) with respect to Bonds bearing interest at a Weekly Rate, the Business Day specified in the notice of demand received by the Bond Trustee prior to 2:00 p.m., Wisconsin time, on a Business Day not less than seven calendar days prior to the date upon which the beneficial owner of such Bond intends to tender such Bond (or any portion thereof in an Authorized Denomination) for purchase as provided in the Bond Indenture.

"Default" means the occurrence of an event which, with the lapse of time or the giving of notice or both, is an Event of Default.

"Eligible Funds" means (a) all amounts (including investment earnings) in the Letter of Credit Fund and in the Bond Purchase Fund to the extent such funds are the result of a draw on the Letter of Credit; (b) amounts in the Bond Sinking Fund, the Interest Fund and the Redemption Fund which have been held in them for the Minimum Holding Period; (c) investment earnings on amounts in the Bond Sinking Fund, the Interest Fund and the Redemption Fund which amounts have been held in them for the Minimum Holding Period, (d) proceeds from the issuance and sale of bonds the proceeds of which are dedicated to the refunding of the Series 2009 Bonds and for which there is delivered to the Rating Agency an opinion of nationally recognized bankruptcy counsel that such

proceeds are not recoverable from the Bondholders of the Series 2009 Bonds as a transfer avoidable as a preference in the event a petition is filed under the United States Bankruptcy Code with respect to the Borrower, any affiliate of the Borrower, or the Authority, as debtor, and such opinion is acceptable to the Rating Agency, and (e) any other money for which there is delivered to the Rating Agency an opinion of nationally recognized bankruptcy counsel that such money, is not recoverable from the Bondholders of the Series 2009 Bonds as a transfer avoidable as a preference in the event a petition is filed under the United States Bankruptcy Code with respect to the Borrower, any affiliate of the Borrower, or the Authority, as debtor, and such opinion is acceptable to the Rating Agency.

"Escrow Agreement" means collectively, the Series 2005 Escrow Agreement and the Series 2006 Escrow Agreement.

"Event of Default" as used in or with reference to (a) the Loan Agreement has the meaning attributed to it under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Events of Default," (b) the Bond Indenture has the meaning attributed to under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default," (c) the initial Reimbursement Agreement has the meaning attributed to it in such Reimbursement Agreement and (d) any Reimbursement Agreement relating to a Substitute Letter of Credit has the meaning attributed to it in such agreement.

"Event of Taxability" means any act, omission or event which results in the interest paid or payable on any Bonds becoming includable for federal income tax purposes in the gross income of any bond owner.

"Excluded Bonds" means Borrower Bonds, Bank Bonds and Bonds in a Fixed Mode or an Adjustable Long Mode for any Rate Period exceeding 365 or 366 days, as applicable.

"Expense Fund" means the fund by that name created by the Bond Indenture.

"Facility" or "Facilities" means the Borrower's existing regionally accredited, nonstock, nonprofit, postsecondary educational facilities located in the City of Mequon, Wisconsin, the Bond Financed Property and all additions and improvements to the foregoing.

"Financial Statement Recipients" means the Authority, the Bond Trustee, the Purchaser, the Bank, the Remarketing Agent and any Rating Agency which has, at the request of the Borrower, assigned a credit rating to the Series 2009 Bonds.

"Fixed Mode" means the Adjustment Period commencing on the Conversion Date for the Series 2009 Bonds and ending on the Maturity thereof, as established pursuant to the Bond Indenture, during which Adjustment Period the Series 2009 Bonds bear interest at the Fixed Rate.

"Fixed Rate" means, for the Fixed Mode, a per annum interest rate borne by the Series 2009 Bonds established pursuant to the Bond Indenture.

"Foundation" means Concordia University Wisconsin Foundation, Inc. and its successors and assigns.

"Fund" means any of the funds established pursuant to the Bond Indenture.

"Independent Counsel" means an attorney duly admitted to practice law before the highest court of any state and, without limitation, may include independent legal counsel for the Borrower, the Bond Trustee or the Authority.

"Interest Fund" means the fund by that name created by the Bond Indenture.

"Interest Payment Date" means:

- (a) each Adjustment Date (including without limitation a proposed Conversion Date);

(b) for any Bond in a Daily Mode or Weekly Mode, the first Business Day of each calendar month, commencing the first Business Day of June, 2009;

(c) for any Bond in an Adjustable Long Mode for any Rate Period which exceeds 365 or 366 days, as applicable, duration, the first day of the sixth calendar month following the month in which such Rate Period commences and the first day of each sixth month thereafter;

(d) for any Bond in a Commercial Paper Mode or an Adjustable Long Mode for any Rate Period consisting of 365 or 366 days, as applicable, or less, each Rate Change Date;

(e) for any Bond in a Fixed Mode, each May 1 and November 1, commencing as provided in the Bond Indenture

(f) for each Bond, the Maturity thereof;

(g) for any Borrower Bond, the date such Borrower Bond is remarketed pursuant to the Remarketing Agreement;

(h) for any Bank Bond, the dates specified therefor in the Reimbursement Agreement and, if not already specified as such in the Reimbursement Agreement, the date such Bank Bond is purchased and remarketed pursuant to the Remarketing Agreement; and

(i) for any Bond bearing interest at a Short Rate, any Business Day on which such Bonds are subject to mandatory tender pursuant to the Bond Indenture.

"Issuing Expenses" means fees and expenses incurred or to be incurred by or on behalf of the Authority, the Bond Trustee, the Borrower or Bond Counsel for the Series 2009 Bonds in connection with the issuance and sale of the Series 2009 Bonds including, but not limited to, underwriting costs (whether in the form of discount in the purchase of the Series 2009 Bonds or otherwise), fees and expenses of legal counsel (including Bond Counsel and Counsel for the Authority, the Bond Trustee, the Purchaser, the Bank and the Borrower), fees and expenses of financial advisors, feasibility consultants and accountants, rating agency fees, fees of the Bond Trustee, fees of the Bank, printing costs, recording expenses, costs associated with the acquisition of securities for any defeasance escrow and for verifying the sufficiency of any defeasance escrow and title insurance and survey costs.

"Letter of Credit" means (a) the irrevocable direct pay letter of credit issued by the Bank in favor of the Bond Trustee with respect to the Series 2009 Bonds or (b) any Substitute Letter of Credit delivered to the Bond Trustee pursuant to the Bond Indenture, and any expansions, extensions or renewals of the foregoing or endorsements or amendments to the foregoing.

"Letter of Credit Fund" means the fund by that name created by the Bond Indenture.

"Letter of Credit Interest Amount" means:

(a) while the Series 2009 Bonds are in the Daily Mode or Weekly Mode, an amount equal to interest on the outstanding principal amount of the Series 2009 Bonds calculated at the Maximum Interest Rate on such Bonds for 34 days and computed on the basis of a 365-day year for the actual number of days elapsed,

(b) while the Series 2009 Bonds are in the Adjustable Long Mode for any Rate Period of a duration of 365 or 366 days, as applicable, or less, an amount equal to interest on the outstanding principal amount of the Series 2009 Bonds for the number of days in the currently effective Rate Period plus such number of days as is required by the Rating Agency (and if no rating will be in effect for the Series 2009 Bonds in such Mode, 14 days) calculated at the Maximum Interest Rate and computed on the basis of a 365-day year for the actual number of days elapsed,

(c) while the Series 2009 Bonds are in the Adjustable Long Mode for any Rate Period of a duration greater than 365 or 366 days, as applicable, an amount equal to interest on the outstanding principal amount of the Series 2009 Bonds for 184 days plus such number of days as is required by the Rating Agency (and if no rating will be in effect for the Series 2009 Bonds in such Mode, 14 days) calculated at the Maximum Interest Rate and computed on the basis of a 360-day year consisting of twelve 30-day months, and

(d) while the Series 2009 Bonds are in a Commercial Paper Mode, an amount equal to interest on the outstanding principal amount of the Series 2009 Bonds calculated at the Maximum Interest Rate on such Bonds for the actual number of days in each Rate Period plus such number of days as is required by the Rating Agency (and if no rating will be in effect for the Series 2009 Bonds in such Mode, 14 days) and computed on the basis of a 365-day year for the actual number of days elapsed.

"Loan" means the loan made by the Authority to the Borrower under the Loan Agreement.

"Loan Agreement" means the Loan Agreement dated as of May 1, 2009 between the Borrower and the Authority relating to the proceeds of the Series 2009 Bonds, as it may from time to time be amended and supplemented.

"Long Mode" means an Adjustable Long Mode for any Rate Period exceeding 365 or 366 days, as applicable, or a Fixed Mode.

"Maturity" means the maturity date described on the cover page of this Official Statement.

"Maximum Interest Rate" means the lesser of (a) fifteen percent (15%) per annum, (b) the per annum interest rate used to calculate the Letter of Credit Interest Amount, which shall initially be 12% per annum and (c) the maximum interest rate permitted by law; provided, however, with respect to Bonds in a Long Mode or Bank Bonds the Maximum Interest Rate shall be the maximum interest rate permitted by law.

"Minimum Holding Period", with respect to any funds, means a continuous period of one year during which (a) the Bond Trustee holds such funds in the Bond Sinking Fund, Interest Fund or Redemption Fund and (b) no Bankruptcy Condition has occurred.

"Mode" means a Daily Mode, Weekly Mode, Adjustable Long Mode, Commercial Paper Mode or Fixed Mode.

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Bond Trustee, at the written direction of the Borrower with the prior written consent of the Bank, with written notice to the Authority, the Remarketing Agent and the Bank.

"Officer's Certificate" means a certificate signed, in the case of a certificate delivered by a corporation, by the president, any vice president, the treasurer, the secretary or any assistant secretary of such corporation or, in the case of a certificate delivered by any other Person, the chief executive or chief financial officer of such other Person, in either case whose authority to execute such certificate shall be evidenced to the satisfaction of the Bond Trustee.

"Opinion of Bond Counsel" means an Opinion of Counsel, which shall be Bond Counsel, containing the opinion specifically required by the provisions of the Bond Indenture, which opinion may be based upon a ruling or rulings of the Internal Revenue Service, and may include any exceptions contained in the Opinion of Bond Counsel delivered upon original issuance of the Bonds.

"Opinion of Counsel" means a written opinion, satisfactory in form and substance to the Bond Trustee, of Counsel selected and paid by the Borrower and approved by the Bond Trustee.

"Outstanding," "Bonds outstanding" or "outstanding Bonds" means, as of any given date, all Bonds which have been duly authenticated and delivered under the Bond Indenture, except: (a) Bonds canceled after purchase in the open market or because of payment at or redemption prior to Maturity; (b) Bonds for the payment or redemption of which cash or U.S. Government Obligations shall have been theretofore deposited with the Bond Trustee (whether upon or prior to the Maturity or redemption date of any such Bonds) in accordance with the Bond Indenture; provided that if such Bonds are to be redeemed prior to the Maturity thereof, notice of such redemption shall have been given or arrangements satisfactory to the Bond Trustee shall have been made therefor, or waiver of such notice satisfactory in form to the Bond Trustee shall have been filed with the Bond Trustee; (c) Tendered Bonds for which amounts needed to pay the Tender Price thereof have been segregated in accordance with the Bond Indenture or Bonds no longer deemed to be outstanding as provided in the Bond Indenture; (d) Bonds in lieu of which other Bonds have been authenticated under the Bond Indenture; and (e) for the purpose of all consents, approvals, waivers and notices required to be obtained or given under the Bond Indenture, Borrower Bonds unless the Borrower owns 100% of the outstanding Bonds. Notwithstanding any provision in the Series 2009 Bonds or the Bond Indenture to the contrary, Bank Bonds shall remain Outstanding until paid in full except to the extent provided in the Reimbursement Agreement.

"Paying Agent" means the bank or banks, if any, designated pursuant to the Bond Indenture to receive and disburse the principal of and interest and premium, if any, on the Series 2009 Bonds.

"Permitted Investments" means, subject to the Tax Exemption Agreement,

(a) U.S. Government Obligations and bonds or securities issued or guaranteed as to principal and interest by a commission, board or other instrumentality of the federal government,

(b) short-term discount obligations of the Federal National Mortgage Association,

(c) certificates of deposit or time deposits constituting direct obligations of any bank (including the Bond Trustee and its affiliates) the full amount of which is insured by the Federal Deposit Insurance Corporation,

(d) time deposits in any credit union, bank, savings bank, trust company or savings and loan association which is authorized to transact business in the State if the time deposits mature in not more than three years,

(e) bonds or securities of any county, city, drainage district, technical college district, village, town or school district of the State,

(f) any security which matures or which may be tendered for purchase at the option of the holder within not more than seven years of the date on which it is acquired, if that security has a rating which is the highest or second highest rating category assigned by S&P, Moody's or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating,

(g) securities of an open-end management investment company or investment trust (including those for which the Bond Trustee or an affiliate performs services for a fee, whether as a custodian, transfer agent, investment advisor or otherwise) if the investment company or investment trust does not charge a sales load, if the investment company or investment trust is registered under the Investment Company Act of 1940, 15 USC 80a-1 to 80a-64, and if the portfolio of the investment company or investment trust is limited to the following: (i) bonds and securities issued by the federal government or a commission, board or other instrumentality of the federal government, (ii) bonds that are guaranteed as to principal and interest by the federal government or a commission, board or other instrumentality of the

federal government and (iii) repurchase agreements that are fully collateralized by bonds or securities described under (i) or (ii) and

(h) any other obligation or security which constitutes a permitted investment for money of the Authority as a result of an amendment of the Act subsequent to May 1, 2009 if the prior written consent of the Authority and the Bond Trustee are obtained.

"Person" means any natural person, firm, joint venture, association, partnership, business trust, corporation, public body, agency or political subdivision thereof or any other similar entity.

"Principal Office" means (a) when used with respect to the Bond Trustee, the corporate trust office of the Bond Trustee designated as its address for receiving notices under the Bond Indenture, (b) when used with respect to the Paying Agent, the Bond Trustee's Agent and the Remarketing Agent, the respective offices thereof designated in writing to the Bond Trustee unless, in the case of the Paying Agent, the Bond Trustee is performing such functions, in which case it shall mean the Principal Office of the Bond Trustee, and (c) when used with respect to the Bank, the office specified in the Letter of Credit or such other offices designated as such by the Bank in writing to the Bond Trustee, the Authority, the Bond Trustee's Agent, the Borrower and the Remarketing Agent.

"Principal Payment Date" means each date on which a payment of principal (whether upon Maturity, redemption or acceleration on the Series 2009 Bonds is due.

"Prior Bonds" means, collectively, the Series 2005 Bonds and the Series 2006 Bonds.

"Project" means the project described under the heading "PLAN OF FINANCE" in the forepart of this Official Statement.

"Project Cost" means any costs of the Project which are permitted to be financed under the Act, the payment of which will not cause an Event of Taxability to occur and which are not Issuing Expenses.

"Project Plans and Specifications" means the Borrower's architectural and engineering drawings and other plans and specifications for the Project, as amended from time to time in accordance with the Loan Agreement.

"Project Property" means any land, improvements, equipment, or other real or personal property acquired or constructed in connection with the Project and which are being financed in whole or in part with the proceeds of the Series 2009 Bonds.

"Promissory Note" means the Borrower's Promissory Note, Series 2009 issued pursuant to the Loan Agreement.

"Purchaser" means Robert W. Baird & Co. Incorporated, the initial purchaser of the Series 2009 Bonds.

"Purchase Date" means the date on which the Bank purchases a Tendered Bond.

"Qualified Accountants" means (a) Virchow Krause & Company, LLP, (b) a firm of certified public accountants of the size and type commonly referred to as nationally known certified public accountants, or (c) a firm of independent public accountants selected by the Borrower and accepted by the Bond Trustee, the Authority and the Bank.

"Rate Change Date" means (a) during any Daily Mode, each Business Day, (b) during any Weekly Mode, Thursday or such other day of the week designated as such by the Remarketing Agent from time to time, in accordance with the Bond Indenture, (c) during any Adjustable Long Mode, the Business Day(s) specified in the notice delivered to the Bond Trustee in accordance with the Bond Indenture, (d) during any Commercial Paper Mode, the Business Day(s) specified in the notice delivered to the Bond Trustee in accordance with the Bond Indenture and (e) each Adjustment Date.

"Rate Determination Date" means for (a) except as set forth below, each Rate Period during any Daily Mode, the Rate Change Date for such Rate Period, (b) except as set forth below, each Rate Period during any Weekly Mode, the Business Day next preceding the Rate Change Date for such Rate Period (or such other day of the week designated as such by the Remarketing Agent from time to time in accordance with the provisions of the Bond Indenture), (c) except as set forth below, each Rate Period during any Adjustable Long Mode, the Business Day(s) specified in the notice delivered to the Bond Trustee in accordance with the Bond Indenture which Business Day shall not be less than one calendar day nor more than seven calendar days prior to the first day of such Rate Period, (d) except as set forth below, each Rate Period during any Commercial Paper Mode, the Rate Change Date for such Rate Period specified in the notice delivered to the Bond Trustee in accordance with the Bond Indenture, (e) each Rate Period during a Fixed Mode, the interest rates established in the certificate delivered pursuant to the Bond Indenture, and (f) the Rate Period following a proposed Conversion Date in the event of a failed conversion, such proposed Conversion Date.

"Rate Period" means, with respect each Bond, each period commencing on a Rate Change Date for such Bond to and including the day immediately preceding the Maturity thereof or the immediately succeeding Rate Change Date for such Bond, during which period such Bond shall bear interest at one particular interest rate.

"Rating Agency" means each nationally recognized securities rating agency then maintaining a rating on the Series 2009 Bonds at the request of the Borrower, and initially means Moody's.

"Rebate Fund" means the fund created under the Tax Exemption Agreement to comply with Section 148(f) of the Code.

"Redemption Fund" means the fund by that name created by the Bond Indenture.

"Registrar" means the Bond Trustee or, if so designated in a written notice delivered by the Bond Trustee to the Authority and the Bond Trustee's Agent, the Bond Trustee's Agent, or its successors, when acting as such pursuant to the Bond Indenture, and "Co-Registrar" means, if so designated in a written notice delivered by the Bond Trustee to the Authority and the Bond Trustee's Agent, the Bond Trustee's Agent, or its successors, when acting as such pursuant to the Bond Indenture.

"Reimbursement Agreement" means the Reimbursement Agreement dated as of May 1, 2009 between the Borrower, the Foundation and the Bank pursuant to which the Bank will issue the Letter of Credit, any similar agreement between the Borrower and a Bank which is the issuer of a Substitute Letter of Credit, and all amendments, supplements, changes and modifications to any of those agreements.

"Remarketing Agent" means Robert W. Baird & Co. Incorporated, in its capacity as remarketing agent for the Borrower under the Remarketing Agreement, and its successors and assigns in such capacity.

"Remarketing Agreement" means the Remarketing Agreement dated as of May 1, 2009 by and between the Borrower and the Remarketing Agent, as the same may be amended, supplemented or assigned from time to time, or any similar agreement as may be substituted therefor.

"Revenue Fund" means the fund by that name created by the Bond Indenture

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. a corporation organized and existing under the laws of the State of New York, its successors and its assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Bond Trustee, at the written direction of the Borrower with the prior written consent of the Bank, with written notice to the Authority, the Remarketing Agent and the Bank.

"Series 2005 Bonds" means the Authority's Variable Rate Demand Revenue Bonds, Series 2005 (Concordia University Wisconsin, Inc. Project) originally issued in the aggregate principal amount of \$10,540,000.

"Series 2005 Escrow Agreement" means the Escrow Deposit Agreement dated the Closing Date by and among the Borrower, the Authority and the bond trustee for the Series 2005 Bonds.

"Series 2005 Construction Fund Subaccount" means the subaccount of the Construction Fund by that name created by the Bond Indenture.

"Series 2006 Bonds" means the Authority's Variable Rate Demand Revenue Bonds, Series 2006 (Concordia University Wisconsin, Inc. Project), originally issued in the principal amount of \$12,000,000.).

"Series 2006 Escrow Agreement" means the Escrow Deposit Agreement dated the Closing Date by and among the Borrower, the Authority and the bond trustee for the Series 2006 Bonds.

"Series 2009 Bonds" means the Authority's Variable Rate Demand Revenue Refunding Bonds, Series 2009 (Concordia University Wisconsin, Inc.).

"Short Mode" means a Commercial Paper Mode, a Daily Mode, a Weekly Mode or an Adjustable Long Mode for any Rate Period of 365 or 366 days, as applicable, or less.

"Short Rate" means a Commercial Paper Rate, a Daily Rate, a Weekly Rate or an Adjustable Long Rate for a Rate Period of 365 or 366 days, as applicable, or less.

"SIFMA Municipal Swap Index" means the SIFMA Municipal Swap Index as of the most recent date for which such index was published or such other weekly, high-grade index comprised of seven-day, tax-exempt variable rate demand notes produced by Municipal Market Data, Inc., or its successor, or as otherwise designated by the Securities Industry and Financial Markets Association; provided, however, that, if such index is no longer produced by Municipal Market Data, Inc. or its successor, then "SIFMA Municipal Swap Index" shall mean such other reasonably comparable index selected by the Remarketing Agent.

"State" means the State of Wisconsin.

"Stated Termination Date" means the stated date of expiration set forth in the then-current Letter of Credit, including any extensions or renewals thereof.

"Substitute Letter of Credit" means a substitute or replacement Letter of Credit, which does not include an extension or renewal of the then-current Letter of Credit, to replace the Letter of Credit then in effect if the Substitute Letter of Credit meets the conditions of the Bond Indenture.

"Substitution Date" means the date upon which a Substitute Letter of Credit becomes effective or is scheduled to become effective.

"Surplus Construction Fund" means the fund by that name

"Tax Exemption Agreement" means the Tax Exemption Certificate and Agreement dated the Closing Date between the Borrower, the Authority and the Bond Trustee.

"Tender Price" means the applicable purchase price for Tendered Bonds which is 100% of the principal amount of such Bonds, plus accrued interest to the scheduled purchase date and without premium; provided, however, that if a purchase date is an Interest Payment Date, then the purchase price is 100% of the principal amount of such Bonds.

"Tendered Bonds" means Bonds tendered or deemed tendered for purchase pursuant to the Bond Indenture.

"Unassigned Rights" means the Authority's rights (a) to receive indemnity, payments for its expenses under the Loan Agreement or any other document associated with the issuance of the Series 2009 Bonds, (b) subject to the

Loan Agreement, to execute and deliver amendments to the Loan Agreement and the Bond Indenture and to receive notices and other documents and to provide its consent, acceptance or approval with respect to matters as to which that right is given in the Loan Agreement or the Bond Indenture and (c) to receive indemnification and payment of expenses under the Bond Purchase Agreement.

"U.S. Government Obligations" means obligations which are direct, full faith and credit obligations of the United States of America or are obligations with respect to which the United States of America has unconditionally guaranteed the timely payment of all principal or interest or both, but only to the extent of the principal or interest so guaranteed.

"Weekly Mode" means any Adjustment Period during which Rate Determination Dates occur on the Business Day of each calendar week next preceding the Rate Change Date in such calendar week or such other day as may be specified by the Remarketing Agent in the manner set forth in the Bond Indenture and during which the Series 2009 Bonds bear interest at the Weekly Rate.

"Weekly Rate" means, for each Rate Period within a Weekly Mode, a per annum interest rate borne by the Series 2009 Bonds established pursuant to the Bond Indenture.

"Written Request" means (a) with reference to the Authority, a request in writing signed by the Chairperson, Vice Chairperson, Executive Director or Associate Executive Director of the Authority and (b) with reference to the Borrower, means a request in writing signed by the Authorized Borrower Representative or any other officers designated by the Authority or the Borrower, as the case may be.

SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE

Granting Clauses

In consideration of the premises and of the purchase of the Series 2009 Bonds, the issuance by the Bank of the Letter of Credit and of other good and lawful consideration, and to secure the payment of the principal of, premium, if any, and interest on the Series 2009 Bonds, the performance and observance of all of the covenants and conditions contained therein, the Authority has executed and delivered the Bond Indenture and has granted a security interest to the Bond Trustee in the following property: (a) all right, title and interest of the Authority in and to the Promissory Note and all sums payable in respect of the indebtedness evidenced thereby; (b) all right, title and interest of the Authority in and to the Loan Agreement and the amounts payable to the Authority under the Loan Agreement (excluding Unassigned Rights); (c) all right, title and interest of the Authority in and to the Funds; and (d) any and all other property assigned or transferred as and for additional security under the Bond Indenture by the Authority, the Borrower, or by anyone on their behalf to the Bond Trustee, including without limitation funds held by the Bond Trustee in the Funds as security for the Series 2009 Bonds. There is, however, expressly excepted and excluded from the lien and operation of the Bond Indenture (i) amounts held by the Bond Trustee in the Rebate Fund established pursuant to the Tax Exemption Agreement, and (ii) amounts on deposit in the Bond Purchase Fund, to pay the Tender Price of Tendered Bonds.

Authorization and Issuance of the Series 2009 Bonds

The Bond Indenture authorizes the issuance of the Series 2009 Bonds and limits their aggregate amount to the amount stated on the front cover of this Official Statement.

Use of Proceeds from the Sale of the Series 2009 Bonds

The Authority agrees in the Bond Indenture to deposit the purchase price with the Bond Trustee and, upon receipt, the Bond Trustee agrees in the Bond Indenture to apply the purchase price in the manner described in the forepart to this Official Statement. See "PLAN OF FINANCE" and "ESTIMATED SOURCES AND USES OF FUNDS" in the forepart of this Official Statement.

Expense Fund

The Bond Indenture creates the Expense Fund. Pursuant to the Bond Indenture the Bond Trustee is authorized and directed to disburse moneys from the Expense Fund to pay (or reimburse the Borrower for) the Issuing Expenses. Except as otherwise provided below, such disbursements shall be made only upon requisition of the Borrower meeting the requirements of and submitted in accordance with the Loan Agreement.

In the event the Borrower, the Bank and the Bond Trustee shall have entered into an agreement with a title insurance company for the disbursement of the Bond proceeds, disbursements from the Expense Fund shall be subject to such further terms and conditions as may be contained in such agreement.

If an Event of Default under the Bond Indenture shall have happened and be continuing, the Bond Trustee (without any authorization from the Borrower) shall make such disbursements from the Expense Fund directly to the persons determined by the Bond Trustee to be entitled thereto, and after all Issuing Expenses have been paid any remaining balance in the Expense Fund shall be applied in accordance with the provisions summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Application of Moneys.

If there shall be any balance in the Expense Fund remaining after the earlier of (i) 90 days following the issuance and delivery of the Series 2009 Bonds, or (ii) the Bond Trustee's receipt of a certification by an Authorized Borrower Representative that all Issuing Expenses have been paid, the Bond Trustee shall transfer such remaining balance to the Construction Fund or, if the Construction Fund has been closed pursuant to the Loan Agreement, to the Surplus Construction Fund.

Construction Fund

The Bond Indenture creates the Construction Fund. In addition, the Bond Indenture creates a subaccount of the Construction Fund to be known as the "Series 2005 Construction Fund Subaccount". Pursuant to the Bond Indenture the Bond Trustee is authorized and directed to disburse moneys from the Construction Fund or Series 2005 Construction Fund Subaccount to pay (or reimburse the Borrower for) the Project Costs. Except as otherwise provided below, such disbursements shall be made only upon requisition of the Borrower meeting the requirements of and submitted in accordance with the Loan Agreement. The Bond Trustee shall rely fully on any such requisition delivered pursuant to the provisions summarized under this heading and shall not be required to make any investigation in connection therewith.

In the event the Borrower, the Bond Trustee, and the Bank shall have entered into an agreement with a title insurance company for the disbursement of the Bond proceeds, disbursements from the Construction Fund or Series 2005 Construction Fund Subaccount shall be subject to such further terms and conditions as may be contained in such agreement.

If an Event of Default under the Bond Indenture shall have happened and be continuing, the Bond Trustee may, with the written consent of the Bank, (i) make disbursements from the Construction Fund or Series 2005 Construction Fund Subaccount, without the authorization of the Borrower, for the payment of any costs necessary to complete the Project, or (ii) to the extent consistent with an Opinion of Bond Counsel to the effect that such application will not result in an Event of Taxability, apply moneys in the Construction Fund in accordance with the provisions summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Application of Moneys."

Upon the closing of the Construction Fund or Series 2005 Construction Fund Subaccount in accordance with the Loan Agreement, any remaining balance in the Construction Fund or Series 2005 Construction Fund Subaccount shall be transferred to the Surplus Construction Fund.

Subject to the provisions summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Investment of Funds," moneys at any time on deposit in the Construction Fund or Series 2005 Construction Fund Subaccount shall be invested or reinvested by the Bond Trustee in Permitted

Investments maturing at such time or times so that the Bond Trustee will be able to pay the costs of the Project from time to time upon the order of the Borrower as provided in the Bond Indenture. The Bond Trustee and the Borrower shall be entitled to rely upon a schedule of anticipated payments of Project costs approved by the Borrower in scheduling such investments. Any interest or profit on such investments shall be credited to and any losses on such investments shall be charged against the Construction Fund or Series 2005 Construction Fund Subaccount, as applicable. The Bond Trustee shall not be obligated to invest any moneys held by it under the Bond Indenture except as directed by the Borrower. The Bond Trustee may sell or present for redemption any obligations so purchased whenever it shall be necessary in order to provide moneys to meet any payment pursuant to the provisions summarized under this heading, and the Bond Trustee shall not be liable or responsible for any loss resulting from such investments. Notwithstanding any other provisions of the Bond Indenture, all investment earnings shall be subject to the provisions of the Tax Exemption Agreement.

Surplus Construction Fund

The Bond Indenture creates the Surplus Construction Fund. Pursuant to the Bond Indenture the Bond Trustee is authorized and directed to use the moneys in the Surplus Construction Fund in any manner directed in writing by the Borrower and accompanied by the written consent of the Bank and an Opinion of Bond Counsel to the effect that the application will not adversely affect the validity of the Bonds or cause an Event of Taxability to occur.

Until used for one or more of the foregoing purposes, any moneys in the Surplus Construction Fund shall be invested in Qualified Investments but the Borrower shall not direct such investment to provide a yield on such moneys (computed by the Borrower from the Completion Date and taking into account any investment of such moneys during the period from the Completion Date to the date of deposit of such moneys into the Surplus Construction Fund) greater than the yield on the Bonds from the proceeds of which such moneys were derived, all as such terms are defined and used in Section 148 of the Internal Revenue Code and any proposed, temporary or final regulations promulgated thereunder; provided that such yield restriction on the Surplus Construction Fund shall not apply to the Borrower's investment directions if the Bond Trustee is furnished with an Opinion of Bond Counsel to the effect that the lack of a yield restriction on the Surplus Construction Fund will not result in an Event of Taxability.

Revenue Fund

The Bond Indenture creates the Revenue Fund. Within the Revenue Fund are created the following trust funds:

Bond Sinking Fund. Except as provided in the Bond Indenture, money in the Bond Sinking Fund shall be used solely (i) for the payment or scheduled mandatory redemption or optional redemption of the principal of the Series 2009 Bonds as it becomes due, whether at Maturity, acceleration or otherwise, (ii) for the redemption of Bonds from amounts transferred to the Bond Sinking Fund from the Redemption Fund and (iii) to reimburse the Bank for the principal portion of a draw on the Letter of Credit for the payment or redemption in (i) or (ii).

Interest Fund. Except as provided in the Bond Indenture, money in the Interest Fund will be used solely for the payment of interest on the Series 2009 Bonds as it becomes due or for the reimbursement of the Bank for the interest portion of a draw on the Letter of Credit for the payment of interest on the Series 2009 Bonds. No interest shall be paid on Borrower Bonds on any date unless and until interest shall be paid on all other Bonds due on such date.

Redemption Fund. Money in the Redemption Fund will be used first to make up any deficiencies existing in the Interest Fund and the Bond Sinking Fund (in that order) and second for the payment of the principal of and premium, if any, on Bonds called for redemption as provided in the Bond Indenture; provided, however, when a Letter of Credit is in effect with respect to the Series 2009 Bonds, only Eligible Funds deposited in the Letter of Credit Fund, the Interest Fund or the Bond Sinking Fund will be used to

pay principal and interest on the Bonds. No redemption of Borrower Bonds shall be paid unless and until the redemption price of all other Bonds due on such date shall be paid. Money on deposit in the Redemption Fund which is not needed to pay the principal of or premium, if any, on Bonds called for redemption may be used by the Bond Trustee to purchase Bonds in the open market for cancellation if the Bond Trustee is requested to do so by the Borrower. The amount of Bonds to be redeemed on any date pursuant to any mandatory redemption schedule provided in the Bond Indenture shall be reduced by the principal amount of Bonds of such Maturity which are acquired by the Borrower with Eligible Funds and delivered to the Bond Trustee for cancellation. Moneys on deposit in the Redemption Fund may be used to reimburse the Bank for a draw on the Letter of Credit when proceeds of the Letter of Credit are used for the payment of the principal of and interest on Bonds called for redemption as provided in the Bond Indenture.

Letter of Credit Fund. Money in the Letter of Credit Fund shall be used solely for the payment or scheduled mandatory redemption or optional redemption of the principal of the Series 2009 Bonds entitled to the benefit of the Letter of Credit as it becomes due (whether at Maturity, acceleration or redemption) and for the payment of interest on the Series 2009 Bonds entitled to the benefit of the Letter of Credit as it becomes due.

Whenever the amount in the Revenue Fund from any source is sufficient to pay with Eligible Funds (other than Excluded Bonds) the principal of, unpaid interest which has accrued on the Series 2009 Bonds and will accrue to the date the Series 2009 Bonds are redeemed and any redemption premiums on all the Series 2009 Bonds then Outstanding and is available for that purpose the Bond Trustee, upon the Written Request of the Borrower, is instructed and agrees to take or cause to be taken the necessary steps to pay or redeem all of the Series 2009 Bonds then Outstanding on the next date on which all of the Series 2009 Bonds may be redeemed and for which the required redemption notice may be given.

The Bond Trustee will pay principal of and interest on the Series 2009 Bonds from the following sources and in the following priority:

FIRST: from the Letter of Credit Fund in the Revenue Fund;

SECOND: from Eligible Funds on deposit in the Interest Fund, the Bond Sinking Fund and the Redemption Fund, as applicable; and

THIRD: from other money in the Revenue Fund.

The Bond Trustee is responsible for determining whether funds available to it are Eligible Funds and may rely upon an Opinion of Counsel with respect to such determination.

Investment of Funds

Subject to the Tax Exemption Agreement and the limitations summarized under this heading, upon direction via facsimile transmission promptly followed by a Written Request of the Borrower filed with the Bond Trustee, moneys on deposit in the Revenue Fund, the Interest Fund, the Bond Sinking Fund, the Expense Fund, Construction Fund, Series 2005 Construction Fund Subaccount and the Redemption Fund shall be invested in Permitted Investments; provided, however, that moneys held in the Letter of Credit Fund and the Redemption Fund shall only be invested in U.S. Government Obligations with a term not exceeding the lesser of 30 days or the date or dates that moneys therefrom are anticipated to be required or in mutual funds investing exclusively in such U.S. Government Obligations. The Bond Trustee may conclusively rely upon the Borrower's written instructions as to both the suitability and legality of the directed investments. Ratings of permitted investments shall be determined at the time of purchase of such permitted investments and without regard to rating subcategories. As and when any amounts invested pursuant to the Bond Indenture may be needed for disbursements from the Bond Sinking Fund or the Interest Fund, the Bond Trustee shall cause a sufficient amount of such investments to be sold or otherwise converted into cash to the credit of such Fund. The Bond Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary

fees for such trades, including cash sweep account fees; provided, however, that in no case shall any investment be otherwise than in accordance with the investment limitations contained in the Bond Indenture and in the Tax Exemption Agreement. The Bond Trustee shall not be liable or responsible for any loss resulting from any such investments. Subject to the provisions summarized in the immediately succeeding paragraph, gains from investments shall be credited to and held in and losses shall be charged to the fund or account from which the investment is made.

All income in excess of the requirements of the Funds specified in the immediately preceding paragraph derived from the investment of moneys on deposit in any such Fund shall be deposited in the following Funds, in the order listed: (i) until the acquisition and construction of the Project is complete, the Construction Fund (or Series 2005 Construction Fund Subaccount, as applicable); (ii) the Interest Fund to the extent of the amount which the Bond Trustee estimates will be required to be deposited therein within one year of the date of deposit to pay interest on the Series 2009 Bonds; (iii) the Bond Sinking Fund to the extent of the amount required to be deposited therein on the next scheduled Maturity or mandatory redemption date if one is scheduled within one year of the date of deposit; and (iv) the balance, if any, in the Redemption Fund.

Non-Presentation of Matured, Redeemed or Tendered Bonds

If funds sufficient to pay the principal of any Bond when due (whether at maturity, redemption, acceleration or otherwise) are on deposit with the Bond Trustee but the Bond is not presented to the Bond Trustee for payment, then all liability of the Authority to the registered owner for the payment of the Bond is completely discharged. The Bond Trustee agrees in the Bond Indenture to hold the funds on deposit for any Bonds that have not been presented when due, but without liability for interest, solely for the benefit of the registered owners of those Bonds. Thereafter and prior to the transfer provided for in the provisions summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Unclaimed Moneys," the sole claim that any registered owner who did not present its Bonds for payment when due has for the payment of its Bonds is to receive the funds held for its Bonds by the Bond Trustee.

Bonds subject to mandatory tender or with respect to which an optional tender notice has been received which are not delivered to the Bond Trustee as required by the Bond Indenture are nevertheless deemed to have been tendered and, if payment of the Tender Price to the former registered owners of the Bonds is made or provided for as required by the Bond Indenture, those Bonds are no longer Outstanding under the Bond Indenture and interest accruing on them after the optional tender date or the mandatory tender date is no longer payable to the former registered owners of those Bonds.

Bond Purchase Fund

The Bond Indenture creates the Bond Purchase Fund. There shall be deposited into the Bond Purchase Fund from time to time the following: (a) the price received upon the remarketing of Tendered Bonds to any Person pursuant to the Remarketing Agreement (other than Tendered Bonds sold to the Borrower, any affiliate of the Borrower or the Authority in violation of the Bond Indenture); (b) the price received from the underwriter or purchaser (other than the Borrower, any affiliate of the Borrower or the Authority) of Tendered Bonds upon the conversion of the interest rate thereon to a Fixed Rate; and (c) moneys obtained by the Bond Trustee as proceeds of a draw made pursuant to the Letter of Credit to be applied to pay the Tender Price of Tendered Bonds. Moneys in the Bond Purchase Fund shall be held exclusively for the payment of the Tender Price of Tendered Bonds. There shall be no investment of the funds or moneys on deposit in the Bond Purchase Fund. Amounts held to pay the Tender Price for Bonds that have not been tendered shall be applied in the same manner as summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Unclaimed Moneys" with respect to unclaimed payments of principal and interest.

Payment of Principal, Premium, if any, and Interest

Subject to the limited source of payment described below, the Authority covenants in the Bond Indenture that it will promptly pay the principal of, premium, if any, and interest on every Bond issued under the Bond

Indenture at the place, on the dates and in the manner provided in the Bond Indenture and in said Bonds according to the true intent and meaning thereof. The principal of, and interest and premium, if any, on the Series 2009 Bonds are payable solely from payments or prepayments by the Borrower upon the Promissory Note and otherwise as provided in the Bond Indenture and in the Promissory Note and the Loan Agreement, which Promissory Note and payments are specifically assigned and pledged to the payment of the Series 2009 Bonds in the manner and to the extent specified in the Bond Indenture, and nothing in the Series 2009 Bonds or in the Bond Indenture shall be considered as assigning or pledging any funds or assets of the Authority (except the moneys, the Promissory Note and the Loan Agreement (other than Unassigned Rights) and other property and rights pledged under the Bond Indenture).

Rights Under the Loan Agreement

The Authority agrees in the Bond Indenture that the Bond Trustee in its own name or in the name of the Authority may enforce all rights of the Authority and all obligations of the Borrower under and pursuant to the Loan Agreement for and on behalf of the Bondholders (other than Unassigned Rights), whether or not the Authority is in default under the Bond Indenture. The Bond Trustee shall be considered the holder of the Promissory Note.

Extension of Payment; Penalty

In case the time for the payment of principal of or the interest on any Bonds shall be extended, whether or not such extension be by or with the consent of the Authority, such principal or such interest so extended shall not be entitled in case of default under the Bond Indenture to the benefit or security of the Bond Indenture except subject to the prior payment in full of the principal of all Bonds then Outstanding and of all interest thereon, the time for the payment of which shall not have been extended.

Events of Default

Each of the following events is an "Event of Default" under the Bond Indenture:

- (a) payment of any installment of interest payable on any of the Series 2009 Bonds (other than Borrower Bonds) shall not be made when the same shall become due and payable; or
- (b) payment of the principal of or the premium, if any, payable on any of the Series 2009 Bonds (other than Borrower Bonds) shall not be made when the same shall become due and payable, either at Maturity, by proceedings for redemption or upon acceleration; or
- (c) payment of any amount due in respect of the Tender Price of Tendered Bonds (excluding any Borrower Bonds) delivered to the Bond Trustee pursuant to the provisions of the Bond Indenture shall not be made when the same shall become due and payable; or
- (d) the Authority shall for any reason be rendered incapable of fulfilling any of its material obligations under the Bond Indenture; or
- (e) the Authority shall default in the due and punctual performance of the covenants, conditions, agreements and provisions contained in the Series 2009 Bonds or in the Bond Indenture or in any indenture supplemental thereto to be performed on the part of the Authority, and such default shall continue for 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Authority and the Borrower by the Bond Trustee; provided that the Bond Trustee shall give such notice at the written request of the Bank or the owners of not less than 25% in aggregate principal amount of the Series 2009 Bonds then Outstanding under the Bond Indenture; provided that if such default cannot with due diligence and dispatch be wholly cured within 30 days but can be wholly cured, the failure of the Authority to remedy such default within such 30-day period shall not constitute a default under the Bond Indenture if the Authority shall immediately upon receipt of such notice

commence with due diligence and dispatch the curing of such default and, having so commenced the curing of such default, shall thereafter prosecute and complete the same with due diligence and dispatch; or

(f) the occurrence of any Event of Default under the Loan Agreement and the continuation of that Event of Default from and after the date the Authority (or Bond Trustee, as applicable) is entitled to declare the Promissory Note immediately due and payable; or

(g) the Authority, the Borrower or the Bond Trustee shall default in the performance of any covenant, condition, agreement or provision of the Tax Exemption Agreement, and such default shall continue for a period of 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the party in default and the Borrower by the other party; provided that if such default cannot with due diligence and dispatch be wholly cured within 30 days but can be wholly cured, the failure of the Authority, the Borrower or the Bond Trustee to remedy such default within such 30-day period shall not constitute a default under the Bond Indenture if any of the foregoing shall immediately upon receipt of such notice commence with due diligence and dispatch the curing of such default and, having so commenced the curing of such default, shall thereafter prosecute and complete the same with due diligence and dispatch; or

(h) if, when a Letter of Credit is required under the Bond Indenture and the Loan Agreement, the Bond Trustee receives notice from the Bank that an Event of Default under the Reimbursement Agreement has occurred and directing an acceleration of the Series 2009 Bonds; or

(i) Failure of the Bank to honor a properly presented drawing under the Letter of Credit or the Bank admits insolvency or becomes unable to pay its debts as they mature or a receiver is appointed for the Bank or the Letter of Credit ceases to remain in full force and effect.

Acceleration

Upon the occurrence of any Event of Default under the Bond Indenture, the Bond Trustee:

(i) may (with the written consent of the Bank with respect to the occurrence of an Event of Default summarized in clauses (d) through (f) under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default"), and

(ii) must

(A) (1) upon the written request of the Bank or (2) upon receipt of a request to do so from the owners of 25% of the aggregate principal amount of the Series 2009 Bonds then Outstanding (with the written consent of the Bank with respect to the occurrence of an Event of Default summarized in clauses (d) through (f) under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default"), or

(B) within one Business Day of the occurrence of an Event of Default described in clauses (h) and (i) under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default,"

by written notice to the Authority and the Borrower, declare the principal of and accrued interest on the Series 2009 Bonds (if not then due and payable) to be due and payable immediately.

Upon such acceleration while the Series 2009 Bonds are supported by a Letter of Credit, the Bond Trustee shall demand payment from the Bank under the Letter of Credit pursuant to the terms of the Bond Indenture in an amount sufficient to pay the principal of the Series 2009 Bonds and interest on the Series 2009 Bonds up to and including the expected payment date of the draw on the Letter of Credit, which payment date shall be no later than 3 days after the date of the acceleration of the Series 2009 Bonds pursuant to the provisions summarized under this

heading. Interest on the Series 2009 Bonds which have been accelerated shall cease to accrue on and after the expected payment date.

Notwithstanding anything contained in the Bond Indenture or in the Loan Agreement to the contrary, the Promissory Note shall not be accelerated unless there shall also be an acceleration of the Series 2009 Bond under the Bond Indenture.

Remedies; Rights of Bondholders

Upon the occurrence of any Event of Default under the Bond Indenture, (and with the written consent of the Bank in the case of actions taken with respect to the Series 2009 Bonds as a result of an Event of Default summarized in clauses (d) through (f) under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default"), the Bond Trustee may take whatever action at law or in equity it deems necessary or desirable (i) to collect any amounts then due under the Bond Indenture, the Series 2009 Bonds, the Loan Agreement, the Letter of Credit or the Promissory Note; (ii) to enforce performance of any obligation, agreement or covenant of the Authority under the Bond Indenture or the Series 2009 Bonds, of the Borrower under any of the Borrower's Documents, of the Bank under the Letter of Credit, of a guarantor under any guaranty given with respect to any Bond or the Promissory Note or of the grantor of any other collateral given to secure the payment of the Series 2009 Bonds or the Promissory Note or (iii) to otherwise enforce any of its rights.

None of the remedies under the Bond Indenture is exclusive of any other remedy or remedies. Each remedy given under the Bond Indenture is cumulative and is in addition to every other remedy which is given or which now or hereafter exists at law, in equity or by statute. No delay or omission in the exercise of any right or power accruing upon an Event of Default under the Bond Indenture impairs the right or power or is a waiver of or acquiescence in any Event of Default under the Bond Indenture. Every right and power given by the Bond Indenture may be exercised from time to time and as often as may be deemed expedient. No waiver of any Event of Default under the Bond Indenture extends to or affects any subsequent or other Event of Default under the Bond Indenture or impairs any rights or remedies consequent thereon.

Direction of Proceedings by Bondholders

The owners of not less than 51% in aggregate principal amount of the Series 2009 Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Bond Trustee and subject to the Bond Trustee being indemnified to its reasonable satisfaction as provided in the Bond Indenture, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Bond Indenture, including enforcement of the rights of the Authority under the Loan Agreement or the appointment of a receiver or any other proceedings under the Bond Indenture; provided that such direction shall not be otherwise than in accordance with the provisions of law and of the Bond Indenture and provided further that, if the Series 2009 Bonds are secured by a Letter of Credit, for so long as such Letter of Credit is outstanding and the Bank has not failed to honor a properly presented drawing thereunder, the Bank issuing such Letter of Credit shall have the right to direct all proceedings with respect to Events of Default summarized in clauses (d) through (f) under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default" on behalf of the holders of the Series 2009 Bonds secured thereby.

Application of Moneys

Except for money required by the terms of the Bond Indenture to be deposited in the Bond Purchase Fund, all moneys received by the Bond Trustee, by any receiver or by any Bondholder pursuant to any right given or action taken under the provisions of the Bond Indenture shall, after payment of the reasonable costs and expenses of the proceedings resulting in the collection of such moneys and of the reasonable fees, expenses, liabilities and advances incurred or made by the Bond Trustee (except the Letter of Credit may not be drawn on to pay such fees, expenses or advances), be deposited in the Bond Sinking Fund, and all moneys so deposited during the continuance of an Event of Default under the Bond Indenture (other than moneys for the payment of Bonds which have previously matured or otherwise become payable prior to such Event of Default or for the payment of interest due

prior to such Event of Default or derived from the Bank and restricted in their application to the payment of Bank Bonds), together with all moneys in the Funds maintained by the Bond Trustee under the Bond Indenture other than the Bond Purchase Fund, shall be applied as follows (except that proceeds of the Letter of Credit shall not be used to make any payment with respect to Bank Bonds or Borrower Bonds or payments to the U.S. Treasury):

(a) Unless the principal of all the Series 2009 Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied (subject to the limitations described under this heading):

FIRST: To the payment of amounts, if any, payable to the United States Treasury pursuant to the Tax Exemption Agreement;

SECOND: To the payment to the Persons entitled thereto of all installments of interest then due on the Series 2009 Bonds (other than Borrower Bonds), in the order of the Maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment of interest, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto without any discrimination or privilege;

THIRD: To the payment to the Persons entitled thereto of the unpaid principal of any of the Series 2009 Bonds which shall have become due (other than Borrower Bonds and Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of the Bond Indenture), with interest on such Bonds at their rate from the respective dates upon which they became due, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal and interest due on such date, to the Persons entitled thereto without any discrimination or privilege (such payments to be made from the Bond Sinking Fund);

FOURTH: To the payment of any amounts due and payable to the Bank; and

FIFTH: To the payment to the Persons entitled thereto of unpaid principal and interest due and owing on any Bonds, the payment of principal and interest of which has been extended in the manner described under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Extension of Payment; Penalty."

(b) If the principal of all the Series 2009 Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied (subject to the limitations described under this heading):

FIRST: To the payment to the Persons entitled thereto of the principal and interest then due and unpaid upon the Series 2009 Bonds (other than Borrower Bonds), with interest on overdue principal, as aforesaid, without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, without any discrimination or privilege ;

SECOND: To the payment of any amounts due and payable to the Bank;

THIRD: To the payment of the principal and interest then due and unpaid upon Bonds with respect to which the payment of principal and interest has been extended as described under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Extension of Payment; Penalty;" and

FOURTH: To the payment of amounts, if any, payable to the United States Treasury pursuant to the Tax Exemption Agreement.

(c) If the principal of all the Series 2009 Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of the Bond Indenture, then, subject to the provisions summarized in paragraph (b) under this heading which shall be applicable in the event that the principal of all the Series 2009 Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions summarized in paragraph (a) under this heading.

Notwithstanding the foregoing, any moneys which the Bond Trustee holds pursuant to the Tax Exemption Agreement must be distributed in accordance with the Tax Exemption Agreement.

Whenever moneys are to be applied pursuant to the provisions summarized under this heading such moneys shall be applied at such times, and from time to time, as the Bond Trustee shall determine, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Bond Trustee shall apply such moneys (which shall not include the application of moneys upon the occurrence of an acceleration pursuant to the provisions summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Acceleration"), it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to commence and upon such date interest on the amounts of principal and interest to be paid on such date shall cease to accrue. The Bond Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date. The Bond Trustee shall not be required to make payment to the holder of any unpaid Bond until such Bond shall be presented to the Bond Trustee for appropriate endorsement or for cancellation if fully paid.

Remedies Vested in Bond Trustee

All rights of action including the right to file proof of claims under the Bond Indenture or under any of the Series 2009 Bonds may be enforced by the Bond Trustee without the possession of any of the Series 2009 Bonds or the production thereof in any trial or other proceedings relating thereto and any such suit or proceeding instituted by the Bond Trustee shall be brought in its name as Bond Trustee without the necessity of joining as plaintiffs or defendants any owners of the Series 2009 Bonds, and any recovery of judgment shall be for the equal benefit of the owners of the then Outstanding Bonds, subject to the provisions of the Bond Indenture.

Rights and Remedies of Bondholders

No owner of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Bond Indenture or for the execution of any trust of the Bond Indenture or for the appointment of a receiver or any other remedy under the Bond Indenture, unless (i) a default shall have become an Event of Default under the Bond Indenture, (ii) the owners of 25% in aggregate principal amount of Bonds then Outstanding, shall have (A) obtained the prior written consent of the Bank in the case of actions taken with respect to the Series 2009 Bonds as a result of the occurrence of an Event of Default summarized in clauses (d) through (f) under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default," (B) made written request to the Bond Trustee, (C) offered the Bond Trustee reasonable opportunity either to proceed to exercise the powers granted in the Bond Indenture or to institute such action, suit or proceeding in its own name, and (D) offered the Bond Trustee indemnity as provided in the Bond Indenture, and (iii) the Bond Trustee shall thereafter fail or refuse to exercise the powers granted in the Bond Indenture, or to institute such action, suit or proceeding in its own name. Such notification, request and offer of indemnity are declared in every case at the option of the Bond Trustee to be conditions precedent to the execution of the powers and trusts of the Bond Indenture and to any action or cause of action for the enforcement of the Bond Indenture, or for the appointment of a receiver or for any other remedy under the Bond Indenture; it being understood and intended that no one or more owners of the Series 2009 Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Bond Indenture by any action or to enforce any right under the Bond Indenture except in the manner

provided in the Bond Indenture, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Bond Indenture and for the equal benefit of the owners of all Bonds outstanding.

Nothing in the Bond Indenture contained shall, however, (a) affect or impair the right of any owner to enforce the payment of the principal of and interest on any Bond at and after the Maturity thereof and interest on any Bond on and after the Interest Payment Date, or (b) affect or impair the obligation of the Authority to pay the principal of and interest on each of the Series 2009 Bonds issued under the Bond Indenture to the respective owners thereof at the time and place, from the source and in the manner in said Bonds expressed.

Waiver of Events of Default

The Bond Trustee may waive any Event of Default under the Bond Indenture and its consequences and rescind any declaration of maturity of principal of and interest on the Series 2009 Bonds and must do so upon receipt of a request to do so from the owners of a majority in aggregate principal amount of all the Series 2009 Bonds then Outstanding in respect of which a default in the payment of the principal of, premium, if any, or interest exists or of the owners of 25% or more in principal amount of such Bonds then Outstanding in the case of any other default. Notwithstanding the preceding sentence, the Bond Trustee may not waive any Event of Default in the payment of the principal of, premium, if any, or interest on, any Bond or the Tender Price of any Tendered Bond, unless prior to the waiver all arrears of principal, premium, if any, and interest on, any Bond and the Tender Price of any Tendered Bond, and all expenses of the Authority and the Bond Trustee in connection with the Event of Default have been paid or provided for and the Bond Trustee has received written notice from the Bank providing that the Letter of Credit has been fully reinstated and that the Bank has revoked or rescinded any such event of default under the Reimbursement Agreement.

In case of any such waiver or rescission or in case any proceeding taken by the Bond Trustee on account of any such default shall have been discontinued or abandoned or determined adversely, then and in every such case the Authority, the Bond Trustee and the Bondholders shall, subject to any determination in such proceeding, be restored to their former positions and rights under the Bond Indenture respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

Removal of the Bond Trustee

Subject to the provisions of the Bond Indenture, the Bond Trustee may be removed at any time by filing with the Bond Trustee so removed, and with the Authority, the Borrower, the Bank and the Remarketing Agent, an instrument or instruments in writing, appointing a successor, or an instrument or instruments in writing, consenting to the appointment by the Borrower or the Authority of a successor and accompanied by an instrument of appointment by the Borrower or the Authority of such successor, and in any event executed by (a) the Bank or the owners of not less than 51% in aggregate principal amount of Bonds then Outstanding with the prior written consent of the Bank or (b) the Borrower (so long as no Event of Default under the Bond Indenture or by the Borrower under the Loan Agreement or any other document executed and delivered in connection with the issuance and sale of the Series 2009 Bonds has occurred and is continuing). A removal takes effect upon the appointment of a successor or temporary Bond Trustee and the successor or temporary Bond Trustee's acceptance of its appointment.

Supplemental Bond Indentures Not Requiring Consent of Bondholders

Subject to the limitation summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Supplemental Bond Indentures Requiring Consent of Bondholders" with respect to the provisions summarized under this heading, the Authority and the Bond Trustee may, without the consent of, or notice to, any of the Bondholders, but only with the prior written consent of the Bank with respect to those provisions which affect the rights, duties or obligations of the Bank (which consent shall not be unreasonably withheld), enter into an indenture or indentures supplemental to the Bond Indenture, as shall not be inconsistent with the terms and provisions of the Bond Indenture, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in the Bond Indenture;

(b) to grant to or confer upon the Bond Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders and the Bond Trustee, or either of them;

(c) to assign and pledge under or subject to the Bond Indenture additional revenues, properties or collateral;

(d) to evidence the appointment of a separate bond trustee or the succession of a new bond trustee under the Bond Indenture or the appointment of a Bond Trustee's Agent;

(e) to modify, amend or supplement the Bond Indenture or any indenture supplemental thereto in such manner as to permit the qualification of the Bond Indenture under the Trust Indenture Act of 1939, as then amended, or any similar federal statute hereafter in effect or to permit the qualification of the Series 2009 Bonds for sale under the securities laws of any state of the United States;

(f) to modify, amend or supplement the Bond Indenture or any indenture supplemental thereto in such manner as to permit continued compliance with the Tax Exemption Agreement;

(g) (i) to provide for certificated Bonds and (ii) after the Conversion Date with respect to the Series 2009 Bonds, to permit the issuance of coupon Bonds that bear interest at a Fixed Rate and to permit the exchange of Bonds that bear interest at a Fixed Rate from registered form to coupon form and vice versa;

(h) to provide for the refunding or advance refunding of any Bonds, including the right to establish and administer an escrow fund and to take related action in connection therewith;

(i) to implement a conversion of the interest rate on the Series 2009 Bonds to a Fixed Rate, an Adjustable Long Rate or a Short Rate, all as provided in the Bond Indenture, including but not limited to modifying, amending or supplementing the form of Bond to reflect, among other things, a change in the designated title of the Series 2009 Bonds, the fixing of an annual rate of interest, the termination of the rights of any owner of Bonds to tender such Bonds for purchase and the fact that the Tender Price of the Series 2009 Bonds is no longer payable out of moneys drawn under the Letter of Credit, and such amendment, change or modification will only be effective with respect to such Series 2009 Bonds after such change in Mode;

(j) to evidence or give effect to or facilitate the delivery and administration under the Bond Indenture of a Substitute Letter of Credit, including but not limited to such provisions as are necessary to permit the issuer of such a Substitute Letter of Credit to provide credit support relating to payment of principal of and interest on the Series 2009 Bonds and a separate issuer of another Substitute Letter of Credit to provide liquidity support relating to payment of the Tender Price of Tendered Bonds;

(k) to evidence or give effect to or facilitate the delivery and administration under the Bond Indenture of a letter of credit, a line of credit, a bond purchase agreement or an insurance policy or any other credit or liquidity device;

(l) to secure or maintain ratings from each Rating Agency in both the highest short-term or commercial paper debt rating category and also in either of the two highest long-term debt rating categories of the applicable Rating Agency or Agencies, which changes will not restrict, limit or reduce the obligation of the Authority to pay the principal of and premium, if any, and interest on the Series 2009 Bonds as provided in the Bond Indenture or otherwise adversely affect the owners of the Series 2009 Bonds under the Bond Indenture;

(m) to effect a change in the optional redemption schedule for Bonds in a Fixed Mode or Adjustable Long Mode pursuant to the Bond Indenture; and

(n) to make any change that in the judgment of the Bond Trustee (which may be based upon an Opinion of Counsel) does not materially adversely affect the rights of any Bondholders.

The Authority and the Bond Trustee may not enter into a bond indenture or indentures supplemental to the Bond Indenture pursuant to the provisions summarized in clause (g)(ii) under this heading unless they shall have received an Opinion of Bond Counsel to the effect that the issuance of coupon Bonds will not adversely affect the validity or enforceability in accordance with their terms of such Bonds or any exclusion from gross income for federal income tax purposes to which interest on the Series 2009 Bonds would otherwise be entitled. The Bond Trustee may rely on an opinion of Independent Counsel that such supplemental indenture complies with the provisions of the Bond Indenture.

Supplemental Bond Indentures Requiring Consent of Bondholders

In addition to supplemental indentures summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Supplemental Bond Indentures Not Requiring Consent of Bondholders" and subject to the terms and provisions summarized under this heading, and not otherwise, the owners of not less than 51% in aggregate principal amount of the Series 2009 Bonds which are outstanding under the Bond Indenture at the time of the execution of such indenture or supplemental indenture, with the prior written consent of the Bank (as to provisions affecting the rights and obligations of the Bank), shall have the right, from time to time, anything contained in the Bond Indenture to the contrary notwithstanding, to consent to and approve the execution by the Authority and the Bond Trustee of such other indenture or indentures supplemental thereto as shall be deemed necessary and desirable by the Authority for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Bond Indenture or in any supplemental indenture; provided, however, that nothing summarized under this heading or under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Supplemental Bond Indentures Not Requiring Consent of Bondholders" shall permit, or be construed as permitting, a supplemental indenture to effect:

(i) a reduction in the amount or an extension of the time for paying amounts due at Maturity or on any date on which a mandatory Bond Sinking Fund payment is due, or a reduction in the amount or an extension of the time for paying any principal amount of, or reduction in the rate or extension of the time of paying interest on, or a reduction in the amount or an extension of the time for paying any premium payable on the redemption of, any Bonds, without the consent of the owners of such Bonds;

(ii) a reduction in the amount or extension of the time of any payment required to be made to or from the Interest Fund or the Bond Sinking Fund without the consent of the owners of all Bonds affected thereby;

(iii) the creation of any Lien prior to or on a parity with the lien of the Bond Indenture on the property described under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Granting Clauses" or the deprivation of any Bondholders of the lien created by the Bond Indenture on such property, without the consent of the Bank and the owners of all the Series 2009 Bonds at the time outstanding;

(iv) a reduction in the aggregate principal amount of Bonds the owners of which are required to consent to any such supplemental indenture or to any amendment to the Loan Agreement or the Promissory Note, without the consent of the Bank and the owners of all the Series 2009 Bonds at the time outstanding which would be affected by the action to be taken;

(v) a modification of the rights, duties or immunities of the Bond Trustee, without the written consent of the Bank and the Bond Trustee; or

(vi) a reduction in the amount or an extension of the time for paying any Tender Price of a Tendered Bond without the consent of the owners of all Bonds affected thereby.

If at any time the Authority shall request the Bond Trustee to enter into any such supplemental indenture for any of the purposes summarized under this heading, the Bond Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such supplemental indenture to be mailed by registered or certified mail to the registered owners of the Series 2009 Bonds at their addresses as the same shall appear on the Bond Register. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the Principal Office of the Bond Trustee for inspection by all Bondholders. The Bond Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail such notice, and any such failure shall not affect the validity of such supplemental indenture when consented to and approved as summarized under this heading. If the owners of the requisite principal amount of Bonds which are outstanding under the Bond Indenture at the time of the execution of any such supplemental indenture shall have consented to and approved the execution thereof as provided in the Bond Indenture, no owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Bond Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such supplemental indenture as described under this heading, the Bond Indenture shall be and be deemed to be modified and amended in accordance therewith.

Amendments to Loan Agreement and Promissory Note Not Requiring Consent

The Authority, the Borrower and the Bond Trustee may, without the consent of or notice to the owners of the Series 2009 Bonds, but only with the prior written consent of the Bank with respect to those provisions which affect the rights, duties and obligations of the Bank (which consent will not be unreasonably withheld and not required in connection with an amendment, change or modification described in clause (d) below), consent to any amendment, change or modification of the Loan Agreement and Promissory Note as may be required (a) by the provisions of the Bond Indenture or the Loan Agreement, (b) for the purpose of curing any ambiguity or formal defect or omission, (c) for the purpose of complying with the provisions of the Tax Exemption Agreement, (d) in connection with the conversion of the interest rate on the Series 2009 Bonds to a Fixed Rate, an Adjustable Long Rate or a Short Rate, all as provided in the Bond Indenture, and such amendment, change or modification will only be effective with respect to the Series 2009 Bonds after such conversion, (e) to secure or maintain ratings from the Rating Agency in both the highest short-term or commercial paper debt rating category and also in either of the two highest long-term debt rating categories of the Rating Agency, which changes will not restrict, limit or reduce the obligation of the Authority to pay the principal of, premium, if any, and interest on the Series 2009 Bonds as provided in the Bond Indenture or otherwise adversely affect the owners of the Series 2009 Bonds under the Bond Indenture, or (f) in connection with any other change therein which, in the judgment of the Bond Trustee (which judgment may be based upon an Opinion of Counsel), does not materially adversely affect the rights of the Bond Trustee or the owners of the Series 2009 Bonds; provided, however, that nothing summarized under this heading shall permit, or be construed as permitting, any amendment, change or modification of the Loan Agreement or Promissory Note that may result in anything described in clauses (i) through (vi) under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Supplemental Bond Indentures Requiring Consent of Bondholders," without the consent of each Bondholder affected and the Bank.

Amendments to Loan Agreement and Promissory Note Requiring Consent of Bondholders

Except for the amendments, changes or modifications as summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Amendments to Loan Agreement and Promissory Note Not Requiring Consent," neither the Authority nor the Bond Trustee shall consent to any other amendment, change or modification of the Loan Agreement or Promissory Note without the prior written consent of the Bank and the written approval or consent, given and procured as summarized under this heading, of the owners of not less than 51% in aggregate principal amount of the Series 2009 Bonds which are outstanding under the Bond Indenture at the time of execution of any such amendment, change or modification.

If at any time the Authority and the Borrower shall request the consent of the Bond Trustee to any such proposed amendment, change or modification of the Loan Agreement or Promissory Note, the Bond Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be mailed in the same manner as summarized under the heading "SUMMARY OF CERTAIN

PROVISIONS OF THE BOND INDENTURE – Supplemental Bond Indentures Requiring Consent of Bondholders" with respect to supplemental indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file at the Principal Office of the Bond Trustee for inspection by all Bondholders. The Bond Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail such notice, and any such failure shall not affect the validity of such amendment, change or modification when consented to and approved as summarized under this heading.

If the owners of not less than 51% in aggregate principal amount of the Series 2009 Bonds outstanding under the Bond Indenture at the time of the execution of any such amendment, change or modification and the Bank shall have consented to and approved the execution thereof as provided in the Bond Indenture, no owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Bond Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof.

The foregoing notwithstanding, without the consent of the Bank and each Bondholder affected, no amendment or supplement may effect any change or modification described in clauses (i) through (vi) under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Supplemental Bond Indentures Requiring Consent of Bondholders."

Before the Authority shall enter into, and the Bond Trustee shall consent to, any modification, alteration, amendment or supplement to the Loan Agreement or Promissory Note pursuant to the provisions summarized under this heading, there shall have been delivered to the Authority and the Bond Trustee an Opinion of Bond Counsel (with a copy to the Bank) stating that such modification, alteration, amendment or supplement is authorized or permitted by the Loan Agreement or the Bond Indenture and the Act, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the Authority in accordance with its terms and will not adversely affect any exclusion from gross income for federal income tax purposes to which interest on the Series 2009 Bonds would otherwise be entitled.

Defeasance

If the Authority shall pay or provide for the payment of the entire indebtedness on all Bonds outstanding (including, for the purpose of the defeasance provisions of the Bond Indenture, the Bank Bonds and any Bonds held by the Borrower) in any one or more of the following ways:

- (a) by paying or causing to be paid the principal of (including redemption premium, if any) and interest on all Bonds outstanding, as and when the same become due and payable;
- (b) by depositing with the Bond Trustee, in trust, at or before Maturity, moneys (which shall be Eligible Funds) in an amount sufficient to pay or redeem (when redeemable) all Bonds outstanding (including the payment of premium, if any, and interest payable on such Bonds to the Maturity or redemption date thereof); provided that such moneys, if invested, shall be invested in U.S. Government Obligations which are not callable or subject to prepayment prior to the date the moneys therefrom are anticipated to be required (purchased with Eligible Funds) in an amount, without consideration of any income or increment to accrue thereon, sufficient to pay or redeem (when redeemable) and discharge the indebtedness on all Bonds outstanding at or before their respective Maturity, and to pay all interest to accrue to the date of such payment and redemption (at the Maximum Rate for any period for which the rate is not then known), it being understood that the investment income on such U.S. Government Obligations may be used for any other purpose under the Act;
- (c) by delivering to the Bond Trustee, for cancellation by it, all Bonds outstanding; or
- (d) by depositing with the Bond Trustee, in trust, U.S. Government Obligations which are not callable or subject to prepayment prior to the date the moneys therefrom are anticipated to be required

(purchased with Eligible Funds) in such amount as will, together with the income or increment to accrue thereon, without consideration of any reinvestment thereof, and with any uninvested cash (which shall be Eligible Funds) be fully sufficient to pay or redeem (when redeemable) and discharge the indebtedness on all Bonds at or before their respective dates of Maturity and to pay all interest to accrue to the date of such payment and redemption (at the Maximum Rate for any period for which the rate is not then known);

and if the Authority shall pay or cause to be paid all other sums payable under the Bond Indenture by the Authority, then and in that case the Bond Indenture and the estate and rights granted under the Bond Indenture shall cease, determine and become null and void, and thereupon the Bond Trustee shall, upon Written Request of the Authority at the direction of the Borrower, and upon receipt by the Bond Trustee of an Officer's Certificate and an opinion of Independent Counsel, each stating that in the opinion of the signers all conditions precedent to the satisfaction and discharge of the Bond Indenture have been complied with, forthwith execute proper instruments acknowledging satisfaction of and discharging the Bond Indenture and the lien thereof; provided, however, if Bonds are to be redeemed or paid at Maturity more than 90 days after such deposit pursuant to the provisions summarized in clause (b) or (d) under this heading, the Borrower shall first deliver to the Bond Trustee the following: (i) a final official statement delivered in connection with the issuance of refunding bonds, if any; (ii) an accountants' verification report acceptable to the Bond Trustee pertaining to the escrow established pursuant to the provisions summarized in clause (b) or (d) under this heading to provide for the payment of the Series 2009 Bonds, which report shows, for the Series 2009 Bonds which do not bear interest at a Fixed Rate, interest calculated on the basis of the Maximum Interest Rate; (iii) an escrow deposit agreement acceptable to the Bond Trustee, which shall provide that no U.S. Government Obligations held pursuant thereto shall be sold, reinvested or substituted for unless (a) there shall be delivered a new report of the type referred to above in clause (ii) above and (b) the proceeds are reinvested in other U.S. Government Obligations; and (iv) an opinion of Independent Counsel that such Bonds are no longer Outstanding under the Bond Indenture.

In the event a forward purchase agreement is employed in connection with the refunding, such agreement shall be in such form, and shall be accompanied by opinions of counsel, acceptable to the Bond Trustee. Drafts of such forward purchase agreement and opinions shall be delivered to the Bond Trustee not less than five Business Days prior to the funding of any escrow. In such event, the Bond Trustee shall assign, transfer and turn over to the Borrower the trust estate under the Bond Indenture, including, without limitation, any surplus in the Bond Sinking Fund and any balance remaining in any other fund created under the Bond Indenture (other than said U.S. Government Obligations or other moneys deposited in trust as above provided). The satisfaction and discharge of the Bond Indenture shall be without prejudice to the rights of the Bond Trustee to charge and be reimbursed by the Authority and the Borrower for any expenditures which it may thereafter incur in connection therewith.

The Authority or the Borrower may at any time surrender to the Bond Trustee for cancellation by it any Bonds previously authenticated and delivered, which the Authority or the Borrower may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

Additional Requirements for Defeasance of Bonds

Bonds which do not bear interest at a Fixed Rate may only be defeased pursuant to the provisions summarized in clause (b) or (d) under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Defeasance" if (a) (i) such Bond matures or is called for redemption on or prior to the next date upon which such Bond is subject to optional or mandatory redemption or purchase pursuant to the Bond Indenture, or (ii) the deposit with the Bond Trustee pursuant to the provisions summarized in clause (b) or (d) under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Defeasance" shall be in an amount sufficient to pay the principal of and premium, if any, and interest (at the Maximum Interest Rate for any period where the rate on the Bonds has not been set) on any portion of the Series 2009 Bonds subject to optional or mandatory redemption or purchase pursuant to the Bond Indenture during the period prior to payment in full of principal, premium, if any, and interest payable on such Bonds, in which case any Tendered Bonds or optionally or mandatorily redeemed Bonds purchased or paid with moneys in the escrow will be canceled; (b) the Borrower waives, to the satisfaction of the Bond Trustee, its right to convert the method for determining the interest rate borne by such Bond pursuant to the Bond Indenture; and (c) in the case of an advance refunding, the Bond Trustee has received written notice from the Rating Agency that such rating will not be reduced or withdrawn upon such advance refunding.

Unclaimed Moneys

Any moneys deposited with the Bond Trustee by the Borrower in accordance with the terms and covenants of the Bond Indenture, in order to redeem or pay any Bond in accordance with the provisions of the Bond Indenture, and remaining unclaimed by the registered owner of the Bond for the period of time as is required by law, will be paid to the Borrower or, if required by law, to the officer, board or body as may then be entitled by law to receive it and thereafter the registered owner of the Bond shall be entitled to look only to the holder of those funds for payment thereof. If the Borrower makes arrangements satisfactory to the Authority or the Bond Trustee to indemnify the Authority or the Bond Trustee for any costs which it may incur due to the unavailability of moneys due to such investment, such moneys may be invested only in U.S. Government Obligations. Investment income on any such unclaimed moneys received by the Bond Trustee shall be deposited as summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Investment of Funds" until the final Maturity or redemption date of the Series 2009 Bonds. Any such income generated after such date shall be deemed to be unclaimed moneys of the type referred to in the first sentence of this paragraph and shall be disposed of in accordance with such sentence.

Consent of the Bank

No consent of or notice to the Bank is required under any provision of the Bond Indenture nor does the Bank have any right to receive notice of, consent to, direct or control any actions, restrictions, rights, remedies, waivers or accelerations pursuant to any provision of the Bond Indenture during any time when the Bank has not honored properly presented drawings under the Letter of Credit. The provisions of the Bond Indenture which require notice to, or an approval, consent or direction from, the Bank do not apply in the case of any Bank whose Letter of Credit, as of the date of such approval, consent or direction, is no longer effective or outstanding.

Rights of Bank as Holder of Series 2009 Bonds

For purposes of obtaining the consent of, or taking direction from, the holders of the Series 2009 Bonds pursuant to the Bond Indenture, including, without limitation, amending, modifying or waiving any term or provision of the Bond Indenture, while a Letter of Credit is in effect, for so long as such Letter of Credit is outstanding and the Bank is honoring properly presented drawings thereunder, the Bank issuing such Letter of Credit shall be deemed the sole holder of the outstanding Bonds for all purposes.

SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT

Payments in Respect of the Promissory Note and Loan Agreement; Purchase of Tendered Bonds

Payments of Principal and Interest. The Borrower covenants and agrees in the Loan Agreement to make the following payments under the Loan Agreement or in respect of the Promissory Note directly to the Bond Trustee for deposit into the appropriate fund established by the Bond Indenture, on the following dates:

Interest: On each Interest Payment Date for the Series 2009 Bonds in a Mode other than the Fixed Mode, an amount equal to the amount of the interest to become due on the Series 2009 Bonds on such Interest Payment Date; provided, however, that the Borrower may be entitled to certain credits on such payments as permitted under the Loan Agreement.

Principal: On each Principal Payment Date for the Series 2009 Bonds on or before the Conversion Date, an amount equal to the amount of the principal to become due on the Series 2009 Bonds on such Principal Payment Date; provided, however, the Borrower may be entitled to certain credits on such payments as permitted under the Loan Agreement.

The Borrower shall provide for the payment of the principal of, interest and premium, if any, on the Series 2009 Bonds (other than Excluded Bonds) by delivery of a Letter of Credit to the Bond Trustee which complies with the requirements of the Loan Agreement and the Bond Indenture.

Purchase of Tendered Bonds. The Borrower agrees in the Loan Agreement to provide for the payment of the Tender Price of Tendered Bonds that have not been successfully remarketed (other than Excluded Bonds) by delivery of a Letter of Credit to the Bond Trustee which complies with the requirements of the Loan Agreement and the Bond Indenture.

Failure of Bank to Pay on Letter of Credit. Notwithstanding the provision of a Letter of Credit pursuant to the provisions summarized under this heading and under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Letter of Credit," the Borrower covenants and agrees in the Loan Agreement to pay to the Bond Trustee on any Interest Payment Date or Principal Payment Date the amount of any shortfall in any payment on the Series 2009 Bonds summarized under this heading as specified in a notice from the Bond Trustee to the Borrower pursuant to the Bond Indenture. Any such payment shall be made to the Bond Trustee in immediately available funds no later than two hours prior to the end of the Business Day on any such Interest Payment Date or Principal Payment Date.

Letter of Credit

The Borrower covenants and agrees in the Loan Agreement to maintain in effect at all times in respect of the Series 2009 Bonds (other than Excluded Bonds) a Letter of Credit meeting the requirements of the Bond Indenture. Simultaneously with the original issuance and delivery of the Series 2009 Bonds, the Borrower shall cause to be delivered the initial Letter of Credit to the Bond Trustee.

The Borrower covenants and agrees in the Loan Agreement that it will not take any action which will impair its rights or the rights of any other party under any Letter of Credit or Reimbursement Agreement. In addition, without limiting the foregoing, the Borrower agrees in the Loan Agreement that, (a) with respect to any Reimbursement Agreement to which it is a party, it will not enter into any supplement or amendment to it which could have a material adverse effect on the Authority, the Series 2009 Bonds (including without limitation the validity thereof or the exemption from federal income tax of the interest paid thereon), any Bondholder or the Bond Trustee without the prior written consent of the Bond Trustee thereto and (b) there shall be no amendment whatsoever of any Letter of Credit (other than to extend the expiration date thereof) without the prior written consent of the Bond Trustee.

At any time the Borrower may, at its option, subject to the provisions of the then-effective Letter of Credit and Reimbursement Agreement, provide for the delivery to the Bond Trustee of a Substitute Letter of Credit in lieu of the Letter of Credit then in effect; provided that the requirements of the Bond Indenture are met.

Obligation of the Borrower Unconditional

The Borrower agrees in the Loan Agreement that its obligations to make the payments described in the Loan Agreement and the Promissory Note and to perform its obligations under the Loan Agreement and the Promissory Note are absolute and unconditional and are not subject to diminution by any defense (other than payment), by any right of set off, counterclaim or abatement, by the happening or non-happening of any event or for any other reason whatsoever.

Pledge of the Loan Agreement and the Promissory Note

Except for Unassigned Rights, all of the Authority's right, title and interest in the Loan Agreement and the Promissory Note (including the right to receive the payments to be made by the Borrower pursuant to the Promissory Note) have been assigned to the Bond Trustee by the Bond Indenture. The Borrower consents to that assignment and agrees in the Loan Agreement that the Bond Trustee may enforce any of the rights, privileges and remedies of the Authority under the Loan Agreement and the Promissory Note other than the Unassigned Rights.

Expense Fund or Construction Fund Insufficiency

If the moneys in the Expense Fund shall be insufficient to pay all of the Issuing Expenses, the Borrower shall be responsible for paying the difference from funds other than Bond proceeds. If there shall be any balance in the Issuing Expenses Fund remaining after the earlier of 90 days following the issuance and delivery of the Series 2009 Bonds, or the date the Bond Trustee receives a certification by an Authorized Borrower Representative that all Issuing Expenses have been paid, such remaining balance shall be transferred to the Construction Fund, or if the Construction Fund has been closed pursuant to the Loan Agreement, to the Surplus Construction Fund.

If the moneys in the Construction Fund shall be insufficient to pay the costs of completing the Project, the Borrower shall nevertheless complete the same and shall be responsible for causing the costs thereof to be paid.

Establishment of Project Completion Date

The Borrower shall evidence the completion of the Project by filing the following items with the Authority and the Bond Trustee: (a) an Officer's Certificate of the Borrower certifying, without prejudice to any rights against third parties (i) that the Project has been constructed, acquired and installed in accordance with Project Plans and Specifications, (ii) the date of Project completion and, if applicable, the respective dates of completion of each of the component phases of the Project, and (iii) that all labor, services, materials and supplies used to construct, acquire and install the Project have been paid in full, except for such portion thereof (which shall be identified in detail) which the Borrower is disputing in good faith and by appropriate proceeding; and (b) a certificate of substantial completion signed by the architect or engineer in charge of the Project designating the date of substantial completion of the Project. Upon such filing, the date specified in accordance with clause (b) above shall be the "Completion Date" for purposes of the Loan Agreement.

Expense Fund or Project Fund Insufficiency

If amounts in the Expense Fund available for the payment of Issuing Expenses are insufficient to pay Issuing Expenses in full, the Borrower agrees in the Loan Agreement to complete the payment of the Issuing Expenses from its own funds. If amounts in the Project Fund available for payment of the costs of the Project are insufficient to pay in full the costs of any discrete part of the Project and a portion of the costs of that part have been paid from proceeds of the Series 2009 Bonds, the Borrower agrees in the Loan Agreement to complete that part of the Project at its own expense.

Inspection of the Bond Financed Property

The Borrower agrees in the Loan Agreement that each of the Authority, the Bond Trustee, the Purchaser, the Bank and the authorized agents of any of them, on reasonable prior notice and as often as the Authority, the Purchaser, the Bank and the Bond Trustee reasonably determine to be desirable, (a) have the right at reasonable times to enter and have access to the Bond Financed Property or the Project and to examine and inspect it, or to repair and maintain the Bond Financed Property or the Project in the event the Borrower fails to do so, (b) will be permitted to discuss the affairs and finances of the Borrower with its officers and independent accountants and (c) will be permitted at all reasonable times to examine and copy the books and records of the Borrower with respect to the Bond Financed Property.

Sufficient Revenues

Notwithstanding any other provision of the Loan Agreement or any other of the Borrower's Documents, the Borrower unconditionally agrees in the Loan Agreement that it will pay pursuant to the Loan Agreement and the Promissory Note the full amount needed and at the times needed to enable the Authority to make timely payment of the principal of (whether due upon maturity, redemption, acceleration or otherwise), premium, if any, and interest on, the Series 2009 Bonds.

Maintenance of Tax Status

The Borrower agrees in the Loan Agreement that it will at all times while any Series 2009 Bonds are outstanding maintain its status as an organization described in Section 501(c)(3) of the Code and exempt from federal income taxation under Section 501(a) of the Code. The Borrower agrees in the Loan Agreement that it will not take any action or permit any action to be taken by others which will adversely affect its agreement made in this paragraph.

Financial Information and Reports

The Borrower agrees in the Loan Agreement to (1) keep proper books of record and account in which full, true and correct entries will be made of all its business and affairs in accordance with accounting principles generally accepted in the United States of America consistently maintained and (2) furnish to the specified parties certain financial information regarding the Borrower.

Tax Exempt Bonds

The Borrower and Authority intend that the interest paid on the Series 2009 Bonds will be excluded from the gross income of the owners of the Series 2009 Bonds for federal income tax purposes pursuant to Section 103 of the Code. The Borrower agrees in the Loan Agreement that it will not take any action or permit any action to be taken which would, or fail to take any action the omission of which would, cause an Event of Taxability to occur.

The obligations of the Borrower summarized under this heading shall survive a defeasance of the Series 2009 Bonds pursuant to the provisions summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Defeasance" and continue until all the Series 2009 Bonds have been paid in full.

Insurance

The Borrower agrees in the Loan Agreement, both generally and specifically with respect to the Facilities, that it will maintain or cause to be maintained, at its sole cost and expense, insurance with respect to its property and operations against such risks in such amounts as are customarily insured against by educational institutions of like size similarly situated, including specifically and without limitation (a) fire and extended coverage insurance on all buildings, structures and improvements, fixtures, equipment, furniture and furnishings in amounts sufficient to provide for not less than full recovery whenever the loss from causes covered by such insurance does not exceed 80% of the full insurable value of the property so insured, which insurance may be provided under a blanket insurance policy, (b) liability and (c) worker's compensation coverage to the extent required by law. Each policy required by the provisions summarized under this heading must be noncancellable except upon 30 days prior written notice to the Bond Trustee and the Authority. At least once every two fiscal years, the Borrower agrees in the Loan Agreement to deliver a certificate of an Independent Insurance Consultant to the Authority and the Bond Trustee which indicates that the insurance then being maintained by the Borrower meets the requirements of Loan Agreement summarized under this heading. The Borrower may self-insure or participate in pooled-risk insurance or similar programs if the Independent Insurance Consultant determines that it is prudent under the circumstances and the certificate required by the preceding sentence is delivered at least once each fiscal year with respect to those programs.

Sale or Transfer of Bond-Financed Property

The Borrower may sell, assign or otherwise transfer all or any part of its interest in the Bond-Financed Property and in connection therewith may assign all or any portion of its rights and privileges under the Loan Agreement, provided that:

- (a) if such sale, transfer or assignment involves (in a single transaction or any series of transactions) all or substantially all of the Borrower's assets, the Borrower shall comply with the provisions

summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Transfers of Assets;"

(b) the purchaser, transferee or assignee, as the case may be, shall have assumed in writing all obligations of the Borrower summarized under this heading, under the headings "SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Establishment of Completion Date" and "SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Tax Exempt Bonds" and in the Tax Exemption Agreement with respect to the property purchased, transferred or assigned;

(c) no such sale, transfer or assignment shall relieve the Borrower from primary liability for the performance of its obligations under the Loan Agreement and under the Promissory Note unless the sale, transfer or assignment is of all of the Bond Financed Property and the requirements summarized in clauses (a) through (d) under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Transfers of Assets" are met with respect to the purchaser, transferee or assignee, in which event the Borrower shall be released of all further obligation under the Loan Agreement and such purchaser, transferee or assignee shall become the "Borrower," for purposes of the Loan Agreement and of the Bond Indenture and the Promissory Note;

(d) the Borrower shall have delivered to the Bond Trustee and the Authority an opinion of Bond Counsel to the effect that such transaction will not violate the Act, adversely affect the legality of the Bonds or result in an Event of Taxability; and

(e) the Borrower shall have complied with any applicable provisions of the Reimbursement Agreement then in effect, if any, and the related collateral documents, if any.

Maintenance of Corporate Existence

The Borrower agrees in the Loan Agreement that, except as otherwise permitted by the provisions summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Transfers of Assets," it will maintain its corporate existence and shall be a regionally accredited, private, nonprofit, post-secondary educational institution under the laws of the State of Wisconsin and will neither dissolve nor institute any proceedings for dissolution.

Transfers of Assets

Except for transfers between the Borrower and the Foundation, the dissolution of the Foundation by distribution of its assets to the Borrower or the merger or consolidation of the Borrower and the Foundation, the Borrower agrees in the Loan Agreement that it will not (in a single transaction or any series of transactions) dissolve or otherwise dispose of all or substantially all its assets and will not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it; provided, however, that the Borrower may, without violating the foregoing, consolidate with or merge into another corporation, or permit one or more other corporations to consolidate with or merge into it, or transfer all or substantially all of its assets to another corporation (and thereafter be released of all further obligation under the Loan Agreement and dissolve or not dissolve as it may elect) if: (a) the resulting, surviving or transferee corporation, as the case may be, is a corporation incorporated and duly existing in good standing under the laws of one of the States of the United States of America; (b) such resulting, surviving or transferee corporation has obtained the prior written consent of the Bank, or if no Letter of Credit is in effect, the prior consent to such transaction from owners of not less than 51% in aggregate principal amount of the Series 2009 Bonds Outstanding at the time of the transaction (other than Borrower Bonds); (c) such resulting, surviving or transferee corporation expressly assumes in writing (delivered to the Authority and the Bond Trustee) all of the obligations of the Borrower contained in the Loan Agreement, the Continuing Disclosure Agreement, the Tax Exemption Agreement and the Promissory Note and any other document relating to the Loan made pursuant to the Loan Agreement (after which it shall be the "Borrower" for purposes thereof); and (d) the Borrower shall have delivered to the Bond Trustee and the Authority an opinion of Bond

Counsel to the effect that such transaction will not violate the Act or adversely affect the legality of the Bonds or result in an Event of Taxability.

Events of Default

The occurrence and continuance of any of the following events is an Event of Default under the Loan Agreement:

- (a) failure to pay when due the principal of (whether at maturity, redemption, acceleration, demand, mandatory purchase or otherwise), premium, if any, or interest on the Promissory Note; or
- (b) failure by the Borrower to observe and perform any covenant, condition or agreement summarized under the headings "SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Maintenance of Tax Status," " – Maintenance of Corporate Existence" or " – Transfers of Assets;"
- (c) failure by the Borrower to observe and perform any covenant, condition or agreement in the Borrower's Documents to be observed or performed by it, other than those described in clause (a) or (b) under this heading, for a period of thirty days after written notice specifying the failure and requesting that it be remedied is given to the Borrower by the Bond Trustee; provided that if the failure is one which can be remedied but cannot be remedied within that thirty day period, the Bond Trustee may grant an extension of the thirty day period if the Borrower institutes corrective action within that thirty day period and diligently pursues that action until the default is remedied; or
- (d) any representation or warranty made by the Borrower in the Borrower's Closing Certificate, any of the Borrower's Documents or any financial statement or other document delivered in connection with the issuance of the Series 2009 Bonds proving to be false or misleading in any material respect as of the date given or made;
- (e) the entry of a decree or order by a court of competent jurisdiction making the Borrower the subject of an "order for relief" within the meaning of the U.S. Bankruptcy Code, adjudging the Borrower bankrupt or insolvent or approving as properly filed a petition seeking reorganization of the Borrower under the U.S. Bankruptcy Code or any other federal or state law relating to bankruptcy or insolvency, appointing a receiver or decreeing or ordering the winding up or liquidation of the affairs of the Borrower or the sequestration of a substantial part of its property and any such decree or order remaining in force undischarged and unstayed for a period of 60 days;
- (f) the Borrower instituting proceedings requesting an "order for relief" under the U.S. Bankruptcy Code or requesting an adjudication that it is bankrupt or insolvent or consenting to the institution of bankruptcy or insolvency proceedings against it, the filing of a petition or answer or consent seeking reorganization or relief (other than as a creditor) for the Borrower under the U.S. Bankruptcy Code or any other federal or state law relating to bankruptcy or insolvency, the Borrower consenting to the appointment of a receiver, making an assignment for the benefit of creditors or admitting in writing its inability to pay its debts generally as they become due or action is taken by the Borrower in furtherance of any of these purposes;
- (g) the entry against the Borrower of one or more judgments involving an aggregate liability of \$1 million or more which are not appealable, are unstayed and are not being paid according to their terms unless the Bond Trustee has received an Opinion of Counsel to the effect that the judgments, except for amounts not exceeding \$1 million in the aggregate, including any related fees and expenses, are covered by insurance;

(h) the issuance and levy of one or more writs of attachment or garnishments against the property of the Borrower claiming in the aggregate, \$500,000 or more of the Borrower's property which is not released or appealed and bonded in a manner satisfactory to the Bond Trustee within 60 days; or

(i) the occurrence of an Event of Default under the Bond Indenture.

Remedies

Upon the occurrence of an Event of Default, the Authority, or the Bond Trustee on behalf of the Authority may, with the written consent of the Bank, and shall upon the written request of the Bank or upon the acceleration of the Bonds pursuant to the provisions summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Acceleration," declare the principal of and accrued interest on the Promissory Note (if not then due and payable) due and payable immediately, without the necessity of any action on the part of the Authority or the Bond Trustee, anything in the Promissory Note or in the Loan Agreement to the contrary notwithstanding.

Upon the occurrence of an Event of Default when no Letter of Credit is in effect, the Authority, or the Bond Trustee on behalf of the Authority, may and, upon receipt from the Bondholders of at least 25% of the principal amount of the Series 2009 Bonds then Outstanding of a request to do so, shall declare the principal of the Promissory Note (if not then due and payable) to be due and payable immediately.

Upon the occurrence of any Event of Default under the Loan Agreement, the Bond Trustee may, with the written consent of the Bank, take whatever action at law or in equity the Authority or the Bond Trustee deem necessary or desirable (i) to collect any amounts then due under the Loan Agreement or the Promissory Note, (ii) to enforce performance of any obligation, agreement or covenant of the Borrower under any of the Borrower's Documents or the Promissory Note or (iii) to otherwise enforce any of its rights.

None of the Authority's or the Bond Trustee's remedies under the Loan Agreement is exclusive of any other remedy or remedies. Each remedy given to the Authority or the Bond Trustee is cumulative and is in addition to every other remedy which is given or which now or hereafter exists at law, in equity or by statute. No delay or omission by the Authority or the Bond Trustee in the exercise of any right or power accruing upon an Event of Default under the Loan Agreement impairs the right or power or is a waiver of or acquiescence in any such Event of Default. Every right and power given by the Loan Agreement to the Authority or the Bond Trustee may be exercised from time to time and as often as may be deemed expedient by the Authority or the Bond Trustee. No waiver of any Event of Default under the Loan Agreement extends to or affects any subsequent Event of Default under the Loan Agreement or impairs any rights or remedies consequent thereon.

Notwithstanding anything contained in the Loan Agreement or in the Bond Indenture to the contrary, the Promissory Note shall not be accelerated unless there shall also be an acceleration of the Series 2009 Bonds.

Waivers of Events of Default

The Authority or the Bond Trustee may, with the consent of the Bank, waive any Event of Default under the Loan Agreement and its consequences and rescind any action previously taken and must do so upon receipt of a request from the Bondholders of a majority of the principal amount of the Series 2009 Bonds then Outstanding with the consent of the Bank.

There may not be waived, however, any Event of Default described in clause (a) under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Events of Default" unless, prior to the waiver, all arrears of principal, premium and interest, with Eligible Funds in the case of payments attributable to the Series 2009 Bonds prior to the Conversion Date, and all expenses of the Authority and the Bond Trustee in connection with the Event of Default under the Loan Agreement have been paid or provided for or any Event of Default described in clause (i) under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE LOAN

AGREEMENT – Events of Default" unless prior to the waiver, the Event of Default under the Bond Indenture giving rise to the Event of Default in said clause (i) has been waived or otherwise cured.

If any waiver or proceeding taken by the Authority or the Bond Trustee on account of any Event of Default under the Loan Agreement is discontinued, abandoned or determined adversely, then the Authority, the Borrower, the Bond Trustee, the Bank and the Bondholders will be restored to their respective former positions and rights under the Loan Agreement. No waiver summarized under this heading, whether by the Bond Trustee, the Authority, the Bank or the Bondholders, extends to or affects any subsequent or other Event of Default under the Loan Agreement or impairs any rights or remedies consequent thereon.

Remedies Subject to Law

All rights, remedies and powers given to the Authority or the Bond Trustee by the Loan Agreement may be exercised only to the extent that the exercise does not violate any applicable provision of law. All the provisions of the Loan Agreement are intended to be subject to all applicable mandatory provisions of law which may be controlling and to be limited to the extent necessary so that they will not render the Loan Agreement invalid or unenforceable under the provisions of any applicable law.

Consent of Bank

No consent of or notice to the Bank is required under any provision of the Loan Agreement nor does the Bank have any right to receive notice of, consent to, direct or control any actions, restrictions, rights, remedies, waivers or accelerations pursuant to any provision of the Loan Agreement during any time when the Bank has not honored a properly presented drawing under the Letter of Credit. The provisions of the Loan Agreement which require notice to, or an approval, consent or direction from, the Bank do not apply in the case of any Bank whose Letter of Credit is no longer outstanding.

Third Party Beneficiary

To the extent that the Loan Agreement confers upon or gives or grants to the Bank any right, remedy, or claim under or by reason of the Loan Agreement, the Bank is explicitly recognized as a third-party beneficiary under the Loan Agreement and may enforce any such right, remedy or claim conferred, given or granted under the Loan Agreement.

APPENDIX D

FORM OF BOND COUNSEL OPINION

May 21, 2009

We have acted as bond counsel in connection with the issuance by the Wisconsin Health and Educational Facilities Authority (the "Authority") of \$_____ of its Variable Rate Demand Revenue Refunding Bonds, Series 2009 (Concordia University Wisconsin, Inc.) (the "Bonds"). The Bonds are being issued pursuant to Chapter 231 of the Wisconsin Statutes (the "Act") and a resolution adopted by the Authority on May 19, 2009 (the "Resolution") and under a Bond Trust Indenture (the "Indenture") dated as of May 1, 2009 between the Authority and The Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee").

Under a Loan Agreement dated as of May 1, 2009 (the "Loan Agreement") between the Authority and Concordia University Wisconsin, Inc. (the "Borrower"), the Authority is loaning to the Borrower the proceeds from the sale of the Bonds to (a) refund the Authority's Variable Rate Demand Revenue Bonds, Series 2005 and Series 2006 (Concordia University of Wisconsin, Inc. Project), (b) finance costs of the projects described in the Loan Agreement, including payment of capitalized interest on the Bonds, and (c) pay certain costs incurred in connection with the issuance of the Bonds. The Borrower's obligation to repay the loan is evidenced by its Promissory Note, Series 2009 (the "Note") issued pursuant to the Loan Agreement.

The Bonds are issuable as fully registered bonds in denominations of \$5,000 or any multiple thereof and bear interest at the rates and mature on the dates and in the amounts provided in the Indenture. The Bonds are subject to redemption prior to maturity at the times, in the manner and upon the terms set forth in the Bonds and the Indenture. JPMorgan Chase Bank, N.A. has issued its irrevocable direct pay letter of credit dated the date hereof to support the Bonds (the "Letter of Credit").

We have examined (a) a copy of Bond numbered R-1, (b) the Loan Agreement, (c) the Note, (d) the Indenture, (e) a Tax Exemption Certificate and Agreement between the Authority, the Borrower and the Trustee (the "Tax Exemption Agreement") dated the date hereof and (f) the Resolution.

As to questions of fact material to our opinion, we have examined and relied upon the representations and certifications of officials of the Authority, the Borrower and others delivered in connection with the issuance of the Bonds (including certifications as to the use of proceeds of the Bonds and the operation and use of the property financed or refinanced therewith) without undertaking to verify the same by independent investigation. We have also relied upon a legal opinion dated the date hereof of Godfrey & Kahn, S.C., counsel to the Borrower, with respect to various matters concerning the Borrower, including (a) its status as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), which is exempt from federal income taxation pursuant to Section 501(a) of the Code and is not a private foundation as defined in Section 509(a) of the Code, (b) its corporate existence, (c) the

authorization, execution and delivery of the Loan Agreement, the Tax Exemption Agreement and the Note by the Borrower and (d) the validity, binding effect and enforceability of the Loan Agreement, the Tax Exemption Agreement and the Note against the Borrower. We have also examined such other documents we deemed relevant and necessary in rendering this opinion.

Based upon the examination described above, it is our opinion under existing law that:

1. The Authority is a public body corporate and politic created and existing under the laws of the State of Wisconsin and has authority under the Act to issue the Bonds and to enter into and perform its obligations under the Loan Agreement, the Tax Exemption Agreement and the Indenture.

2. The Bonds are in the form required by law and have been authorized, executed, issued and delivered in accordance with law, the Resolution and the Indenture. The Bonds are valid and binding limited obligations of the Authority and are entitled to the protection given by the Indenture except that enforceability may be limited by bankruptcy, insolvency, reorganization, arrangement, moratorium, fraudulent transfer or other laws affecting creditors' rights generally. Enforceability of the Authority's obligations is also subject to general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law). The principal of, premium, if any, and interest on the Bonds are payable solely out of the revenues derived from the Letter of Credit, the Note and the Loan Agreement, or, in the event of default of the Loan Agreement, as otherwise permitted by the Indenture or the Resolution and by law. The Bonds do not constitute or give rise to a pecuniary liability of the Authority or a charge against its general credit. The Authority has no taxing power.

3. The Loan Agreement, the Note, and the amounts payable under the Loan Agreement and the Note by the Borrower have been pledged and assigned under the Indenture as security for payment of the principal of, premium, if any, and interest on the Bonds. We have not been requested and express no opinion as to the validity or enforceability of the Letter of Credit issued by JPMorgan Chase Bank, N.A. with respect to the Bonds.

4. The Indenture, the Loan Agreement and the Tax Exemption Agreement have each been duly authorized, executed and delivered by the Authority, are each in full force and effect and, assuming the due authorization, execution and delivery of them by the other parties to them, constitute valid and legally binding agreements of the Authority except to the extent limited by bankruptcy, insolvency, reorganization, arrangement, moratorium, fraudulent transfer or other laws of general application relating to or affecting the enforcement of creditors' rights generally. Enforceability of the Authority's obligations is also subject to general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law).

5. The interest on the Bonds is excludable for federal income tax purposes from the gross income of the owners of the Bonds. The interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Code on corporations (as that term is defined for federal income tax purposes) and individuals and is not included in adjusted current earnings for purposes of computing the alternative minimum tax imposed on corporations. The Code contains requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be or continue to be excludable from the gross income of the owners of the Bonds for federal income tax purposes.

Failure to comply with certain of those requirements could cause the interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The Authority, the Borrower and the Trustee have agreed to comply with all of those requirements and the opinion set forth in the first sentence of this paragraph is subject to the condition that the Authority, the Borrower and the Trustee comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

The opinions expressed herein are based upon those facts and circumstances in existence and laws in effect on the date hereof, and we assume no obligation or responsibility to update or supplement this opinion letter to reflect any facts or circumstances which may hereafter come to our attention or any changes in laws which may hereafter occur.