



February 13, 2009

Department of Administration
Purchasing Division
Building 15
2019 Washington Street, East
Charleston WV 25305-0130

Re: FAR960055

Kensington Capital Corporation is pleased to submit this Lease Proposal to the State of West Virginia for your review. The terms and conditions of this proposal are subject to final approval of the appropriate credit committee, Lessor's approval of the Equipment, the execution by Lessor of mutually acceptable documentation and there having been no material adverse change in Lessee's financial condition from this date to any and all future funding dates. This is not a commitment.

The Lessee will be the "true" owner of the Equipment and will be entitled to claim any and all tax benefits. This will be a bank qualified, tax-exempt lease within the meaning of the Internal Revenue Code. Lessor will provide a taxable financing proposal if it is determined that the financing contemplated herein will not qualify for the tax-exempt status.

The Lease will be a net financial lease, and all fixed expenses associated with the possession, operation, and control of the Equipment, including (but not limited to) insurance, maintenance, and personal property taxes, are for the account of the Lessee.

Kensington Capital Corporation appreciates this opportunity to quote the State of West Virginia's leasing requirements. If we may be of further assistance, please do not hesitate to call.

Very truly yours,

A handwritten signature in black ink, appearing to read 'T. S. Hunter', is written over a horizontal line.

Timothy S. Hunter
Leasing Officer

RECEIVED

2009 FEB 18 P 3:24

PURCHASING DIVISION
STATE OF WV



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER
FAR960055

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF
**KRISTA FERRELL
 304-558-2596**

VENDOR

████████████████████
 Kensington Capital Corporation
 Attn: Jim Hunter
 Squirrel Hill Professional Building
 5725 forward Avenue, Suite 301
 Pittsburgh, PA 15217

SHIP TO

DEPARTMENT OF ADMINISTRATION
 FINANCIAL ACCOUNTING AND
 REPORTING SECTION
 2101 WASHINGTON ST E
 CHARLESTON, WV
 25305-1510 304-558-4083

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
02/03/2009				

BID OPENING DATE: **02/18/2009** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	EA		946-54		
<p>RFQ TO PROVIDE FINANCING FOR EQUIPMENT AND OTHER</p> <p>REQUEST FOR QUOTATION (RFQ)</p> <p>THE WEST VIRGINIA PURCHASING DIVISION FOR THE AGENCY, THE WEST VIRGINIA DIVISION OF FINANCE, IS SOLICITING BIDS TO PROVIDE THE AGENCY WITH CAPITAL FINANCING SERVICES FOR VARIOUS STATE AGENCIES IN THE FORM OF A MASTER LEASE PURCHASE AGREEMENT PER THE ATTACHED SPECIFICATIONS.</p> <p>TECHNICAL QUESTIONS CONCERNING THIS PROCUREMENT MUST BE SUBMITTED IN WRITING TO KRISTA FERRELL IN THE WEST VIRGINIA STATE PURCHASING DIVISION VIA FAX AT 304-558-4115 OR VIA EMAIL AT KRISTA.S.FERRELL@WV.GOV. DEADLINE FOR ALL TECHNICAL QUESTIONS IS 02/12/2009 AT THE CLOSE OF BUSINESS. ALL TECHNICAL QUESTIONS RECEIVED, IF ANY, WILL BE ANSWERED BY ADDENDUM AFTER THIS DEADLINE.</p> <p>QUESTIONS CONCERNING THE ACTUAL PROCESS BY WHICH A VENDOR MAY SUBMIT A BID TO THE STATE OF WEST VIRGINIA ARE NOT CONSIDERED TO BE TECHNICAL QUESTIONS AND MAY BE SUBMITTED AT ANY TIME PRIOR TO THE BID OPENING AND IN ANY FORMAT.</p> <p>BANKRUPTCY: IN THE EVENT THE VENDOR/CONTRACTOR FILES FOR BANKRUPTCY PROTECTION, THIS CONTRACT MAY BE DEEMED NULL AND VOID, AND TERMINATED WITHOUT FURTHER</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>[Signature]</i>	TELEPHONE 412-422-8161 x204	DATE 2/13/09
TITLE Leasing officer	FEIN 25-1815427	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

**GENERAL TERMS & CONDITIONS
REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)**

1. Awards will be made in the best interest of the State of West Virginia.
2. The State may accept or reject in part, or in whole, any bid.
3. All quotations are governed by the *West Virginia Code* and the *Legislative Rules* of the Purchasing Division.
4. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125 fee.
5. All services performed or goods delivered under State Purchase Order/Contracts are to be continued for the term of the Purchase Order/Contracts, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods, this Purchase Order/Contract becomes void and of no effect after June 30.
6. Payment may only be made after the delivery and acceptance of goods or services.
7. Interest may be paid for late payment in accordance with the *West Virginia Code*.
8. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
9. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
10. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
11. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern all rights and duties under the Contract, including without limitation the validity of this Purchase Order/Contract.
12. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
13. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, this Contract may be deemed null and void, and terminated without further order.
14. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (<http://www.state.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of the agreement. Provided that, the Agency meets the definition of a Cover Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.
15. **WEST VIRGINIA ALCOHOL & DRUG-FREE WORKPLACE ACT:** If this Contract constitutes a public improvement construction contract as set forth in Article 1D, Chapter 21 of the West Virginia Code ("The West Virginia Alcohol and Drug-Free Workplace Act"), then the following language shall hereby become part of this Contract: "The contractor and its subcontractors shall implement and maintain a written drug-free workplace policy in compliance with the West Virginia Alcohol and Drug-Free Workplace Act, as set forth in Article 1D, Chapter 21 of the West Virginia Code. The contractor and its subcontractors shall provide a sworn statement in writing, under the penalties of perjury, that they maintain a valid drug-free work place policy in compliance with the West Virginia and Drug-Free Workplace Act. It is understood and agreed that this Contract shall be cancelled by the awarding authority if the Contractor: 1) Fails to implement its drug-free workplace policy; 2) Fails to provide information regarding implementation of the contractor's drug-free workplace policy at the request of the public authority; or 3) Provides to the public authority false information regarding the contractor's drug-free workplace policy."

INSTRUCTIONS TO BIDDERS

1. Use the quotation forms provided by the Purchasing Division.
2. **SPECIFICATIONS:** Items offered must be in compliance with the specifications. Any deviation from the specifications must be clearly indicated by the bidder. Alternates offered by the bidder as **EQUAL** to the specifications must be clearly defined. A bidder offering an alternate should attach complete specifications and literature to the bid. The Purchasing Division may waive minor deviations to specifications.
3. Complete all sections of the quotation form.
4. Unit prices shall prevail in case of discrepancy.
5. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
6. **BID SUBMISSION:** All quotations must be delivered by the bidder to the office listed below prior to the date and time of the bid opening. Failure of the bidder to deliver the quotations on time will result in bid disqualifications: Department of Administration, Purchasing Division, 2019 Washington Street East, P.O. Box 50130, Charleston, WV 25305-0130



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER
FAR960055

PAGE
2

ADDRESS CORRESPONDENCE TO ATTENTION OF
**KRISTA FERRELL
 304-558-2596**

VENDOR

RFQ COPY
 TYPE NAME/ADDRESS HERE
*Kensington Capital Corporation
 5725 Forward Ave Suite 301
 Pittsburgh PA 15217*

SHIP TO

DEPARTMENT OF ADMINISTRATION
 FINANCIAL ACCOUNTING AND
 REPORTING SECTION
 2101 WASHINGTON ST E
 CHARLESTON, WV
 25305-1510 304-558-4083

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
02/03/2009				

BID OPENING DATE: **02/18/2009** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>ORDER.</p> <p>NOTICE</p> <p>A SIGNED BID MUST BE SUBMITTED TO:</p> <p>DEPARTMENT OF ADMINISTRATION PURCHASING DIVISION BUILDING 15 2019 WASHINGTON STREET, EAST CHARLESTON, WV 25305-0130</p> <p>THE BID SHOULD CONTAIN THIS INFORMATION ON THE FACE OF THE ENVELOPE OR THE BID MAY NOT BE CONSIDERED:</p> <p>SEALED BID</p> <p>BUYER: KRISTA FERRELL-FILE 21</p> <p>RFQ. NO.: FAR960055</p> <p>BID OPENING DATE: 02/18/2009</p> <p>BID OPENING TIME: 1:30 PM</p> <p>PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY TO CONTACT YOU REGARDING YOUR BID:</p> <p style="text-align: center;">-----412-422-9617-----</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>[Signature]</i>	TELEPHONE 412-422-8161 x204	DATE 2/13/09
TITLE Leasing officer	FEIN 25-1815427	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

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FAR960055

PAGE
3

ADDRESS CORRESPONDENCE TO ATTENTION OF:
**KRISTA FERRELL
 304-558-2596**

RFQ COPY

TYPE NAME/ADDRESS HERE

VENDOR

*Kensington Capital Corporation
 5725 Forward Ave Suite 301
 Pittsburgh PA 15217*

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02/03/2009				

BID OPENING DATE: **02/18/2009** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
CONTACT PERSON (PLEASE PRINT CLEARLY):						
				<i>Timothy S Hunter</i>		
***** THIS IS THE END OF RFQ FAR960055 ***** TOTAL: _____						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>Timothy S Hunter</i>	TELEPHONE <i>412-422-8161 x204</i>	DATE <i>2/13/2009</i>
TITLE <i>Leasing Officer</i>	FEIN <i>25-1815427</i>	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

RFQ #: FAR 960055
Cost Sheet

Bidders are asked to completed the below Costing Table. Vendors failing to complete this section in its entirety may be disqualified as the submitted bid may not be able to be evaluated.

Financing Period	Discount/Premium from H.15
3 Year Financing Term	<u>3 year interest rate swaps + 3.35%</u> minimum rate 5.09%
4 Year Financing Term	<u>4 year interest rate swaps + 3.35%</u> minimum rate 5.33%
5 Year Financing Term	<u>5 year interest rate swaps + 3.35%</u> minimum rate 5.50%
7 Year Financing Term	<u>7 year interest rate swaps + 3.35%</u> minimum rate 5.75%
Total :	<u>like term interest rate swaps + 3.35%</u> with above listed minimum interest rates.

The above Index amounts will remain fixed during the term of the Agreement and any renewal or extension thereof.

State of West Virginia VENDOR PREFERENCE CERTIFICATE

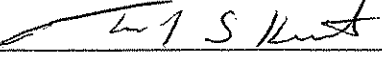
Certification and application* is hereby made for Preference in accordance with *West Virginia Code*, §5A-3-37. (Does not apply to construction contracts). *West Virginia Code*, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the *West Virginia Code*. This certificate for application is to be used to request such preference. The Purchasing Division will make the determination of the Resident Vendor Preference, if applicable.

1. **Application is made for 2.5% resident vendor preference for the reason checked:**
 Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; or,
 Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or,
 Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; or,
2. **Application is made for 2.5% resident vendor preference for the reason checked:**
 Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,
3. **Application is made for 2.5% resident vendor preference for the reason checked:**
 Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,
4. **Application is made for 5% resident vendor preference for the reason checked:**
 Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; or,
5. **Application is made for 3.5% resident vendor preference who is a veteran for the reason checked:**
 Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; or,
6. **Application is made for 3.5% resident vendor preference who is a veteran for the reason checked:**
 Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.

Bidder understands if the Secretary of Revenue determines that a Bidder receiving preference has failed to continue to meet the requirements for such preference, the Secretary may order the Director of Purchasing to: (a) reject the bid; or (b) assess a penalty against such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency or deducted from any unpaid balance on the contract or purchase order.

By submission of this certificate, Bidder agrees to disclose any reasonably requested information to the Purchasing Division and authorizes the Department of Revenue to disclose to the Director of Purchasing appropriate information verifying that Bidder has paid the required business taxes, provided that such information does not contain the amounts of taxes paid nor any other information deemed by the Tax Commissioner to be confidential.

Under penalty of law for false swearing (*West Virginia Code*, §61-5-3), Bidder hereby certifies that this certificate is true and accurate in all respects; and that if a contract is issued to Bidder and if anything contained within this certificate changes during the term of the contract, Bidder will notify the Purchasing Division in writing immediately.

Bidder: Kensington Capital Corporation Signed: 
Date: 2/13/2009 Title: Leasing officer

*Check any combination of preference consideration(s) indicated above, which you are entitled to receive.

RFQ No. FAR960055STATE OF WEST VIRGINIA
Purchasing Division**PURCHASING AFFIDAVIT****VENDOR OWING A DEBT TO THE STATE:**

West Virginia Code §5A-3-10a provides that: No contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and the debt owed is an amount greater than one thousand dollars in the aggregate.

PUBLIC IMPROVEMENT CONTRACTS & DRUG-FREE WORKPLACE ACT:

If this is a solicitation for a public improvement construction contract, the vendor, by its signature below, affirms that it has a written plan for a drug-free workplace policy in compliance with Article 1D, Chapter 21 of the *West Virginia Code*. The vendor **must** make said affirmation with its bid submission. Further, public improvement construction contract may not be awarded to a vendor who does not have a written plan for a drug-free workplace policy in compliance with Article 1D, Chapter 21 of the *West Virginia Code* and who has not submitted that plan to the appropriate contracting authority in timely fashion. For a vendor who is a subcontractor, compliance with Section 5, Article 1D, Chapter 21 of the *West Virginia Code* may take place before their work on the public improvement is begun.

ANTITRUST:

In submitting a bid to any agency for the state of West Virginia, the bidder offers and agrees that if the bid is accepted the bidder will convey, sell, assign or transfer to the state of West Virginia all rights, title and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the state of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the state of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to the bidder.

I certify that this bid is made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership or person or entity submitting a bid for the same materials, supplies, equipment or services and is in all respects fair and without collusion or fraud. I further certify that I am authorized to sign the certification on behalf of the bidder or this bid.

LICENSING:

Vendors must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agencies or political subdivision. Furthermore, the vendor must provide all necessary releases to obtain information to enable the Director or spending unit to verify that the vendor is licensed and in good standing with the above entities.

CONFIDENTIALITY:

The vendor agrees that he or she will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the agency's policies, procedures and rules. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/noticeConfidentiality.pdf>.

Under penalty of law for false swearing (*West Virginia Code* §61-5-3), it is hereby certified that the vendor affirms and acknowledges the information in this affidavit and is in compliance with the requirements as stated.

Vendor's Name: Kensington Capital CorporationAuthorized Signature: [Signature]Date: 01/13/2009

Federal Reserve Statistical Release

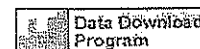


H.15

Selected Interest Rates

Release Date: January 26, 2009

[Release dates](#) | [Daily update](#) | [Historical data](#) | [Data Download Program \(DDP\)](#) | [About](#) | [Announcements](#)

 Current release [Other formats: Screen reader](#) | [ASCII](#) | [PDF \(17 KB\)](#)


FEDERAL RESERVE STATISTICAL RELEASE

 H.15 (519) SELECTED INTEREST RATES
 For use at 2:30 p.m. Eastern Time

Instruments	January 26, 2009							
	2009 Jan 19*	2009 Jan 20	2009 Jan 21	2009 Jan 22	2009 Jan 23	Week Jan 23	Ending Jan 16	2008 Dec
Yields in percent per annum								
Federal funds (effective) 1 2 3	0.19	0.20	0.23	0.21	0.18	0.20	0.10	0.16
Commercial Paper 3 4 5 6								
Nonfinancial								
1-month		0.15	0.25	0.17	0.24	0.20	0.13	0.25
2-month		0.25	0.28	0.30	0.22	0.26	0.24	0.71
3-month		0.34	0.35	0.29	0.27	0.31	0.29	0.97
Financial								
1-month		0.32	0.40	0.43	0.52	0.42	0.30	0.60
2-month		0.58	0.41	0.67	0.92	0.65	0.53	0.83
3-month		0.62	n.a.	n.a.	1.04	0.83	0.57	1.09
3-month nonfinancial or financial posted by CPFF 7								
Without surcharge		1.18	1.19	1.21	1.23	1.20	1.17	1.26
With surcharge		2.18	2.19	2.21	2.23	2.20	2.17	2.26
CDs (secondary market) 3 8								
1-month		0.35	0.38	0.43	0.42	0.40	0.29	1.04
3-month		1.03	1.05	1.07	1.03	1.05	0.85	1.77
6-month		1.52	1.58	1.57	1.62	1.57	1.39	2.18
Eurodollar deposits (London) 3 9								
1-month		1.00	1.00	1.00	1.00	1.00	0.90	1.75
3-month		1.75	1.75	1.80	1.80	1.78	1.75	2.47
6-month		2.30	2.30	2.35	2.35	2.33	2.34	2.97
Bank prime loan 2 3 10	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.61
Discount window primary credit 2 11	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.86
U.S. government securities								
Treasury bills (secondary market) 3 4								
4-week		0.03	0.03	0.03	0.03	0.03	0.04	0.03
3-month		0.13	0.11	0.10	0.11	0.11	0.12	0.03
6-month		0.30	0.30	0.29	0.30	0.30	0.29	0.26
1-year		0.41	0.42	0.41	0.44	0.42	0.41	0.47
Treasury constant maturities								
Nominal 12								
1-month		0.04	0.03	0.03	0.03	0.03	0.04	0.03
3-month		0.13	0.11	0.10	0.11	0.11	0.12	0.03
6-month		0.30	0.30	0.29	0.30	0.30	0.29	0.26
1-year		0.42	0.43	0.42	0.46	0.43	0.43	0.49
2-year		0.73	0.78	0.75	0.83	0.77	0.74	0.82
3-year		1.06	1.12	1.11	1.16	1.11	1.05	1.07
5-year		1.48	1.60	1.61	1.64	1.58	1.42	1.52
7-year		1.85	1.99	2.02	2.05	1.98	1.77	1.89
10-year		2.40	2.56	2.62	2.65	2.56	2.30	2.42
20-year		3.30	3.51	3.61	3.65	3.52	3.23	3.18
30-year		2.97	3.15	3.25	3.32	3.17	2.93	2.87
Inflation indexed 13								
5-year		1.45	1.56	1.52	1.55	1.52	1.49	1.76
7-year		1.60	1.72	1.71	1.70	1.68	1.60	1.96
10-year		1.82	1.98	1.97	1.93	1.93	1.77	2.17
20-year		2.35	2.65	2.60	2.57	2.54	2.29	2.32
Inflation-indexed long-term average 14		2.39	2.68	2.63	2.61	2.58	2.33	2.43
Interest rate swaps 15								
1-year		1.07	1.11	1.16	1.22	1.14	1.03	1.62
2-year		1.37	1.37	1.42	1.47	1.41	1.31	1.76

3-year	1.71	1.68	1.76	1.80	1.74	1.61	2.00
4-year	1.94	1.91	2.01	2.06	1.98	1.82	2.19
5-year	2.12	2.06	2.17	2.24	2.15	1.97	2.34
7-year	2.36	2.30	2.43	2.52	2.40	2.21	2.54
10-year	2.59	2.52	2.69	2.79	2.65	2.42	2.70
30-year	2.86	2.81	3.01	3.17	2.96	2.72	2.69
Corporate bonds							
Moody's seasoned							
Aaa 16	4.90	5.09	5.21	5.18	5.10	4.89	5.05
Baa	7.95	8.14	8.24	8.28	8.15	7.97	8.43
State & local bonds 17			5.13		5.13	4.80	5.56
Conventional mortgages 18			5.12		5.12	4.96	5.33

* Markets closed.
n.a. Not available.

Footnotes

- The daily effective federal funds rate is a weighted average of rates on brokered trades.
- Weekly figures are averages of 7 calendar days ending on Wednesday of the current week; monthly figures include each calendar day in the month.
- Annualized using a 360-day year or bank interest.
- On a discount basis.
- Interest rates interpolated from data on certain commercial paper trades settled by The Depository Trust Company. The trades represent sales of commercial paper by dealers or direct issuers to investors (that is, the offer side). The 1-, 2-, and 3-month rates are equivalent to the 30-, 60-, and 90-day rates reported on the Board's Commercial Paper Web page (www.federalreserve.gov/releases/cp/).
- Financial paper that is insured by the FDIC's Temporary Liquidity Guarantee Program is not excluded from relevant indexes, nor is any financial or nonfinancial commercial paper that may be directly or indirectly affected by one or more of the Federal Reserve's liquidity facilities. Thus the rates published after September 19, 2008, likely reflect the direct or indirect effects of the new temporary programs and, accordingly, likely are not comparable for some purposes to rates published prior to that period.
- CPFF refers to the Federal Reserve's Commercial Paper Funding Facility. The rates are identical under the CPFF for financial and nonfinancial commercial paper. An issuer of commercial paper into the CPFF may avoid the surcharge by providing a collateral arrangement or indorsement that is acceptable to the Federal Reserve Bank of New York. Source: Federal Reserve Bank of New York.
- An average of dealer bid rates on nationally traded certificates of deposit.
- Bid rates for Eurodollar deposits collected around 9:30 a.m. Eastern time.
- Rate posted by a majority of top 25 (by assets in domestic offices) insured U.S.-chartered commercial banks. Prime is one of several base rates used by banks to price short-term business loans.
- The rate charged for discounts made and advances extended under the Federal Reserve's primary credit discount window program, which became effective January 9, 2003. This rate replaces that for adjustment credit, which was discontinued after January 8, 2003. For further information, see www.federalreserve.gov/boarddocs/press/bcreg/2002/200210312/default.htm. The rate reported is that for the Federal Reserve Bank of New York. Historical series for the rate on adjustment credit as well as the rate on primary credit are available at www.federalreserve.gov/releases/h15/data.htm.
- Yields on actively traded non-inflation-indexed issues adjusted to constant maturities. The 30-year Treasury constant maturity series was discontinued on February 18, 2002, and reintroduced on February 9, 2006. From February 18, 2002, to February 9, 2006, the U.S. Treasury published a factor for adjusting the daily nominal 20-year constant maturity in order to estimate a 30-year nominal rate. The historical adjustment factor can be found at www.treas.gov/offices/domestic-finance/debt-management/interest-rate/ltcompositeindex_historical.shtml. Source: U.S. Treasury.
- Yields on Treasury inflation protected securities (TIPS) adjusted to constant maturities. Source: U.S. Treasury. Additional information on both nominal and inflation-indexed yields may be found at www.treas.gov/offices/domestic-finance/debt-management/interest-rate/index.html.
- Based on the unweighted average bid yields for all TIPS with remaining terms to maturity of more than 10 years.

15. International Swaps and Derivatives Association (ISDA(R)) mid-market par swap rates. Rates are for a Fixed Rate Payer in return for receiving three month LIBOR, and are based on rates collected at 11:00 a.m. Eastern time by Garban Intercapital plc and published on Reuters Page ISDAFIX(R)1. ISDAFIX is a registered service mark of ISDA. Source: Reuters Limited.

16. Moody's Aaa rates through December 6, 2001, are averages of Aaa utility and Aaa industrial bond rates. As of December 7, 2001, these rates are averages of Aaa industrial bonds only.

17. Bond Buyer Index, general obligation, 20 years to maturity, mixed quality; Thursday quotations.

18. Contract interest rates on commitments for fixed-rate first mortgages. Source: Primary Mortgage Market Survey(R) data provided by Freddie Mac.

 Note: Weekly and monthly figures on this release, as well as annual figures available on the Board's historical H.15 web site (see below), are averages of business days unless otherwise noted.

Current and historical H.15 data are available on the Federal Reserve Board's web site (www.federalreserve.gov/). For information about individual copies or subscriptions, contact Publications Services at the Federal Reserve Board (phone 202-452-3244, fax 202-728-5886). For paid electronic access to current and historical data, call STAT-USA at 1-800-782-8872 or 202-482-1986.

Description of the Treasury Nominal and Inflation-Indexed Constant Maturity Series

Yields on Treasury nominal securities at "constant maturity" are interpolated by the U.S. Treasury from the daily yield curve for non-inflation-indexed Treasury securities. This curve, which relates the yield on a security to its time to maturity, is based on the closing market bid yields on actively traded Treasury securities in the over-the-counter market. These market yields are calculated from composites of quotations obtained by the Federal Reserve Bank of New York. The constant maturity yield values are read from the yield curve at fixed maturities, currently 1, 3, and 6 months and 1, 2, 3, 5, 7, 10, 20, and 30 years. This method provides a yield for a 10-year maturity, for example, even if no outstanding security has exactly 10 years remaining to maturity. Similarly, yields on inflation-indexed securities at "constant maturity" are interpolated from the daily yield curve for Treasury inflation protected securities in the over-the-counter market. The inflation-indexed constant maturity yields are read from this yield curve at fixed maturities, currently 5, 7, 10, and 20 years.

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