

**RFQ #: FAR
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	Interest Swap rate (15) *
3 Year Financing Term	<u>2yr ave life x 65% plus</u>	200.77 basis points
4 Year Financing Term	<u>2yr ave life x 65% plus</u>	221.15 bps
5 Year Financing Term	<u>3yr ave life x 65% plus</u>	219.60 bps
7 Year Financing Term	<u>4yr ave life x 65% plus</u>	226.30 bps
Total :	<u>Please see proposal for full details</u>	

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

*weekending prior week dated Feb 13, 2009
spread will have a floor decrease of 25 bps and ceiling
limit of 50 bps increase.

RECEIVED

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PROCUREMENT DIVISION
STATE OF WV



Charles T. Maguire
Senior Vice President
Government Equipment Finance

Banc of America Public Capital Corp
VA2-300-18-02
1111 E. Main Street, 18th Floor
Richmond, VA 23219

Email: charles.maguire@bankofamerica.com
Tel: (804) 788-3345
Fax: (804) 788-3432

February 17, 2009

Krista Ferrell
Department of Administration
Purchasing Division
Building 15
2019 Washington, WV 25305-0130

Dear Ms. Ferrell,

Banc of America Public Capital Corporation ("BAPCC") on behalf of Bank of America, N.A. is pleased to submit to you ("Lessee") the lease financing proposal (the "Proposed Transaction") described in the attached Summary of Terms and Conditions (the "Term Sheet").

This letter and the Term Sheet (collectively, the "Proposal" or "Proposal Letter") include only a brief description of the principal terms of the Proposed Transaction, and are intended for discussion purposes only. This Proposal Letter is not intended to and does not create any binding legal obligation on the part of either party. **THIS PROPOSAL LETTER IS NOT, AND IS NOT TO BE CONSTRUED AS, A COMMITMENT OR OFFER BY BAPCC OR ANY RELATED ENTITY TO ENTER INTO THE PROPOSED TRANSACTION.** BAPCC will not be obligated to provide any financing until the satisfactory completion of its credit, legal and investment approval process. The terms and conditions of this Proposal Letter shall be superseded by and shall no longer be effective upon the execution and delivery of final legal documentation with respect to this Proposed Transaction.

This proposal is subject to documentation review, and credit and equipment review of each appendix of the MLPFA presented for funding.

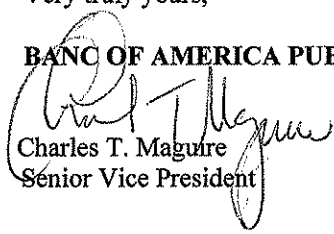
This Proposal must be accepted on or before **February 26, 2009** in order for BAPCC to proceed with its consideration of the Proposed Transaction. To accept this proposal, please sign the enclosed copy of this letter and return it, by no later than February 26, 2009 to:

Banc of America Public Capital Corp
1111 E. Main Street, 18th Floor
Richmond, VA 23832
P - 804-788-3345
F - 804-788-3432

We appreciate this opportunity to present Bank of America.

Very truly yours,

BANC OF AMERICA PUBLIC CAPITAL CORP


Charles T. Maguire
Senior Vice President

The undersigned, by its authorized representative below, accepts the above proposal, agrees to furnish Lessor, its successors and assigns, any information relating to the business or financial condition of Lessee or its affiliates, and authorizes Lessor, Bank of America N.A. and their affiliates to disclose to, discuss with and distribute such information (and any information they may already have) to any other affiliates or proposed assignees or successors of Lessor.

By: _____

Title: _____

Date: _____

Please provide Federal ID No.: _____

Insurance Information:

Carrier: _____

Contact: _____

Telephone No. _____

SUMMARY OF TERMS AND CONDITIONS

- Date:** February 9, 2009
- Lessee:** State of West Virginia – Purchasing Division of the Department of Administration
- Lessor:** Banc of America Public Capital Corp or its designee ("Lessor")
- Equipment:** Essential use assets subject to BAPCC approval. Any Aircraft must be non-corporate in nature.
- Lease Structure:** This Lease is a lease intended as a **NON-BANK QUALIFIED** security transaction; all tax benefits will remain with Lessee; the lease will be a net financial lease, and all expenses, including (but not limited to) insurance, maintenance, and taxes, will be for the account of Lessee.
- Availability:** The proposed line of credit will be in place for a period of one year, but may be extended for one (1) year subject to Lessor's sole discretion.
- Term:** Thirty-six (36) months with monthly payments.
Forty-eight (48) months with monthly payments.
Sixty (60) months with monthly payments.
Eighty-four (84) months with monthly payments.
- Lessee has option to select quarterly, semi-annual or annual payments but rates will be adjusted based on BAPCC pricing parameters.
- Maximum Funding:** \$20,000,000.
- Tax Exempt Rates:** The Indicative Rate in effect at the time of this Proposal is:
36 months (3 years) – 3.0415%
48 months (4 years) – 3.2450%
60 months (5 years) – 3.4700%
84 months (7 years) – 3.7450%
- Rate will be held for fifteen (15) business days from date of proposal as long as proposal is signed and returned to us by February 26, 2009.

PLEASE BE ADVISED THAT THE PROPOSED INDICATIVE PRICING SET FORTH ABOVE IS ONLY AVAILABLE FOR TRANSACTIONS THAT ARE FULLY FUNDED OR FOR SPECIFIC EQUIPMENT THAT HAS COMMENCED FUNDING UNDER A PROGRESS PAYMENT AGREEMENT PURSUANT TO THIS PROPOSAL WITHIN 90 DAYS OF THE DATE OF THIS PROPOSAL LETTER OR DECEMBER 31, 2009, WHICHEVER COMES FIRST. THEREAFTER, SECURED PARTY MAY AT ITS DISCRETION ADJUST ITS PRICING TO REFLECT ADVERSE CHANGES IN ITS COST OF FUNDS OR CHANGES GENERALLY IN MARKET CREDIT MARGINS.

Index: In the event the deal does not close before March 10, 2009, the rate will be adjusted based on the following formula which will be good for 90 days or December 31, 2009, whichever comes first:

36 months:	<i>Prior week ending (2 yrs) SWAPS x 65%, plus 200.77 basis points.</i>
48 months:	<i>Prior week ending (2 yrs) SWAPS x 65%, plus 221.15 basis points.</i>
60 months:	<i>Prior week ending (3 yrs) SWAPS x 65%, plus 219.60 basis points.</i>
84 months:	<i>Prior week ending (4yrs) SWAPS x 65%, plus 226.30 basis points.</i>

**Index Floor
And Ceiling:**

Lessor will cap any increase or decrease in the basis point spread by limiting any increase in the spread by 50 basis points and limiting any decrease in spread by 25 basis points. This will remain in effect throughout 2009 and be applied to any appendix that is funded after index expiration date of May 17, 2009.

Market

Disruption:

Notwithstanding anything contained herein to the contrary, in the event any material change shall occur in the financial markets after the date of this proposal letter, including but not limited to any governmental action or other event which materially adversely affects the extension of credit by banks, leasing companies or other lending institutions, Lessor/Lender may modify the indicative pricing described above.

End of

Term Option:

At the expiration of the Lease Term, Lessee will purchase all (but not less than all) the Equipment for \$1.00 ("Purchase Price").

Insurance:

Lessee may be required to provide, at its expense, casualty insurance (with such deductibles as Lessor may approve) Lessor has the ability, if necessary, to obtain and provide any insurance certificate required.

Prepayment:

The financing will contain a non-prepayment clause for the first half of each funding, then the outstanding principal balance of the lease may be prepaid in whole or in part at any time, together with all interest and late charges accrued through the date of prepayment and a prepayment charge calculated as follows: one percent (1%) of the amount prepaid multiplied by the number of years or fraction thereof remaining under the term of the loan documentation. Partial prepayments shall be applied against principal installments in their inverse order of maturity. Except as provided in the loan documentation, the lease may not be prepaid.

Governmental

Entity Lease:

The Base Rent installments are calculated on the assumptions, and Lessee will represent, that Lessee is a state or political subdivision of a state within the meaning of Section 103(c) of the Internal Revenue Code (the "Code"), that this transaction will constitute an obligation of Lessee within the meaning of Section 103(a) of the Code, notwithstanding Section 103(b) of the Code. Lessee shall provide Lessor with such evidence as Lessor may request to substantiate and maintain such tax status. Lessee will indemnify Lessor, on an after-tax basis, against any loss of Federal income tax exemption of the interest portion of the rentals and against any penalties and interest imposed by the Internal Revenue Service on Lessor in connection therewith on a lump-sum basis.

Non-Appropriation

Termination:

Lessee affirms that funds are available for the current fiscal year and reasonably believes that sufficient funds can be obtained to make all rental payments during each subsequent fiscal year. Lessee will regularly budget for and otherwise use its best efforts to obtain funds for the continuation of the rentals in this transaction.

Expenses:

Lessee and Lessor will each be responsible for its own expenses incurred in connection with the preparation, negotiation and closing of the lease documentation. There are no other fees or costs associated with this transaction.

AIRCRAFT – If there is a request for aircraft financing, lessee will be responsible for lessor's full expense of retaining a FAA counsel to assist with our closing.

Escrow

Account:

If Lessee so desires, subject to compliance with applicable regulations under the Internal Revenue Code, including, but not limited to arbitrage regulations, the proceeds of the Lease may be deposited in an escrow acceptable to Lessor, and disbursements made therefrom to pay for Equipment upon the execution and delivery of an acceptance certificate (and related documents) by Lessee and approved by Lessor.

Documents:

Lease documents in form and substance satisfactory to Lessor and its local counsel must be executed and delivered. If Lessor requests, Lessee will also furnish duly executed landlord and mortgage waivers and supporting information. Lessee will also provide board resolutions, incumbency certificates and other documentation required by Lessor.

Lessor has discovered several area's in the master lease supplied by lessee in the RFQ that will need to be negotiated.

Credit Due

Diligence:

In order to complete its credit due diligence, Banc of America Public Capital Corp Credit Administration will need you to provide:

- Three years of most recent audited financial statements;
- Most recent fiscal year's Budget;
- Insurance Certificate