



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  
**FAR960045**

PAGE  
**1**

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

**RFQ COPY  
 TYPE NAME/ADDRESS HERE**

VENDOR

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
<b>09/25/2008</b>				

**BID OPENING DATE: 10/21/2008 BID OPENING TIME 01:30PM**

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	LS		946-54		
<p><b>MASTER LEASE PURCHASE AGREEMENT</b></p> <p><b>RFQ</b></p> <p><b>TO PROVIDE FINANCING FOR EQUIPMENT AND OTHER CAPITAL FINANCING NEEDS OF VARIOUS STATE AGENCIES IN THE FORM OF A MASTER LEASE PURCHASE AGREEMENT PER THE ATTACHED SPECIFICATIONS.</b></p> <p><b>WRITTEN QUESTIONS WILL BE RECEIVED UNTIL THE CLOSE OF BUSINESS (4:30 PM) ON OCTOBER 7, 2008. QUESTIONS MAY BE EMAILED TO KRISTA.S.FERRELL@WV.GOV OR FAXED TO 304-558-4115.</b></p> <p><b>EXHIBIT 3</b></p> <p><b>LIFE OF CONTRACT/TERM: THE UNDERLYING AGREEMENT BETWEEN THE PURCHASING DIVISION OF THE DEPARTMENT OF ADMINISTRATION AND THE VENDOR KNOWN AS THE MASTER SALE AND PURCHASE AGREEMENT (AGREEMENT) WILL BECOME EFFECTIVE ON .....AND SHALL EXTEND FOR THE PERIOD OF ONE YEAR, SUBJECT TO ANY RENEWAL IN ACCORDANCE WITH THE RENEWAL PROVISION PROVIDED HEREIN AND THE AGREEMENT.</b></p> <p><b>RENEWAL: UPON WRITTEN MUTUAL AGREEMENT OF THE PARTIES, THE AGREEMENT MAY BE RENEWED UNDER THE TERMS AND CONDITIONS FOR A MAXIMUM OF TWO (2) ADDITIONAL TERMS OF ONE (1) YEAR EACH. A WRITTEN RENEWAL NOTICE, AS</b></p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
TITLE	FEIN	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."

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**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  
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<p>INITIATED BY EITHER PARTY EVIDENCING THE INTENT TO RENEW THE AGREEMENT, SHALL BE PROVIDED TO THE OTHER PARTY AT LEAST NINETY (90) DAYS PRIOR TO THE EXPIRATION OF THE TERM OF THE AGREEMENT. IF THE PARTIES INTEND TO RENEW BUT HAVE NOT ACTUALLY ENTERED INTO A RENEWAL AGREEMENT PRIOR TO THE EXPIRATION OF TH AGREEMENT, THE TERMS AND CONDITIONS SHALL REMAIN THE SAME UNTIL SUCH REASONABLE TIME THEREAFTER AS IS NECESSARY TO ABTAIN A RENEWAL AGREEMENT. THE "REASONABLE TIME" PERIOD SHALL NOT EXCEED TWELVE (12) MONTHS. IF NO RENEWAL NOTICE IS PROVIDED TO ONE PARTY BY THE OTHER PARTY PRIOR TO EXPIRATION, THIS AGREEMENT IS SUBJECT TO TERMINATION AS PROVIDED HEREUNDER AND THE AGREEMENT.</p> <p>TERMINATION: THE VENDOR MAY TERMINATE THE AGREEMENT ONLY UPON EXPIRATION OF THE TERM BY PROVIDING THE DIRECTOR OF THE PURCHASING DIVISION WITH A THIRTY (30) DAY WRITTEN NOTICE PRIOR TO THE EXPIRATION OF THE CURRENT TERM.</p> <p>THE DIRECTOR OF THE PURCHASING DIVISION OF THE DEPARTMENT OF ADMINISTRATION RESERVES THE RIGHT TO TERMINATE THE AGREEMENT IMMEDIATELY UPON WRITTEN NOTICE TO THE VENDOR IF THE COMMODITIES AND/OR SERVICES SUPPLIED ARE OF AN INFERIOR QUALITY OR DO NOT CONFORM TO THE SPECIFICATIONS OF THE BID AND THE AGREEMENT.</p> <p>THE DIRECTOR OF THE PURCHASING DIVISION OF THE DEPARTMENT OF ADMINISTRATION MAY TERMINATE THE AGREEMENT FOR ANY REASON UPON PROVIDING THE VENDOR A THIRTY (30) DAY WRITTEN NOTICE THEREOF.</p> <p>OPEN MARKET CLAUSE: THE DIRECTOR OF PURCHASING MAY AUTHORIZE A SPENDING UNIT TO PURCHASE ON THE OPEN MARKET, WITHOUT THE FILING OF A REQUISITION OR COST</p>						

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PURCHASER

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<b>09/25/2008</b>				

BID OPENING DATE: **10/21/2008**      BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>ESTIMATE, ITEMS SPECIFIED ON THIS CONTRACT FOR IMMEDIATE DELIVERY IN EMERGENCIES DUE TO UNFORESEEN CAUSES (INCLUDING BUT NOT LIMITED TO DELAYS IN TRANSPORTATION OR AN UNANTICIPATED INCREASE IN THE VOLUME OF WORK.)</p> <p>BANKRUPTCY: IN THE EVENT THE VENDOR/CONTRACTOR FILES FOR BANKRUPTCY PROTECTION, THIS CONTRACT IS AUTOMATICALLY NULL AND VOID, AND IS TERMINATED WITHOUT FURTHER ORDER.</p> <p>THE TERMS AND CONDITIONS CONTAINED IN THIS CONTRACT SHALL SUPERSEDE ANY AND ALL SUBSEQUENT TERMS AND CONDITIONS WHICH MAY APPEAR ON ANY ATTACHED PRINTED DOCUMENTS SUCH AS PRICE LISTS, ORDER FORMS, SALES AGREEMENTS OR MAINTENANCE AGREEMENTS, INCLUDING ANY ELECTRONIC MEDIUM SUCH AS CD-ROM.</p> <p>REV. 04/11/2001</p> <p style="text-align: center;">NOTICE</p> <p>A SIGNED BID MUST BE SUBMITTED TO:</p> <p style="text-align: center;">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>						

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09/25/2008				

BID OPENING DATE: **10/21/2008** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
SEALED BID  BUYER: KF-21  RFQ. NO.: FAR960045  BID OPENING DATE: 10/21/08 BID OPENING TIME: 1:30PM  PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY TO CONTACT YOU REGARDING YOUR BID:  ----- CONTACT PERSON (PLEASE PRINT CLEARLY):  -----  ***** THIS IS THE END OF RFQ FAR960045 ***** TOTAL: _____						

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# **RFQ #: FAR960045**

## **Master Financing Services**

Specifications:

### **Section 1: Operating Environment**

#### **1.1 Background:**

The state of West Virginia has held a statewide financing contract since 1996. There have been (35) appendices from 2004-2008. The annual usage of the statewide financing contract since 2004 has varied from \$4 million to \$9.4 million. We would not anticipate using more than \$4 million prior to 12/31/08 and after that would expect to use \$9 to \$11 million annually. The average finance package over the duration of the contract has been \$936,966.00. The financing contract will be available to all West Virginia State Agencies.

### **Section 2: Scope of Work**

#### **2.1 Terms of the Master Lease Purchase Agreement:**

The Master Lease Purchase Agreement will control each financing completed, contemplating that an appendix evidencing each financing will be issued through a separate purchase order for each user agency referencing the Agreement. As each agency has its own various accounts, a separate appendix and purchase order must be issued for each financing. The Lessor shall have the sole right to accept or reject an appendix to the MLPA.

Each appendix will include the State Agency, source of funding, use of equipment, beginning date, term, list of equipment, payment schedule, essential use certificate, tax compliance agreement, no arbitrage certificate, and opinion of counsel, if needed. The payment schedule will specify the amount financed, rate, term payment due dates, and the principal balance, payment amount, and interest for each payment. A form appendix is attached to the Agreement. A copy of the acceptance certificate and request for payment is also attached.

A representative of the Department of Administration will coordinate all efforts between Purchasing and the Bidder(s) in finalizing the Agreement and between the user agencies and the Bidder(s) in preparing appendices. The State Comptroller's Office will prepare all documents necessary (the appendices and acceptance certificate and request for payment), and will submit documents to the Purchasing Division for final processing. All purchase orders released against the contract will be signed by the Director of Purchasing or designee.

The rate of interest will be based upon a percentage of an Index (defined in Section 2.2) and will be fixed on the date of execution of an appendix with payments to be made in arrears. The initial lease payment will be due on the first day of the month following the month in which the appendix was effective, with subsequent payments due on the first day of each following month for the term of the financing, unless otherwise agreed. Lease payments will be calculated on a level payment basis, using a single fixed rate of interest for either: three, four, five, or seven year terms. Interest will be calculated on a 360/365 day basis. Please specify any prepayment penalties or premiums, if applicable.

## 2.2 Equipment or Capital Expenditures to Be Purchased

The purchase will be obtained in accordance with Purchasing laws, regulations, and policies, and will consist of personal property capitol expenditures deemed essential. Each financing will be worth a minimum of \$100,000.00 in total purchased. Several items for an agency may be combined into one (1) appendix. Therefore, funds for the appendices will need to be escrowed. Bidders must be able to provide escrowed funds or offer an alternative acceptable to the State.

Total purchases under the Agreement shall not exceed \$20,000,000.00 for any year. The State does not guarantee that any purchases will be made during the term of the Agreement. It is also not known how the lease amounts will be distributed among the three, four, five, and seven year terms. Furthermore, the exact equipment or capitol expenditure needs of the agencies are not know and will not be surveyed for the purpose of this Request for Quotation (RFQ). However, a listing of equipment financed in the last three (3) years pursuant to the similar financing agreement is attached for the sole purpose of demonstrating past uses and is not to be construed as an indication of future uses.

The State plans to finance only essential needs and to finance such over a period not to exceed its useful life or eight years which ever is less. The Lessor may reject any financing at its sole discretion. If the Lessor objects to the determination of the State, the Agreement may be terminated at the discretion of the State.

The State of West Virginia may opt to purchase aircraft under this contract. Attached is a copy of the Aircraft Addendum.

### 2.3 Rate

Each bidder is required to bid a percentage of the index for each of the three, four, five, and seven year lease terms for monthly payments in arrears, as indicated on the attached bid form. The percentage of the index will remain fixed during the term of the Agreement and any renewal or extension thereof. The index is defined as the interest rate SWAP, as reported by the Federal Reserve on a weekly average basis for the week preceding the date of execution of an appendix and as published weekly by the Federal Reserve in Publication H.15, a copy of which is attached for reference purposes.

### **Section 3: Compliance with Laws and Regulations**

The contractor shall procure all necessary permits and licenses to comply with all applicable laws, Federal, State, or municipal, along with all regulations, and ordinances of any regulating body.

### **Section 4: Cost**

Please see attached Cost Sheet. Bidders are asked to complete this sheet in its entirety and return with their bid.

### **Section 5: Documentation**

Sample documentation is attached for your review. Final documentation shall be negotiated and approved by State and Lessor upon award.



**Section 6: Attachments**

- Attachment A: State of West Virginia Master Lease Program Submission Form
- Attachment B: Aircraft Addendum to Master Lease Purchase Financing Agreement
- Attachment C: Listing of State Equipment Financed From 2004-2008
- Attachment D: Selected Interest Rate Schedule

**RFQ #: FAR960045**  
**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	_____
4 Year Financing Term	_____
5 Year Financing Term	_____
7 Year Financing Term	_____
Total :	_____

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

STATE OF WEST VIRGINIA  
MASTER LEASE PROGRAM  
SUBMISSION FORM

Date: \_\_\_\_\_

Appendix Number 200x-XX

State Unit Requiring Equipment: \_\_\_\_\_

Contact (Name & Title): \_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

Contact Address: \_\_\_\_\_

Invoicing Address: \_\_\_\_\_

Description of Equipment Usage:

Nature of State Unit's Operation: \_\_\_\_\_

Equipment Description: \_\_\_\_\_

How is this equipment essential to operation? \_\_\_\_\_

Is this replacement or additional equipment? \_\_\_\_\_

If replacement, how old is current equipment and how often is equipment normally replaced? \_\_\_\_\_

What is the expected useful life of this equipment? \_\_\_\_\_

Equipment Cost: \_\_\_\_\_ Term Requested: \_\_\_\_\_

Down Payment: \_\_\_\_\_ Anticipated Delivery Date: \_\_\_\_\_

Amount Financed: \_\_\_\_\_

Is the agency a subunit of the State's General Revenue Fund? \_\_\_\_\_

If yes, we do not need financial statements.

If no, please submit financial statements and current fiscal year operating budget.

\*\* Attach a copy of the purchasing requisition

We have reviewed the above request and certify that the request complies with the standards for the State Master Lease Program and certify that as of the request, it is our reasonable belief that funds will be available to make lease payments throughout the lease term.

\_\_\_\_\_  
Department of Administration

\_\_\_\_\_  
Date

\_\_\_\_\_  
FINANCING VENDOR

\_\_\_\_\_  
Date

**MASTER LEASE PURCHASE FINANCING AGREEMENT  
PURCHASE ORDER FAR XXXX  
APPENDIX # 200x-XX**

**THIS APPENDIX** ("Appendix"), made this XXth day of MONTH/YEAR, by and between FINANCING VENDOR, ("Lessor") and AGENCY, ("Lessee"), to that MASTER LEASE PURCHASE FINANCING AGREEMENT ("Agreement") dated DATE, by and between Lessor and the Purchasing Division of the Department of Administration of the State of West Virginia ("Purchasing").

The parties hereto do mutually covenant and agree, as follows:

1. This Appendix is made a part of the Agreement and hereby attached thereto and the terms and conditions of the Agreement control this Appendix.
2. The term of this Appendix shall commence ACCRUAL DATE, and shall terminate in accordance with the Agreement.
3. The Equipment financed by Lessor is listed in the attached Equipment Schedule.
4. Payments shall be made by Lessee in accordance with the attached Payment Schedule and the Agreement.
5. Funds in the amount of \$principal amount will be deposited in an escrow account. If the dollar amount in this paragraph 5 is zero, then no funds have been deposited into escrow for this Appendix.

This is one of two serially numbered, manually executed counterparts of this document. To the extent that this Appendix constitutes chattel paper under the Uniform Commercial Code, a security interest in this Appendix may be created through the transfer and possession of Counterpart No. 1 only, without the need to transfer possession of any other original or counterpart or copy of this Appendix or any original or counterpart or copy of any exhibits, addenda, schedules, certificates, riders or other documents and instruments executed and delivered in connection with this Appendix.

WITNESS THE FOLLOWING SIGNATURES:

LESSOR: FINANCING VENDOR

LESSEE: AGENCY

BY: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

APPROVED: \_\_\_\_\_  
Department of Administration

**Counterpart No. 1 - Lessor's Original**

**MASTER LEASE PURCHASE FINANCING AGREEMENT  
PURCHASE ORDER FAR XXXXX  
APPENDIX # 200x-XX**

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WITNESS THE FOLLOWING SIGNATURES:

LESSOR: FINANCING VENDOR

LESSEE: AGENCY

BY: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

APPROVED: \_\_\_\_\_  
Department of Administration

**Counterpart No. 2 - Lessee's Copy**

Equipment Schedule to APPENDIX No. 200x-XX  
See Attached Purchase Order  
AGENCY

PO#	Vendor	Item	Quantity	Unit Price	Total	AC#	Balance
-----	--------	------	----------	------------	-------	-----	---------

## PAYMENT SCHEDULE ( )

This Payment Schedule is attached and made a part of the Appendix identified below which is part of the Master Lease-Purchase Agreement identified therein, which are between the Lessee and Lessor named below. Lessor shall retain any interest accruing from the Accrual Date to the closing date.

Appendix 2004-xx:

Accrual Date: June 28, 2007  
 Amount Financed: \$110,766.14  
 Interest Rate: 4.45%

Payment Number	Payment Date	Total Payment	Principal Component	Interest Component	Prepayment Price *
1	07/28/2007	\$2,062.50	\$1,651.73	\$410.77	\$114,570.12
2	08/28/2007	2,062.50	1,657.86	404.64	112,829.37
3	09/28/2007	2,062.50	1,664.01	398.49	111,082.16
4	10/28/2007	2,062.50	1,670.18	392.32	109,328.46
5	11/28/2007	2,062.50	1,676.38	386.12	107,568.27
6	12/28/2007	2,062.50	1,682.59	379.91	105,801.55
7	01/28/2008	2,062.50	1,688.83	373.67	104,028.27
8	02/28/2008	2,062.50	1,695.10	367.4	102,248.42
9	03/28/2008	2,062.50	1,701.38	361.12	100,461.97
10	04/28/2008	2,062.50	1,707.69	354.81	98,668.90
11	05/28/2008	2,062.50	1,714.02	348.48	96,869.17
12	06/28/2008	2,062.50	1,720.38	342.12	95,062.77
13	07/28/2008	2,062.50	1,726.76	335.74	93,249.67
14	08/28/2008	2,062.50	1,733.16	329.34	91,429.85
15	09/28/2008	2,062.50	1,739.59	322.91	89,603.28
16	10/28/2008	2,062.50	1,746.04	316.46	87,769.94
17	11/28/2008	2,062.50	1,752.52	309.98	85,929.80
18	12/28/2008	2,062.50	1,759.01	303.49	84,082.83
19	01/28/2009	2,062.50	1,765.54	296.96	82,229.02
20	02/28/2009	2,062.50	1,772.09	290.41	80,368.33
21	03/28/2009	2,062.50	1,778.66	283.84	78,500.74
22	04/28/2009	2,062.50	1,785.25	277.25	76,626.23
23	05/28/2009	2,062.50	1,791.87	270.63	74,744.75
24	06/28/2009	2,062.50	1,798.52	263.98	72,856.32
25	07/28/2009	2,062.50	1,805.19	257.31	70,960.87
26	08/28/2009	2,062.50	1,811.88	250.62	69,058.40
27	09/28/2009	2,062.50	1,818.60	243.9	67,148.87
28	10/28/2009	2,062.50	1,825.35	237.15	65,232.25
29	11/28/2009	2,062.50	1,832.11	230.39	63,308.53
30	12/28/2009	2,062.50	1,838.91	223.59	61,377.68
31	01/28/2010	2,062.50	1,845.73	216.77	59,439.66
32	02/28/2010	2,062.50	1,852.57	209.93	57,494.46
33	03/28/2010	2,062.50	1,859.44	203.06	55,542.05
34	04/28/2010	2,062.50	1,866.34	196.16	53,582.39
35	05/28/2010	2,062.50	1,873.26	189.24	51,615.47
36	06/28/2010	2,062.50	1,880.21	182.29	49,641.25
37	07/28/2010	2,062.50	1,887.18	175.32	47,659.72
38	08/28/2010	2,062.50	1,894.18	168.32	45,670.83

39	09/28/2010	2,062.50	1,901.20	161.3	43,674.57
40	10/28/2010	2,062.50	1,908.25	154.25	41,670.91
41	11/28/2010	2,062.50	1,915.33	147.17	39,659.81
42	12/28/2010	2,062.50	1,922.43	140.07	37,641.26
43	01/28/2011	2,062.50	1,929.56	132.94	35,615.22
44	02/28/2011	2,062.50	1,936.71	125.79	33,581.68
45	03/28/2011	2,062.50	1,943.90	118.6	31,540.58
46	04/28/2011	2,062.50	1,951.11	111.39	29,491.92
47	05/28/2011	2,062.50	1,958.34	104.16	27,435.66
48	06/28/2011	2,062.50	1,965.60	96.9	25,371.78
49	07/28/2011	2,062.50	1,972.89	89.61	23,300.25
50	08/28/2011	2,062.50	1,980.21	82.29	21,221.03
51	09/28/2011	2,062.50	1,987.55	74.95	19,134.10
52	10/28/2011	2,062.50	1,994.92	67.58	17,039.42
53	11/28/2011	2,062.50	2,002.32	60.18	14,936.99
54	12/28/2011	2,062.50	2,009.75	52.75	12,826.76
55	01/28/2012	2,062.50	2,017.20	45.3	10,708.70
56	02/28/2012	2,062.50	2,024.68	37.82	8,582.78
57	03/28/2012	2,062.50	2,032.19	30.31	6,448.98
58	04/28/2012	2,062.50	2,039.72	22.78	4,307.28
59	05/28/2012	2,062.50	2,047.29	15.21	2,157.62
60	06/28/2012	2,062.50	2,054.88	7.62	
	<b>TOTALS</b>	<b>\$123,750.00</b>	<b>\$110,766.14</b>	<b>\$12,983.86</b>	



**CERTIFICATE OF ESSENTIAL USE**

THE UNDERSIGNED, \_\_\_\_\_ of the \_\_\_\_\_, on behalf of the named Lessee in that certain Appendix No. 2004-XX to the Lease Purchase Financing Agreement ("Appendix") dated DATE with FINANCING VENDOR, Lessor, hereby certifies as follows:

1. The Equipment will be used by the lessee for the specific purpose of INSERT PURPOSE
2. The Equipment is essential for the functioning of the Lessee and is immediately needed by Lessee. Such need is neither temporary nor expected to diminish during the term of the Agreement. The Equipment is expected to be used by Lessee for a period in excess of the term of the Appendix.
3. Funds for lease payments are expected to come from type of revenue.
4. The Appendix was issued under and pursuant to West Virginia law to finance the acquisition of the Equipment described therein.
5. Pursuant to the Appendix, Lessee is entitled to receive the Equipment in consideration for the obligation under the Appendix. The Equipment will be used in furtherance of the public purposes of Lessee. The Lessee does not intend to sell or to otherwise dispose of the Equipment during the term of the Appendix.
6. Lessee expects to make lease payments from its annual appropriation. The remaining funds of the Lessee are not reasonably expected to be used to make such payments and no other monies are pledged to the Appendix.
7. Lessee has not received notice that this certificate may not be relied upon with respect to its own debt issues nor has it been advised that any adverse action by the Commissioner of the Internal Revenue Service is contemplated.
8. None of the proceeds of the Appendix or the investment earnings thereon will be used, directly or indirectly, in any trade or business carried on or by any person other than a "governmental unit" within the meaning of Section 141(b) (6) of the Internal Revenue code of 1986, as amended ("Code").
9. In compliance with Section 149 (a) of the Code, Lessee agrees to affix a copy of each notification of assignment to Lessee's counterpart of the Appendix.
10. No more than 10% of the use of the Equipment in any month will be by persons or entities other than the Lessee or its employees on matters relating to such employment, and no more than 5% of use of the Equipment in any month will be

unrelated to use by or for the Lessee. No management contract shall be entered into with respect to the Equipment unless (a) at least half of the compensation is on a periodic, fixed-fee, basis; (b) no compensation is based on a share of net profits; and (c) Lessee is able to terminate the contract without penalty at the end of any commitment period.

11. The undersigned has the power and authority to execute this Certificate on behalf of Lessee.

To the best of my knowledge, information and belief, the expectations expressed herein are reasonable and there are no facts, estimates or circumstances other than those expressed herein that would materially affect the expectations herein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_\_ day of \_\_\_\_\_, 200X.

---

AGENCY, Lessee

**TAX COMPLIANCE AGREEMENT  
AND  
NO ARBITRAGE CERTIFICATE**

THIS TAX COMPLIANCE AGREEMENT AND NO ARBITRAGE CERTIFICATE ("Certificate") is issued in connection with the Master Lease Purchase Agreement dated as of DATE (the "Agreement") by and between FINANCING VENDOR, ("Lessor") and the Purchasing Division of the Department of Administration of the State of West Virginia ("Purchasing"), on behalf of duly organized and existing agencies thereof that enter into appendices pursuant thereto ("Lessees").

In connection with the execution and delivery of Appendix No. 2004-XX and related documents (consisting of a Payment Schedule, Equipment Schedule to Appendix No. 2004-XX, Certificate of Essential Use, and Opinion of Lessee's Counsel), all dated as of DATE and constituting Appendix No. 2004-XX under the Agreement (collectively, the "Appendix"), Purchasing and the Lessee ("Lessee") that will be using the items of Equipment subject to the Appendix, by duly authorized officers, hereby certify as follows with respect to the financing of \$PRINCIPAL AMOUNT (the "Takedown Amount") of Equipment pursuant to the Appendix and the Agreement:

1. In General.

- 1.1 This Certificate is executed for the purpose of establishing the reasonable expectations of Purchasing and the Lessee on the date hereof as to future events regarding the financing of certain equipment by Lessee as described in the Agreement and all related documents executed pursuant thereto, including the Appendix.
- 1.2 The undersigned are duly authorized to, and are executing and delivering this Certificate with respect to Purchasing on behalf of Purchasing as an officer of Purchasing, and with respect to the Lessee on behalf of Lessee as an officer of Lessee, each delegated with the responsibility of reviewing, executing and administering the Agreement and the Appendix. This Certificate may be relied upon as the certificate of Purchasing and the Lessee.
- 1.3 The undersigned are familiar with the facts, circumstances and estimates herein certified. To the best of the undersigned's knowledge, information and belief, the expectations contained in this Certificate are reasonable.
- 1.4 Neither Purchasing nor the Lessee has been notified of any listing or proposed listing of it by the Internal Revenue Service as an issuer whose certifications as to arbitrage and related matters may not be relied upon, or of any disqualification of Purchasing or the Lessee by the Internal Revenue Service because a certification made by Purchasing or the Lessee contains a material misrepresentation.

2. Purpose of the Appendix.

The Appendix has been entered into by the Lessee for the purpose of financing the cost of acquiring, equipping and installing certain equipment which is essential to the governmental functions of the Lessee (the "Equipment"), which Equipment is or will be more specifically described in the Acceptance Certificates and Requests for Payment executed or to be executed by the Lessee and made a part of the Appendix. The Appendix was executed and delivered by the Lessee pursuant to the Lease for the purpose of obtaining funds to be paid to the vendors of the Equipment. Included as part of the Appendix is a Payment Schedule which sets forth the principal and interest components of each Lease Payment to be made by the Lessee under the financing transaction evidenced by the Appendix and the Lease. The aggregate principal amount of the financing shown on the Payment Schedule, being the Takedown Amount, is expected to be used to pay the acquisition cost of the Equipment to vendors of the Equipment within six months of the date hereof, with the acquisition cost of each item of Equipment to be paid to the vendor thereof upon execution and delivery by the Lessee to the Lessor of an Acceptance Certificate and Request for Payment with respect thereto.

3. Proceeds of Appendix.

3.1 Of the total Takedown Amount of \$PRINCIPAL AMOUNT, \$0 is to be paid to Lessee or the vendors of the Equipment by the Lessor on the date hereof pursuant to Acceptance Certificate(s) and Request(s) for Payment executed by Lessee and attached to the Appendix. The remaining balance of the Takedown Amount, or \$PRINCIPAL AMOUNT, plus interest earnings thereon (the "Acquisition Fund") is expected to be used to pay the remaining acquisition costs of the Equipment on or before the six-month anniversary of the date hereof as a result of the Lessee submitting Acceptance Certificate(s) and Request(s) for Payment with respect thereto by such date. Pending use of the Acquisition Fund to pay Equipment acquisition costs, such amount will be held by the Escrow Agent in escrow, with interest earnings thereon being credited to the account of the Lessee. In the event that the full Acquisition Fund, plus interest earnings thereon, has not been used to pay acquisition costs of Equipment on or before the six-month anniversary of the date hereof, the Lessee hereby agrees that such failure shall constitute notice that no additional funds are needed from the Acquisition Fund created with the proceeds of the Appendix and directs the Lessor to apply such remaining amount, less expenses, on such date first against the lease payment due on that date or, if no lease payment, with any amount remaining after such application to be applied to prepayment of Lessee's lease payment obligation under the Appendix.

3.2 To the extent that the Acquisition Fund is invested in certificates of deposit, time deposits or demand deposits with a bank or savings institution provided that such is insured by the Federal Deposit Insurance Corporation, the Lessee will insure that the certificates of deposit are traded on an active secondary market or the financial institution accepting such deposits has certified that the deposits produce a market yield equal to or in excess of the yield on Treasury securities or comparable obligations traded on an active secondary market.

- 3.3 Payments due under the Payment Schedule included as part of the Appendix will be made from funds of Lessee with monies appropriated to it. Lessee does not expect that any sinking or other similar fund for the payment of the principal of and interest on the amount financed pursuant to the Appendix will be created or established.
  - 3.4 The Lessee does not expect to sell or otherwise dispose of the Equipment being financed pursuant to the Appendix, in whole or in part, at a date which is significantly earlier than the due date of the final lease payment due under the Payment Schedule included as part of the Appendix.
  - 3.5 The Takedown Amount represents and equals the purchase price of Appendix. By a Certificate attached hereto as Exhibit A, the Lessor has set out information regarding the fair market value at which the Lessor could transfer its interest in the lease of Equipment pursuant to the Appendix.
4. Exempt Use.
    - 4.1 None of the proceeds of the financing pursuant to the Appendix, or the Equipment, will be used in any "private business use" within the meaning of Section 141(b)(6) of the Internal Revenue Code of 1986, as amended (the "Code").
    - 4.2 None of the proceeds of the financing pursuant to the Appendix will be used, directly or indirectly, to make or finance any loans to non-governmental entities or to any governmental agencies other than Lessee.
5. No Federal Guarantee.
    - 5.1 Payment of the principal or interest due under the Payment Schedule included as part of the financing pursuant to the Appendix is not directly or indirectly guaranteed, in whole or in part, by the United States or an agency or instrumentality thereof.
    - 5.2 No portion of the proceeds of the financing pursuant to the Appendix shall be (i) used in making loans the payment of principal or interest of which are to be guaranteed, in whole or in part, by the United States or any agency or instrumentality thereof, or (ii) invested, directly or indirectly, in federally insured deposits or accounts if such investment would cause the financing pursuant to the Appendix to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

6. Miscellaneous.

- 6.1 The Lessee agrees to comply with the rebate requirement set forth in Section 148(f) of the Code in the event that for any reason the entire proceeds of the Appendix are not expended, and the Acquisition Fund fully depleted, within six months from the date hereof such that Section 148(f)(4)(B) is applicable to the financing pursuant to the Appendix.
- 6.2 The Lessee shall keep a complete and accurate record of all owners or assignees of the Agreement and the financing of Equipment pursuant to the Appendix in form and substance satisfactory to comply with Section 149(a) of the Code.
- 6.3 The Lessor or the Escrow Agent, as applicable shall maintain complete and accurate records establishing the expenditure of the proceeds of the financing pursuant to the Appendix and interest earning thereon.

IN WITNESS WHEREOF, We have executed this Tax Compliance Agreement and No Arbitrage Certificate on behalf of the Purchasing Division of the Department of Administration of the State of West Virginia and the agency of the State of West Virginia named below, as of the \_\_\_\_\_ day of \_\_\_\_\_, 200X.

ATTEST:

\_\_\_\_\_

STATE OF WEST VIRGINIA:  
 Purchasing Division of the Department  
 Of Administration

By: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

AGENCY, Lessee:

By: \_\_\_\_\_

**EXHIBIT A**

**TO TAX COMPLIANCE AGREEMENT  
AND NO ARBITRAGE CERTIFICATE**

**CERTIFICATE OF LESSOR**

FINANCING VENDOR, as Lessor ("Lessor"), under the Master Lease Purchase Financing Agreement dated as of August 27, 2004 (the "Agreement") between the Lessor and the Purchasing Division of the Department of Administration of the State of West Virginia ("Purchasing"), on behalf of the agencies of the State specified as lessees on the appendices attached to the Agreement ("Lessees") and under the Appendix and related documents constituting Appendix No. 2004-XX under the Agreement (the "Appendix"), which Appendix relates to the financing of \$PRINCIPAL AMOUNT of Equipment and was executed and delivered by AGENCY, as the Lessee (the "Lessee") to the Lessor on the date hereof, hereby certifies as follows in connection with the Lessee's execution of the Appendix.

1. On the date hereof, the Lessor has acquired its interest in the Appendix for the aggregate purchase price of \$PRINCIPAL AMOUNT. No payment was made in respect to accrued interest on the Appendix.
2. The Lessor acknowledges that any assignment of the Appendix must comply with the terms of Article 14 of the Agreement.
3. As of the date hereof the fair market value of the Appendix is not greater than \$PRINCIPAL AMOUNT.

IN WITNESS WHEREOF, this Certificate is executed on behalf of the Lessor as of the \_\_\_\_\_ day of \_\_\_\_\_, 200X.

ATTEST/WITNESS:

\_\_\_\_\_

FINANCING VENDOR

By: \_\_\_\_\_

**OPINION OF COUNSEL LETTER**

FINANCING VENDOR  
ADDRESS

Re: Appendix #200x-XX to WV Master Lease  
Purchase Financing Agreement

Dear Sir or Madam:

As counsel for AGENCY, Lessee, I have examined a duly executed original of the Appendix to the Master Lease Purchase Financing Agreement ("Appendix") dated DATE between Lessee and FINANCING VENDOR, Lessor. Based upon this examination and upon such other examination as I have deemed appropriate, I am of the opinion that:

1. Lessee is a public agency, legally existing under the laws of the State of West Virginia.
2. The Appendix has been duly authorized, executed and delivered by Lessee and is a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms.
3. To the best of my knowledge, no litigation is pending or threatened in any court or other tribunal, state, or federal, in any way affecting the validity of the Appendix.
4. The signature of the official of Lessee, as it appears on the Appendix, is true and genuine. I know said official and know him to hold the position set forth below his name.
5. The Equipment leased pursuant to the Appendix constitutes personal property and when subjected to use by Lessee will not be or become fixtures under applicable law.
6. West Virginia is a political subdivision within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended, and the related regulations and rulings.

Very truly yours,

Deputy Attorney General



**ACCEPTANCE CERTIFICATE AND REQUEST FOR PAYMENT**

NUMBER

APPENDIX # 200x-XX

The Lessee, agency, hereby accepts the Equipment described below and requests the Lessor, FINANCING VENDOR, to pay to the person or corporation designated below as Payee, the sum set forth below in payment of the acquisition and installation costs of the Equipment in accordance with the Appendix issued to that Agreement between Lessor and the Purchasing Division of the Department of Administration of the State of West Virginia, on behalf of Lessee, dated DATE. The amount shown below is due and payable under the invoice of the Payee with respect to the Equipment and has not formed the basis of any prior request for payment. This Certificate is based upon facts, circumstances, estimates and expectations of Lessee as of the date on which the Appendix was executed, and to the best of my knowledge and belief, as of this date, such facts, circumstances and estimates are true and correct and such expectations are reasonable.

PAYEE:

AMOUNT: \$

DESCRIPTION OF EQUIPMENT: See Attached

DATED:

LESSEE: AGENCY

ESCROW ACCOUNT: LEASE SCHEDULE:

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

LESSOR: FINANCING VENDOR

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

**AIRCRAFT ADDENDUM TO  
MASTER LEASE PURCHASE FINANCING AGREEMENT**

**AIRCRAFT ADDENDUM** ("Aircraft Addendum") to Master Lease Purchase Financing Agreement dated the 16<sup>th</sup> day of August 2004, by and between \_\_\_\_\_ ("Lessor"), and the PURCHASING DIVISION of the Department of Administration of the State of West Virginia, on behalf of the Lessees specified in the appendices attached thereto ("Purchasing") hereinafter (the "Agreement").

Capitalized terms used in this Aircraft Addendum, but not otherwise defined herein, shall have the meanings ascribed to them in Annex A attached hereto and made a part hereof. Execution of an Aircraft Appendix, by Lessor and a Lessee shall be deemed to constitute execution and acceptance of the terms and conditions of this Aircraft Addendum, and it shall supplement and be a part of the Agreement.

The parties hereto do mutually covenant and agree as follows:

1. **Conditions Precedent.** In addition to any conditions described in the Agreement, Lessee hereby agrees that Lessor's obligation to advance funds for the purchase of an Aircraft shall be both subject to and conditioned upon the satisfaction of all of the conditions specified on Annex B attached hereto and made a part hereof.
2. **Grant of Security Interest.** Notwithstanding any provision to the contrary in the Agreement, as collateral security for the prompt and complete payment and performance as and when due of all of the Obligations, Lessee hereby grants to Lessor a continuing first priority security interest in and lien on, and collaterally assigns to Lessor, all of Lessee's right, title and interest in, to and under all of the following collateral (collectively, the "Collateral"): (i) the Aircraft, (ii) the Airframe, (iii) each of the Engines, (iv) the Parts, (v) the Records; (vi) all present and future Third Party Agreements; (vii) any and all Associated Rights; and (viii) all Proceeds of the foregoing. The foregoing shall not be deemed in any way whatsoever as an agreement by Lessor to permit or allow Lessee to enter into any Third Party Agreements, and Lessee shall only be allowed to enter into any of the foregoing in accordance with the express terms of the Agreement.
3. **Consent to Registration of International Interest.** Lessee hereby consents to the registration of any International Interest arising in connection with any Operative Document in favor of Lessor and hereby authorizes its Professional User Entity to consent to the registration (including all Final Consents thereto) of any International Interest with the International Registry upon request therefor by Lessor. On the Closing Date, Lessee hereby agrees to authorize its Professional User Entity to consent to the registration(s) of any International Interest(s).
4. **No Disposition of Collateral or Liens.** Notwithstanding any provision to the contrary in the Agreement, Lessee shall not sell, assign, charter, lease, timeshare, pool, interchange, convey, mortgage, exchange or otherwise transfer or relinquish possession of or dispose of the Aircraft, any part thereof or any of the other Collateral or attempt or offer to do any of the foregoing. In addition, Lessee shall not relinquish possession of the Airframe, any APU, Engine or Part or install any APU, Engine or Part, or permit any APU, any Engine or Part to be installed, on any airframe other than the Airframe except as expressly permitted herein. The foregoing shall not be deemed to prohibit the delivery of possession of the Aircraft, any APU, Engine or Part to another Person for testing, service, repair, maintenance, overhaul or, to the extent permitted hereby, for alteration or modification. Lessee will not create, assume or suffer to exist any Liens on or with respect to the Aircraft, any APU, Engine, Part or any of the other Collateral, or Lessee's interest therein other than Permitted Liens. Lessee will promptly take such action as directed by Lessor to duly discharge any such Lien. If Lessee fails to remove a Lien, Lessor may take such action as it deems appropriate to remove such Lien, but without waiving its other rights hereunder. Lessee will warrant and defend its good and marketable title to the Aircraft and Lessor's first and only perfected security interest in the Collateral, against all claims and demands whatsoever.

5. Use of Aircraft; Maintenance; Modifications; Loaner Engines; Identification; Security.

- (a) Lessee will operate the Aircraft under and in compliance with Part 91 of the FARs; shall retain operational control of the Aircraft at all times; and shall base the Aircraft at the primary hangar location set forth in the Aircraft Appendix. The Aircraft shall be used solely in a passenger configuration for which Lessee is duly authorized by the FAA, and shall at all times will be operated by duly qualified pilots having satisfied all requirements established and specified by the FAA, the Transportation Security Administration, any other applicable governmental authority and the insurance policies required under this Aircraft Addendum.
- (b) Lessee will operate the Aircraft in a careful and proper manner in compliance with all Applicable Standards, including, without limitation, its operation, maintenance and security. The Aircraft shall not be operated, used or located outside the continental United States, except that it may be flown temporarily to any country in the world for any purpose expressly permitted under the Agreement. Notwithstanding the foregoing, the Aircraft shall not be flown, operated, used or located in, to or over any such country or area (temporarily or otherwise), (i) with which the U.S. does not maintain favorable diplomatic relations, (ii) in any area of recognized or threatened hostilities, or (iii) in violation of the Agreement or any Applicable Standards, including any U.S. law or United Nations Security Council Directive.
- (c) Lessee will, at its own expense, (i) maintain, inspect, service, repair, overhaul and test the Airframe, each Engine, any APU and each Part in accordance with Applicable Standards; (ii) make any alteration or modification to the Aircraft that may at any time be required to comply with Applicable Standards, to cause the Aircraft to remain airworthy or to maintain the Aircraft's airworthiness certification; (iii) furnish all parts, replacements, mechanisms, devices and servicing required therefor so that the condition and operating efficiency of the applicable Airframe, Engine, APU or Part will at all times be no less than its condition and operating efficiency as and when delivered to Lessee, ordinary wear and tear from proper use alone excepted; (iv) promptly replace all Parts that become worn out, lost, stolen, taken, destroyed, damaged beyond repair or permanently rendered or declared unfit for use for any reason whatsoever; (v) maintain (in English) all Records in accordance with Applicable Standards; and (vi) enroll and maintain the Airframe in a Computerized Maintenance Monitoring Program and the Engines in the Engine Maintenance Program. All repairs, parts, replacements, mechanisms and devices so furnished shall immediately, without further act, become part of the Aircraft and subject to the security interest created by this Aircraft Addendum. All maintenance procedures shall be performed by properly trained, licensed, and certified maintenance sources and maintenance personnel utilizing replacement parts approved by the FAA and the manufacturer of the applicable Airframe, Engine, APU or Part. Without limiting the foregoing, Lessee shall comply with all mandatory service bulletins and airworthiness directives by causing compliance to such bulletins and/or directives to be completed through corrective modification in lieu of operating manual restrictions.
- (d) Lessee will not make or authorize any improvement, change, addition or alteration to the Aircraft that will impair the originally intended function or use of the Aircraft, diminish the value of the Aircraft as it existed immediately prior thereto, or violate any Applicable Standard; and any Part, mechanism, device or replacement added to the Aircraft in connection therewith shall immediately, without further act, become part of the Aircraft and subject to the security interest created by the Operative Documents.
- (e) Lessee shall prominently display on each Aircraft the FAA Registration number specified on the Aircraft Appendix covering such Aircraft.
- (f) In the event any Engine is damaged, being inspected, repaired or overhauled, Lessee, at its option, may temporarily substitute another engine of the same make and model as the Engine being repaired or overhauled (any such substitute engine being hereinafter referred to as a "Loaner Engine") during

the period of such repair or overhaul; provided no Event of Default or Default has occurred and is continuing and (i) installation of the Loaner Engine is performed by a maintenance facility certified by the FAA and manufacturer with respect to an aircraft of this type, (ii) the Loaner Engine is removed and the repaired or overhauled original Engine is reinstalled on the Airframe promptly upon completion of the repair or overhaul but in no event later than the earlier of ninety (90) days after removal or the occurrence of an Event of Default, and (iii) the Loaner Engine is free and clear of any Lien that might impair Lessor's rights or interests in the Aircraft and is maintained in accordance herewith.

- (g) Lessee shall implement all security measures and systems necessary or appropriate for the proper protection of the Aircraft (whether on the ground or in flight) against theft, vandalism, hijacking, destruction, bombing, terrorism or similar acts. Upon Lessor's request (but without Lessor having any obligation with respect to Lessee's compliance with the provisions of this Section 5(g)), Lessee shall provide Lessor with evidence of Lessee's compliance with its obligations under this Section 5(g).

6. **Condition Upon Return.** If returned to Lessor for any reason under the Agreement, including but not limited to: an Event of Default, an event of Non-Appropriation, or repossession; the Aircraft (i) shall have a currently effective FAA airworthiness certificate; (ii) shall be free and clear of all Liens; (iii) shall be in the same configuration, coloring and appearance and in the same operating condition (ordinary wear and tear excepted) as when accepted by Lessee on the Closing Date or, at Lessor's option, Lessee shall pay to Lessor an amount equal to the actual cost of such restoration; (iv) shall be in good operating condition, physical condition and appearance (ordinary wear and tear excepted), with all systems operating normally; (v) shall have no damage history, unless such damage has been repaired in accordance with the Lease; and (vi) shall otherwise be in compliance with all Applicable Standards.

7. **Miscellaneous.** Notwithstanding any provisions to the contrary in the Agreement regarding the limitation of Lessee's actions following an Event of Non-Appropriation, an Assignment, or Lessor's exercise of Remedies on Default; Lessee agrees to deliver all such documentation required by the FAA and the Cape Town Convention that are necessary to effect the transfers contemplated in Sections 6, 14 and 19 of the Agreement.

ANNEX A**DEFINITIONS**

The following terms shall have the following meanings for all purposes of this Aircraft Addendum:

Administrator shall have the meaning ascribed thereto in the International Registry Regulations and shall, with respect to Lessee, be the Person designated as such on the Security Agreement.

Aircraft with respect to each separate Aircraft Appendix, shall mean (i) the Airframe, (ii) the Engines, (iii) the Parts, (iv) any APU, and (v) the Records, and all accessories, additions, accessions, alterations, modifications, Parts, repairs and attachments now or hereafter affixed thereto or used in connection therewith, and all replacements, substitutions and exchanges (including trade-ins) for any of the foregoing.

Aircraft Appendix shall mean an appendix, as described in Section 5 of the Agreement, with an Aircraft Information Annex.

Aircraft Information Annex shall be in the form attached hereto as Annex C.

Aircraft Protocol shall mean the official English language text of the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, adopted on 16 November 2001 at a diplomatic conference held in Cape Town, as the same may be amended or modified from time to time.

Airframe with respect to an airframe described in an Aircraft Appendix, shall mean (i) the Aircraft described in the Security Agreement and shall not include the Engines or any APU, and (ii) any and all Parts from time to time incorporated in, installed on or attached to the Aircraft and any and all Parts removed therefrom so long as Lessor shall retain an interest therein in accordance with the applicable terms of this Aircraft Addendum after removal from the Aircraft.

Applicable Law shall mean all applicable laws, statutes, treaties, conventions, judgments, decrees, injunctions, writs and orders of any court, governmental agency or authority and rules, regulations, orders, directives, licenses and permits of any governmental body, instrumentality, agency or authority as amended and revised, and any judicial or administrative interpretation, of any of the same, including the airworthiness certificate issued with respect to the Aircraft, the Cape Town Convention, all FARs and Special FARs, airworthiness directives, and/or any of the same relating to noise, the environment, national security, public safety, exports or imports or contraband.

Applicable Standards shall mean (i) Applicable Law, and (ii), with respect to the Airframe or any Engine, APU or Part, all compliance requirements set forth in or under (A) all maintenance manuals initially furnished with respect thereto, including any subsequent amendments or supplements to such manuals issued by the manufacturer or supplier thereof from time to time, (B) all mandatory service bulletins issued, supplied, or available by or through the applicable manufacturer with respect thereto, (C) all applicable airworthiness directives issued by the FAA or similar regulatory agency having jurisdictional authority, (D) all conditions to the enforcement of any warranties pertaining thereto, (E) Lessee's FAA approved maintenance program with respect to the Airframe, the Engines, any APU or Part, and (F) any Computerized Maintenance Monitoring Program or Engine Maintenance Program.

APU shall mean (i) any auxiliary power unit described in an Aircraft Appendix and installed on an Airframe as of the Closing Date, whether or not hereafter installed on such Airframe or any other airframe from time to time; (ii) any auxiliary power unit that may from time to time be substituted, pursuant to the applicable terms of this Aircraft Addendum, for an APU; and (iii) any and all Parts incorporated in or installed on or attached to such auxiliary power unit or any and all Parts removed therefrom so long as Lessor shall retain an interest therein in accordance with the applicable terms of this Aircraft Addendum after such removal.

Assignment shall have the meaning set forth in Section 14 of the Agreement.

Associated Rights shall have the meaning ascribed thereto in the Cape Town Convention, including all rights to payment or other performance by Lessee under any Loan Document which are secured by or associated with the Collateral.

Business Day shall mean any day other than a Saturday, Sunday or other day on which banks located in Baltimore, Maryland are closed or are authorized to close.

Cape Town Convention shall mean, collectively, the Aircraft Protocol, the Convention, the International Registry Procedures and the International Registry Regulations.

Closing Date shall mean the date on which funds are transferred from escrow to the Seller.

Collateral shall have the meaning set forth in Section 2 hereof.

Computerized Maintenance Monitoring Program shall mean any automated on-line maintenance tracking program with respect to the Airframe provided by the manufacturer of the Airframe or by a third party, such as CAMP, that is approved by Lessor and which makes data with respect to the Aircraft available to Lessor.

Convention shall mean the official English language text of the Convention on International Interests in Mobile Equipment, adopted on 16 November 2001 at a diplomatic conference held in Cape Town, South Africa, as the same may be amended or modified from time to time.

Default shall mean an event or circumstance that, after the giving of notice or lapse of time, or both, would become an Event of Default.

Engine shall mean (i) each of the engines described in an Aircraft Appendix and installed on the Airframe as of the Closing Date, whether or not hereafter installed on the Airframe or any other airframe from time to time; (ii) any engine that may from time to time be substituted, pursuant to the applicable terms of this Aircraft Addendum, for an Engine; and (iii) any and all Parts incorporated in or installed on or attached to such engine or any and all Parts removed therefrom so long as Lessor shall retain an interest therein in accordance with the applicable terms of this Aircraft Addendum after such removal.

Engine Maintenance Program shall mean the Engines' power by the hour engine maintenance program provided by the Engines' manufacturer.

Event of Default shall have the meaning set forth in Section 18 of the Agreement.

Event of Non-Appropriation shall have the meaning set forth in Section 6 of the Agreement.

FAA shall mean the United States Federal Aviation Administration and/or the Administrator of the Federal Aviation Administration and the Department of Transportation, or any Person, governmental department, bureau, authority, commission or agency succeeding the functions of any of the foregoing, including, where applicable, the Transportation Security Administration.

FAA Counsel shall mean such counsel as Lessor may designate from time to time to assist it with FAA matters.

FARs shall mean the Federal Aviation Regulations, any special Federal Aviation Regulations and all successor regulations thereto.

Final Consent shall have the meaning ascribed thereto in the International Registry Procedures.

International Interest shall have the meaning ascribed thereto in the Cape Town Convention.

International Registry shall mean the International Registry of Mobile Assets located in Dublin, Ireland and established pursuant to the Cape Town Convention, along with any successor registry there to.

International Registry Procedures shall mean the official English language text of the procedures for the International Registry issued by the supervisory authority thereof pursuant to the Convention and the Aircraft Protocol, as the same may be amended or modified from time to time.

International Registry Regulations shall mean the official English language text of the regulations for the International Registry issued by the supervisory authority thereof pursuant to the Convention and the Aircraft Protocol, as the same may be amended or modified from time to time.

Lessee shall have the meaning set forth in Section 1 of the Agreement.

Liens shall mean all liens, charges, security interests, leaseholds, International Interests and encumbrances of every nature and description whatever, including, without limitation, and rights of third parties under Third Party Agreements.

Obligations shall mean: (i) the unpaid principal amount of, and accrued interest described in, the Agreement; and (ii) all other indebtedness, obligations or liabilities of Lessee owing to Lessor, or to any Affiliate of Lessor, of every kind and description, direct or indirect, secured or unsecured, joint or several, absolute or contingent, due or to become due, whether for payment or performance, now existing or hereafter arising, including, but not limited to, all indebtedness, obligations or liabilities under, arising out of or in connection with the Operative Documents.

Operative Documents shall mean the Agreement as supplemented by this Aircraft Addendum, any Aircraft Appendix, any Security Agreement and any other documents, agreements or instruments securing, evidencing or relating to the Obligations.

Parts shall mean all appliances, avionics, parts, instruments, appurtenances, accessories, furnishings and other equipment of whatever nature (other than complete Engines) that may from time to time be incorporated or installed in or attached to the Airframe, any Engine or any APU, and any and all such appliances, avionics, parts, instruments, appurtenances, accessories, furnishings and other equipment removed therefrom so long as Lessor shall retain a security interest therein in accordance with the applicable terms of this Aircraft Addendum after such removal.

Permitted Liens shall mean (a) the respective rights of others under Third Party Agreements, if any, to the extent expressly provided and permitted by the terms of this Aircraft Addendum, (b) Liens for taxes either not yet due or being contested by Lessee in good faith with due diligence and by appropriate proceedings, so long as such proceedings do not involve, in Lessor's sole judgment, any material danger of the sale, foreclosure, transfer, forfeiture or loss of the Collateral, or title thereto, the rights of Lessor hereunder or Lessor's interest therein, and (c) inchoate materialmen's, mechanic's, workmen's, repairmen's, employee's, or other like Liens arising in the ordinary course of business of Lessee for sums not yet delinquent or being contested in good faith with due diligence and by appropriate proceedings, so long as such proceedings do not involve, in Lessor's sole judgment, any material danger of the sale, foreclosure, transfer, forfeiture or loss of the Collateral.

Priority Search Certificate shall have the meaning ascribed thereto in the International Registry Procedures.

Proceeds shall have the meaning assigned to it in the UCC, and in any event, shall include, but not be limited to, all goods, accounts, chattel paper, documents, instruments, general intangibles, investment property, deposit accounts, letter of credit rights, investment property, deposit accounts and supporting obligations (to the extent any of the foregoing terms are defined in the UCC, any such foregoing terms shall have the meanings given to the same in the UCC), and all of Lessee's rights in and to any of the foregoing, and any and all rents, payments, charter hire and other amounts of any kind whatsoever due or payable under or in connection with the Aircraft, including, without limitation, (A) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to Lessee from time to time with respect to the Aircraft, (B) any and all payments (in any form whatsoever) made or due and payable to Lessee from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of the

Aircraft by any governmental body, authority, bureau or agency or any other Person (whether or not acting under color of governmental authority), and (C) any and all other rents or profits or other amounts from time to time paid or payable under or in connection with the Aircraft.

Professional User Entity shall have the meaning ascribed thereto in the International Registry Regulations and shall, with respect to Lessee, be the Person designated as such on in the appropriate Aircraft Appendix.

Records shall mean any and all logs, manuals, certificates and data and inspection, modification, maintenance, engineering, technical, and overhaul records (whether in written or electronic form) with respect to the Aircraft, including, without limitation, all records (i) required to be maintained by the FAA or any other governmental agency or authority having jurisdiction with respect to the Aircraft or by any manufacturer or supplier of the Aircraft (or any part thereof) with respect to the enforcement of warranties or otherwise, all records (ii) evidencing Lessee's compliance with Applicable Standards, and (iii) with respect to any manufacturer's maintenance service program for the Airframe or Engines, including, without limitation, any Computerized Maintenance Monitoring Program or Engine Maintenance Program.

Remedies on Default shall have the meaning set forth in Section 19 of the Agreement

Security Agreement with respect to each separate Aircraft Appendix, shall mean an aircraft security agreement substantially in the form attached hereto as Annex D.

Seller shall mean Raytheon Aircraft Company.

Third Party Agreements shall mean any and all leases, subleases, management agreements, interchange agreements, charter agreements, pooling agreements, timeshare agreements, overhaul agreements, repair agreements and any other similar agreements or arrangements of any kind whatsoever relating to the Aircraft or any part thereof.

Transacting User Entity shall have the meaning ascribed thereto in the International Registry Regulations.

Transportation Code shall mean Subtitle VII of Title 49 of the United States Code, as amended and recodified.

UCC shall mean the applicable Uniform Commercial Code as then in effect in the applicable jurisdiction.



ANNEX C**AIRCRAFT INFORMATION ANNEX  
to Equipment Schedule to APPENDIX # \_\_\_\_\_****PRIMARY HANGAR and INTERNATIONAL REGISTRY INFORMATION**

Primary Hangar Location of Aircraft Described Below	
Seller's International Registry Administrator	
Seller's International Registry Administrator's Email Address	
Seller's Professional User Entity (if any)	
Lessee's International Registry Administrator	
Lessee's International Registry Administrator's Email Address	
Lessee's Professional User Entity (if any)	

**AIRCRAFT DESCRIPTION**

[Aircraft Model Year] [Aircraft Manufacturer] [Aircraft Model] aircraft that consists of the following components:

- (a) Airframe bearing FAA Registration Mark [FAA Registration Number] and manufacturer's serial number [Aircraft Serial Number].
- (b) Two (2) [Engine Manufacturer] [Engine Model] aircraft engines bearing manufacturer's serial numbers [Left Engine Serial Number] and [Right Engine Serial Number] (each of which has [[1,750 pounds of thrust or its equivalent (for jets)] otherwise [550 rated takeoff shaft horsepower]] or the equivalent of such horsepower).
- (c) One (1) [APU Manufacturer] model [APU Model Number] auxiliary power unit bearing manufacturer's serial number [APU Serial Number].
- (d) Standard avionics and equipment, all other accessories, additions, modifications and attachments to, and all replacements and substitutions for, any of the foregoing, all as more particularly described on Schedule A attached hereto and made a part hereof.

ANNEX C - continued

**Schedule A to AIRCRAFT INFORMATION ANNEX  
to Equipment Schedule to APPENDIX # \_\_\_\_\_**

**AVIONICS & EQUIPMENT**

**Avionics:**

**Additional Equipment:**

**Exterior:**

**Interior:**

ANNEX D

## FORM OF FAA SECURITY AGREEMENT

AIRCRAFT SECURITY AGREEMENT  
DATED \_\_\_\_\_

NAME & ADDRESS OF DEBTOR	
NAME & ADDRESS OF SECURED PARTY	

A security interest is hereby granted to the secured party on the following described collateral:

[Aircraft Model Year] [Aircraft Manufacturer] [Aircraft Model] aircraft that consists of the following components:

- (a) Airframe bearing FAA Registration Mark [FAA Registration Number] and manufacturer's serial number [Aircraft Serial Number].
- (b) Two (2) [Engine Manufacturer] [Engine Model] aircraft engines bearing manufacturer's serial numbers [Left Engine Serial Number] and [Right Engine Serial Number] (each of which has [[1,750 pounds of thrust or its equivalent (for jets)] otherwise [550 rated takeoff shaft horsepower]] or the equivalent of such horsepower).
- (c) One (1) [APU Manufacturer] model [APU Model Number] auxiliary power unit bearing manufacturer's serial number [APU Serial Number].
- (d) Standard avionics and equipment, all other accessories, additions, modifications and attachments to, and all replacements and substitutions for, any of the foregoing, all as more particularly described on Schedule A attached hereto and made a part hereof.

Debtor hereby declares and hereby warrants to the said secured party that they are the absolute owner of the legal and beneficial title to the said aircraft and in possession thereof, and that the same is free and clear of all liens, encumbrances, and adverse claims whatsoever.

For good and valuable consideration, the receipt of which is hereby acknowledged, the above described aircraft is hereby mortgaged to the secured party for the purpose of securing the payment of the indebtedness and performance of the obligations evidenced by that certain Appendix # \_\_\_\_\_ dated as of \_\_\_\_\_ by and among the parties hereto.

In witness whereof, the debtor has hereunto set hand and seal on the day and year first above:

DEBTOR: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

APPROVED: \_\_\_\_\_

ANNEX D - Continued**SCHEDULE A TO  
AIRCRAFT SECURITY AGREEMENT  
DATED \_\_\_\_\_****AVIONICS & EQUIPMENT**Avionics:Additional Equipment:Exterior:Interior:

TOGETHER WITH ALL ADDITIONS, ACCESSIONS, MODIFICATIONS, IMPROVEMENTS, REPLACEMENTS, SUBSTITUTIONS, AND ACCESSORIES THERETO AND THEREFOR, ALL AVIONICS, ONBOARD EQUIPMENT, LOOSE EQUIPMENT, MANUALS, DOCUMENTATION AND TECHNICAL PUBLICATIONS, NOW OWNED OR HEREAFTER ACQUIRED, AND ALL RECORDS AND LOGBOOKS (IN WRITTEN FORM OR AS COMPUTER DATA, DISCS OR TAPES, WHETHER NOW EXISTING OR HEREAFTER ACQUIRED OR CREATED, AND WHETHER IN THE POSSESSION OF BORROWER OR HELD ON BEHALF OF BORROWER BY OTHERS).

State of West Virginia  
 Equipment Financed from  
 2004 - 2008

<b>Appendix</b>	<b>Description</b>
2004-1	Computer equipment
2004-2	Computer equipment
2004-3	Computer equipment
2004-4	Computer equipment
2004-5	Computer equipment
2004-5	Computer equipment
2004-6	Computer equipment
2004-7	Computer equipment
2004-8	Computer equipment
2004-9	Vehicles
2004-10	Vehicles and Lawn equipment
2004-11	Shuttle buses
2004-12	Computer equipment
2004-13	Roadside maintenance vehicles
2004-14	Grounds keeping equipment
2004-15	Roadside maintenance vehicles
2004-16	Roadside maintenance vehicles
2004-17	Vehicles
2004-18	Printing press
2004-19	Grounds keeping equipment
2004-20	Roadside maintenance vehicles
2004-21	Network infrastructure
2004-22	Vehicles
2004-23	Vehicles
2004-24	Aircraft
2004-25	Mail inserter
2004-26	Vehicles
2004-27	Cancelled
2004-28	Computer and technical equipment
2004-29	Telephone system
2004-30	Interoperable radio system
2004-31	Interoperable radio system
2004-32	Multi sports software equipment
2004-33	Interoperable radio system and office furniture
2004-34	Athletic field turf
2004-35	Vehicles
2004-36	Computer equipment

## Federal Reserve Statistical Release



H.15

## Selected Interest Rates

Release Date: June 16, 2008

[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

Yields in percent per annum	June 16, 2008							
	2008 Jun 9	2008 Jun 10	2008 Jun 11	2008 Jun 12	2008 Jun 13	Week Ending Jun 13	Week Ending Jun 6	2008 May
Instruments								
Federal funds (effective) 1 2 3	2.02	1.96	1.95	2.01	2.02	1.99	1.99	1.98
Commercial Paper 3 4 5								
Nonfinancial								
1-month	2.05	2.06	2.14	2.16	2.10	2.10	2.09	1.99
2-month	2.12	n.a.	2.13	2.15	2.12	2.13	2.11	2.01
3-month	2.14	n.a.	2.13	2.19	n.a.	2.15	2.15	2.00
Financial								
1-month	2.30	2.40	2.40	2.39	2.20	2.34	2.30	2.28
2-month	2.39	2.48	2.59	2.49	2.59	2.51	2.45	2.43
3-month	2.55	2.68	2.76	2.79	2.82	2.72	2.59	2.61
CDs (secondary market) 3 6								
1-month	2.43	2.43	2.48	2.50	2.50	2.47	2.45	2.50
3-month	2.66	2.77	2.77	2.78	2.83	2.76	2.67	2.66
6-month	2.92	3.10	3.15	3.14	3.27	3.12	2.90	2.84
Eurodollar deposits (London) 3 7								
1-month	2.65	2.65	2.65	2.70	2.65	2.66	2.61	2.63
3-month	2.85	2.90	2.90	2.95	2.95	2.91	2.87	2.84
6-month	3.05	3.30	3.35	3.30	3.35	3.27	3.03	2.98
Bank prime loan 2 3 8	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Discount window primary credit 2 9	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25
U.S. government securities								
Treasury bills (secondary market) 3 4								
4-week	1.77	1.97	1.88	1.89	1.83	1.87	1.83	1.73
3-month	1.86	1.98	1.92	1.96	1.95	1.93	1.82	1.73
6-month	2.07	2.19	2.13	2.22	2.24	2.17	1.95	1.82
Treasury constant maturities								
Nominal 10								
1-month	1.80	2.00	1.91	1.92	1.86	1.90	1.86	1.76
3-month	1.89	2.02	1.96	2.00	1.99	1.97	1.85	1.76
6-month	2.12	2.24	2.18	2.28	2.30	2.22	2.00	1.86
1-year	2.29	2.53	2.47	2.62	2.64	2.51	2.14	2.06
2-year	2.73	2.91	2.83	3.03	3.05	2.91	2.47	2.45
3-year	3.03	3.20	3.16	3.35	3.38	3.22	2.78	2.69
5-year	3.41	3.54	3.49	3.68	3.73	3.57	3.26	3.15
7-year	3.65	3.77	3.73	3.90	3.95	3.80	3.55	3.46
10-year	4.02	4.11	4.10	4.23	4.27	4.15	3.98	3.88
20-year	4.68	4.76	4.76	4.83	4.86	4.78	4.70	4.60
30-year	4.64	4.70	4.72	4.77	4.79	4.72	4.68	4.60
Inflation indexed 11								
5-year	0.93	1.06	0.98	1.14	1.17	1.06	0.88	0.79
7-year	1.27	1.36	1.35	1.46	1.51	1.39	1.27	1.16
10-year	1.54	1.62	1.62	1.73	1.77	1.66	1.54	1.46
20-year	2.15	2.22	2.24	2.30	2.31	2.24	2.17	2.00
Inflation-indexed long-term average 12	2.15	2.23	2.24	2.30	2.32	2.25	2.17	2.00
Interest rate swaps 13								
1-year	3.11	3.32	3.28	3.38	3.39	3.29	2.95	2.88
2-year	3.54	3.77	3.73	3.86	3.85	3.75	3.35	3.23

3-year	3.91	4.09	4.04	4.19	4.19	4.08	3.70	3.53
4-year	4.14	4.29	4.24	4.39	4.40	4.29	3.96	3.76
5-year	4.30	4.42	4.37	4.51	4.52	4.42	4.13	3.93
7-year	4.53	4.61	4.57	4.69	4.70	4.62	4.41	4.21
10-year	4.75	4.78	4.76	4.86	4.87	4.81	4.66	4.48
30-year	5.13	5.10	5.11	5.18	5.19	5.14	5.10	4.92
Corporate bonds								
Moody's seasoned								
Aaa 14	5.58	5.66	5.66	5.73	5.76	5.68	5.63	5.57
Baa	6.96	7.05	7.07	7.13	7.17	7.08	7.01	6.93
State & local bonds 15				4.59		4.59	4.59	4.58
Conventional mortgages 16				6.32		6.32	6.09	6.04

n.a. Not available.

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#### Footnotes

1. The daily effective federal funds rate is a weighted average of rates on brokered trades.
2. Weekly figures are averages of 7 calendar days ending on Wednesday of the current week; monthly figures include each calendar day in the month.
3. Annualized using a 360-day year or bank interest.
4. On a discount basis.
5. 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 dates reported on the Board's Commercial Paper Web page ([www.federalreserve.gov/releases/cp/](http://www.federalreserve.gov/releases/cp/)).
6. An average of dealer bid rates on nationally traded certificates of deposit.
7. Bid rates for Eurodollar deposits collected around 9:30 a.m. Eastern time.
8. 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.
9. 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](http://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](http://www.federalreserve.gov/releases/h15/data.htm).
10. 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](http://www.treas.gov/offices/domestic-finance/debt-management/interest-rate/ltcompositeindex_historical.shtml). Source: U.S. Treasury.
11. 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](http://www.treas.gov/offices/domestic-finance/debt-management/interest-rate/index.html).
12. Based on the unweighted average bid yields for all TIPS with remaining terms to maturity of more than 10 years.
13. 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.
14. 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.

15. Bond Buyer Index, general obligation, 20 years to maturity, mixed quality; Thursday quotations.
16. Contract interest rates on commitments for fixed-rate first mortgages. Source: FHLMC.

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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.

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Current and historical H.15 data are available on the Federal Reserve Board's web site ([www.federalreserve.gov/](http://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.

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#### 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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Last update: June 16, 2008



RFQ No. \_\_\_\_\_

STATE 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:

**West Virginia Code** §21-1D-5 provides that: Any solicitation for a public improvement construction contract shall require each vendor that submits a bid for the work to submit at the same time an affidavit that the vendor has a written plan for a drug-free workplace policy in compliance with Article 1D, Chapter 21 of the West Virginia Code. A 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. Vendors should visit [www.state.wv.us/admin/purchase/privacy](http://www.state.wv.us/admin/purchase/privacy) for the Notice of Agency Confidentiality Policies.

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

Vendor's Name: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_