

Attachment C

SUMMARY OF TERMS AND CONDITIONS

with

FORWARD RATE LOCK

Date: April 28, 2006

Lessee: The County of Santa Barbara, CA

Lessor: Banc of America Leasing & Capital, LLC or its designee (“Lessor”)

Equipment: **essential use copiers** (individually “Unit” and collectively “Equipment”) by Costal Copy, Xerox and Konica Minolta

Purchase Price: up to \$ 2,500,000

Lease Structure: A lease intended as security transaction; under which 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.

Term: **Lease Commencement Date:** It is anticipated that funding will occur on or after May 22, 2006.

Lease Term: 5 years

Rent: Lessee shall make 60 monthly payments in arrears

**Indicative
Tax Exempt
Interest Rate:** **3.96 %**

Such indicative Tax Exempt Interest Rate will be held until June 18, 2006. Subsequent to that date, the Tax-Exempt Interest Rate will be fixed approximately five business days prior to funding equal to a tax-exempt interest rate of:

(.65 x 5-year U.S. Treasuries) plus .788

Lessor will maintain its economic yield in the lease outside of the interest rate lock period described above and prior to funding.

The interest rate is indicative only and is based on the following Index :

Index: The index on which the Tax Exempt Interest Rate is based is the bond-equivalent yield per annum for comparable-year U.S. Treasury obligations as

quoted by Bloomberg Daily Market Summary. As of April 18, 2006, the Index was 4.88 % for 5 years.

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"), and 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 shall comply with the filing requirements of Section 149(e) of the Code. Lessee will pay Lessor amounts calculated at a taxable rate sufficient to maintain Lessor's yield in the Lease, in the event Lessor suffers a loss of Federal income tax exemption of the interest portion of the rentals.

Early Termination:

After the Lease Commencement Date, on any rental payment date and upon 30 days' notice, Lessee may prepay in full all amounts then outstanding under the Lease, including accrued interest, principal balance, and other unpaid charges according to the following schedule: years 0-2 at 100.5% of outstanding balance and from year 3 forward, at 100% of outstanding balance. There will be no partial prepayments.

End of Term:

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

Escrow Account:

Subject to compliance by Lessee with applicable regulations under the Code, including but not limited to arbitrage reporting, the proceeds of the Lease may be deposited into an escrow acceptable to Lessor, and disbursements made therefrom to pay for equipment upon execution and delivery of an acceptance certificate and related documents by Lessee and approved by Lessor. Funds from this account may be invested according to Lessee instructions, and interest on the account will be for the account of the Lessee.

Lessor will not be responsible for investment fund deadlines negotiated between Lessee and Escrow Agent, nor the failure to meet such deadlines.

As an alternative to a Lessee-selected Escrow Agent, Lessor will make available an escrow alternative that is no cost to Lessee but with fund investments selected by and controlled by the Escrow Agent.

In both escrow alternatives, earnings from the account will be for the account of the Lessee.

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.

Lease Documents:

Documents must be mutually satisfactory to both Lessee and Lessor. Lessee will provide board resolutions, incumbency certificates and other documentation required by Lessor.

Executed documents shall control the transaction.

Opinion of Counsel: Lessee's counsel shall deliver an opinion to Lessor at closing in form and substance satisfactory to Lessor concerning the due authorization, execution, delivery, and enforceability of the lease.

Assignment by Lessor: The Lessor shall be entitled to assign its right, title and interest in the Lease and leased equipment on a private placement basis to qualified purchasers. In addition, Lessor shall be entitled to assign its right, title and interest in the Lease to a trustee for the purpose of issuing certificates of participation or other forms of certificates evidencing an undivided interest in such Lease, provided such certificates are sold only on a private placement basis (and not pursuant to any "public offering") to a purchaser(s) who represent that (I) such purchaser has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the investment (ii) such purchaser understands neither the Lease or certificates will be registered under the Securities Act of 1933, (iii) such purchaser is either an "accredited investor" within the meaning of Regulation D under the Securities Act of 1933, or a qualified institutional buyer within the meaning of Rule 144A, and (iv) that it is the intention of such purchaser to acquire such certificates (A) for investment for its own account or (B) for resale in a transaction exempt from registration under the Securities Act of 1933.

Due Diligence: Lessor will require evidence of appropriate insurance coverage and certificates.

Utilization Period : Utilization period will extend until April 28, 2007, or 12 months from the date of document closing.

Proposal Expiration Date: This proposal will expire on May 31, 2006.

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, Banc of America NT & SA 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.

The County of Santa Barbara

BY: _____

Title: _____

Date: _____

Federal ID Number: _____

<p>Insurance Information:</p> <p>Insurance Carrier: _____</p> <p>Contact: _____</p> <p>Telephone Number: _____</p>
