

LEASES PURSUANT TO THE MASTER LEASE AGREEMENT

UNIVERSITY OF CONNECTICUT OFFICE OF TREASURY SERVICES

1. For the tax-exempt Banc of America Master Lease Agreement a blanket State Treasurer's Certificate has been obtained not to exceed \$50 million in total (expected to represent \$10 million for UConn – Storrs & Regionals, and \$10 million for UConn Health).
2. For each underlying lease issued pursuant to the Banc of America Master Lease Purchasing and/or UConn Health and the originating departments are responsible for diligently reviewing the financing documents, setting up monitoring procedures and University compliance, etc. (example – inventory tags).
3. For each underlying lease Banc of America Leasing Inc. will provide an executable version of IRS Form 8038-G or GC and the associated amortization schedule (also called the payment schedule) to Purchasing and/or UConn Health (in addition to any other lease requirements. (Please note that such underlying tax-exempt leases are limited to financing assets for governmental use).
4. Inclusive of the above documents, the Master Lease Agreement also provides for the information on the following schedules to be completed (this is not an exhaustive list):
 - 1) IRS Form 8038-G/GC
 - 2) Schedule of Equipment (see Section 14.1 of the Master Agreement)
 - 3) the Payment Schedule (see Section 14.2)
 - 4) the Certificate of Acceptance (see Section 14.3)
 - 5) Opinion of Independent Counsel pursuant to Section 14.4.
 - 6) Other materials as requested

(Notes: Items 1,2,3,4 and 6 originate with Purchasing/Vendor; item 4 occurs when equipment is delivered)

5. Unless waived by the parties in writing, Section 14.4 requires an Opinion of Independent Counsel be obtained for each underlying lease. (Please note if waived OTT might still require it.) The initial Opinion of Independent Counsel is required prior to the funding of the initial underlying lease.
6. Once UConn/UConn Health Purchasing are satisfied they will forward the necessary paperwork to UConn's Office of Treasury Services (including the executable version of IRS Form 8038-G/GC and the associated amortization schedule - also called the payment schedule and any other lease information requested).
7. Treasury Services will review and file, working with bond counsel and as necessary, the IRS Form 8038-G/GC for UConn Storrs & Regionals, and for UConn Health. Treasury Services will interface with the State Treasurer's Office and Bond Counsel.
8. Banc of America Leasing will be requested to provide quarterly filings to UConn Purchasing, that will keep track of the UConn and UConn Health underlying leases entered into and associated information (such as ID Number, Customer (UConn or UConn Health, etc.), Term in Months, Start Date, End Date, Original Amount Financed, Sum of Remaining Payments, Next Payment Due Date, Payment Amount, Equipment Description, etc.) and will provide copies to OTS. Purchasing will keep track of all leases entered into, whether under Master Lease or independent therefrom, and will provide similar quarterly filing information to the Office of Treasury Services.