

SECONDARY MARKET LIMITED OFFERING MEMORANDUM DATED JUNE 17, 2009

NEW ISSUE - BOOK-ENTRY ONLY

**Bank Qualified
Rating: See "RATING," herein**

**\$2,955,000 CUSTODIAL RECEIPTS
SERIES 2009
Evidencing Ownership Interest in the**

**Equipment Lease Purchase Agreement
Dated as of January 15, 2009
between
Capital One Public Funding, LLC, As Lessor
and**

Unified School District No. 203, Wyandotte County, Kansas (Piper), As Lessee

Dated: Date of delivery

Due: As shown on inside cover page

The Custodial Receipts ("Custodial Receipts") are dated the date of delivery and evidence direct ownership interests in the Equipment Lease Purchase Agreement dated as of January 15, 2009 (the "Lease"), between Capital One Public Funding, LLC, as Lessor, and Unified School District No. 203, Wyandotte County, Kansas (Piper), as Lessee (the "District"). First Security Leasing, Inc. (the "Depositor") has purchased 100% of the Lease and deposited it into an irrevocable custodial account pursuant to a Custodial Agreement dated as of June 17, 2009 (the "Custodial Agreement") with Bank of the Ozarks, Little Rock, Arkansas (the "Custodian"). The Custodian will be the nominal holder of the Lease for the benefit of the Custodial Receipt owners and collect the payments of principal and interest on the Lease (the "Rental Payments") to be made by the District under the Lease and will distribute to each owner of the Custodial Receipts their respective fractional interest in such Rental Payments. **The Custodial Receipts are NOT a general obligation of the Depositor, but are payable solely from the Rental Payments and other payments made by the District under the Lease. Neither the District nor the State of Kansas have participated in, reviewed or approved the use and distribution of this Secondary Market Limited Offering Memorandum.**

Attached hereto as Appendix A is the transcript of documents relating to the Lease, which includes a copy of the Lease and various other documents, certificates and opinions delivered in connection with the Lease or pertaining thereto. See Appendix A for a full description of the terms of the Lease. It is noted that the District is not obligated to provide any continuing disclosure under the terms of the Lease. Investors should take this into consideration when making an investment decision.

The Custodial Receipts will be "book-entry-only" and will be registered in the name of Cede & Co. as registered owner and nominee of The Depository Trust Company, New York, New York, and are issuable in minimum denominations of \$100,000 and in minimum increments of \$5,000 in excess thereof. The Custodial Receipts are being offered in the face amounts, at the prices and are payable on the dates set forth below:

SEE MATURITY SCHEDULE ON INSIDE FRONT COVER

Pursuant to the Custodial Agreement, persons in whose name the Custodial Receipts are registered ("Owners") on the register maintained by the Custodian (the "Custodial Receipt Register") will be sent Rental Payments that have been received by the Custodian and that are attributable to interest and principal on the Lease semi-annually on each March 15 and September 15 beginning September 15, 2009. Under the terms of the Lease, the District is required to make semi-annual Rental Payments on each March 1 and September 1, beginning September 1, 2009.

The Custodial Receipts are expected to be issued and delivered on or about June 25, 2009, in New York, New York.

This Secondary Market Limited Offering Memorandum contains limited summaries of the Custodial Receipts, the Custodial Agreement and the Lease and includes for review the original Lease and various other documents, certificates and opinions delivered in connection with the Lease or pertaining thereto which describes the Equipment financed with the proceeds of the Lease and the terms of the Lease.

PURSUANT TO THE REQUIREMENTS OF SECURITIES AND EXCHANGE COMMISSION RULE 15C2-12, THIS OFFERING OF THE CUSTODIAL RECEIPTS SHALL BE LIMITED TO NO MORE THAN THIRTY-FIVE INVESTORS WHO (1) HAVE SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT IT IS CAPABLE OF EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE CUSTODIAL RECEIPTS, AND (2) IS NOT PURCHASING FOR MORE THAN ONE ACCOUNT OR WITH A VIEW TO DISTRIBUTING THE CUSTODIAL RECEIPTS. NON-INSTITUTIONAL PURCHASERS OF THE CUSTODIAL RECEIPTS WILL BE REQUIRED TO EXECUTE AN INVESTOR LETTER STATING THAT THEY MEET THE REQUIREMENTS OF THE PREVIOUS SENTENCE, IN SUBSTANTIALLY THE FORM SET FORTH IN APPENDIX C HERETO.



MATURITY SCHEDULE

\$2,955,000 CUSTODIAL RECEIPTS

SERIES 2009

Evidencing Ownership Interest in the

Equipment Lease Purchase Agreement

Dated as of January 15, 2009

between

Capital One Public Funding, LLC, As Lessor

and

Unified School District No. 203, Wyandotte County, Kansas (Piper), As Lessee

TERM CUSTODIAL RECEIPTS

| | | | Price | Yield |
|-----------|--------|---|----------|-------|
| \$460,000 | 3.250% | Term Custodial Receipt due March 15, 2013 | 100.000% | 3.25% |
| 115,000 | 3.500% | Term Custodial Receipt due March 15, 2014 | 100.000% | 3.50% |
| 120,000 | 3.625% | Term Custodial Receipt due March 15, 2015 | 99.357% | 3.75% |
| 125,000 | 3.750% | Term Custodial Receipt due March 15, 2016 | 98.534% | 4.00% |
| 130,000 | 4.000% | Term Custodial Receipt due March 15, 2017 | 99.012% | 4.15% |
| 130,000 | 4.250% | Term Custodial Receipt due March 15, 2018 | 99.633% | 4.30% |
| 145,000 | 4.250% | Term Custodial Receipt due March 15, 2019 | 98.818% | 4.40% |
| 145,000 | 4.400% | Term Custodial Receipt due March 15, 2020 | 98.732% | 4.55% |
| 150,000 | 4.500% | Term Custodial Receipt due March 15, 2021 | 98.649% | 4.65% |
| 315,000 | 4.625% | Term Custodial Receipt due March 15, 2023 | 98.743% | 4.75% |
| 1,120,000 | 5.100% | Term Custodial Receipt due March 15, 2029 | 98.162% | 5.25% |

The Custodial Receipts are being offered subject to, among other things, the deposit of the Lease under the Custodial Agreement that will occur simultaneously with the delivery of the Custodial Receipts. The Custodial Receipts are offered when, as and if delivered at The Depository Trust Company, New York, New York, on or about June 25, 2009.

THE CUSTODIAL RECEIPTS OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, (THE "ACT") IN RELIANCE ON CERTAIN EXEMPTIONS AVAILABLE UNDER THE ACT. THIS OFFERING MEMORANDUM AND THE CUSTODIAL RECEIPTS OFFERED HEREBY HAVE NOT BEEN REVIEWED, APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, NOR HAS THE ACCURACY OR ADEQUACY OF THE INFORMATION SET FORTH HEREIN BEEN REVIEWED, APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE'S SECURITIES ADMINISTRATOR.

INVESTORS SHOULD FAMILIARIZE THEMSELVES WITH THE RISKS OF AN INVESTMENT IN THE CUSTODIAL RECEIPTS. SEE, "RISK FACTORS."

The information in this Secondary Market Limited Offering Memorandum has been obtained from sources believed to be reliable, but there is no guarantee of the accuracy or completeness of such information.

A COPY OF THE ORIGINAL LEASE AND VARIOUS OTHER DOCUMENTS, CERTIFICATES AND OPINIONS DELIVERED IN CONNECTION WITH THE LEASE OR PERTAINING THERETO IS ATTACHED HERETO AS APPENDIX A AND CONTAINS A DESCRIPTION OF AND THE TERMS OF THE LEASE AND OTHER PERTINENT INFORMATION. IT SHOULD BE NOTED THAT THE DISTRICT IS NOT OBLIGATED TO PROVIDE CONTINUING DISCLOSURE, AND INVESTORS SHOULD TAKE THIS INTO CONSIDERATION WHEN MAKING AN INVESTMENT DECISION.

PURSUANT TO THE REQUIREMENTS OF SECURITIES AND EXCHANGE COMMISSION RULE 15C2-12, THIS OFFERING OF THE CUSTODIAL RECEIPTS SHALL BE LIMITED TO NO MORE THAN THIRTY-FIVE INVESTORS WHO (1) HAVE SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT IT IS CAPABLE OF EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE CUSTODIAL RECEIPTS, AND (2) IS NOT PURCHASING FOR MORE THAN ONE ACCOUNT OR WITH A VIEW TO DISTRIBUTING THE CUSTODIAL RECEIPTS. NON-INSTITUTIONAL PURCHASERS OF THE CUSTODIAL RECEIPTS WILL BE REQUIRED TO EXECUTE AN INVESTOR LETTER STATING THAT THEY MEET THE REQUIREMENTS OF THE PREVIOUS SENTENCE, IN SUBSTANTIALLY THE FORM SET FORTH IN APPENDIX C HERETO.

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**\$2,955,000 CUSTODIAL RECEIPTS
SERIES 2009
Evidencing Ownership Interest in the
Equipment Lease Purchase Agreement
Dated as of January 15, 2009
between
Capital One Public Funding, LLC, As Lessor
and
Unified School District No. 203, Wyandotte County, Kansas (Piper), As Lessee**

FIRST SECURITY LEASING, INC. (the "Depositor")

INTRODUCTION AND SUMMARY OF THE OFFERING

The information set forth in this summary is qualified in its entirety by the more detailed information provided in this entire Secondary Market Limited Offering Memorandum, by the form of Custodial Agreement, and by the other documents and instruments attached hereto or incorporated herein by reference. See, "Miscellaneous" below. Capitalized terms not otherwise defined herein shall have the meaning given such terms in the Custodial Agreement.

Introduction: This is an offering of Custodial Receipts totaling \$2,955,000, in principal amount evidencing a direct ownership interest in the Equipment Lease Purchase Agreement dated as of January 15, 2009 (the "Lease"), between Capital One Public Funding, LLC, as Lessor, and Unified School District No. 203, Wyandotte County, Kansas (Piper), as Lessee (the "District"). First Security Leasing, Inc., Little Rock, Arkansas (the "Depositor") has purchased 100% of the Lease and deposited it into an irrevocable custodial account pursuant to a Custodial Agreement dated as of June 17, 2009 (the "Custodial Agreement") between Depositor and Bank of the Ozarks, Little Rock, Arkansas (the "Custodian").

Owners of the Custodial Receipts ("Owners") will have all the rights and privileges of owners of the underlying Lease and each Owner, as a real party in interest, will have the right, upon default of the Lease, to exercise the remedies described in the Lease and as limited by the terms of the Custodial Agreement (described herein), subject to the limitations described herein. The Owners will not be required to act in concert with other Owners or the Custodian when pursuing a default of the Lease, but may, upon proper indemnification of and agreement with the Custodian. The Depositor will, at or before delivery of the Custodial Receipts, provide an opinion of counsel to this effect, as well as the following factors: (1) each receipt represents direct, undivided ownership interests in the Lease; (2) the Custodian performs only clerical or ministerial services on behalf of the Owners; (3) neither the Custodian nor Depositor additionally will guarantee or otherwise enhance the creditworthiness of the underlying Lease or the Custodial Receipts; (4) the Custodian undertakes to notify Owners in the event of a default, and to

forward to Owners copies of all communications from the District to the Custodian (as nominal holder of the Lease); (5) an opinion of counsel is provided indicating that the underlying Lease will not be considered assets of either the Depositor or the Custodian; and (6) other factors are not present, such as remarketing agreements, that would require the investors in the Custodial Receipts to rely upon the Depositor to obtain the benefit of their investment.

The Custodian will be the nominal holder of the Lease for the benefit of the Owners and will collect the Rental Payments to be made by the District under the Lease. The Custodian will distribute to each owner of the Custodial Receipts their pro-rata interest in such Rental Payments, as further described under the heading “**Payments**,” below. **The Custodial Receipts are NOT a general obligation of the Depositor, but are payable solely from the Rental Payments and other payments made under the Lease.**

PURSUANT TO THE REQUIREMENTS OF SECURITIES AND EXCHANGE COMMISSION RULE 15C2-12, THIS OFFERING OF THE CUSTODIAL RECEIPTS SHALL BE LIMITED TO NO MORE THAN THIRTY-FIVE INVESTORS WHO (1) HAVE SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT IT IS CAPABLE OF EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE CUSTODIAL RECEIPTS, AND (2) IS NOT PURCHASING FOR MORE THAN ONE ACCOUNT OR WITH A VIEW TO DISTRIBUTING THE CUSTODIAL RECEIPTS. NON-INSTITUTIONAL PURCHASERS OF THE CUSTODIAL RECEIPTS WILL BE REQUIRED TO EXECUTE AN INVESTOR LETTER STATING THAT THEY MEET THE REQUIREMENTS OF THE PREVIOUS SENTENCE, IN SUBSTANTIALLY THE FORM SET FORTH IN APPENDIX C HERETO.

The Obligor/District. The sole obligor with respect to payment of the Rental Payments and any other amounts due under the terms of the Lease is the Unified school District No. 203, Wyandotte County, Kansas (Piper). In the underlying transaction, the proceeds of the Lease were used to finance the acquisition of energy conservation measures in the buildings and on the property owned and operated by the District (collectively, the “Equipment”). For more information on the District visit <http://www.piperschools.com/>.

For a more detailed description of the terms and conditions of the underlying transaction, see the original Lease that is attached hereto along with various other documents, certificates and opinions delivered in connection with the Lease or pertaining thereto as Appendix A. It is noted that the District is not obligated to provide continuing disclosure under the Lease, and investors should take this into consideration when making an investment decision.

Depositor: First Security Leasing, Inc., Little Rock, Arkansas. The Depositor has purchased 100% of the Lease and the interests of the original Lessor, Capital One Public Funding, LLC, thereunder.

Placement Agent: Crews & Associates, Inc., Little Rock, Arkansas, will serve as Placement Agent with respect to the sale of the Custodial Receipts.

Denominations of Custodial Receipts: The Custodial Receipts will be “book-entry-only” and will be registered in the name of Cede & Co. as registered owner and nominee of The Depository Trust Company, New York, New York, and initially be issued in authorized denominations of \$100,000, and in \$5,000 increments in excess thereof.

Payment Dates: The payment dates on the Lease are each March 1 and September 1, beginning September 1, 2009. The Payment Dates on the Custodial Receipts shall be each March 15 and September 15, beginning September 15, 2009 and continuing thereafter until maturity, subject in all respects to the Custodian’s actual receipt of Rental Payments.

Payments: Each of the Custodial Receipts represents and entitles the holder(s) of the Custodial Receipts to discrete and identifiable portions of the underlying Lease. The table below sets forth the schedule of Custodial Receipt Payments:

[Table appears on following page]

Payment Schedule

| Date | Custodial Receipts | | |
|-----------|--------------------|-----------|------------|
| | Principal | Interest | Total |
| 9/15/2009 | 80,000.00 | 28,826.39 | 108,826.39 |
| 3/15/2010 | 50,000.00 | 63,559.38 | 113,559.38 |
| 9/15/2010 | 55,000.00 | 62,746.88 | 117,746.88 |
| 3/15/2011 | 55,000.00 | 61,853.13 | 116,853.13 |
| 9/15/2011 | 55,000.00 | 60,959.38 | 115,959.38 |
| 3/15/2012 | 55,000.00 | 60,065.63 | 115,065.63 |
| 9/15/2012 | 55,000.00 | 59,171.88 | 114,171.88 |
| 3/15/2013 | 55,000.00 | 58,278.13 | 113,278.13 |
| 9/15/2013 | 55,000.00 | 57,384.38 | 112,384.38 |
| 3/15/2014 | 60,000.00 | 56,421.88 | 116,421.88 |
| 9/15/2014 | 60,000.00 | 55,371.88 | 115,371.88 |
| 3/15/2015 | 60,000.00 | 54,284.38 | 114,284.38 |
| 9/15/2015 | 60,000.00 | 53,196.88 | 113,196.88 |
| 3/15/2016 | 65,000.00 | 52,071.88 | 117,071.88 |
| 9/15/2016 | 65,000.00 | 50,853.13 | 115,853.13 |
| 3/15/2017 | 65,000.00 | 49,553.13 | 114,553.13 |
| 9/15/2017 | 65,000.00 | 48,253.13 | 113,253.13 |
| 3/15/2018 | 65,000.00 | 46,871.88 | 111,871.88 |
| 9/15/2018 | 75,000.00 | 45,490.63 | 120,490.63 |
| 3/15/2019 | 70,000.00 | 43,896.88 | 113,896.88 |
| 9/15/2019 | 70,000.00 | 42,409.38 | 112,409.38 |
| 3/15/2020 | 75,000.00 | 40,869.38 | 115,869.38 |
| 9/15/2020 | 75,000.00 | 39,219.38 | 114,219.38 |
| 3/15/2021 | 75,000.00 | 37,531.88 | 112,531.88 |
| 9/15/2021 | 80,000.00 | 35,844.38 | 115,844.38 |
| 3/15/2022 | 80,000.00 | 33,994.38 | 113,994.38 |
| 9/15/2022 | 80,000.00 | 32,144.38 | 112,144.38 |
| 3/15/2023 | 75,000.00 | 30,294.38 | 105,294.38 |
| 9/15/2023 | 75,000.00 | 28,560.00 | 103,560.00 |
| 3/15/2024 | 75,000.00 | 26,647.50 | 101,647.50 |
| 9/15/2024 | 85,000.00 | 24,735.00 | 109,735.00 |
| 3/15/2025 | 85,000.00 | 22,567.50 | 107,567.50 |
| 9/15/2025 | 90,000.00 | 20,400.00 | 110,400.00 |
| 3/15/2026 | 95,000.00 | 18,105.00 | 113,105.00 |
| 9/15/2026 | 95,000.00 | 15,682.50 | 110,682.50 |
| 3/15/2027 | 100,000.00 | 13,260.00 | 113,260.00 |
| 9/15/2027 | 100,000.00 | 10,710.00 | 110,710.00 |
| 3/15/2028 | 100,000.00 | 8,160.00 | 108,160.00 |
| 9/15/2028 | 110,000.00 | 5,610.00 | 115,610.00 |
| 3/15/2029 | 110,000.00 | 2,805.00 | 112,805.00 |

The District is required to make Rental Payments on the Lease of \$114,844.60 every March 1 and September 1, commencing September 1, 2009. The Rental Payments, if received as required in the Lease, along with the any balances held in the Collection Account will be sufficient to make the Custodial Receipt payments on every March 15

and September 15, commencing September 15, 2009, including any early redemption of the Custodial Receipts upon prepayment of the Lease by the District.

Final Maturity Date: March 1, 2029 for the Lease; March 15, 2029 for the Custodial Receipts.

Summary of Transaction: An Owner of the Custodial Receipts owns the right to receive pro-rata payments of principal and interest on the underlying Lease. Owners, being the real parties in interest, have the rights set forth in the Lease and the related documents, including specifically the Custodial Agreement, described herein, to proceed against the District upon default by the District in making the required Rental Payments due under the Lease.

Sole Obligor: The sole obligor with respect to any Rental Payment is the District, as the obligor with respect to the Lease. Neither the Custodian nor the Depositor will be responsible for the payments due on the custodial Receipts, except that the Custodian is obligated to apply all Rental Payments received from the District in respect of the Lease to the Custodial Receipts without making any deductions.

Custodian: Bank of the Ozarks, Little Rock, Arkansas is the nominal holder of the Lease and Custodian to the Owners of the Custodial Receipts under the terms of the Custodial Agreement. The Depositor acquired the Lease and all rights thereunder from the original lessor, Capital One Public Funding, LLC, before depositing it with the Custodian.

Custodial Agreement: The Custodial Receipts are subject to the terms and conditions of the Custodial Agreement dated as of June 17, 2009 (the "Custodial Agreement"). Under the Custodial Agreement, the Custodian will distribute to each Owner its proportionate interest in the Rental Payments as reflected on the Custodial Receipt, respectively.

Rating: The Custodial Receipts have been submitted to Standard & Poor's ("S&P") for review, and it is anticipated that an A+/Stable rating will be received. At the time of issuance, the Lease has been rated A+/Stable by S&P.

SUMMARY OF THE UNDERLYING LEASE

A copy of the Lease and various other documents, certificates and opinions delivered in connection with the Lease or pertaining thereto which describe the Equipment financed with the proceeds of the Lease and the terms of the Lease are attached hereto in their entirety as Appendix A, to which reference is hereby made for a complete description of the underlying Lease. Neither the Placement Agent nor the Depositor makes any warranties, express or implied, regarding the Lease, the District or the Equipment except as follows: (1) Depositor represents and warrants that it is the sole owner of the Lease free and clear of all liens, claims and encumbrances and has irrevocably transferred, delivered and deposited the Lease with the Custodian to be held pursuant

to the Custodial Agreement described herein; and (2) to Depositor's actual knowledge, the Lease is not, as of the date of this Secondary Market Limited Offering Memorandum, in default.

The Equipment: The Lease was issued for the purpose of providing the funds to finance the acquisition of energy conservation measures in the buildings and on the property owned and operated by the District, as more particularly described in Exhibit A of the Lease. Please review the information attached as Appendix A for a more detailed description of the Equipment.

Lease Term: The term of the lease will terminate upon the earliest of: (a) the exercise by the District of its option to purchase the Equipment, as described below, (b) termination of the Lease upon a default by the District, or (c) payment by the District of all Rental Payments authorized or required to be paid by the District under the terms of the Lease. The Lease is not subject to nonappropriation of funds by the District. The Lease is entered under the terms of K.S.A. 75-37,125, which exempts the Lease from the cash basis law of K.S.A. 10-1101 *et seq.*

Security for the Lease: Pursuant to the terms of the Lease, the Lease is secured by "a security interest constituting a first lien on the Equipment and on all additions, attachments and accessions thereto and substitutions therefor and proceeds therefrom." A UCC-1 financing statement (Filing Number 96866274) was filed by the original Lessor, Capital One Public Funding, LLC, with respect to the Equipment. The security interest in the Equipment and the financing statement have been assigned to the Depositor and irrevocably deposited with the Custodian.

Option to Purchase: Under the terms of the Lease, the District has the option to purchase the Equipment prior to the final maturity date of the Lease as provided below:

[The District] will have the option to purchase the Equipment, upon giving written notice to Lessor at least 30 days before the date of purchase, at the following times and upon the following terms:

(a) On September 1, 2018, and on any date thereafter, upon payment in full of the Rental Payments then due [under the Lease] plus (i) the Purchase Price designated on the Payment Schedule for such purchase date if such purchase date is a Rental Payment Date or the Purchase Price for the immediately preceding Rental Payment Date if such purchase date is not a Rental Payment Date, and (ii) if such day is not a Rental Payment Date, an amount equal to the portion of the interest component of the Rental Payment scheduled to come due on the following Rental Payment Date accrued from the immediately preceding Rental Payment Date to such purchase date, computed on the basis of a 360-day year of twelve 30-day months; or

(b) In the event of substantial damage to or destruction or condemnation (other than by [the District] or any entity controlled by or otherwise affiliated with [the District]) of substantially all of the Equipment, on the day [the District] specifies as the purchase date in [the District's] notice to Lessor of its exercise of the purchase option, upon payment in full of the Rental Payments and any other amounts then due [under the Lease] plus (i) the Purchase Price designated on the Payment Schedule for such purchase date if such purchase date is a Rental Payment Date or the Purchase Price for the immediately preceding Rental Payment Date if such purchase date is not a Rental Payment Date, and (ii) if such day is not a Rental Payment Date, an amount equal to the portion of the interest component of the Rental Payment scheduled to come due on the following Rental Payment Date accrued from the immediately preceding Rental Payment Date to such purchase date, computed on the basis of a 360-day year of twelve 30-day months.

Cross Default With 2008 Lease: The Lease was entered into by the District to complete specific improvements to the District's facilities. Prior to entering into the Lease, the District entered into a lease dated June 16, 2008 (the "2008 Lease") to provide additional energy improvements to the District's facilities.

The Lease and the 2008 Lease are secured by different equipment. However, as described in the Lease, a default on the 2008 Lease will be considered an event of default under the Lease. The terms of the Lease allow for action to be taken against the District in the event of a 2008 Lease default if desired, but do not require such action.

Please review the original Lease and the various other documents, certificates and opinions delivered in connection with the Lease or pertaining thereto attached as Appendix A for a detailed explanation of the security and sources of payment for the Lease.

The District is not obligated to provide continuing disclosure regarding the Lease, and investors should take this into consideration when making an investment decision.

At the time of issuance, the Lease has been rated A+/Stable by S&P.

Each Owner of a Custodial Receipt should consult the information contained in Appendix A thoroughly and determine if an investment in the Custodial Receipts, which evidence direct interests in the Lease, is an appropriate investment for such Owner. The District is not obligated to provide continuing disclosure, and investors should take this into consideration when making an investment decision.

THE CUSTODIAL RECEIPTS

Sale and Delivery of Custodial Receipts

The Custodial Receipts will be offered pursuant to this Secondary Market Limited Offering Memorandum. The Custodial Receipts will accrue interest from the date of delivery.

The Custodial Receipts will be “book-entry-only” and will be registered in the name of Cede & Co. as registered owner and nominee of The Depository Trust Company, New York, New York. The Custodial Receipts shall be issued in authorized denominations as is otherwise set forth herein.

Payment on Custodial Receipts

The Custodial Receipts are limited obligations payable solely from the Rental Payments and any other amounts received on the Lease. Each Custodial Receipt initially issued shall be dated as of the date of delivery, and shall bear interest from the date of delivery. Each Custodial Receipt authenticated after the date of the initial issuance shall be dated as of its date of authentication and shall bear interest from the Payment Date immediately preceding the date thereof to which interest has been paid.

All Rental Payments received by the Custodian from the Lease shall be used to make applicable payments of principal and interest on the Custodial Receipts and immediately deposited into a trust account for the benefit of the Owners. Each payment made with respect to any Custodial Receipt shall be applied first to the interest, if any, then due and payable on such Custodial Receipt, and then to the principal thereof. Interest on the unpaid principal amount of each Custodial Receipt outstanding shall be payable on each Payment Date at the interest rate applicable to such Custodial Receipt for the period from the date of delivery, or such later date to which interest has been paid, to such Payment Date.

Any installment of interest or principal payable on the Custodial Receipts on the applicable Payment Date or redemption date shall be paid to DTC, or its nominee, Cede & Co., as described below, for the Owner in whose name such Custodial Receipt is registered on the Record Date for such Payment Date from funds available to the Custodian by check or draft mailed to such Person's address as it appears in the Custodial Receipt Register on such Record Date.

Excess Payments

All amounts held in the Collection Account in excess of the amounts necessary to pay the principal of, premium, if any, and interest on the Custodial Receipts, shall be retained in the Collection account as long as any Custodial Receipts are outstanding. On or after the fifth (5th) Business Day following the payment in full of all amounts due with respect to the Custodial Receipts, the cash balance, if any, of amounts then in the Collection Account shall be released from the lien of the Custodial Agreement and paid to the Placement Agent as the deferred portion of Placement Agent's fee.

Amendments and Waivers Requiring Consent of Owners

Except as provided in Section 6.01 of the Custodial Agreement, the Custodian shall not enter into any amendment of the Custodial Agreement or the Custodial Receipts, or waive or consent to the waiver of observance or performance of any provision thereof without the prior written consent of the Owners of not less than a majority of the aggregate stated amount of the Custodial Receipts; provided that no amendment or waiver shall, without the consent of 100% the Owners of all Custodial Receipts:

(i) reduce the stated amount or interest payable to the Owners of the Custodial Receipts, or change any payment date or method of payment with respect to such Custodial Receipts; or

(ii) reduce the percentage of Owners whose consent is required with respect to amendments and waivers thereunder.

Events of Default; Rights of Owners of Custodial Receipts

The occurrence of one or more of the Events of Default with respect to the Lease (a "Lease Default") described in the Lease attached hereto as Appendix A that result in any failure by Custodian to receive a Rental Payment or any other payment due under the terms of the Lease, shall be deemed an event of default of the Custodial Receipts.

The sole obligor with respect to any Rental Payment or any other payment due under the Lease is the District. Neither the Custodian nor the Depositor shall have any obligation with respect to any Lease Payment except as provided in the Custodial Agreement with respect to the Custodian, and its respective obligations with respect to the Custodial Receipts shall be solely set forth in the Custodial Agreement.

The Owners, as the real parties in interest, will have the right upon a Lease Default to proceed against the District in accordance with the provisions respecting the Lease as set forth in the Lease attached hereto as Appendix A. In any such case, the Owners are not required to act in concert with, or join as third parties, the Depositor or the Custodian in order to proceed against the District. Neither the Custodian nor the Depositor is authorized or required to proceed against the District in the event of a Lease Default or to assert the rights and privileges of the Owners and said parties have no duty to do so, except that at the written request and at the risk and expense (including reasonable compensation of the Custodian) of the Owners of a majority of the stated amount of the Custodial Receipts then unpaid, and if such Owners provide appropriate indemnification of the Custodian, the Custodian, in its capacity as the nominal holder or registered owner of the Lease, may elect in the Custodian's sole discretion, to cooperate with the Owners to enable them to proceed against the District or otherwise serve as the coordinator of all default or work-out proceedings involving the District. Unless the Custodian so elects, the Custodian shall have no duty or obligation to become involved in any default, work-out or similar proceeding against or otherwise involving the

Borrower.

Redemption of the Custodial Receipts

Optional Redemption. The Custodial Receipts are subject to optional redemption at the option of the Depositor, in Authorized Denominations, on or after September 15, 2018 from Available Moneys at par plus accrued interest thereon to the date of redemption

“Available Moneys” means proceeds of the sale of refunding custodial receipts or other moneys, if the Custodian receives an opinion of counsel (reasonably acceptable to the Rating Agency) that redemption of the Custodial Receipts from such moneys will not constitute (i) transfers of assets of the “estate” of the Depositor under Section 541 of the U.S. Bankruptcy Code that are therefore subject to the automatic stay provisions of Section 362 of the U.S. Bankruptcy Code, or (ii) transfers that are voidable preferences under Section 547 of the U.S. Bankruptcy Code, in the event a petition in bankruptcy is subsequently filed by or against the Depositor.

Mandatory Redemption Upon Redemption of Lease. The Custodial Receipts are subject to early redemption on or after September 15, 2018 on any date in the event the District causes the redemption of the Lease, at a price equal to par plus accrued interest thereon to the date of redemption.

The Custodial Receipts shall be subject to redemption prior to their maturity, in order of maturity, upon notice, at a redemption price equal to the principal amount of, and premium, if any, on such Custodial Receipts or portions thereof to be redeemed, together with accrued interest thereon to the redemption date, from amounts available to the Custodian under this Custodial Agreement. The Custodial Receipts shall be selected for redemption by lot or in such manner as Custodian in its discretion may deem fair and appropriate (which manner, in the case of Custodial Receipts in the book-entry-only form, will be selected for redemption by DTC and Participants in accordance with their rules).

Reference is made to the Lease attached hereto as Appendix A for a more detailed description of the prepayment provisions.

Mandatory Sinking Fund Redemption. The Term Custodial Receipts maturing on the dates described below are subject to mandatory redemption. The sole source of proceeds to effect mandatory redemption under this Section shall be those Rental Payments received by the Custodian with respect to the Lease. The Custodial Receipts shall be redeemed in the following amounts at the following times:

| <u>Custodial Receipt</u> | <u>Due Date</u> | <u>Redemption Date</u> | <u>Redemption Amount</u> |
|--------------------------|-----------------|----------------------------|------------------------------|
| 2013 Term | 3/15/2013 | 9/15/2009 | 80,000.00 |
| | | 3/15/2010 | 50,000.00 |
| | | 9/15/2010 | 55,000.00 |
| | | 3/15/2011 | 55,000.00 |
| | | 9/15/2011 | 55,000.00 |
| | | 3/15/2012 | 55,000.00 |
| | | 9/15/2012 | 55,000.00 |
| | | 3/15/2013 | 55,000.00 |
| 2014 Term | 3/15/2014 | 9/15/2013 | 55,000.00 |
| | | 3/15/2014 | 60,000.00 |
| 2015 Term | 3/15/2015 | 9/15/2014 | 60,000.00 |
| | | 3/15/2015 | 60,000.00 |
| 2016 Term | 3/15/2016 | 9/15/2015 | 60,000.00 |
| | | 3/15/2016 | 65,000.00 |
| 2017 Term | 3/15/2017 | 9/15/2016 | 65,000.00 |
| | | 3/15/2017 | 65,000.00 |
| 2018 Term | 3/15/2018 | 9/15/2017 | 65,000.00 |
| | | 3/15/2018 | 65,000.00 |
| 2019 Term | 3/15/2019 | 9/15/2018 | 75,000.00 |
| | | 3/15/2019 | 70,000.00 |
| 2020 Term | 3/15/2020 | 9/15/2019 | 70,000.00 |
| | | 3/15/2020 | 75,000.00 |
| 2021 Term | 3/15/2021 | 9/15/2020 | 75,000.00 |
| | | 3/15/2021 | 75,000.00 |
| 2023 Term | 3/15/2023 | 9/15/2021 | 80,000.00 |
| | | 3/15/2022 | 80,000.00 |
| | | 9/15/2022 | 80,000.00 |
| | | 3/15/2023 | 75,000.00 |
| 2029 Term | 3/15/2029 | 9/15/2023 | 75,000.00 |
| | | 3/15/2024 | 75,000.00 |
| | | 9/15/2024 | 85,000.00 |
| | | 3/15/2025 | 85,000.00 |
| | | 9/15/2025 | 90,000.00 |
| | | 3/15/2026 | 95,000.00 |
| | | 9/15/2026 | 95,000.00 |
| | | 3/15/2027 | 100,000.00 |
| | | 9/15/2027 | 100,000.00 |

| | |
|-----------|------------|
| 3/15/2028 | 100,000.00 |
| 9/15/2028 | 110,000.00 |
| 3/15/2029 | 110,000.00 |

*Preliminary, subject to change.

If the Custodial Receipts are redeemed pursuant to mandatory redemption, all such Custodial Receipts shall be due and payable, and the Custodian shall furnish a notice complying with the notice provisions hereof to each Owner. The sole source of proceeds to effect mandatory redemption of the Custodial Receipts shall be those Rental Payments received pursuant to the events above, together with any other funds held by the Custodian hereunder. The Custodial Receipts shall be selected for redemption by lot or in such manner as Custodian in its discretion may deem fair and appropriate (which manner, in the case of Custodial Receipts in the book-entry-only form, will be selected for redemption by DTC and Participants in accordance with their rules).

Notice of Redemption.

(a) Notice of mandatory redemption under shall be given by Depositor or by the Custodian by first-class mail, postage prepaid, mailed not less than ten (10) days prior to the applicable redemption date to each Owner in whose name a Custodial Receipt to be redeemed is registered on the Record Date preceding the applicable redemption date, at such Owner's address appearing in the Custodial Receipt Register.

(b) All notices of redemption shall state the redemption date, redemption price, the place where the Custodial Receipts are to be surrendered for payment of the redemption price and that no interest shall accrue on such Custodial Receipts for any period after the last day of the Interest Accrual Period for the Payment Date on which such redemption is to occur.

Custodial Receipts Payable On Redemption Date. Notice of redemption having been given as provided in the Custodial Agreement, and moneys for redemption being held by the Custodian for that purpose, thereupon the Custodial Receipts to be redeemed shall, on the applicable redemption date, become due and payable at the redemption price and interest thereon shall cease to accrue. Notwithstanding the foregoing, the sole source of payment of the redemption price is the rental Payments.

FORM OF THE CUSTODIAL AGREEMENT

The form of the Custodial Agreement is attached hereto as Appendix B, to which reference is hereby made for a complete description of the terms of the Custodial Agreement.

Each Custodial Receipt is issued subject to the Custodial Agreement. The Custodial Agreement has been entered into between First Security Leasing, Inc., as the "Depositor," and Bank of the Ozarks, as the "Custodian." Any investor desiring to

review financial statement information of the Custodian may request such information from the Custodian directly at P.O. Box 8811, Little Rock, Arkansas 72231, Attention: Trust Department. Arkansas law governs the Custodial Agreement.

RATING

The Custodial Receipts have been submitted to Standard & Poor's ("S&P") for review, and it is anticipated that an A+/Stable rating will be received. At the time of issuance, the Lease has been rated A+/Stable by S&P.

RISK FACTORS

THE PURCHASE OF THE CUSTODIAL RECEIPTS IS SUBJECT TO CERTAIN RISKS. EACH PROSPECTIVE INVESTOR IN THE CUSTODIAL RECEIPTS IS ENCOURAGED TO READ THIS SECONDARY MARKET LIMITED OFFERING MEMORANDUM IN ITS ENTIRETY, INCLUDING THE EXHIBITS AND APPENDICES HERETO AND DOCUMENTS REFERENCED HEREIN THAT CAN BE PROVIDED UPON REQUEST. PARTICULAR ATTENTION SHOULD BE GIVEN TO THE FACTORS DESCRIBED BELOW WHICH, AMONG OTHERS, COULD AFFECT THE RETURN ON INVESTMENT EXPECTED FROM AN INVESTMENT IN THE CUSTODIAL RECEIPTS, AND COULD ALSO AFFECT THE MARKET PRICE OF THE CUSTODIAL RECEIPTS TO AN EXTENT THAT CANNOT BE DETERMINED. THE FOLLOWING LIST OF RISK FACTORS IS NOT INTENDED TO PROVIDE AN EXHAUSTIVE LIST OF THE GENERAL OR SPECIFIC RISKS RELATING TO THE PURCHASE OF THE CUSTODIAL RECEIPTS. ADDITIONAL RISK FACTORS RELATING TO AN INVESTMENT IN THE CUSTODIAL RECEIPTS ARE DESCRIBED THROUGHOUT THIS SECONDARY MARKET LIMITED OFFERING MEMORANDUM, INCLUDING THE EXHIBITS AND APPENDICES HERETO, WHETHER OR NOT SPECIFICALLY DESIGNATED AS RISK FACTORS.

Pursuit of District Upon Lease Default

Pursuant to the Custodial Agreement, should an Event of Default occur with respect to the Lease, the Custodian and each Custodial Receipt Owner may separately pursue independent causes of action against the District. Nothing obligates the Custodian or the Depositor to pursue actions against the District on behalf of the Custodial Receipt Owners unless the Custodian and the Custodial Receipt Owners expressly agree to the contrary, and the Custodian receives appropriate indemnities. Any Custodial Receipt Owner might find it unfeasible to pursue the District for a Lease Default.

Investment Risks

In addition to those other risks as described above, other investment risks are associated with this transaction. The District's sources of revenue may be modified in the future in such a manner as to lessen creditworthiness of the underlying transaction. Should the Equipment ever be repossessed, there can be no assurance that the Equipment can be sold, leased or otherwise disposed of in an amount necessary to discharge the District's otherwise anticipated obligations hereunder. Therefore, no

predictions can be made as to the extent such equitable relief might be available to the District or the availability of all rights and remedies or the availability to Owners of all rights and remedies which are otherwise specified in the Lease. Specific reference is hereby made to Appendix A. It is noted that the District is not obligated to provide continuing disclosure, and investors should take this into consideration when making an investment decision.

SOURCES AND USES OF FUNDS

The following chart represents the sources and uses of the funds associated with the sale of the Custodial Receipts:

SOURCES OF FUNDS:

| | |
|----------------------------------|--------------------|
| Par Amount of Custodial Receipts | \$2,955,000 |
| Net Original Issue Discount | <u>(34,489.75)</u> |

| | |
|--------------------------------|------------------------------|
| TOTAL SOURCES OF FUNDS: | <u>\$2,920,510.25</u> |
|--------------------------------|------------------------------|

USES OF FUNDS:

| | |
|--|-------------------|
| Purchase Price of Lease * (Includes Accrued Interest) | \$2,778,529.93 |
| Costs of Issuance (Legal fees, CUSIP, miscellaneous closing costs, Custodian fee, sales commissions, etc.) | <u>141,980.32</u> |

| | |
|-----------------------------|------------------------------|
| TOTAL USES OF FUNDS: | <u>\$2,920,510.25</u> |
|-----------------------------|------------------------------|

*The purchase price above is the Depositor's cost basis in the Lease.

BOOK-ENTRY ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Custodial Receipts"). The Custodial Receipts will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Custodial Receipt will be issued for the Custodial Receipts, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC.

DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Custodial Receipts under the DTC system must be made by or through Direct Participants, which will receive a credit for the Custodial Receipts on DTC's records. The ownership interest of each actual purchaser of each Custodial Receipt ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Custodial Receipts are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Custodial Receipts, except in the event that use of the book-entry system for the Custodial Receipts is discontinued.

To facilitate subsequent transfers, all Custodial Receipts deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Custodial Receipts with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Custodial Receipts; DTC's records reflect only the identity of the Direct Participants to whose accounts such Custodial Receipts are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect

Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Custodial Receipts within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Custodial Receipts unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Custodial Receipts are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Custodial Receipts will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from Depositor or Custodian on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Custodian, or Depositor, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Depositor or Custodian, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Custodial Receipts at any time by giving reasonable notice to Depositor or Custodian. Under such circumstances, in the event that a successor securities depository is not obtained, Custodial Receipt certificates are required to be printed and delivered.

Depositor may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Custodial Receipt certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Depositor believes to be reliable, but Depositor takes no responsibility for the accuracy thereof.

FEDERAL INCOME TAX CONSIDERATIONS

INVESTORS, INCLUDING THOSE WHO ARE SUBJECT TO SPECIAL PROVISIONS OF THE CODE, SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM THE RECEIPT OR ACCRUAL OF INTEREST ON OR THE ACQUISITION, OWNERSHIP, AND DISPOSITION OF TAX-EXEMPT OBLIGATIONS, AND THE DETERMINATION OF AMORTIZABLE BOND PREMIUM OR ORIGINAL ISSUE DISCOUNT, IF ANY, WITH RESPECT TO THE CUSTODIAL RECEIPTS FOR FEDERAL INCOME TAX PURPOSES BEFORE DETERMINING WHETHER TO PURCHASE THE CUSTODIAL RECEIPTS.

The District designated the Lease as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Internal Revenue Code, and such designation flows through to the Custodial Receipts as fractional undivided ownership interests in the Lease.

INVESTORS SHOULD REVIEW THE INFORMATION ATTACHED AS APPENDIX A FOR A DESCRIPTION OF THE TAX TREATMENT OF THE LEASE.

LEGAL MATTERS

Jack Nelson Jones Fink Jiles & Gregory, P.A., Little Rock, Arkansas, has acted as special counsel to the Depositor and the Placement Agent in connection with the issuance of the Custodial Receipts. In such capacity Jack Nelson Jones Fink Jiles & Gregory, P.A., has participated in the drafting of the Custodial Agreement and related documents. Jack Nelson Jones Fink Jiles & Gregory, P.A., has had no involvement in and has delivered no opinions regarding the analysis of the security and collateral associated with the Lease, or the preparation of any cash flow, amortization or other financial information of every nature associated with this transaction. No party is authorized to imply or reach any conclusions that are not otherwise expressly set forth herein. Jack Nelson Jones Fink Jiles & Gregory, P.A. represents only the Depositor and the Placement Agent in this transaction and no other party is authorized to rely upon said firm’s work product and involvement in the preparation of any documents associated with this transaction. Owners should consult their independent legal counsel regarding any legal or tax issues that may be of concern.

MISCELLANEOUS

The foregoing summaries of the Lease, the copy of the original Lease and related documents attached hereto as Appendix A, and the form of the Custodial Agreement attached hereto under Appendix B, and any other documents described do not purport to be complete and are expressly made subject to the actual provisions of the applicable documents. All other documents and/or information concerning the Custodial Receipts and/or the Lease may be obtained from the Placement Agent at the following address:

Crews & Associates, Inc.
521 President Clinton Avenue, Suite 800
Little Rock, Arkansas 72201

The Placement Agent will be paid a fee of \$59,100.00 at closing for its services as Placement Agent.

Signature Page to Follow

FIRST SECURITY LEASING, INC.
Depositor

By: /s/ Rush F. Harding, III
CEO

Signature Page to Offering Memorandum

APPENDIX A

COPY OF ORIGINAL EQUIPMENT LEASE PURCHASE AGREEMENT

A COPY OF THE EQUIPMENT LEASE PURCHASE AGREEMENT AND CERTAIN RELATED DOCUMENTS ARE ATTACHED HERETO AS APPENDIX A AND CONTAINS A DESCRIPTION OF AND THE TERMS OF THE LEASE AND OTHER PERTINENT INFORMATION. IT SHOULD BE NOTED THAT THE DISTRICT IS NOT OBLIGATED TO PROVIDE CONTINUING DISCLOSURE, AND INVESTORS SHOULD TAKE THIS INTO CONSIDERATION WHEN MAKING AN INVESTMENT DECISION.

EQUIPMENT LEASE PURCHASE AGREEMENT

BETWEEN

CAPITAL ONE PUBLIC FUNDING, LLC,
As Lessor

AND

UNIFIED SCHOOL DISTRICT NO. 203,
WYANDOTTE COUNTY, KANSAS (PIPER),
As Lessee

Dated: January 15, 2009

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EQUIPMENT LEASE PURCHASE AGREEMENT

THIS EQUIPMENT LEASE PURCHASE AGREEMENT (the "Agreement"), dated as of January 15, 2009, between **CAPITAL ONE PUBLIC FUNDING, LLC**, a limited liability company organized and existing under the laws of the State of New York, as Lessor ("Lessor"), and **UNIFIED SCHOOL DISTRICT NO. 203, WYANDOTTE COUNTY, KANSAS (PIPER)**, a unified school district and political subdivision existing under the laws of the State of Kansas, as Lessee ("Lessee"),

WITNESSETH:

WHEREAS, the Lessee desires to obtain funds in an aggregate amount not to exceed \$4,890,000 to pay costs of acquiring, constructing and installing energy conservation measures in the buildings and on the property owned and operated by the Lessee (the "Equipment"); and

WHEREAS, the Equipment constitute "energy conservation measures" pursuant to the provisions of K.S.A. 75-37,125, and the Lessee is permitted to enter into a lease purchase agreement for such energy conservation measures; and

WHEREAS, a lease-purchase agreement entered into pursuant to K.S.A. 75-37,125 is not subject to the cash basis law at K.S.A. 10-1101 *et seq.*; and

WHEREAS, Lessor desires to lease the Equipment to Lessee and Lessee desires to lease the Equipment from Lessor subject to the terms and conditions of and for the purposes set forth in this Agreement; and

WHEREAS, Lessee is authorized under the constitution and laws of the Kansas to enter into this Agreement for the purposes set forth herein;

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" means this Equipment Lease Purchase Agreement and any other schedule, exhibit or escrow agreement made a part hereof by the parties hereto, together with any amendments to this Agreement.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commencement Date" is the date when the term of this Agreement and Lessee's obligation to pay rent commences, which date will be the earlier of (i) the date on which the Equipment is accepted by Lessee in the manner described in **Section 5.01**, or (ii) the date on which sufficient moneys to purchase the Equipment are deposited for that purpose with an escrow agent.

“Contract” means any contract or contract with a Vendor for the acquisition and installation of the Equipment.

“Equipment” means the property described on the Equipment Schedule attached hereto as **Exhibit A**, and all replacements, repairs, restorations, modifications and improvements thereof or thereto.

“ESCO” means Custom Energy Services, LLC, with whom the Lessor has contracted to construct and install the Equipment.

“Event of Default” means an Event of Default described in **Section 12.01**.

“Issuance Year” is the calendar year in which the Commencement Date occurs.

“Lease Term” means the term set forth in **Section 3.02**.

“Lessee” means the entity described as such in the first paragraph of this Agreement, its successors and its assigns.

“Lessor” means the entity described as such in the first paragraph of this Agreement, its successors and its assigns.

“Net Proceeds” means the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorneys’ fees) incurred in the collection of such claim or award.

“Payment Schedule” means the schedule of Rental Payments and Purchase Price set forth on **Exhibit B**.

“Purchase Price” means the amount that Lessee may, at its option, pay to Lessor to purchase the Equipment, as set forth on the Payment Schedule.

“Rental Payment Date” means a date for making a Rental Payment as shown on **Exhibit B**.

“Rental Payments” means the basic rental payments payable by Lessee pursuant to **Section 4.01**.

“State” means the State of Kansas.

“Vendor” means the manufacturer of any item of Equipment as well as the agents or dealers of the manufacturer or the ESCO from whom Lessor purchased or is purchasing the Equipment, as listed on **Exhibit A**.

ARTICLE II

REPRESENTATIONS AND COVENANTS OF LESSEE

Section 2.01. Representations and Covenants of Lessee. Lessee represents, warrants and covenants for the benefit of Lessor:

(a) Lessee is a unified school district and political subdivision duly organized and existing under the constitution and laws of the State. Lessee will do or cause to be done all things to preserve and keep in full force and effect its existence as a body corporate and politic. Lessee is a public body corporate and politic, duly organized and existing under the laws of the State, and has a substantial amount of one or more of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) police power.

(b) Lessee is authorized under the constitution and laws of the State to enter into this Agreement and the transaction contemplated hereby and to perform all of its obligations hereunder.

(c) Lessee has been duly authorized to execute and deliver this Agreement by proper action and approval of its governing body at a meeting duly called, regularly convened and attended throughout by a requisite majority of the members thereof or by other appropriate official approval.

(d) This Agreement constitutes the legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

(e) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the Commencement Date.

(f) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current fiscal year to make the Rental Payments scheduled to come due during such fiscal year and to meet its other obligations for the current fiscal year, and such funds have not been expended for other purposes.

(g) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic.

(h) Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment hereunder.

(i) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting Lessee, nor to the best knowledge of Lessee is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Agreement or any other document, agreement or certificate which is used or contemplated for use in the consummation of the transactions contemplated by this Agreement.

(j) All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by Lessee of this Agreement or in connection with the carrying out by Lessee of its obligations hereunder have been obtained.

(k) The entering into and performance of this Agreement or any other document or agreement contemplated hereby to which Lessee is or is to be a party will not violate any judgment, order, law or regulation applicable to Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance on any assets of Lessee or the Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which Lessee is a party or by which it or its assets may be bound, except as herein provided.

(l) The Equipment described in this Agreement is essential to the function of Lessee or to the service Lessee provides to its citizens. Lessee has an immediate need for, and expects to make immediate use of, substantially all the Equipment, which need is not temporary or expected to diminish in the foreseeable future. The Equipment will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of Lessee's authority.

(m) The Equipment, when completed in accordance with the Contract, will constitute "energy conservation measures" as described in K.S.A. 75-37,125. The Equipment is designed to provide energy and operational cost savings at least equivalent to the amount expended by the District for the Equipment over a period of not more than 30 years after the date the Equipment is installed. The Equipment will be in compliance with all applicable building and design codes and the Lessee's requirements.

(n) The Lessee has complied or will comply with all requirements under K.S.A. 75-37,125 and any other requirements that may be applicable to this Lease with regards to the acquisition, construction and equipping of the Equipment.

(o) Neither the payment of the Rental Payments hereunder nor any portion thereof is (i) secured by any interest in property used or to be used in a trade or business of a non-exempt person (within the meaning of Section 103 of the Code) or in payments in respect of such property or (ii) derived from payments in respect of property, or borrowed money, used or to be used in a trade or business of a non-exempt person (within the meaning of Section 103 of the Code). No portion of the Equipment will be used directly or indirectly in any trade or business carried on by any non-exempt person (within the meaning of Section 103 of the Code).

(p) Lessee will comply with all applicable provisions of the Code, including without limitation Sections 103 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation.

(q) Lessee will use the proceeds of this Agreement as soon as practicable and with all reasonable dispatch for the purpose for which this Agreement has been entered into. No part of the proceeds of this Agreement will be invested in any securities, obligations or other investments or used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of this Agreement, would have caused any portion of this Agreement to be or become "arbitrage bonds" within the meaning of Section 103(b)(2) or Section 148 of the Code and the applicable regulations of the Treasury Department.

(r) Lessee hereby designates this Agreement as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code. The aggregate face amount of all tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds) issued or to be issued by Lessee and all subordinate entities thereof during the Issuance Year is not reasonably expected to exceed \$10,000,000. Lessee and all subordinate entities thereof will not issue in excess of \$10,000,000 of qualified tax-exempt obligations (including this Agreement but excluding private activity bonds other than qualified 501(c)(3) bonds) during the Issuance Year without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to Lessor that the designation of this Agreement as a "qualified tax-exempt obligation" will not be adversely affected.

(s) Lessee represents and warrants that it is a governmental unit under the laws of the State with general taxing powers; this Agreement is not a private activity bond as defined in Section 141 of the Code; 95% or more of the net proceeds of this Agreement will be used for local governmental activities of Lessee; and the aggregate face amount of all tax-exempt obligations (other than private activity bonds) issued or to be issued by Lessee and all subordinate entities thereof during the Issuance Year is not reasonably expected to exceed the sum of (A) \$5,000,000 plus (B) the lesser of \$10,000,000 or the portion of the face amount of all bonds and other obligations expected to be issued during the Issuance Year that will be attributable to the financing of the construction of public school facilities. Lessee and all subordinate entities thereof will not issue in excess of the sum of (A) \$5,000,000 plus (B) the lesser of \$10,000,000 or the portion of the face amount of all bonds and other obligations expected to be issued during the Issuance Year that will be attributable to the financing of the construction of public school facilities of tax-exempt bonds (including this Agreement but excluding private activity bonds) during the Issuance Year without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to Lessor that the excludability of the interest on this Agreement from gross income for federal tax purposes will not be adversely affected.

(t) The capital cost that would be required to purchase the Equipment if paid for by cash would be \$2,646,800.

(u) The annual average effective interest cost of this Agreement is 5.85% per annum.

(v) No amount is included in Rental Payments for service, maintenance, insurance and other charges exclusive of capital cost and interest cost.

(w) The Lessee has experienced no material change in its financial condition since June 30, 2007. The unaudited financial information presented to the Lessor accurately reflects the financial condition of the Lessee.

Section 2.02. Certification as to Arbitrage. Lessee hereby represents as follows:

(a) The estimated total costs of the Equipment will not be less than the total principal portion of the Rental Payments.

(b) The Equipment has been ordered or is expected to be ordered within six months of the Commencement Date, and the Equipment is expected to be delivered and installed, and the Vendor(s) fully paid, within eighteen months of the Commencement Date.

(c) Lessee has not created or established, and does not expect to create or establish, any sinking fund or other similar fund (i) that is reasonably expected to be used to pay the Rental Payments, or (ii) that may be used solely to prevent a default in the payment of the Rental Payments.

(d) The Equipment has not been and is not expected to be sold or otherwise disposed of by Lessee, either in whole or in major part, prior to the last maturity of the Rental Payments.

(e) To the best of our knowledge, information and belief, the above expectations are reasonable.

ARTICLE III

LEASE OF EQUIPMENT

Section 3.01. Lease of Equipment. Lessor hereby demises, leases and lets the Equipment to Lessee, and Lessee rents, leases and hires the Equipment from Lessor, in accordance with the provisions of this Agreement, for the Lease Term.

Section 3.02. Lease Term. The Lease Term will commence on the Commencement Date and will terminate on March 1, 2029, unless this Agreement has been terminated pursuant to **Section 3.03** or **Section 10.01**.

Section 3.03. Termination of Lease Term. The Lease Term will terminate upon the earliest of any of the following events:

(a) the exercise by Lessee of the option to purchase the Equipment granted under the provisions of **Article X** and payment of the Purchase Price and all amounts payable in connection therewith;

(b) a default by Lessee and Lessor's election to terminate this Agreement under **Article XII**; or

(c) the payment by Lessee of all Rental Payments authorized or required to be paid by Lessee hereunder during the Lease Term.

Section 3.04. Agreement to Budget and Appropriate. The responsible financial officer of Lessee will do all things lawfully within his power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such Rental Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of Lessee and to exhaust all available reviews and appeals in the event such portion of the budget is not approved.

ARTICLE IV

RENTAL PAYMENTS

Section 4.01. Rental Payments. Lessee will pay Rental Payments, exclusively from legally available funds, in lawful money of the United States of America to Lessor (or such other party designated by Lessor) in the amounts and on the dates set forth on the Payment Schedule. Rental Payments will be in consideration for Lessee's use of the Equipment during the fiscal year in which such payments are due. Any payment not received on or before its due date will bear interest at the rate of 10% per annum or the maximum amount permitted by law, whichever is less, from its due date.

In the event that it is determined that any of the interest components of Rental Payments may not be excluded from gross income for purposes of federal income taxation, Lessee agrees to pay to Lessor promptly after any such determination and on each Rental Payment Date thereafter an additional amount determined by Lessor to compensate Lessor for the loss of such excludability (including without limitation, compensation relating to interest expense, penalties or additions to tax), which determination shall be conclusive absent manifest error.

Section 4.02. Interest Component. As set forth on the Payment Schedule, a portion of each Rental Payment is paid as, and represents payment of, interest.

Section 4.03. Rental Payments To Be Unconditional. The obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained herein shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, including without limitation any failure of the Equipment to be delivered or installed, any defects, malfunctions, breakdowns or infirmities in the equipment or any accident, condemnation or unforeseen circumstances. Lessee's obligation hereunder will not in any way be construed to be a general obligation or an indebtedness of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor will anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of Lessee.

ARTICLE V

EQUIPMENT

Section 5.01. Delivery, Installation and Acceptance of the Equipment. Lessee will order the Equipment, cause the Equipment to be delivered and installed at the locations specified on **Exhibit A** and pay any and all delivery and installation costs in connection therewith. When the Equipment has been delivered and installed, Lessee will immediately accept the Equipment and evidence said acceptance by executing and delivering to Lessor an acceptance certificate in substantially the form set forth in **Exhibit C** or other form acceptable to Lessor. After it has been installed, the Equipment will not be moved from the location specified on **Exhibit A** without Lessor's consent, which consent will not be unreasonably withheld.

Section 5.02. Enjoyment of Equipment. Lessor hereby covenants to provide Lessee with quiet use and enjoyment of the Equipment during the Lease Term, and Lessee will peaceably and quietly have and hold and enjoy the Equipment during the Lease Term, without suit, trouble or hindrance from Lessor, except as otherwise expressly set forth in this Agreement.

Section 5.03. Right of Inspection. Lessor will have the right at all reasonable times during regular business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

Section 5.04. Use of the Equipment. Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee will provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all applicable laws, regulations and rulings of any legislative, executive, administrative or judicial body; provided, however, that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest of Lessor in and to the Equipment or its interest or rights under this Agreement.

Section 5.05. Maintenance of Equipment. Lessee agrees that it will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition. Lessor will have no responsibility to maintain, or repair or to make improvements or additions to the Equipment.

ARTICLE VI

TITLE TO EQUIPMENT; SECURITY INTEREST

Section 6.01. Title to the Equipment. During the Lease Term, title to the Equipment and any and all additions, repairs, replacements or modifications will vest in Lessee, subject to the rights of Lessor under this Agreement; provided that title will thereafter immediately and without any action by Lessee vest in Lessor, and Lessee will immediately surrender possession of the Equipment to Lessor upon (a) any termination of this Agreement other than termination pursuant to **Section 10.01** or (b) the occurrence of an Event of Default. It is the intent of the parties hereto that any transfer of title to Lessor pursuant to this Section will occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessee will, nevertheless, execute and deliver any such instruments as Lessor may request to evidence such transfer. Lessee, irrevocably designates, makes, constitutes and appoints Lessor and its assignee as Lessee's true and lawful attorney (and agent in-fact) with power, at such time of termination or times thereafter as Lessor in its sole and absolute discretion may determine, in Lessee's or Lessor's or such assignee's name, to endorse the name of Lessee upon any bill of sale, document, instrument, invoice, freight bill, bill of lading or similar document relating to the Equipment in order to vest title in Lessor and transfer possession to Lessor.

Section 6.02. Security Interest. To secure the payment of all of Lessee's obligations under this Agreement and to the extent permitted by law, Lessor retains a security interest constituting a first lien on the Equipment and on all additions, attachments and accessions thereto and substitutions therefor and proceeds therefrom. Lessee agrees to execute such additional documents in form satisfactory to Lessor, that Lessor deems necessary or appropriate to establish and maintain its security interest. Lessee agrees that financing statements may be filed with respect to the security interest.

Section 6.03. Personal Property. Lessor and Lessee agree that the Equipment is and will remain personal property. The Equipment will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to such real estate or any building thereon. Upon the request of Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Equipment from any party having an interest in any such real estate or building.

ARTICLE VII

ADDITIONAL COVENANTS

Section 7.01. Liens, Taxes, Other Governmental Charges and Utility Charges. Lessee will keep the Equipment free and clear of all liens, charges and encumbrances, except those created under this Agreement. The parties to this Agreement contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Equipment will be exempt from all property taxes. If the use, possession or acquisition of the Equipment is found to be subject to taxation in any form, Lessee will pay all taxes and governmental charges lawfully assessed or levied against or with respect to the Equipment. Lessee will pay all utility and other charges incurred in the use and maintenance of the Equipment. Lessee will pay such taxes and charges as the same become due; provided that, with respect to any such taxes and charges that may lawfully be paid in installments over a period of years, Lessee will be obligated to pay only such installments that accrue during the Lease Term.

Section 7.02. Insurance. At its own expense, Lessee will maintain (a) casualty insurance insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended

coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount at least equal to the then applicable Purchase Price of the Equipment, (b) liability insurance that protects Lessor from liability in all events in form and amount satisfactory to Lessor, and (c) workers' compensation coverage as required by the laws of the State; provided that, with Lessor's prior written consent, Lessee may self-insure against the risks described in clauses (a) and (b). All insurance proceeds from casualty losses will be payable as hereinafter provided. Lessee will furnish to Lessor certificates evidencing such coverage throughout the Lease Term.

All such casualty and liability insurance will be with insurers that are acceptable to Lessor, will name Lessee and Lessor as insureds and will contain a provision to the effect that such insurance will not be cancelled or modified materially without first giving written notice thereof to Lessor at least ten days in advance of such cancellation or modification. All such casualty insurance will contain a provision making any losses payable to Lessee and Lessor, as their respective interests may appear.

Section 7.03. Advances. In the event Lessee fails to maintain the insurance required by this Agreement or fails to keep the Equipment in good repair and operating condition, Lessor may (but will be under no obligation to) purchase the required policies of insurance and pay the premiums on the same and make such repairs or replacements as are necessary and pay the cost thereof. All amounts so advanced by Lessor will become additional rent for the then current fiscal year. Lessee agrees to pay such amounts with interest thereon from the date paid at the rate of 10% per annum or the maximum permitted by law, whichever is less.

Section 7.04. Financial Information. Lessee will annually provide Lessor with current financial statements, budgets, proofs of appropriation for the ensuing fiscal year and such other financial information relating to the ability of Lessee to continue this Agreement as may be requested by Lessor.

Section 7.05. Release and Indemnification. To the extent permitted by law, Lessee will indemnify, protect and hold harmless Lessor from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of cause thereof, and expenses in connection therewith (including, without limitation, counsel fees and expenses and any federal income tax and interest and penalties connected therewith imposed on interest received) arising out of or as the result of (a) the entering into this Agreement, (b) the ownership of any item of the Equipment, (c) the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Equipment, (d) any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury or death to any person or (e) the breach of any covenant herein or any material misrepresentation contained herein. The indemnification arising under this paragraph will continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason.

ARTICLE VIII

DAMAGE, DESTRUCTION AND CONDEMNATION; USE OF NET PROCEEDS

Section 8.01. Risk of Loss. Lessee assumes, from and including the Commencement Date, all risk of loss of or damage to the Equipment from any cause whatsoever. No such loss of or damage to the Equipment nor defect therein nor unfitness or obsolescence thereof will relieve Lessee of the obligation to make Rental Payments or to perform any other obligation under this Agreement.

Section 8.02. Damage, Destruction and Condemnation. If (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty, or (b) title to, or the temporary use of, the Equipment or any part thereof or the interest of Lessee or Lessor in the Equipment or any part thereof will be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment, unless Lessee has exercised its option to purchase the Equipment pursuant to **Section 10.01**. Any balance of the Net Proceeds remaining after such work has been completed will be paid to Lessee.

Section 8.03. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in **Section 8.01**, Lessee will either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) purchase Lessor's interest in the Equipment pursuant to **Section 10.01**. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after purchasing the Equipment will be retained by Lessee. If Lessee will make any payments pursuant to this Section, Lessee will not be entitled to any reimbursement therefor from Lessor nor will Lessee be entitled to any diminution of the amounts payable under **Article IV**.

ARTICLE IX

WARRANTIES

Section 9.01. Disclaimer of Warranties. *LESSOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR USE OR PURPOSE OF THE EQUIPMENT OR AGAINST INFRINGEMENT, OR ANY OTHER WARRANTY OR REPRESENTATION WITH RESPECT THERETO. IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY ACTUAL, INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR LESSEE'S USE OR MAINTENANCE OF ANY EQUIPMENT OR SERVICES PROVIDED FOR IN THIS AGREEMENT.*

Section 9.02. Vendor's Warranties. Lessee may have rights under the contract evidencing the purchase of the Equipment; Lessee is advised to contact the Vendor for a description of any such rights. Lessor hereby assigns to Lessee during the Lease Term all warranties running from Vendor to Lessor. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee will not be in default hereunder, to assert from time to time whatever claims and rights (including without limitation warranties) related to the Equipment that Lessor may have against the Vendor. Lessee's sole remedy for the breach of any such warranty, indemnification or representation will be against the Vendor, and not against Lessor. Any such matter will not have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representation or warranties whatsoever as to the existence or availability of such warranties by the Vendor.

ARTICLE X

OPTION TO PURCHASE

Section 10.01. Purchase Option. Lessee will have the option to purchase the Equipment, upon giving written notice to Lessor at least 30 days before the date of purchase, at the following times and upon the following terms:

(a) On September 1, 2018, and on any date thereafter, upon payment in full of the Rental Payments then due hereunder plus (i) the Purchase Price designated on the Payment Schedule for such purchase date if such purchase date is a Rental Payment Date or the Purchase Price for the immediately preceding Rental Payment Date if such purchase date is not a Rental Payment Date, and (ii) if such day is not a Rental Payment Date, an amount equal to the portion of the interest component of the Rental Payment scheduled to come due on the following Rental Payment Date accrued from the immediately preceding Rental Payment Date to such purchase date, computed on the basis of a 360-day year of twelve 30-day months.; or

(b) In the event of substantial damage to or destruction or condemnation (other than by Lessee or any entity controlled by or otherwise affiliated with Lessee) of substantially all of the Equipment, on the day Lessee specifies as the purchase date in Lessee's notice to Lessor of its exercise of the purchase option, upon payment in full of the Rental Payments and any other amounts then due hereunder plus (i) the Purchase Price designated on the Payment Schedule for such purchase date if such purchase date is a Rental Payment Date or the Purchase Price for the immediately preceding Rental Payment Date if such purchase date is not a Rental Payment Date, and (ii) if such day is not a Rental Payment Date, an amount equal to the portion of the interest component of the Rental Payment scheduled to come due on the following Rental Payment Date accrued from the immediately preceding Rental Payment Date to such purchase date, computed on the basis of a 360-day year of twelve 30-day months.

Upon the exercise of the option to purchase set forth above, title to the Equipment will be vested in Lessee, free and clear of any claim by or through Lessor.

Section 10.02. Determination of Fair Purchase Price. Lessee and Lessor hereby agree and determine that the Rental Payments hereunder during the Lease Term represent the fair value of the use of the Equipment and that the amount required to exercise Lessee's option to purchase the Equipment pursuant to **Section 10.01** represents, as of the date of such purchase, the fair purchase price of the Equipment. Lessee hereby determines that the Rental Payments do not exceed a reasonable amount so as to place Lessee under a practical economic compulsion to renew this Agreement or to exercise its option to purchase the Equipment hereunder. In making such determinations, Lessee and Lessor have given consideration to (a) the costs of the Equipment, (b) the uses and purposes for which the Equipment will be employed by Lessee, (c) the benefit to Lessee by reason of the acquisition and installation of the Equipment and the use of the Equipment pursuant to the terms and provisions of this Agreement, and (d) Lessee's option to purchase the Equipment. Lessee hereby determines and declares that the acquisition and installation of the Equipment and the leasing of the Equipment pursuant to this Agreement will result in equipment of comparable quality and meeting the same requirements and standards as would be necessary if the acquisition and installation of the Equipment were performed by Lessee other than pursuant to this Agreement. Lessee hereby determines and declares that the Lease Term does not exceed the useful life of the Equipment.

ARTICLE XI

ASSIGNMENT AND SUBLEASING

Section 11.01. Assignment by Lessor. Lessor's interest in, to and under this Agreement and the Equipment may be assigned and reassigned in whole or in part to one or more assignees by Lessor without the necessity of obtaining the consent of Lessee; provided that any assignment will not be effective until Lessee has received written notice, signed by the assignor, of the name, address and tax identification number of the assignee. Lessee will retain all such notices as a register of all assignees and will make all payments to the assignee or assignees designated in such register. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements that may be reasonably requested by Lessor or any assignee to protect its interest in the Equipment and in this Agreement and agrees to the filing of financing statements with respect to the Equipment and this Agreement. Lessee will not have the right to and will not assert against any assignee any claim, counterclaim or other right Lessee may have against Lessor.

Section 11.02. Assignment and Subleasing by Lessee. None of Lessee's right, title and interest in, to and under this Agreement and in the Equipment may be assigned or encumbered by Lessee for any reason, except that Lessee may sublease all or part of the Equipment if Lessee obtains the prior written consent of Lessor and an opinion of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to Lessor that such subleasing will not adversely affect the exclusion of the interest components of the Rental Payments from gross income for federal income tax purposes. Any such sublease of all or part of the Equipment will be subject to this Agreement and the rights of Lessor in, to and under this Agreement and the Equipment.

ARTICLE XII

EVENTS OF DEFAULT AND REMEDIES

Section 12.01. Events of Default Defined. Any of the following will be "Events of Default" under this Agreement:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder at the time specified herein;

(b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in **Section 12.01(a)**, for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to Lessee by Lessor, unless Lessor will agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

(c) Any statement, representation or warranty made by Lessee in or pursuant to this Agreement or its execution, delivery or performance will prove to have been false, incorrect, misleading or breached in any material respect on the date when made;

(d) Any provision of this Agreement will at any time for any reason cease to be valid and binding on Lessee, or will be declared to be null and void, or the validity or enforceability thereof will be contested by Lessee or any governmental agency or authority if the loss of such provision would materially adversely affect the rights or security of Lessor, or Lessee will deny that it has any further liability or obligation under this Agreement;

(e) Lessee will (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization or insolvency proceeding; or

(f) An order, judgment or decree will be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree will continue unstayed and in effect for any period of 30 consecutive days.

(g) The occurrence of an "Event of Default" under the Equipment Lease Purchase Agreement dated as of June 16, 2008, between the Lessee and De Lage Landen Public Finance LLC.

Section 12.02. Remedies on Default. Whenever any Event of Default exists, Lessor will have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to Lessee, Lessor may declare all Rental Payments and other amounts payable by Lessee hereunder to the end of the Lease Term to be due;

(b) With or without terminating this Agreement, Lessor may enter the premises where the Equipment is located and retake possession of the Equipment or require Lessee at Lessee's expense to promptly return any or all of the Equipment to the possession of Lessor at a place specified by Lessor, and sell or lease the Equipment or, for the account of Lessee, sublease the Equipment, holding Lessee liable for the difference between (i) the Rental Payments and other amounts payable by Lessee hereunder to the end of the Lease Term, and (ii) the net proceeds of any such sale, lease or sublease (after deducting all expenses of Lessor in exercising its remedies under this Agreement, including without limitation, all expenses of taking possession, storing, reconditioning and selling or leasing the Equipment and all brokerage, auctioneers' and attorneys' fees); and

(c) Lessor may take whatever other action at law or in equity may appear necessary or desirable to enforce its rights as the owner of the Equipment.

In addition, Lessee will remain liable for all covenants and indemnities under this Agreement and for all legal fees and other costs and expenses, including court costs, incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor.

Section 12.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy will be cumulative and will be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power or will be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article it will not be necessary to give any notice, other than such notice as may be required in this Article.

ARTICLE XIII

MISCELLANEOUS

Section 13.01. Notices. All notices, certificates or other communications hereunder will be sufficiently given and will be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto will designate in writing to the other for notices to such party), to any assignee at its address as it appears on the register maintained by Lessee.

Section 13.02. Binding Effect. This Agreement will inure to the benefit of and will be binding upon Lessor and Lessee and their respective successors and assigns.

Section 13.03. Severability. In the event any provision of this Agreement will be held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

Section 13.04. Entire Agreement. This Agreement constitutes the entire agreement between Lessor and Lessee.

Section 13.05. Amendments. This Lease may be amended, changed or modified in any manner by written agreement of Lessor and Lessee. Any waiver of any provision of this Lease or any right or remedy hereunder must be affirmatively and expressly made in writing and will not be implied from inaction, course of dealing or otherwise.

Section 13.06. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

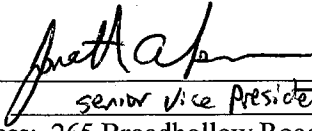
Section 13.07. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 13.08. Applicable Law. This Agreement will be governed by and construed in accordance with the laws of the State.

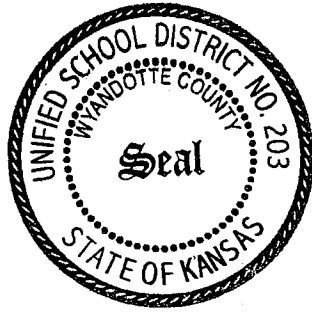
Section 13.09. Electronic Transactions. The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their corporate names by their duly authorized officers as of the date first above written.

CAPITAL ONE PUBLIC FUNDING, LLC

By: 
Title: senior vice President
Address: 265 Broadhollow Road
Melville, New York 11747

UNIFIED SCHOOL DISTRICT NO. 203,
WYANDOTTE COUNTY, KANSAS (PIPER)



[SEAL]

ATTEST:

Diane H. Harrison
Clerk

By: Martha A. Sack
Title: President, Board of Education
Address: 12036 Leavenworth Road
Kansas City, Kansas 66109

CERTIFICATE OF CLERK OF LESSEE

I, the undersigned, do hereby certify that (i) the officer of Lessee who executed the foregoing Agreement on behalf of Lessee and whose genuine signature appears thereon, is the duly qualified and acting officer of Lessee as stated beneath his or her signature and has been authorized to execute the foregoing Agreement on behalf of Lessee and (ii) the fiscal year of Lessee is from July 1 to June 30.

DATED: January 21, 2009.

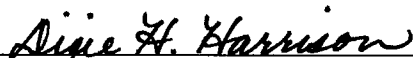

Clerk

EXHIBIT A TO EQUIPMENT LEASE PURCHASE AGREEMENT

EQUIPMENT SCHEDULE

Equipment acquired, constructed and installed pursuant to that certain Energy Performance Contract dated as of November 13, 2008, between Custom Energy Services, LLC and the Lessee, as amended from time to time, and products and proceeds thereof.

EXHIBIT B TO EQUIPMENT LEASE PURCHASE AGREEMENT

PAYMENT SCHEDULE

Rental payments will be made in accordance with **Section 4.01** and this Payment Schedule.

| <u>Rental Payment Date</u> | <u>Total Rental Payment</u> | <u>Interest Portion 5.85%</u> | <u>Principal Portion</u> | <u>Purchase Price</u> |
|------------------------------------|-------------------------------------|-----------------------------------|------------------------------|-----------------------|
| 9/1/2009 | \$114,844.60 | \$91,464.13 | \$23,380.47 | N/A |
| 3/1/2010 | 114,844.60 | 77,544.45 | 37,300.15 | N/A |
| 9/1/2010 | 114,844.60 | 76,453.23 | 38,391.37 | N/A |
| 3/1/2011 | 114,844.60 | 75,330.08 | 39,514.52 | N/A |
| 9/1/2011 | 114,844.60 | 74,174.07 | 40,670.53 | N/A |
| 3/1/2012 | 114,844.60 | 72,984.25 | 41,860.35 | N/A |
| 9/1/2012 | 114,844.60 | 71,759.61 | 43,084.99 | N/A |
| 3/1/2013 | 114,844.60 | 70,499.15 | 44,345.45 | N/A |
| 9/1/2013 | 114,844.60 | 69,201.82 | 45,642.78 | N/A |
| 3/1/2014 | 114,844.60 | 67,866.53 | 46,978.07 | N/A |
| 9/1/2014 | 114,844.60 | 66,492.17 | 48,352.43 | N/A |
| 3/1/2015 | 114,844.60 | 65,077.61 | 49,766.99 | N/A |
| 9/1/2015 | 114,844.60 | 63,621.67 | 51,222.93 | N/A |
| 3/1/2016 | 114,844.60 | 62,123.13 | 52,721.47 | N/A |
| 9/1/2016 | 114,844.60 | 60,580.75 | 54,263.85 | N/A |
| 3/1/2017 | 114,844.60 | 58,993.25 | 55,851.35 | N/A |
| 9/1/2017 | 114,844.60 | 57,359.31 | 57,485.29 | N/A |
| 3/1/2018 | 114,844.60 | 55,677.56 | 59,167.04 | N/A |
| 9/1/2018 | 114,844.60 | 53,946.62 | 60,897.98 | 1,800,933.01 |
| 3/1/2019 | 114,844.60 | 52,165.04 | 62,679.56 | 1,737,626.65 |
| 9/1/2019 | 114,844.60 | 50,331.33 | 64,513.27 | 1,672,468.25 |
| 3/1/2020 | 114,844.60 | 48,443.98 | 66,400.62 | 1,605,403.63 |
| 9/1/2020 | 114,844.60 | 46,501.42 | 68,343.18 | 1,536,377.01 |
| 3/1/2021 | 114,844.60 | 44,502.02 | 70,342.58 | 1,465,331.01 |
| 9/1/2021 | 114,844.60 | 42,444.14 | 72,400.46 | 1,392,206.54 |
| 3/1/2022 | 114,844.60 | 40,326.04 | 74,518.56 | 1,316,942.80 |
| 9/1/2022 | 114,844.60 | 38,145.99 | 76,698.61 | 1,239,477.20 |
| 3/1/2023 | 114,844.60 | 35,902.15 | 78,942.45 | 1,159,745.33 |
| 9/1/2023 | 114,844.60 | 33,592.68 | 81,251.92 | 1,067,010.78 |
| 3/1/2024 | 114,844.60 | 31,215.63 | 83,628.97 | 983,381.81 |
| 9/1/2024 | 114,844.60 | 28,769.05 | 86,075.55 | 897,306.26 |
| 3/1/2025 | 114,844.60 | 26,250.89 | 88,593.71 | 808,712.55 |
| 9/1/2025 | 114,844.60 | 23,659.06 | 91,185.54 | 717,527.01 |
| 3/1/2026 | 114,844.60 | 20,991.41 | 93,853.19 | 623,673.82 |
| 9/1/2026 | 114,844.60 | 18,245.71 | 96,598.89 | 527,074.93 |
| 3/1/2027 | 114,844.60 | 15,419.69 | 99,424.91 | 427,650.02 |
| 9/1/2027 | 114,844.60 | 12,510.99 | 102,333.61 | 325,316.41 |
| 3/1/2028 | 114,844.60 | 9,517.20 | 105,327.40 | 219,989.01 |
| 9/1/2028 | 114,844.60 | 6,435.83 | 108,408.77 | 111,580.24 |
| 3/1/2029 | 114,844.60 | 3,264.36 | 111,580.24 | - |
| Totals | \$4,593,784.00 | \$1,919,784.00 | \$2,674,000.00 | |

EXHIBIT C TO EQUIPMENT LEASE PURCHASE AGREEMENT

FINAL ACCEPTANCE CERTIFICATE

Capital One Public Funding, LLC
265 Broadhollow Road
Melville, New York 11747

Re: Equipment Lease Purchase Agreement, dated as of January 15, 2009 (the "Agreement"), between Capital One Public Funding, LLC ("Lessor") and Unified School District No. 203, Wyandotte County, Kansas (Piper) ("Lessee")

Ladies and Gentlemen:

In accordance with the Agreement, the undersigned Lessee hereby certifies and represents to, and agrees with, Lessor as follows:

(1) All of the Equipment (as defined in the Agreement) has been delivered, installed and accepted on the date hereof.

(2) Lessee has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.

(3) Lessee is currently maintaining the insurance coverage required by **Section 7.02** of the Agreement.

(4) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Agreement) exists at the date hereof.

DATED: _____

**UNIFIED SCHOOL DISTRICT NO. 203,
WYANDOTTE COUNTY, KANSAS (PIPER)
LESSEE**

By: _____
Title: _____

GILMORE & BELL

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

2405 GRAND BOULEVARD, SUITE 1100
KANSAS CITY, MISSOURI 64108-2521

816-221-1000
FAX: 816-221-1018
WWW.GILMOREBELL.COM

ST. LOUIS, MISSOURI
WICHITA, KANSAS
LINCOLN, NEBRASKA

January 30, 2009

Capital One Public Funding, LLC
265 Broadhollow Road
Melville, New York 11747

Re: Equipment Lease Purchase Agreement dated as of January 15, 2009 (the "Lease"), between Capital One Public Funding, LLC (the "Lessor"), and Unified School District No. 203, Wyandotte County, Kansas (Piper) (the "Lessee")

Ladies and Gentlemen:

We have acted as special tax counsel in connection with a transaction involving the Lease. Under the Lease, the Lessee has the use of and an option to purchase certain equipment on certain conditions upon payment of the rentals and purchase price set forth therein.

We have reviewed an executed copy of the Lease and an executed copy of the Escrow Agreement, dated as of January 15, 2009 (the "Escrow Agreement"), among the Lessor, the Lessee and Deutsche Bank National Trust Company, as Escrow Agent, and, in addition, we have reviewed and considered the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations issued thereunder.

In rendering the opinion set forth herein, we have assumed without undertaking to investigate the same by independent investigation or research (a) as to questions of fact, the accuracy of all representations of the Lessor and the Lessee in the Lease and the Escrow Agreement and in all certificates of officials of the Lessor, the Lessee and others examined by us, and (b) the conformity to original documents of all documents submitted to us as copies and the authenticity of such original documents and all documents submitted to us as originals.

Based upon and subject to the foregoing, we are of the opinion, under existing law, as follows:

1. Each of the Lease and the Escrow Agreement has been duly authorized, executed and delivered by the Lessee and constitutes a legal, valid and binding agreement of the Lessee, enforceable in accordance with its terms.

2. The interest portion of each rental payment paid by the Lessee under the Lease is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. It should be noted, however, that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest portions are taken into account in determining

adjusted current earnings. The opinions set forth in this paragraph are subject to the condition that the Lessee comply with all requirements of the Code that must be satisfied subsequent to the execution and delivery of the Lease in order that the interest portions of the rental payments paid by the Lessee thereunder be, or continue to be, excluded from gross income for federal income tax purposes. The Lessee has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of the interest portions of the rental payments paid by the Lessee under the Lease in gross income for federal income tax purposes retroactive to the date of the execution and delivery of the Lease. The Lessee's obligation to pay rental payments under the Lease is a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code, and, in the case of certain financial institutions (within the meaning of Section 265(b)(5) of the Code), a deduction is allowed for 80 percent of that portion of such financial institutions' interest expense allocable to the interest portion of rental payments distributed to them. We express no opinion regarding other federal tax consequences arising with respect to the Lease.

3. The interest portion of each rental payment paid by the Lessee under the Lease is excluded from computation of Kansas adjusted gross income.

We express no opinion regarding (a) other federal or Kansas tax consequences arising with respect to the rental payments, (b) the treatment for federal or Kansas income tax purposes of any money received by Lessor or its assigns other than payments by the Lessee made pursuant to the Lease upon an Event of Default or (c) the title to or the description of the property subject to the Lease.

Very truly yours,

Gilmore & Bell, P.C.

APPENDIX B
FORM OF CUSTODIAL AGREEMENT

[Form begins on next page]

CUSTODIAL AGREEMENT

**By and Between
BANK OF THE OZARKS, Trust Department, as Custodian**

and

FIRST SECURITY LEASING, INC., as Depositor

Regarding

**\$2,955,000 CUSTODIAL RECEIPTS
SERIES 2009
Evidencing Ownership Interest in the**

**Equipment Lease Purchase Agreement
Dated as of January 15, 2009 (Underlying Security)
between**

**Capital One Public Funding, LLC,
As Lessor
And
Unified School District No. 203, Wyandotte County Kansas (Piper),
As Lessee**

**Dated as of
June 17, 2009**

CUSTODIAL AGREEMENT

This CUSTODIAL AGREEMENT, dated as of June 17, 2009, by and between BANK OF THE OZARKS, Trust Department, Little Rock, Arkansas, duly organized and existing under the laws of the United States and the State of Arkansas and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the State of Arkansas, having a corporate trust office located in Little Rock, Arkansas, as Custodian (the "Custodian") and FIRST SECURITY LEASING, INC., as depositor (the "Depositor").

WITNESSETH:

WHEREAS, Depositor has irrevocably deposited with the Custodian the Equipment Lease Purchase Agreement (described below) for the purposes set forth in this Custodial Agreement and for the delivery hereunder by the Custodian of Custodial Receipts representing fractional, undivided interest in and to such Equipment Lease Purchase Agreement and the principal, interest and premium payments, if any, received in respect thereof.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants expressed herein, it is hereby agreed by and between the Custodian and the Depositor as follows:

ARTICLE I

DEFINITIONS

The following definitions shall for all purposes, unless otherwise clearly indicated, apply to the respective terms used in this Custodial Agreement:

"Accrual Date" shall mean the date on which interest begins accruing on the Custodial Receipts, which shall be June 25, 2009, that date being the date that the Equipment Lease Purchase Agreement was deposited with the Custodian.

"Beneficial Owner" shall mean any purchaser of a Custodial Receipt and others who acquire beneficial ownership interest in a Custodial Receipt held by the Depository Trust Company. In determining the Beneficial Owner of any Custodial Receipt, Custodian may rely exclusively upon written representations made, and information given to, Custodian by the Depository Trust Company or its Participants with respect to any Custodial Receipt held by the Depository Trust Company in which a beneficial ownership interest is claimed. With respect to replacement Custodial Receipts, Custodian shall consider the owner of any such replacement Custodial Receipt as registered on the Custodial Receipt Register to be the Beneficial Owner thereof.

"Business Day" shall mean any day other than (i) Saturday or Sunday, or (ii) a day on which banking institutions in New York, New York or in Little Rock, Arkansas are authorized or obliged by law or executive order to be closed for business.

"Collection Account" shall mean the account of that name established pursuant to Section 4.01 of this Custodial Agreement.

"Custodial Agreement" shall mean this Custodial Agreement as the same may be amended or supplemented from time to time as provided herein.

"Custodial Receipts" shall mean any of the Custodial Receipts representing direct ownership interests in discrete and identifiable portions of the Lease, executed and delivered substantially in the form attached hereto as Exhibit A. No Custodial Receipt shall be issued in a denomination of less than \$100,000 and in integral multiples of \$5,000 in excess thereof.

"Custodial Receipt Register" shall have the meaning specified in Section 2.04 hereof.

"Custodian" shall mean Bank of the Ozarks, Little Rock, Arkansas, a bank with trust powers duly organized and operating under the laws of the State of Arkansas, or any successor appointed pursuant to this Custodial Agreement.

"Closing Date" shall mean the date on which the Custodial Receipts are first executed, authenticated and delivered, as described in Section 2.01(a).

"Depositor" shall mean First Security Leasing, Inc., an Arkansas corporation duly registered to do business in the state of Arkansas, and any successor as Depositor hereunder.

"District" shall mean the Unified School District No. 203, Wyandotte County, Kansas (Piper), to whom the proceeds of the Lease were loaned.

"Event of Default" shall mean: (i) the failure of the Custodian to receive any Payment when due pursuant to the Lease and (ii) any "Event of Default," as such term is defined in the Lease.

"Government Obligations" means (i) direct obligations of the United States of America for the full and timely payment of which the full faith and credit of the United States of America is pledged, or (ii) obligations issued by a person controlled or supervised by and acting as an instrumentality of the United States of America, the full and timely payment of the principal of and the interest on which is fully and unconditionally guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (i) or (ii) issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), which obligations, in either case, (y) are not subject to redemption or prepayment prior to

maturity except at the option of the holder of such obligations and (z) may include U.S. Treasury Trust Receipts.

"Interest Accrual Period" shall mean, with respect to a Payment Date, the six (6) month period ending on the last day of the month immediately preceding a Payment Date.

"Lease" shall mean that Equipment Lease Purchase Agreement between Capital One Public Funding, LLC, as lessor, and Unified School District No. 203, Wyandotte County, Kansas (Piper), as lessee, dated as of January 15, 2009.

"Maturity Date" shall mean, with respect to each Custodial Receipt, the date set forth in the Payment and Maturity Schedule attached as Exhibit B hereto.

"Owner" shall mean a person in whose name a Custodial Receipt is registered in the Custodial Receipt Register.

"Payment" or "Payments" shall mean any one or more of the payments of principal of, interest on and premium, if any, as the case may be, in respect to the Lease. The payment dates on the Lease are each March 1 and September 1, beginning September 1, 2009.

"Payment Date" of the Custodial Receipts shall be each March 15 and September 15, beginning September 15, 2009 and continuing thereafter until maturity, subject in all respects to the Custodian's actual receipt of Payments.

"Placement Agent" means Crews & Associates, Inc., Little Rock, Arkansas, in its capacity as Placement Agent with respect to the Custodial Receipts.

"Principal Office" shall mean the principal office of the Custodian at 17901 Chenal Parkway, Little Rock, AR, 72231-8811, Attention: Trust Department.

"Rating Agency" means Standard & Poor's Ratings Services, a division of McGraw-Hill Companies, Inc., or any successors thereto and any other nationally recognized credit rating agency then maintaining a rating on any outstanding obligation of the Corporation.

"Record Date" shall mean, as applicable, the 1st day of the month immediately preceding any Payment Date.

"Secondary Market Limited Offering Memorandum" shall mean that document which has been prepared in connection with the sale and placement of the Custodial Receipts which, among other things, explains the manner in which the Payments on the Lease have been structured and configured so as to reflect the cash flow entitlements of Owners as are more fully described in the Secondary Market Limited Offering

Memorandum, and which otherwise explains material aspects of this financial transaction.

ARTICLE II

CUSTODY OF ASSIGNED PAYMENT RIGHTS; FORM OF CUSTODIAL RECEIPTS; EXECUTION AND DELIVERY OF CUSTODIAL RECEIPTS; WITHDRAWAL OF ASSIGNED PAYMENTS

Section 2.01. Custody of the Lease; Execution and Delivery of Custodial Receipts in Respect Thereof.

(a) The Depositor has caused, or on or prior to June 25, 2009 (the "Closing Date") will cause, to be irrevocably deposited with the Custodian the Lease and thereby the rights to the Payments, by causing beneficial ownership of the Lease to be physically transferred to Custodian, and, thereafter, the Custodian shall, in accordance with the provisions of this Custodial Agreement and upon Depositor's request, execute and deliver to the Depositor or to the Owners as directed by the Depositor pursuant to Section 2.01(d) below, the Custodial Receipts, in the aggregate amount of \$2,955,000, Series 2009, representing direct, undivided ownership interests in Payments receivable in respect to the Lease. Depositor, by its execution hereof, does hereby grant, bargain, convey and assign all right, title and interest in the Lease to the Custodian without the necessity of executing any other document or instrument of assignment.

(b) The Custodian shall accept the Lease and the Payments as Custodian for the Owners of the Custodial Receipts, and shall hold the Lease in Custodian's trust department and the Payments as provided hereunder. The Custodian shall hold the Payments in a special account created by separate recordation on its books, separate from all other assets of the Custodian or any other person. The Custodian's records shall reflect ownership of the Payments on behalf of the Owners of the Custodial Receipts. The Owners of the Custodial Receipts shall be the beneficial owners of the Payments held in custody by the Custodian.

(c) The Custodian shall hold the Lease, and Payments received with respect thereto in its trust department in custody only, and shall not have the authority to assign, transfer, sell, pledge, set-off or otherwise dispose of the Lease, Payments, and parts thereof or interests therein except as provided hereunder or as required by law.

(d) At a reasonable time prior to the issuance of the Custodial Receipts, the Depositor shall cause written instructions to be furnished to the Custodian as to the names and addresses in which the Custodial Receipts evidencing the Payments initially shall be registered, the date the Custodial Receipts are to be dated, and such other information (including taxpayer identification number) as may be requested by the Custodian in connection with the preparation and Deposit of the Custodial Receipts.

(e) Notwithstanding anything herein to the contrary, the Payments, and parts thereof or payment received with respect thereto shall be free and clear of any lien of the Depositor and/or Custodian.

Section 2.02. Form of Custodial Receipts; Book-Entry-Only System.

(a) The Custodial Receipts shall be typewritten and shall be substantially in the form set forth in Exhibit A hereto, with all appropriate insertions, modifications and omissions. The Custodial Receipts shall be executed by the Custodian by the manual signatures of a duly authorized signatory of the Custodian. No Custodial Receipt shall be entitled to any benefit under this Custodial Agreement or be valid or obligatory for any purpose, unless it shall have been executed by the Custodian by manual signature of a duly authorized signatory. The Custodian shall record in the Custodial Receipt Register each Custodial Receipt so signed and delivered as herein provided. Initially, a single Series 2009 Custodial Receipt for each Maturity Date shall be issued in fully registered, book-entry-only form, registered in the name of Cede & Co. as nominee of the Depository Trust Company.

(b) The Custodial Receipts may be endorsed with or have incorporated in the text thereof such legends or recitals not inconsistent with the provisions of this Custodial Agreement as may be required by the Custodian or required to comply with any applicable law or any regulation thereunder.

(c) With respect to the Custodial Receipts registered in the name of Cede & Co. as nominee of the Depository Trust Company, the Depositor and the Custodian shall have no responsibility or obligation to any Participant (as defined in the Letter of Representations) or to any person on behalf of which a Participant holds an interest in the Custodial Receipts. Without limiting the scope of the immediately preceding sentence, the Depositor and the Custodian shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository Trust Company, Cede & Co. or any Participant with respect to any ownership interest in the Custodial Receipts, (ii) the delivery to any Participant or any other person, other than a Owner, as shown in the Custodial Receipts Register kept by the Custodian, of any notice with respect to the Custodial Receipts (and initially, the only Owner registered on the Custodial Receipts Register shall be Cede & Co.), or (iii) the payment to any Participant or any other person, other than the Owner, of any amount with respect to the Payments. The Depositor and the Custodian may treat and consider the person in whose name each Custodial Receipt is registered in the Custodial Receipt Register kept by the Custodian as the holder and absolute Owner of such Custodial Receipt for the purpose of payment with respect to such Custodial Receipt, for the purpose of giving notices of any matters with respect to such Custodial Receipt, for the purpose of registering transfers of such Custodial Receipt, and for all other purposes whatsoever. The Custodian shall pay all Payments only to or upon the order of the respective Owners, as shown in the Custodial Receipts Register kept by the Custodian, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to satisfy fully and discharge

the Depositor's and Custodian's obligations with respect to payment of the Payments to the extent of the sum or sums so paid. No person other than the Owner, as shown in the Custodial Receipts Register kept by the Custodian, shall receive a Custodial Receipt evidencing the Payments. Upon delivery by the Depository Trust Company to the Custodian of written notice to the effect that the Depository Trust Company has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the word "Cede & Co." in this Custodial Agreement shall refer to such new nominee of the Depository Trust Company.

(d) The Depositor acknowledges that the Owner of a Custodial Receipt is the direct beneficial owner of the discrete and identifiable Payments described in the Payment and Maturity Schedule attached as Exhibit B hereto represented thereby and entitled to the rights and benefits provided in the Lease with respect to such Payments.

Section 2.03. Authorized Denominations. The minimum authorized denomination of a Series 2009 Custodial Receipt shall equal \$100,000, and increments of \$5,000 in excess thereof ("Authorized Denominations"), as set forth on the Payment and Maturity Schedule attached as Exhibit B hereto.

Section 2.04. Registration and Registration of Transfer and Exchange of Custodial Receipts.

(a) The Custodian shall keep at its Principal Office the Custodial Receipts Register, in which, subject to such reasonable regulations as it may prescribe, the Custodian shall provide for the registration of the Custodial Receipts and for the registration of transfers or exchanges of the Custodial Receipts.

(b) Upon surrender for registration of transfer of the Custodial Receipt at the Custodian's Principal Office, the Custodian shall execute, date the date of such execution, and deliver in the name of the designated transferee or transferees, a new Custodial Receipt of like tenor, representing a like aggregate amount of Payments as was represented by the Custodial Receipt so surrendered and not yet paid.

(c) Custodial Receipts issued upon any registration of transfer or exchange of the Custodial Receipts shall be entitled to the same benefits under this Custodial Agreement as the Custodial Receipts surrendered upon such registration of transfer or exchange.

(d) Every Custodial Receipt presented for registration of transfer shall (if so required by the Custodian) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Custodian, each duly executed by the Owner thereof or such Owner's attorney duly authorized in writing.

(e) Except as otherwise provided in Article V, the Custodian shall not take any action as the nominal holder or Owner of the Payments, either alone or as part of a

group of such holders or Owners of the Payments, except in accordance with the affirmative direction of the Owners after notifying such Owners of such action.

Section 2.05. Limitations on Execution and Delivery, Surrender and Registration of Transfer and Exchange of Custodial Receipts.

(a) As a condition precedent to the execution and delivery, surrender or registration of transfer or exchange of any Custodial Receipt, the Custodian may require compliance with Article III below.

(b) The surrender or registration of transfer or exchange of the outstanding Custodial Receipts may be suspended if any such suspension is deemed necessary or advisable by the Custodian at any time or from time to time because of any requirement of law or of any government or governmental body or commission, or under any provision of this Custodial Agreement.

(c) No transfer or exchange of any Custodial Receipt shall be made during the period beginning on a Record Date and through and including the date the Custodian pays the Payment to the Owners of record as of such Record Date.

Section 2.06. Mutilated, Destroyed, Lost or Stolen Custodial Receipts. In the event a Custodial Receipt is mutilated, lost, stolen or destroyed, the Custodian may execute and make available for delivery a replacement Custodial Receipt representing the applicable Payments; provided, that in the case of any mutilated Custodial Receipt, such mutilated Custodial Receipt must first be surrendered to the Custodian together with any fees, expenses or governmental charges incurred by the Depositor or Custodian to replace such mutilated Custodial Receipt. In the case of any lost, stolen or destroyed Custodial Receipt, there must first be furnished to the Custodian evidence of such loss, theft or destruction satisfactory to the Depositor and the Custodian, together with an indemnity (or bond) satisfactory to them with respect to any fees, expenses, governmental charges or liabilities incurred by the Depositor or the Custodian in connection with the replacement of such Custodial Receipt. Upon such execution, such replacement Custodial Receipt shall be valid and enforceable in accordance with the terms thereof and hereunder.

Section 2.07. Cancellation and Destruction of Surrendered Custodial Receipts. The Custodial Receipts presented or surrendered to the Custodian shall be canceled and destroyed by the Custodian and a certificate of destruction shall be delivered by the Custodian to the Depositor.

ARTICLE III

CERTAIN OBLIGATIONS OF OWNERS OF CUSTODIAL RECEIPTS; DEPOSITOR'S WARRANTIES

Section 3.01. Filing Proofs; Certificates and Other Information. An Owner presenting a Custodial Receipt for surrender, registration of transfer or exchange may be required to file such proof of residence or other matters of information, to execute such certificates, and to make such representations and warranties and give such assurances, including such signature guaranty, as the Custodian may reasonably deem necessary or proper. The Custodian may withhold the delivery or delay the surrender of or registration of transfer or exchange of any Custodial Receipt until such proof or other information is filed, such certificates are executed, and such representations and warranties are made or such assurances are given.

Section 3.02. Payment of Taxes or Other Governmental Charges. If any tax or other governmental charge shall become payable by or on behalf of the Custodian, including any tax or charge required to be withheld from any payment made to or by the Custodian under the provisions of any applicable law, with respect to any Custodial Receipt, such tax or governmental charge shall be payable by the Owner of such Custodial Receipt and may be so withheld by the Custodian. The surrender of or registration of transfer or exchange of any Custodial Receipt may be refused until such payment is made.

Section 3.03. Acceptance of Receipts. By accepting delivery of a Custodial Receipt, the Owner acknowledges and accepts the terms and conditions of, and agrees to be bound by, the provisions of the Custodial Agreement and all applicable terms and conditions of the Lease with regard to the Payments represented by such Custodial Receipt.

Section 3.04. Depositor's Warranties. The Depositor hereby represents and warrants to the Custodian that, (i) the Depositor is duly authorized to deliver the Lease, (ii) the Lease so delivered is genuine, (iii) immediately prior to the delivery thereof the Depositor owned such Lease free and clear of any lien, pledge, encumbrance or other security interest, and (iv) the Depositor has unconditionally and irrevocably granted, conveyed, assigned and deposited the Lease to and in favor of the Custodian. The Depositor further represents and warrants with respect to the Lease that, to the best of the Depositor's knowledge (i) no default in the payment of the principal of or interest on the Lease has occurred and is continuing and (ii) the Secondary Market Limited Offering Memorandum with respect to the offering of the Custodial Receipts does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading. All of the foregoing representations and warranties shall survive the delivery of the Custodial Receipts.

ARTICLE IV
PAYMENT OF INTEREST ON AND PRINCIPAL
OF THE LEASE;
CUSTODY OF PROCEEDS OF PAYMENTS; REDEMPTION

Section 4.01. Receipt of Payments. All Payments, when received by the Custodian, shall be immediately deposited in a trust account for the benefit of the Owners ("Collection Account"). Subject in all respects to the Custodian's actual receipt of each scheduled Payment, the Payment Date of the Custodial Receipts shall be each March 15 and September 15, beginning September 15, 2009, continuing until maturity. The Custodial Receipt's Payment and Maturity Schedule is set forth as Exhibit B hereto and is incorporated herein by this reference for all purposes.

Section 4.02. Payment of Amounts Representing Interest. Subject in any event to actual receipt of each applicable Payment, the Custodian shall pay the portion of the applicable Payments received by it, representing interest on the Lease based on those rates of interest as specified on the Payment and Maturity Schedule attached hereto as Exhibit B, less any taxes or governmental charges required to be withheld from such payment by the Custodian, to the Owners listed on the Custodial Receipt Register as of the Record Date applicable to such Payment, pursuant to the Custodial Receipt Payment and Maturity Schedule attached hereto as Exhibit B. Such payments to the Owners shall be made (unless the Custodian is otherwise directed pursuant to Section 4.04 hereof) by check in immediately available Federal Funds, sent by first-class mail to the addresses of such Owners as listed on the Custodial Receipt Register. In the event that the Custodian has not received the applicable Payment, then the Custodial Receipt Payment shall be delayed until Custodian's actual receipt of a Payment; interest on the amount not paid or duly provided for shall accrue from the date such amount was due through the special interest accrual date designated by the Custodian preceding the date such amount is paid at the interest rate for such Custodial Receipts and, to the extent funds are available therefor in the Collection Account solely from Payments received by the Custodian, shall be payable on the next Payment Date or on a subsequent special Payment Date established by the Custodian. Payments received as a result of redemption, in whole or in part, of the Lease are subject to Section 4.06 below.

Section 4.03. Payment of Amounts Representing Principal. Subject in any event to actual receipt of each applicable Payment, the Custodian shall pay the portion of the applicable Payments received by it, representing principal of the Payment, together with any interest received under the Payment and not applied pursuant to the provisions of Section 4.02, as specified on Exhibit B attached, less any taxes or governmental charges required to be withheld from such payment by the Custodian, random by lot to the Owners, as listed on the Custodial Receipt Register as of the Record Date applicable to such Payment, if Payment was a regularly scheduled Payment. Any payment representing principal of the Lease received with respect to a Custodial Receipt shall serve to reduce in like amount the stated amount of such Custodial

Receipt, and the Custodian shall thereupon make an appropriate notation of such reduction on the Custodial Receipt Register. Such notation shall be effective against the Owner of such Custodial Receipt for all purposes, whether or not a similar notation has been made upon the face of the Custodial Receipt, which notation the Custodian shall make upon the request of the Owner thereof and the presentation of such Custodial Receipt to the Custodian. The Custodian shall not make any payment representing the maturity amount of a Custodial Receipt, or any payment that would cause the stated amount of a Custodial Receipt to be reduced to zero, unless and until the Owner has surrendered such Custodial Receipt at the Principal Office of the Custodian. All other payments of the stated amount of Custodial Receipts to the Owners shall be made (unless the Custodian is otherwise directed pursuant to Section 4.04 hereof) by check in immediately available Federal Funds, sent by first-class mail to the address of such Owners as listed on the Custodial Receipt Register. In the event that the Custodian has not received the applicable Payment, then the Custodial Receipt Payment shall be delayed until Custodian's actual receipt of a Payment; interest on the amount not paid or duly provided for shall accrue from the date such amount was due through the interest accrual date designated by the Custodian preceding the date such amount is paid at the interest rate for such Custodial Receipts and, to the extent funds are available therefor in the Collection Account solely from Payments received by the Custodian, shall be payable on the next Payment Date or on a subsequent special Payment Date established by the Custodian. Payments received as a result of redemption, in whole or in part, of the Lease are subject to Section 4.06 below.

Section 4.04. Other Payment Provisions.

(a) When making any payment to an Owner of a Custodial Receipt under this Custodial Agreement, the Custodian shall round down such payment to the nearest whole cent.

(b) The Custodian shall transmit Payments on the applicable semi-annual Payment Dates to the Owner of the Custodial Receipt entitled thereto; but the Custodian shall not be responsible for delays in receipt of such payments by Owner not attributable to the negligence of the Custodian.

(c) Instead of payment by check, the Custodian shall make payment with respect to a Custodial Receipt to the Owner thereof (upon receipt by the Custodian of the amount of the Payment) by wire transfer upon the direction and at the expense of the Owner of such Custodial Receipt if such payment is not less than \$100,000 and the Owner has filed with the Custodian a written request, including adequate wire instructions, at least thirty (30) days prior to the scheduled date of payment. The Custodian shall not be required to send Federal Funds wires until any corresponding payments which were not same day funds when received by it have become same day funds.

Section 4.05. Segregation of Moneys Received in Respect of the Lease. All moneys received in respect to the Lease or otherwise by the Custodian in respect of

Payments shall be held by it uninvested (or invested upon the written instructions of Depositor in Government Obligations which mature within the lesser of thirty (30) calendar days from the date of investment or the date the funds invested are required to pay Owners) in an account until required to be disbursed in accordance with the provisions of this Custodial Agreement or as otherwise required by law and such monies will be segregated by separate recordation on the books and records of Custodian. Provided, however, in the event of an early redemption of the Lease resulting in the deposit or monies sufficient to redeem all of the Custodial Receipts, with accrued interest and any premiums due thereon, such sums may be deposited in an interest bearing account, and the interest earning thereon used for such redemption.

Section 4.06. (a) Optional Redemption. The Custodial Receipts are subject to optional redemption at the option of the Depositor, in Authorized Denominations, on or after September 15, 2018 from Available Moneys at par plus accrued interest thereon to the date of redemption.

As used in this Section 4.06(a), "Available Moneys" means proceeds of the sale of refunding custodial receipts or other moneys, if the Custodian receives an opinion of counsel (reasonably acceptable to the Rating Agency) that redemption of the Custodial Receipts from such moneys will not constitute (i) transfers of assets of the "estate" of the Depositor under Section 541 of the U.S. Bankruptcy Code that are therefore subject to the automatic stay provisions of Section 362 of the U.S. Bankruptcy Code, or (ii) transfers that are voidable preferences under Section 547 of the U.S. Bankruptcy Code, in the event a petition in bankruptcy is subsequently filed by or against the Depositor.

(b) Mandatory Redemption Upon Redemption of Lease. The Custodial Receipts are subject to early redemption on or after September 15, 2018 on any date in the event the District causes the redemption of the Lease, at a price equal to par plus accrued interest thereon to the date of redemption.

The Custodial Receipts shall be subject to redemption prior to their maturity, in order of maturity, upon notice as provided in Section 4.07 hereof, at a redemption price equal to the principal amount of, and premium, if any, on such Custodial Receipts or portions thereof to be redeemed, and accrued interest thereon to the redemption date, from amounts available to the Custodian under this Custodial Agreement. The Custodial Receipts shall be selected for redemption by lot or in such manner as Custodian in its discretion may deem fair and appropriate (which manner, in the case of Custodial Receipts in the book-entry-only form, will be selected for redemption by the Depository Trust Company and Participants in accordance with their rules).

(c) Mandatory Sinking Fund Redemption. The Term Custodial Receipts maturing on the dates described below are subject to mandatory redemption. The sole source of proceeds to effect mandatory redemption under this Section shall be those Rental Payments received by the Custodian with respect to the Lease. The Custodial Receipts shall be redeemed in the following amounts at the following times:

| <u>Custodial Receipt</u> | <u>Due Date</u> | <u>Redemption Date</u> | <u>Redemption Amount</u> |
|--------------------------|-----------------|----------------------------|------------------------------|
| 2013 Term | 3/15/2013 | 9/15/2009 | 80,000.00 |
| | | 3/15/2010 | 50,000.00 |
| | | 9/15/2010 | 55,000.00 |
| | | 3/15/2011 | 55,000.00 |
| | | 9/15/2011 | 55,000.00 |
| | | 3/15/2012 | 55,000.00 |
| | | 9/15/2012 | 55,000.00 |
| | | 3/15/2013 | 55,000.00 |
| 2014 Term | 3/15/2014 | 9/15/2013 | 55,000.00 |
| | | 3/15/2014 | 60,000.00 |
| 2015 Term | 3/15/2015 | 9/15/2014 | 60,000.00 |
| | | 3/15/2015 | 60,000.00 |
| 2016 Term | 3/15/2016 | 9/15/2015 | 60,000.00 |
| | | 3/15/2016 | 65,000.00 |
| 2017 Term | 3/15/2017 | 9/15/2016 | 65,000.00 |
| | | 3/15/2017 | 65,000.00 |
| 2018 Term | 3/15/2018 | 9/15/2017 | 65,000.00 |
| | | 3/15/2018 | 65,000.00 |
| 2019 Term | 3/15/2019 | 9/15/2018 | 75,000.00 |
| | | 3/15/2019 | 70,000.00 |
| 2020 Term | 3/15/2020 | 9/15/2019 | 70,000.00 |
| | | 3/15/2020 | 75,000.00 |
| 2021 Term | 3/15/2021 | 9/15/2020 | 75,000.00 |
| | | 3/15/2021 | 75,000.00 |
| 2023 Term | 3/15/2023 | 9/15/2021 | 80,000.00 |
| | | 3/15/2022 | 80,000.00 |
| | | 9/15/2022 | 80,000.00 |
| | | 3/15/2023 | 75,000.00 |
| 2029 Term | 3/15/2029 | 9/15/2023 | 75,000.00 |
| | | 3/15/2024 | 75,000.00 |
| | | 9/15/2024 | 85,000.00 |
| | | 3/15/2025 | 85,000.00 |
| | | 9/15/2025 | 90,000.00 |
| | | 3/15/2026 | 95,000.00 |
| | | 9/15/2026 | 95,000.00 |
| | | 3/15/2027 | 100,000.00 |
| | | 9/15/2027 | 100,000.00 |

| | |
|-----------|------------|
| 3/15/2028 | 100,000.00 |
| 9/15/2028 | 110,000.00 |
| 3/15/2029 | 110,000.00 |

If the Custodial Receipts are redeemed pursuant to this Section, all such Custodial Receipts shall be due and payable, and the Custodian shall furnish, a notice complying with the notice provisions hereof to each Owner. The sole source of proceeds to effect mandatory redemption of the Custodial Receipts under this Section shall be those Payments received pursuant to the events above, together with any other funds held by the Custodian hereunder. The Custodial Receipts shall be selected for redemption by lot or in such manner as Custodian in its discretion may deem fair and appropriate (which manner, in the case of Custodial Receipts in the book-entry-only form, will be selected for redemption by the Depository Trust Company and Participants in accordance with their rules).

Section 4.07. Notice of Redemption.

(a) Notice of mandatory redemption under Section 4.06 shall be given by Depositor or by the Custodian by first-class mail, postage prepaid, mailed not less than ten (10) days prior to the applicable redemption date to each Owner in whose name a Custodial Receipt to be redeemed is registered on the Record Date preceding the applicable redemption date, at such Owner's address appearing in the Custodial Receipt Register.

(b) All notices of redemption shall state the redemption date, redemption price, the place where the Custodial Receipts are to be surrendered for payment of the redemption price and that no interest shall accrue on such Custodial Receipts for any period after the last day of the Interest Accrual Period for the Payment Date on which such redemption is to occur.

Section 4.08. Custodial Receipts Payable On Redemption Date. Notice of redemption having been given as provided in Section 4.07, and moneys for redemption being held by the Custodian for that purpose, thereupon the Custodial Receipts to be redeemed shall, on the applicable redemption date, become due and payable at the redemption price and interest thereon shall cease to accrue. Notwithstanding the foregoing, the sole source of payment of the redemption price is the Payments.

Section 4.09. Excess Payments. All amounts held in the Collection Account in excess of the amounts necessary to pay the principal of, premium, if any, and interest on the Custodial Receipts, shall be retained in the Collection account as long as any Custodial Receipts are outstanding. On or after the fifth (5th) Business Day following the payment in full of all amounts due with respect to the Custodial Receipts, the cash balance, if any, of amounts then in the Collection Account shall be released from the lien of the Custodial Agreement and paid to the Placement Agent as the deferred portion of Placement Agent's fee.

ARTICLE V

THE CUSTODIAN AND THE DEPOSITOR

Section 5.01. No Liability of the Custodian or the Depositor on Lease; Owners to Proceed Directly against the District.

(a) The sole obligor with respect to any Payment is the District. Neither the Custodian nor the Depositor shall have any obligation with respect to any Payment except as provided in this Section 5.01 with respect to the Custodian, and its respective obligations with respect to the Custodial Receipts shall be solely set forth in this Custodial Agreement. The Custodial Receipts are payable solely from the Payments on the Lease.

(b) If the District fails to make any Payment when due, the Custodian shall promptly give notice to the Owners of the Custodial Receipts in the manner provided in Section 8.05 hereof and to the Depositor. Such notice to the Owners shall set forth (i) the identity of the Payment which has failed to be paid, (ii) the date and nature of such failure to pay, (iii) the amount of the installment of interest or stated amount which was not paid when due, (iv) the identifying numbers of the Custodial Receipts representing the ownership of such Payments, and (v) other information which the Custodian may deem appropriate.

(c) (Reserved)

(d) The Owners, as the real parties in interest, will have the right upon an Event of Default described in the Lease to proceed against the District to enforce the remedies provided with respect to the Lease. In any such case, the Owners are not required to act in concert with, or join as third parties, the Depositor or the Custodian in order to proceed against the District. Neither the Custodian nor the Depositor is authorized or required to proceed against the District in the event of a Lease Default or to assert the rights and privileges of the Owners and said parties have no duty to do so, except that at the written request and at the risk and expense (including reasonable compensation of the Custodian) of the Owners of a majority of the stated amount of the Custodial Receipts then unpaid, and if such Owners provide appropriate indemnification of the Custodian, the Custodian, in its capacity as the nominal holder or registered owner of the Lease, may elect in the Custodian's sole discretion, to cooperate with the Owners to enable them to proceed against the District or otherwise serve as the coordinator of all default or work-out proceedings involving the District.

(e) Neither the Custodian (except as provided in this Section 5.01) nor the Depositor shall be under any obligation whatsoever to appear in, prosecute or defend any action, suit or other proceeding with respect to the Lease.

Section 5.02. Maintenance of Facilities by the Custodian. Until termination of this Custodial Agreement in accordance with its terms, the Custodian shall maintain facilities

for the execution and delivery, payment, surrender and registration of transfer and exchange of the Custodial Receipts, all in accordance with the provisions of this Custodial Agreement.

Section 5.03. Prevention or Delay in Performance by the Custodian or the Depositor. Neither the Custodian nor the Depositor shall incur any liability to the Owner of the Custodial Receipts, if by reason of any provision of any present or future law or regulation thereunder, or any governmental authority, or by any reason of any act of God or war or other circumstance beyond control of the relevant party, the Custodian or the Depositor shall be prevented or forbidden from doing or performing any act or thing which the terms of this Custodial Agreement provide shall be done or performed; and neither the Custodian nor the Depositor shall incur any liability to the Owner of the Custodial Receipts by reason of any non-performance or delay, caused as aforesaid, in the performance of any act or thing which the terms of this Custodial Agreement provide shall or may be done or performed, or by reason of any exercise of, or failure to exercise, any discretion provided for in this Custodial Agreement.

Section 5.04. Performance of Duties by the Custodian.

(a) The Custodian undertakes to perform such duties as are expressly set forth herein, and no implied covenants or obligations shall be read into this Custodial Agreement against the Custodian. No provision hereof shall be construed to relieve the Custodian from liability for its own negligent action, its own negligent failure to act or its own willful misconduct.

(b) The Custodian may consult with counsel, and the written advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered hereunder in good faith and in accordance with such advice or opinion of counsel.

(c) No provision of this Custodial Agreement shall require the Custodian to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(d) Upon the occurrence of any Lease Default, the Custodian shall have no duty or obligation, in its capacity as the registered holder of the Lease or otherwise, to assert or enforce any right of, or take any other action on behalf of, the Owners, except as provided in Section 5.01 hereof. The Custodian shall have no duty to ascertain whether any such event has occurred and, for the purposes of this paragraph, shall be deemed to have actual knowledge of any such Lease Default (other than a failure to make any Lease Payment when due) only upon the receipt by the Custodian of written notice from the Depositor or from the Depositor.

Section 5.05. Resignation and Removal of the Custodian; Appointment of Successor Custodian.

(a) The Custodian may at any time elect to resign as Custodian hereunder by giving thirty (30) days' written notice of such election to the Depositor and the Owners, and such resignation shall take effect upon the appointment of a successor Custodian and its acceptance of such appointment as hereinafter provided; however, that (i) the Custodian may not resign following a Lease Default and (ii) in the event of resignation, the Custodian shall assist the Depositor and the Owners in finding a successor Custodian acceptable to the Depositor and the Owners.

(b) If the Custodian shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or a receiver of the Custodian shall be appointed, or any public officer shall take charge or control of the Custodian or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then the Custodian may be removed as Custodian hereunder by written notice by the Depositor to the Custodian, and such removal shall take effect upon the appointment of the successor Custodian and its acceptance of such appointment.

(c) Upon the designation of a successor Custodian, following either resignation or removal of the Custodian, the Custodian shall deliver to the successor Custodian all records relating to the Custodial Receipts in the form and manner then maintained by the Custodian, which shall include a hard copy thereof upon written request of the successor Custodian, and all funds held by the Custodian pursuant hereto. In the event no successor Custodian is appointed within thirty (30) days of the giving of notice of the Custodian's resignation, the Custodian or the Owners may petition a court of competent jurisdiction to appoint a successor.

(d) In the event the Custodian resigns or is removed, the Custodian shall reimburse the Depositor for any fees or charges previously paid to the Custodian in respect of duties not yet performed under this Custodial Agreement which remain to be performed by a successor Custodian.

(e) In case at any time the Custodian acting hereunder notifies the Depositor that it elects to resign, or the Depositor notifies the Custodian it is being removed as Custodian, the Depositor shall, within thirty (30) days after the delivery of the notice of resignation or removal, appoint a successor Custodian, which shall be a bank with trust powers or trust company having a combined capital and surplus of at least \$30,000,000. Every successor Custodian shall execute and deliver to its predecessor and to the Depositor an instrument in writing accepting its appointment hereunder, and thereupon such successor Custodian, without any further act, deed or conveyance, shall become fully vested with all the rights, powers, trusts, duties and obligations of its predecessor, with like effect as if originally named as the Custodian herein, and for all purposes shall be the Custodian under this Custodial Agreement, and such predecessor, on the written request of the Depositor, shall execute and deliver an instrument transferring to such successor all rights, powers, trusts, duties and obligations of such predecessor

hereunder, and shall duly assign, transfer and deliver any and all instrument and documents in its possession, including possession of, and any right, title and interest in the Lease and parts thereof and any funds received with respect thereto to such successor necessary for such successor Custodian to carry out its duties hereunder. Any successor Custodian shall promptly give notice of its appointment by first-class mail to the Owners.

(f) Upon request of any such successor Custodian, the Depositor shall execute any and all instruments in writing necessary or desirable to more fully and certainly vest in and confirm to such successor Custodian all such rights, powers, trusts, duties and obligations.

(g) Any corporation into or with which the Custodian may be merged, consolidated or converted shall be the successor of such Custodian without the execution or filing of any document or any further act.

Section 5.06. Indemnification by the Depositor. The Depositor shall indemnify the Custodian and hold it harmless against any loss, liability, expense or advance incurred or made without negligence and in good faith by the Custodian, arising out of the Custodian's appointment as Custodian hereunder that results from any negligent acts or omissions of the Depositor.

Section 5.07. Charges, Fees and Expenses.

(a) The Depositor covenants to pay to the Custodian the amount of \$7,500.00 on the date of execution hereof, and no other fees shall be due the Custodian.

(b) No charges and expenses of the Custodian shall be payable by or withheld from any person other than the Depositor, except for any taxes and other governmental charges for which Owners are liable.

Section 5.08. Notices and Other Matters.

(a) Upon receipt of any notice or other communications from the District, the Custodian shall promptly forward copies of such notices or other communications to the Owners and the Rating Agency. The Custodian shall also promptly forward to the Depositor and the Rating Agency copies of any and all such notices or other communications including, without limitation, any notice of any Lease Default, acceleration of payment or payment of insurance proceeds with respect to the Lease.

(b) In the event of any action or consent requiring the vote or consent of the Owners of the Custodial Receipts, the Custodian shall deliver to the Owners of the Custodial Receipts its form of proxy for such vote, returnable to the Custodian, who shall vote solely in accordance with such proxies in accordance with the Custodian's applicable procedures.

(c) In the event of redemption, termination of this Custodial Agreement, or change in this Custodial Agreement, notice shall be sent to the Rating Agency.

Section 5.09. Books and Records.

(a) The Custodian shall keep and maintain or cause to be kept and maintained the register and proper books of record and account of all transactions under this Custodial Agreement at its principal office, including a record of the name, address, social security number or taxpayer identification number of, and the Custodial Receipts delivered to and held by, every Owner. The Custodian also shall keep on file at its principal office an executed counterpart of this Custodial Agreement and a copy of the Lease subject to this Custodial Agreement.

(b) The Lease, the Custodial Receipts Register and the books, records and documents of the Custodian maintained pursuant to Section 5.09(a) hereof shall be open to inspection by the Depositor and any Owner at any reasonable time during normal business hours.

ARTICLE VI

AMENDMENTS AND WAIVERS

Section 6.01. Amendment and Waivers Not Requiring Consent of Owners. This Custodial Agreement and the Custodial Receipts may be amended from time to time, or the observance or performance of any provision hereof may be waived, without the consent of any of the Owners (i) to cure ambiguities or to correct or supplement defective or inconsistent provisions, (ii) to change provisions in a manner which may be required by law or (iii) to make such other provision in regard to matters or questions arising hereunder or thereunder as shall not, in the judgment of the Custodian, materially adversely affect the interest of the Owners.

Section 6.02. Amendments and Waivers Requiring Consent of Owners.

(a) Except as provided in Section 6.01 hereof, the Custodian shall not enter into any amendment of this Custodial Agreement or the Custodial Receipts, or waive or consent to the waiver of observance or performance of any provision hereof or thereof without the prior written consent of the Owners of not less than a majority of the aggregate stated amount of the Custodial Receipts; provided that no amendment or waiver shall, without the consent of 100% of the Owners of the Custodial Receipts:

(i) reduce the stated amount or interest payable to the Owners of the Custodial Receipts, or change any payment date or method of payment with respect to such Custodial Receipts; or

(ii) reduce the percentage of Owners whose consent is required with respect to amendments and waivers hereunder.

(b) If at any time the Custodian shall be requested to execute any amendment, consent or waiver which requires the consent of any Owner under Section 6.02(a) hereof, the Custodian shall cause notice of the proposed amendment, consent or waiver to be mailed by first-class mail, postage prepaid, to the Owners of Custodial Receipts whose consent is required at their addresses as they appear on the Custodial Receipts register. The Custodian shall not, however, be subject to any liability to any Owner by reason of the failure of any Owner to receive the notice required by this Section, and any such failure shall not affect the validity of any such amendment, consent or waiver when consented to and approved as provided in this Section. Such notice shall briefly set forth the nature of the proposed amendment, consent or waiver and shall state that Custodial Receipts thereof are on file at the office of the Custodian for inspection by the Owners whose consent is required hereunder. Such notice or notices may be waived by an instrument or concurrent instruments executed by the Owners whose consent is required hereunder.

(c) If within such period, not exceeding one year, as shall be prescribed by the Custodian following the first mailing of such notice, the Custodian shall receive an instrument or instruments purporting to be executed by the Owners of not less than the amount of Custodial Receipts required under Section 6.02(a) hereof, which instrument or instruments shall refer to the proposed amendment, consent or waiver described in such notice and shall specifically consent to and approve the execution thereof substantially in the form of the copy thereof referred to in such notice as on file with the Custodian, thereupon, but not otherwise, the Custodian shall execute such amendment, consent or waiver substantially in such form, without liability or responsibility to any Owner whether or not such Owner shall have consented thereto.

(d) Any such consent shall be binding upon the Owner of the Custodial Receipt giving such consent and upon any subsequent Owner of such Custodial Receipt and of any Custodial Receipt executed and delivered in exchange therefor (whether or not such subsequent Owner thereof has notice thereof). At any time after the Owners of the required percentage of Custodial Receipts shall have filed their consents to the amendment, consent or waiver, the Custodian shall make and file with the Depositor a written statement that the Owners of such required percentage of Custodial Receipts have filed such consents. Such written statement shall be conclusive that such consents have been so filed; regardless of any subsequent revocation of such consents.

(e) If the Owners of the required percentages of the Custodial Receipts outstanding shall have consented to and approved the execution thereof as herein provided, no Owner shall have any right to object to the execution of such amendment, consent or waiver, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Custodian from executing the same or from taking any action pursuant to the provisions thereof.

ARTICLE VII

TERMINATION

Section 7.01. Procedure upon Termination.

(a) The custody arrangement established hereby shall terminate upon the payment or provision for payment of the Custodial Receipts in full. Written notice of the termination, specifying the time or times at which the Owners must surrender their Custodial Receipts for payment and the date, determined by the Custodian, upon which the Custodial Receipt Register shall be closed, shall be given by the Custodian to each Owner not less than three (3) Business Days prior to such termination.

(b) If any Custodial Receipts shall remain unpaid after the date of termination of this Custodial Agreement, the Custodian shall not perform any further acts under this Custodial Agreement, except that the Custodian shall hold any payments on deposit in a custody account, uninvested, without liability for interest, for the benefit of the Owners of the corresponding Custodial Receipts which have not theretofore been paid, unless otherwise required by applicable law.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Counterparts. This Custodial Agreement may be executed by the parties hereto in any number of counterparts, each of which, when so executed and delivered, shall be deemed an original, but all such counterparts shall together constitute one and the same instrument. Copies of this Custodial Agreement shall be filed with the Custodian and shall be open to inspection by the Owners during business hours at the Custodian's Principal Office.

Section 8.02. Exclusive Benefit of Parties and Owners of Receipts; Effective Date. This Custodial Agreement is for the exclusive benefit of the parties hereto, their respective successors hereunder, and the Owners, and shall not be deemed to give any legal or equitable right, remedy or claim to any other person whatsoever. The Owners shall be the beneficiaries of this Custodial Agreement and shall be bound by all the terms and conditions hereof and of the Custodial Receipts by acceptance of delivery thereof. This Custodial Agreement shall become effective as to the Custodian and the Depositor upon the receipt by the Custodian of the Lease thereto deposited by the Depositor in accordance with the terms hereof.

Section 8.03. Consents of Owners. Any consent, request, direction, approval, objection or other instrument required by this Custodial Agreement to be executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other

instrument or of the writing appointing any such agent shall be sufficient for any of the purposes of this Custodial Agreement, and shall be conclusive in favor of the Custodian with regard to any action taken under any such instrument, if the fact and date of the execution by any person of any such writing is proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by an affidavit of any witness to such execution. In lieu of the foregoing, the Custodian may accept other proofs of the foregoing which it shall deem appropriate.

Section 8.04. Severability. If any provision of this Custodial Agreement shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule or public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

Section 8.05. Notices.

(a) Any and all notices to be given to the Depositor shall be deemed to have been duly given if personally delivered or sent by mail or telegram or telecopy or telex confirmed by letter addressed to the Depositor at 521 President Clinton Avenue, Suite 800, Little Rock, Arkansas 72201, or at any other place to which the Depositor may have transferred its principal executive office and designated such transfer in writing to the Custodian.

(b) Any and all notices to be given to the Custodian shall be deemed to have been duly given if personally delivered or sent by mail or telecopy or telex confirmed by letter addressed to the Custodian at Bank of the Ozarks, P.O. Box 8811, Little Rock, Arkansas 72231, Attention: Trust Department, or to such other place which the Custodian may have designated in writing to the Depositor and the Owners.

(c) Any notices to be given to the Owners of Custodial Receipts shall be deemed to have been duly given if sent by first-class mail, postage prepaid, to the Owners' addresses as shown in the Custodial Receipt Register.

(d) Any and all notices to be given to the Rating Agency shall be deemed to have been duly given if personally delivered or sent by mail or telecopy or telex confirmed by letter addressed to the Rating Agency at Standard & Poor's Rating Services, 55 Water Street, 28th Floor, New York, NY 10041, Fax 212-438-2157, email pubfin_structured@standardandpoors.com, or to such other place which the Rating Agency may have designated in writing to the Custodian, the Depositor and the Owners.

Section 8.06. Governing Law. This Custodial Agreement and the Custodial Receipts shall be governed by, and construed in accordance with, the laws of the State of Kansas.

Section 8.07. Headings. The headings of articles and sections in the Custodial Agreement and in the form of the Custodial Receipt have been inserted for convenience only and are not to be regarded as a part of this Custodial Agreement or to have any bearing upon the meaning or interpretation of any provision contained herein or in the Custodial Receipts.

Section 8.0. Effectiveness. This Agreement shall become effective upon the execution of the parties hereto. This Agreement may be effective upon receipt of signatures via facsimile on counterpart originals.

[Signature Page to Follow]

**BANK OF THE OZARKS, Trust Department, as
Custodian**

By: _____
Senior Vice-President and Trust Officer

[Signature Page to Custodial Agreement]

FIRST SECURITY LEASING, INC., as Depositor

By: _____
CEO

[Signature Page to Custodial Agreement]

EXHIBIT A

FORM OF SERIES 2009 CUSTODIAL RECEIPT

BOOK-ENTRY ONLY

No. CR-09-____

Cusip:

\$2,955,000 CUSTODIAL RECEIPTS

SERIES 2009

Evidencing Ownership Interest in the

Equipment Lease Purchase Agreement

Dated as of January 15, 2009 (Underlying Security)

between

Capital One Public Funding, LLC,

As Lessor

And

Unified School District No. 203, Wyandotte County Kansas (Piper),

As Lessee

| <u>Interest Rate</u> | <u>Maturity Date</u> | <u>Original Issue Date</u> | <u>Certificate Date</u> |
|----------------------|----------------------|----------------------------|-------------------------|
| _____% | | | |

Registered Owner: Cede & Co.

Principal Sum: \$

THIS CERTIFIES THAT the Registered Owner specified above, or registered assigns, has a proportionate ownership interest in rights to receive certain revenues, as described below, pursuant to a Custodial Agreement, dated as of June 17, 2009 (the "Custodial Agreement"), by and between First Security Leasing, Inc., ("Depositor"), and Bank of the Ozarks, Trust Department, Little Rock, Arkansas, and its successors thereunder (the "Custodian"), as Custodian for the Registered Owners of all Custodial Receipts (the "Custodial Receipt Holders"). The proportionate interest of the Registered Owner evidenced by this Custodial Receipt is secured as provided in the Custodial Agreement. All right, title and interest of Depositor in and to the Payments (as defined in the Custodial Agreement) has been assigned under the Custodial Agreement by Depositor to the Custodian for the benefit of the Custodial Receipt Holders, and Depositor also has assigned, pledged and granted a security interest in its right, title and interest in, to and under the Custodial Agreement to the Custodian for the benefit of the Custodial Receipt Holders. Pursuant to the Custodial Agreement, the Registered Owner is entitled to receive, solely out of and to the extent available from the sources

hereinafter identified on the Maturity Date specified above (or earlier as hereinafter provided), the Principal Sum specified above, and interest thereon from the Certificate Date specified above at the Interest Rate per annum specified herein. Subject in all respects to the Custodian's actual receipt of each scheduled Payment, the Payment Date of the Custodial Receipts shall be each March 15 and September 15, beginning September 15, 2009 and continuing thereafter until maturity, subject in all respects to the Custodian's actual receipt of Rental Payments. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Custodial Agreement.

Interest on the Custodial Receipts shall be computed on the basis of a 360-day year of twelve 30-day months. This Custodial Receipt shall mature on _____ and shall bear interest on the unpaid principal amount of the Custodial Receipt at the rate of _____% per annum.

The Custodial Receipts are limited obligations and are payable solely from the principal of, interest on and premium if any with respect to the Equipment Lease Purchase Agreement deposited under the Custodial Agreement, accounts established under the Custodial Agreement and all moneys and securities held under the terms of the Custodial Agreement, including any reinvestment earnings thereon.

This Certificate shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Custodial Agreement.

REFERENCE IS MADE TO THE FURTHER PROVISIONS OF THIS CERTIFICATE HEREINAFTER SET FORTH, WHICH PROVISIONS FOR ALL PURPOSES SHALL HAVE THE SAME EFFECT AS IF SET FORTH IN FULL HEREIN.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

CERTIFICATE OF AUTHENTICATION

This is one of the Custodial Receipts of that issue designated Custodial Receipts, issued in the original aggregate principal amount of \$2,955,000, evidencing a proportionate ownership interest in rights to receive certain revenues pursuant to the within-mentioned Custodial Agreement.

Dated: _____, 2009.

[SEAL]

**BANK OF THE OZARKS ,
Trust Department
as Custodian**

BY: _____
Authorized Officer

FURTHER PROVISIONS

The principal or redemption price of, and the interest on, this Receipt are payable to the Registered Owner at the principal corporate trust office of the Custodian in Little Rock, Arkansas. Except as heretofore and hereinafter provided, the interest hereon shall be paid to the Registered Owner, determined as of the close of business on the Record Date, notwithstanding any transfer of ownership hereof subsequent thereto and prior to such Receipt Payment Date, by check or draft of the Custodian mailed to the Registered Owner at the address appearing on the registration books kept by the Custodian, or its successor, as registrar. Any interest hereon not paid when due shall be paid to the Registered Owner, determined as of the close of business on the special record date, which shall be fixed by the Custodian for such purpose, notwithstanding any transfer of ownership hereof subsequent to such special record date and prior to the date fixed by the Custodian for the payment of such interest, by check or draft mailed as aforesaid. Notice of the special record date and of the date fixed for the payment of such interest shall be given by sending, at least ten (10) days prior to the special record date, a copy thereof by first-class, postage prepaid mail, to the Registered Owner of each Receipt upon which interest will be paid, determined as of the close of business on the day preceding such mailing, at the address then appearing on the registration books kept by the Custodian. All such payments shall be made in lawful money of the United States of America.

This Receipt is one of an issue of Custodial Receipts evidencing proportionate interests in assignments of rights to receive certain revenues derived by the Custodian under the Custodial Agreement in an aggregate principal amount of \$2,955,000 issued pursuant to the Custodial Agreement for the purpose, among others, of providing funds to reimburse the Depositor for its acquisition of the Payment rights that have been deposited under the Custodial Agreement, and to pay costs of issuing the Custodial Receipts. Under the Custodial Agreement, Depositor has irrevocably deposited and assigned to the Custodian the payments and other funds and revenues to be derived thereunder to be distributed by the Custodian for the payment of the Custodial Receipts on each Payment Date, such amount to be calculated as set forth in the Custodial Agreement.

The Custodial Receipts shall initially be issued in book-entry only form, in authorized denominations of \$100,000, and in minimum increments of \$5,000 in excess thereof.

This Custodial Receipt may be exchanged for Custodial Receipts of other authorized denominations of the same maturity at the option of the Registered Owner, but subject to the conditions and upon the payment of the charges provided in the Custodial Agreement.

This Custodial Receipt is transferable by the Registered Owner hereof or by his or her duly authorized attorney on the registration books kept at the Corporate Trust Office of the Custodian, upon surrender of this Custodial Receipt together with a duly

executed instrument of transfer in form and with guaranty of signature satisfactory to the Custodian, containing written instructions as to the details of the transfer, the social security number or federal employer identification number of the transferee and, if the transferee is a trust, the names and social security numbers of the settlor and beneficiary of the trust. Upon such transfer, and payment of the charges and subject to the terms and conditions set forth in the Custodial Agreement, a new Custodial Receipt or Custodial Receipts of the same maturity, of authorized denomination or denominations, for the same aggregate principal amount, will be issued to the transferee. The Custodian may deem and treat the person in whose name this Custodial Receipt is registered as the absolute Owner hereof, whether or not this Custodial Receipt shall be overdue, for the purpose of receiving payment and for all other purposes, and neither Depositor nor the Custodian shall be affected by any notice to the contrary.

The Custodian shall require the payment, by any Custodial Receipt holder requesting exchange or transfer of Custodial Receipts, of any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, including any fee of the Custodian in connection therewith.

The Custodian shall not be required to transfer or exchange any Custodial Receipt after the mailing of notice calling such Custodial Receipt for redemption has been made as provided in the Custodial Agreement, nor during fifteen (15) days next preceding the mailing of such notice of redemption.

The Custodial Receipts are subject to redemption prior to maturity as follows:

(a) Optional Redemption. The Custodial Receipts are subject to optional redemption at the option of the Depositor, in Authorized Denominations, on or after September 15, 2018 from Available Moneys at par plus accrued interest thereon to the date of redemption.

“Available Moneys” means proceeds of the sale of refunding custodial receipts or other moneys, if the Custodian receives an opinion of counsel (reasonably acceptable to the Rating Agency) that redemption of the Custodial Receipts from such moneys will not constitute (i) transfers of assets of the “estate” of the Depositor under Section 541 of the U.S. Bankruptcy Code that are therefore subject to the automatic stay provisions of Section 362 of the U.S. Bankruptcy Code, or (ii) transfers that are voidable preferences under Section 547 of the U.S. Bankruptcy Code, in the event a petition in bankruptcy is subsequently filed by or against the Depositor.

(b) Mandatory Redemption Upon Redemption of Lease. The Custodial Receipts are subject to early redemption on or after September 15, 2018 on any date in the event the District causes the redemption of the Lease, at a price equal to par plus accrued interest thereon to the date of redemption.

The Custodial Receipts shall be subject to redemption prior to their maturity, in order of maturity, upon notice as provided in Section 4.07 hereof, at a redemption price equal to the principal amount of, and premium, if any, on such Custodial Receipts or portions thereof to be redeemed, and accrued interest thereon to the redemption date, from amounts available to the Custodian under this Custodial Agreement. The Custodial Receipts shall be selected for redemption by lot or in such manner as Custodian in its discretion may deem fair and appropriate (which manner, in the case of Custodial Receipts in the book-entry-only form, will be selected for redemption by the Depository Trust Company and Participants in accordance with their rules).

(c) Mandatory Sinking Fund Redemption. The Term Custodial Receipts maturing on the dates described below are subject to mandatory redemption. The sole source of proceeds to effect mandatory redemption under this Section shall be those Rental Payments received by the Custodian with respect to the Lease. The Custodial Receipts shall be redeemed in the following amounts at the following times:

| <u>Custodial Receipt</u> | <u>Due Date</u> | <u>Redemption Date</u> | <u>Redemption Amount</u> |
|--------------------------|-----------------|------------------------|--------------------------|
| 2013 Term | 3/15/2013 | 9/15/2009 | 80,000.00 |
| | | 3/15/2010 | 50,000.00 |
| | | 9/15/2010 | 55,000.00 |
| | | 3/15/2011 | 55,000.00 |
| | | 9/15/2011 | 55,000.00 |
| | | 3/15/2012 | 55,000.00 |
| | | 9/15/2012 | 55,000.00 |
| | | 3/15/2013 | 55,000.00 |
| 2014 Term | 3/15/2014 | 9/15/2013 | 55,000.00 |
| | | 3/15/2014 | 60,000.00 |
| 2015 Term | 3/15/2015 | 9/15/2014 | 60,000.00 |
| | | 3/15/2015 | 60,000.00 |
| 2016 Term | 3/15/2016 | 9/15/2015 | 60,000.00 |
| | | 3/15/2016 | 65,000.00 |
| 2017 Term | 3/15/2017 | 9/15/2016 | 65,000.00 |
| | | 3/15/2017 | 65,000.00 |
| 2018 Term | 3/15/2018 | 9/15/2017 | 65,000.00 |
| | | 3/15/2018 | 65,000.00 |
| 2019 Term | 3/15/2019 | 9/15/2018 | 75,000.00 |
| | | 3/15/2019 | 70,000.00 |
| 2020 Term | 3/15/2020 | 9/15/2019 | 70,000.00 |
| | | 3/15/2020 | 75,000.00 |
| 2021 Term | 3/15/2021 | 9/15/2020 | 75,000.00 |

| | | | |
|-----------|-----------|-----------|------------|
| | | 3/15/2021 | 75,000.00 |
| 2023 Term | 3/15/2023 | 9/15/2021 | 80,000.00 |
| | | 3/15/2022 | 80,000.00 |
| | | 9/15/2022 | 80,000.00 |
| | | 3/15/2023 | 75,000.00 |
| 2029 Term | 3/15/2029 | 9/15/2023 | 75,000.00 |
| | | 3/15/2024 | 75,000.00 |
| | | 9/15/2024 | 85,000.00 |
| | | 3/15/2025 | 85,000.00 |
| | | 9/15/2025 | 90,000.00 |
| | | 3/15/2026 | 95,000.00 |
| | | 9/15/2026 | 95,000.00 |
| | | 3/15/2027 | 100,000.00 |
| | | 9/15/2027 | 100,000.00 |
| | | 3/15/2028 | 100,000.00 |
| | | 9/15/2028 | 110,000.00 |
| | | 3/15/2029 | 110,000.00 |

All notices of redemption shall state the redemption date, redemption price, the place where the Custodial Receipts are to be surrendered for payment of the redemption price and that no interest shall accrue on such Custodial Receipts for any period after the last day of the Interest Accrual Period for the Payment Date on which such redemption is to occur.

The Custodial Agreement may be amended upon the agreement of the Depositor and the Custodian and with the approval of the Registered Owners of not less than a majority or, in certain instances 100%, in aggregate principal amount of the Custodial Receipts then Outstanding. The Custodial Agreement also may be amended by Depositor and the Custodian without the consent of the Custodial Receipt Holders for certain purposes.

Any consent or request by the Registered Owner shall be conclusive and binding upon such Registered Owner and upon all future Owners of this Custodial Receipt and of any Custodial Receipt issued upon transfer or exchange hereof whether or not notation of such consent or request is made hereon.

This Custodial Receipt is issued with the intent that the laws of the State of Kansas shall govern its legality, validity, enforceability and construction.

THIS CUSTODIAL RECEIPT HAS NOT BEEN REVIEWED, APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THIS CUSTODIAL RECEIPT MAY BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF BY AN INVESTOR ONLY IN COMPLIANCE WITH FEDERAL AND STATE SECURITIES LAWS.

(Assignment)

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers
unto

_____.

INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

(Name and Address of Assignee)

the within Custodial Receipt and all rights thereunder, and hereby irrevocably
constitutes and appoints_____ Attorney to transfer the within Custodial
Receipt on the books kept for registration thereof, with full power of substitution in the
premises.

Dated: _____

NOTICE: The Assignor's
signature on this assignment
must correspond with the name
as it appears upon the face of the
within Custodial Receipt in every
particular without alteration or
any change whatever.

Signature Guaranteed:

(Bank, Trust Company or Firm)

EXHIBIT B

PAYMENT AND MATURITY SCHEDULE

**\$2,955,000 CUSTODIAL RECEIPTS
SERIES 2009**

Evidencing Ownership Interest in the

**Equipment Lease Purchase Agreement
Dated as of January 15, 2009 (Underlying Security)
between**

**Capital One Public Funding, LLC,
As Lessor**

And

**Unified School District No. 203, Wyandotte County Kansas (Piper),
As Lessee**

TERM CUSTODIAL RECEIPTS

| | | | Price | Yield |
|-----------|--------|---|----------|-------|
| 460,000 | 3.250% | Term Custodial Receipt due March 15, 2013 | 100.000% | 3.25% |
| 115,000 | 3.500% | Term Custodial Receipt due March 15, 2014 | 100.000% | 3.50% |
| 120,000 | 3.625% | Term Custodial Receipt due March 15, 2015 | 99.357% | 3.75% |
| 125,000 | 3.750% | Term Custodial Receipt due March 15, 2016 | 98.534% | 4.00% |
| 130,000 | 4.000% | Term Custodial Receipt due March 15, 2017 | 99.012% | 4.15% |
| 130,000 | 4.250% | Term Custodial Receipt due March 15, 2018 | 99.633% | 4.30% |
| 145,000 | 4.250% | Term Custodial Receipt due March 15, 2019 | 98.818% | 4.40% |
| 145,000 | 4.400% | Term Custodial Receipt due March 15, 2020 | 98.732% | 4.55% |
| 150,000 | 4.500% | Term Custodial Receipt due March 15, 2021 | 98.649% | 4.65% |
| 315,000 | 4.625% | Term Custodial Receipt due March 15, 2023 | 98.743% | 4.75% |
| 1,120,000 | 5.100% | Term Custodial Receipt due March 15, 2029 | 98.162% | 5.25% |

APPENDIX C
FORM OF INVESTOR LETTER

June ___, 2009

Crews & Associates, Inc. (Placement Agent)
521 President Clinton Avenue, Suite 800
Little Rock, AR 72201

First Security Leasing, Inc. (Depositor)
521 President Clinton Avenue, Suite 800
Little Rock, AR 72201

Jack Nelson Jones Fink Jiles & Gregory, P.A.
424 W. Capitol Ave., Ste. 3400
Little Rock, AR 72201

\$2,955,000 CUSTODIAL RECEIPTS
SERIES 2009
Evidencing Ownership Interest in the
Equipment Lease Purchase Agreement
Dated as of January 15, 2009
between
Capital One Public Funding, LLC, As Lessor
and
Unified School District No. 203, Wyandotte County, Kansas (Piper), As Lessee

Gentlemen:

On behalf of _____, ("Investor"), in purchasing the above-referenced Custodial Receipts, I acknowledge, warrant and represent to the Depositor, Placement Agent and counsel to the Depositor and Placement Agent the following:

1. Investor is acquiring the Custodial Receipts for Investor's own account, solely for investment purposes, and not with a view to distributing the Custodial Receipts in a manner that is not consistent with existing applicable securities laws. The Custodial Receipts are not registered under the Securities Act of 1933, and are not being registered or otherwise qualified for sale under the securities laws and regulations of any state, will not be listed on any stock or other securities exchange and marketability will therefore be limited.

2. Investor, either alone if an individual or through its management and advisors if a legal entity, possesses such knowledge and experience in financial and business matters, generally, to be capable of evaluating the merits and risks of the proposed investment. Investor, either alone if an individual or through its management and advisors if a legal entity, has made its own inquiry and analysis with respect to material factors affecting the value and investment quality of the Custodial Receipts, and has either been supplied with or has had access to all information to which a reasonable investor would attach significance in making an investment decision, so that as a reasonable investor, Investor has been able to make a decision to purchase the Custodial Receipts, and has, to the extent it believes such discussion is necessary, discussed with its professional legal, tax and financial advisors the suitability of an investment in the Custodial Receipts for its particular situation. Investor, either alone if an individual or through its management and advisors if a legal entity, has determined that the Custodial Receipts are a suitable investment. Investor acknowledges receipt of the Secondary Market Limited Offering Memorandum, as well as the executed relevant documents attached to the Secondary Market Limited Offering Memorandum and upon which the Secondary Market Limited Offering Memorandum is based, and that Investor is relying on the executed relevant documents in determining the suitability of the investment. Investor has not been formed for the specific purpose of acquiring the Custodial Receipts.

3. Investor is able to bear the risks of this investment, including, without limitation, risk of loss. Any resale of the Custodial Receipts will comply with then existing applicable securities laws. The Custodial Receipts will not be sold in violation of the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or in violation of any securities laws of any state.

On behalf of Investor, after having been duly authorized so to do, I hereunto set my hand this _____ day of June, 2009.

Sincerely,
