AGENDA

1. Call to order - 4 p.m.
2. Roll call.
3. Consideration of tentative agenda.
4. Public comments.
5. Consideration of minutes of the November 8, 1993, regular board meeting.
6. Consideration of change in listing price of student constructed house, Ankeny.
7. Consideration of a resolution approving the form and content, execution and delivery of a jobs training agreement, Thombert, Inc., in the amount of $4,999.
8. Consideration of a resolution approving the form and content, execution and delivery of a jobs training agreement, Merchandising Frontier, Inc., in the amount of $40,000.
9. Consideration of a resolution providing for the division of taxes levied on property where new jobs are created as a result of a new jobs training program, Iowa Trade Bindery, Inc.

10. Consideration of a resolution approving the form and content, execution and delivery of a new jobs training agreement, instituting proceedings for the taking of additional action for the issuance of new jobs training certificates, directing the publication of a notice of intention to issue not to exceed $630,000 aggregate principal amount of new jobs training certificates (Maytag Company project) of the Des Moines Area Community College.

11. Same as Item #10, except for Principal Mutual Life Insurance Company project #6, not to exceed $905,000.
12. Same as Item #10, except for RaMark Industries, Inc. project, not to exceed $20,000.

13. Same as Item #10, except for Windsor Window Company project, not to exceed $220,000.

14. Consideration of a resolution approving the form and content, execution and delivery of a new jobs training agreement, instituting proceedings for taking of additional action for the issuance of new jobs training certificates, directing the publication of a notice of intention to issue not to exceed $235,000 aggregate principal amount of new jobs training certificates (Eaton Corporation project #2) of the Des Moines Area Community College and providing for the division of taxes levied on property where new jobs are created as a result of new jobs training program.

15. Same as Item #14, except for Midland International Tileworks, Inc. project #2 for $435,000.

16. Same as Item #14, except for Printer, Inc. project #2 for $235,000.

17. Consideration of a resolution directing the publication of a notice of intention to issue not to exceed $4,700,000 aggregate principal amount of new jobs training certificates and calling a public hearing on the proposal to issue said bonds.

18. Consideration of a resolution directing the advertisement for sale of new jobs training certificates.

19. Consideration of preliminary plans for the Boone Campus addition.

20. Consideration of a resolution authorizing an amendment to lease between the DMACC Foundation and DMACC.

21. Review of bids and consideration of award of contract for the purchase of computer hardware and equipment for DMACC’s new main computer system.

22. Consideration of wireless cable proposal.


25. Consideration of Human Resources report.

27. Presentation of financial report.

28. President’s report.

29. Board members’ reports.

30. Information Items:
   A. December 24 through January 3, 1994 - CHRISTMAS/NEW YEARS BREAK
      - CAMPUSES CLOSED

   B. January 10 - President’s Day
      Board Meeting - DMACC Commons - Eldon Leonard Board Room, Ankeny - 4 p.m.

31. Adjournment.
The regular meeting of the Des Moines Area Community College Board of Trustees was held in the Eldon Leonard Board Room, The DMACC Commons, Ankeny Campus, December 13, 1993. Board President Doug Shull called the meeting to order at 4:00 p.m.

Members Present:
- Harold Belken
- Susan Clouser
- Lloyd Courter
- Dale Froehlich
- Dick Johnson
- Gerry Pecinovsky
- Doug Shull
- Madelyn Tursi
- *Nancy Wolf-Keith

Members Absent: None

Others Present:
- Joseph A. Borgen, President
- Helen Harris, Board Secretary
- Don Zuck, College Treasurer
- Craig Bullis, RDG Bussard Dikis Architects
- Other interested DMACC staff and community residents

Item # 23, proposed Board Policy 2018, Contract and Document Execution was moved for action immediately following Item #5. A motion to approve the tentative agenda as amended was made by H. Belken, seconded by L. Courter.


Having no corrections, additions or deletions to the minutes of the November 8, 1993 regular board meeting, President Shull declared the minutes approved as presented.

A motion was made by L. Courter, seconded by D. Froehlich, that the board approve proposed Board Policy 2018, Contract and Document Execution by College President. A copy of the policy is Attachment #1 to these minutes.

In June, 1993, the Board approved the listing for sale of a student constructed house located at 905 SE Peterson, Ankeny. To date, no offers have been received. It was moved by G. Pecinovsky, seconded by D. Johnson, that the board approve a reduction in the listing price to $129,900.


Items 7 and 8 were considered as a consent agenda item.

D. Froehlich made the motion that the board approve the following resolutions; second by S. Clouser.


D. Johnson made a motion that the board approve the resolution providing for the division of taxes levied on property where new jobs are created as a result of a new jobs training program, Iowa Trade Bindery, Inc. Second by H. Belken. (Attachment #4.)


Items 10 through 13 are new jobs training agreements, and were considered as one consent agenda item: a motion was made by D. Froehlich, seconded by H. Belken, that the board approve the following resolutions:

MAYTAG COMPANY - A resolution approving the form and content, execution and delivery of a new jobs training agreement,
CONSENT AGENDA
ITEMS - NEW JOBS TRAINING AGREEMENTS, HF623

instituting proceedings for the taking of additional action for the issuance of new jobs training certificates, directing the publication of a notice of intention to issue not to exceed $630,000 aggregate principal amount of new jobs training certificates (Maytag Company project) of the Des Moines Area Community College. Attachment #5.

PRINCIPAL MUTUAL LIFE INSURANCE CO., PROJECT #6 - A resolution approving the form and content, execution and delivery of a new jobs training agreement, instituting proceedings for the taking of additional action for the issuance of new jobs training certificates, directing the publication of a notice of intention to issue not to exceed $905,000 aggregate principal amount of new jobs training certificates (Principal Mutual Life Insurance Company project #6) of the Des Moines Area Community College. Attachment #6.

RA MARK INDUSTRIES, INC. - A resolution approving the form and content, execution and delivery of a new jobs training agreement, instituting proceedings for the taking of additional action for the issuance of new jobs training certificates, directing the publication of a notice of intention to issue not to exceed $20,000 aggregate principal amount of new jobs training certificates (RaMark Industries, Inc. project) of the Des Moines Area Community College. Attachment #7.

WOODGRAIN MILWORK, INC. dba WINDSOR WINDOW CO. - Consideration of a resolution approving the form and content, execution and delivery of a new jobs training agreement, instituting proceedings for the taking of additional action for the issuance of new jobs training certificates, directing the publication of a notice of intention to issue not to exceed $220,000 aggregate principal amount of new jobs training certificates (Woodgrain Milwork, Inc., dba Windsor Window Co. project) of the Des Moines Area Community College. Attachment #8.


Items 14 through 16 are new jobs training agreements, and were considered as one consent agenda item: a motion was made by D. Johnson and seconded by G. Pecinovsky, that the board approve the following resolutions:

EATON CORPORATION PROJECT #2 - A resolution approving the form and content, execution and delivery of a new jobs training agreement, instituting proceedings for the taking of additional action for the issuance of new jobs training certificates, directing the
publication of a notice of intention to issue not to exceed $235,000 aggregate principal amount of new jobs training certificates (Eaton Corporation project #2) of the Des Moines Area Community College and providing for the division of taxes levied on property where new jobs are created as a result of new jobs training program.
Attachment #9.

MIDLAND INTERNATIONAL TILEWORKS, INC. PROJECT #2 - A resolution approving the form and content, execution and delivery of a new jobs training agreement, instituting proceedings for taking of additional action for the issuance of new jobs training certificates, directing the publication of a notice of intention to issue not to exceed $435,000 aggregate principal amount of new jobs training certificates (Midland International Tileworks, Inc. project #2) of the Des Moines Area Community College and providing for the division of taxes levied on property where new jobs are created as a result of a new jobs training program. Attachment #10.

PRINTER, INC. PROJECT #2 - A resolution approving the form and content, execution and delivery of a new jobs training agreement, instituting proceedings for taking of additional action for the issuance of new jobs training certificates, directing the publication of a notice of intention to issue not to exceed $235,000 aggregate principal amount of new jobs training certificates (Printer, Inc. project #2) of the Des Moines Area Community College and providing for the division of taxes levied on property where new jobs are created as a result of a new jobs training program. Attachment #11.


L. Courter moved that the board approve a resolution directing the publication of a notice of intention to issue not to exceed $4,700,000 aggregate principal amount of new jobs training certificates and calling a public hearing on the proposal to issue said bonds. Second by S. Clouser. Attachment #12.


A motion was made by S. Clouser, seconded by H. Belken, that the board approve a resolution directing the advertisement for sale of new jobs training certificates. Attachment #13.

Craig Bullis of the RDG Bussard Dikis architectural firm presented preliminary plans for the addition to the Boone Campus. D. Froehlich moved that the board approve the plans as presented; second by N. Wolf-Keith. The schematic design is Attachment #14 to these minutes.


A motion was made by G. Pecinovsky, seconded by L. Courter, that the board approve the resolution authorizing an amendment to lease between the DMACC Foundation and DMACC. A copy of said resolution is Attachment #15 to these minutes.


DMACC contracted with McGladrey & Pullen to assist in the preparation of the Request for Proposals and the analysis and evaluation of the vendor proposals for the purchase of computer hardware for the DMACC main computer system. Bids were received on December 3, 1993, with Hewlett Packard submitting the low base bid of $180,401 (adjusted five-year cost of ownership is $303,057). G. Pecinovsky made a motion that the board approve Hewlett Packard as the vendor for the administrative computing hardware system. Second by N. Wolf-Keith. An analysis of the computer hardware bids is Attachment #16 to these minutes.


Item #22, consideration of wireless cable proposal, was removed from the agenda on the recommendation of President Borgen.

This item was considered earlier in this meeting.

This item was tabled to the January 1994 regular board meeting.
APPROVAL OF HUMAN RESOURCES REPORT

New Personnel

Contract Changes
Eischeid, Diane, Lab Assistant (Office Occupations), Carroll Campus. Change from .50 FTE to .75 FTE. Annual salary $16,041. Effective November 8, 1993. 12-month position. Employment agreement with professional staff.

Gibbons, Sue, Coordinator, Conference Center, Ankeny Campus. Change from .60 FTE to .80 FTE. Annual salary $41,705. Effective November 8, 1993. 12-month position. Employment agreement with professional staff.


APPROVAL OF PAYABLES

Approval of the payables as presented in Attachment #17 to these minutes was made by G. Pecinovsky, seconded by N. Wolf-Keith.


FINANCIAL REPORT
The November 30, 1993, monthly financial report (Attachment #18) was presented by Darrell Roberts, Vice President of Business Services.

BOARD MEMBERS' REPORT
President Shull appointed Courter (chair), Johnson and Shull to a compensation committee to review President Borgen's contract for FY1995.

ADJOURNMENT
A motion for adjournment was made by Courter, seconded by Belken. Motion passed unanimously and at 5:35 p.m., Board President Shull adjourned the meeting.

DOUG HULL, President

HELEN M. HARRIS, Board Secretary
The approval of certain contracts and documents is by law or policy reserved to the Board of Trustees. Upon Board approval of such contracts or documents by motion or resolution, the College Chief Executive Officer is hereby authorized and directed to sign and deliver such contracts and documents on behalf of the Board of Trustees.

Adopted: December 13, 1993
The Board of Directors of the Des Moines Area Community College met in regular session on the 13th day of December, 1993, at 4:00 o'clock p.m., at the DMACC Commons Building at the College in Ankeny, Iowa. The meeting was called to order and there were present, _____ Doug Shull, President of the Board, in the chair, and the following named Board Members:

Harold Belken, Susan Clouser, Lloyd Courter, Dale Froehlich,
Dick Johnson, Gerry Pecinovsky, Madelyn Tursi, Nancy Wolf-Keith.
Absent: NONE

Matters were discussed concerning a Retraining Agreement between the College and Thombert, Inc. Following a discussion of the proposal, Board Member D. Froehlich introduced and caused to be read a resolution entitled "A Resolution Approving the Form and Content and Execution and Delivery of a Retraining Agreement"; and moved its adoption. The motion was seconded by Board Member S. Clouser. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:

Ayes: Belken, Clouser, Courter, Froehlich, Johnson, Pecinovsky, Tursi, Wolf-Keith, Shull
Nays: NONE

Whereupon, the President declared said resolution, a copy of which is attached hereto, duly adopted and signed his approval thereto.

President of the Board of Directors

Attest:
Secretary of the Board of Directors
RESOLUTION

A RESOLUTION APPROVING THE FORM AND CONTENT AND
EXECUTION AND DELIVERY OF A RETRAINING AGREEMENT

WHEREAS, the Des Moines Area Community College (hereinafter referred to as the "College"), is an area community college and a body politic organized and existing under the laws of the State of Iowa, and is authorized and empowered by Chapter 260F of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to provide a "Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to provide education and training of workers for the retraining of workers of an existing business within the State of Iowa (the "State") in order to improve the economic welfare of the residents of the State, and is authorized under the Act to pay the costs of such a program from funds allocated for such purpose by the Iowa Department of Economic Development under Section 260F.6 of the Act; and

WHEREAS, the College has undertaken negotiations with respect to a Jobs Training Program with Thombert, Inc. (the "Company"), pursuant to the provisions of the Act for the purpose of establishing a job retraining program (hereinafter referred to as the "Project") to educate and retrain workers at the Company at its facilities located in the merged area served by the College, which Project will be beneficial to the Company and the College; and

WHEREAS, the College has received an allocation (the "Fund Advance") under Section 260F.6 of the Act in order to defray all or a portion of the cost of the Project, including necessary expenses incidental thereto, in the amount of $4,999; and

WHEREAS, a Retraining Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, has been negotiated by the College under the terms of which the College agrees, subject to the provisions of such Agreement, to provide a jobs retraining program for the Company;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DES MOINES AREA COMMUNITY COLLEGE, AS FOLLOWS:

Section 1. That the Retraining Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, be and the same is hereby approved and the President of the Board of Directors is hereby authorized to execute said Retraining Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Retraining Agreement, which constitutes and is hereby made a part of this Resolution, to be in substantially the form, text and containing the provisions set forth in Exhibit "A" attached hereto.
Section 2. That the form of resolution required by the Iowa Department of Economic Development (the "Department") is hereby approved and the officers of the College are authorized to file such resolution in accordance with the requirements of the Department.

Section 3. That officials of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.

Section 4. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 13th day of December, 1993.

Attest:

Secretary of the Board of Directors

President of the Board of Directors
STATE OF IOWA  )
COUNTY OF POLK  )

I, Helen M. Harris, Secretary of the Board of Directors of the Des Moines Area Community College, do hereby certify that I have in my possession or have access to the complete corporate records of said College and of its Board of Directors and officers; and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true, correct and complete copy of all of the corporate records showing the action taken with respect to the matters set forth therein by the Board of Directors of said College on December 13, 1993, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that such meeting was duly and publicly held in accordance with the Notice of Meeting and tentative agenda, a copy of which was timely served on each member of the Board of Directors and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board of Directors (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board of Directors and the provisions of Chapter 21, Code of Iowa, as amended, upon reasonable advance notice to the public and media at least twenty-four (24) hours prior to the commencement of the meeting as required by said law and with members of the public in attendance. I further certify that the individuals named in the attached proceedings were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board of Directors vacancies existed except as may be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the College or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand hereto affixed this 13th day of December, 1993.

Helen Harris
Secretary of the Board of Directors
RESOLUTION APPROVING NEW JOBS TRAINING OR JOB RETRAINING AGREEMENT AND APPLICATION FOR FUNDS

This project is for ( ) new jobs training (X) retraining.

WHEREAS, Des Moines Area Community College, the Community College, is in need of funds to carry out a jobs training project as hereinafter described, and it is deemed necessary that it should apply to the State for an advance of funds in an amount sufficient to fund the project as authorized by Chapter 280C, Code of Iowa, 1985, as amended by 1992 Iowa Acts, Senate File 2295; and

WHEREAS, an Iowa Jobs Training Agreement, the Agreement, has been negotiated with Thombert, Inc._____________________, the Employer, establishing a jobs training program to educate and train certain employees and such Agreement is deemed to be beneficial to the Community College and to the Employer; and

NOW, THEREFORE, BE IT RESOLVED BY THE COMMUNITY COLLEGE;

The Iowa Jobs Training Agreement with the Employer and the form thereof are hereby approved by the Community College, and the State is hereby requested to allocate $ 4,999.00 to fund the project pursuant to the Act.

Authorized Signature ___________________________ Date 12-13-93

Approved for allocation by the Iowa Department of Economic Development:

Authorized Signature ___________________________ Date ___________________________

An advance in the amount of $___________________ is hereby allocated by the Treasurer of State.

Authorized Signature ___________________________ Date ___________________________

NOTE: This resolution must be certified in triplicate to the Department of Economic Development, Bureau of State Programs, 200 East Grand Avenue, Des Moines, Iowa 50309.

Form 280C-2 (revised 12/92)
RETRAINING AGREEMENT

between

Des Moines Area Community College
Ankeny, Iowa

and

THOMBERT, INC.

Dated as of December 13, 1993
RETRAINING AGREEMENT

This Retraining Agreement (the "Agreement") made and entered into as of December 13, 1993 between Des Moines Area Community College, Ankeny, Iowa (the "Community College") and Thombert, Inc. (the "Employer").

WITNESSETH:

WHEREAS, pursuant to Chapter 260F of Code of Iowa, as amended (the "Act"), the Community College has determined to enter into this Agreement with Employer for the purpose of establishing a retraining program (the "Project") to train certain persons employed by Employer in new skills required as a result of retooling; and

WHEREAS, the Iowa Department of Economic Development has approved an award of funds (the "Project Award") under Section 260F.6 of the Act in order to provide funding for the costs of the Project; and

WHEREAS, the Community College and the Employer each have full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed;

NOW, THEREFORE, in consideration of the premises and the mutual representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

REPRESENTATIONS

Section 1.1. Representations of the Community College. The Community College represents and covenants that: (a) it is duly organized and validly existing under the laws of the State of Iowa (the "State"); (b) it is not in violation of any provisions of the laws of the State which would impair its ability to carry out its obligations hereunder; (c) it is empowered to enter into the transactions contemplated by this Agreement; and (d) it will do all things in its power required of it in order to maintain its existence or assure the assumption of its obligations hereunder by any successor public body.

Section 1.2. Representations and Covenants of the Employer. The Employer represents and covenants that:

(a) It is duly and validly organized and is in good standing under the laws of Iowa and is qualified to do business in Iowa.
(b) It has full power and authority to execute, deliver and perform this Agreement and all other agreements entered into by the Employer to secure its performance hereunder and to enter into and carry out the transactions contemplated herein. Such execution, delivery or performance are not in contravention of law or Employer's articles of incorporation, bylaws or any indenture, agreement, mortgage, lease, undertaking or any other restriction, obligation or instrument to which the Employer is a party or by which it is bound. This Agreement has by proper action been duly authorized, executed and delivered by the Employer and all steps necessary have been taken to constitute this Agreement a valid and binding obligation of the Employer.

(c) There is no litigation or proceeding pending, or to the knowledge of the Employer threatened, against the Employer or any other person affecting in any manner whatsoever the right of the Employer to execute this Agreement or to otherwise comply with its obligations contained in this Agreement.

(d) The Employer is an "Eligible Business" or "business" as defined in Section 260F.2 of the Act.

(e) The Employer is engaged in retooling, the Employer's work force would be at risk of displacement within the next ten years if not retrained, and the purpose of the Project is to provide education and retraining services to minimize the risk of employee displacement.

ARTICLE II

PROJECT; PROGRAM SERVICES

Section 2.1. The "Project" shall consist of the retraining program and services to be provided by the Community College to employees of the Employer as described on Exhibit "A" (the "Program Services") entitled "Retraining Proposal". Exhibit "A" includes the number of jobs to be retrained, is incorporated herein by reference. Exhibit "A" includes the date the retraining will begin, the length of time each job category will be provided retraining, the ending date of the retraining, areas of retraining and estimated costs of each component of retraining. Attached hereto as Exhibit "B" and incorporated herein by reference is a copy of the proposed budget of the Community College and the Employer which sets forth all expenditures associated with the Project.
Section 2.2. The Employer represents and agrees that the Program Services are for the purpose of providing retraining services to persons employed by the Employer.

Section 2.3. The Community College agrees to provide the Program Services if and to the extent that funds are awarded and released for the Project by the Department of Economic Development. It is understood and agreed that the Employer and the Community College will cooperate in the coordination and programming of the specific expenditures and operation of the Project within the guidelines set out in Exhibits "A" and "B".

Section 2.4. It is understood by the Community College and the Employer that should the Project Award not be available or received from the Department of Economic Development within a reasonable period of time, this Agreement shall be terminated by mutual agreement of the parties. In any event, the Employer shall pay all administrative and legal costs associated with the Project which have been incurred by the Community College.

Section 2.5. The term of this Agreement shall begin on January 1, 1994 and end on June 30, 1995.

Section 2.6. The Employer shall pay the Community College an application/administration fee in the amount of $0 to defray Community College costs of applying for financial assistance. Legal fees incurred by the Community College shall be considered a part of the Project and may be paid from such application fee or from funds awarded to the Project by the Department of Economic Development.

Section 2.8. The Community College may revise or expand the training curriculum from time to time with the consent of the Employer; provided that no revision shall be made which would change the Project to other than purposes permitted by the Act; and provided that the training curriculum remains within the context of the Project application approved by the Department of Economic Development.

Section 2.9. In the event that moneys provided by the Project Award are not sufficient to pay all costs of the Project, the Employer will, nonetheless, pay all such costs of the Project in full from its own funds. If the Employer should pay any portion of such costs, it shall not be entitled to any reimbursement therefor from the Community College.
ARTICLE III
PAYMENTS; SECURITY

Section 3.1. The Community College shall create a fund for the deposit of the Project Award from the Department of Economic Development (DED).

Section 3.2. The Employer and the Community College agree that the Project Award is issued by DED as a grant (forgivable loan, grant) and shall not be required to be repaid by the Employer unless an event of default has occurred. Events of default and associated penalties are specified in Article IV of this Agreement. The Community College and the DED shall determine whether an event of default has occurred.

ARTICLE IV
EVENT OF DEFAULT AND REMEDIES

Section 4.1. Events of Default. Each of the following shall be an "event of default" hereunder:

(a) The Employer fails to comply with any requirements contained in this Agreement and such failure continues for a period of twenty (20) days from the date a written notice concerning such failure is sent from the Community College to the Employer which specifies the issue(s) of noncompliance. If noncompliance is of such a nature that a cure cannot be reasonably accomplished within twenty (20) days, the Community College may, but need not, extend the period of cure to a maximum of sixty (60) days.

(b) The Employer becomes insolvent or bankrupt, or admits in writing its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors, or applies or consents to the appointment of a trustee or a receiver for the Employer or the major part of its property.

(c) A trustee or receiver is appointed for the Employer or for the major part of its property and the order of such appointment is not discharged, vacated, or stayed within sixty (60) days after such appointment.

(d) Bankruptcy, reorganization, arrangement, insolvency, or liquidation proceedings or other proceedings for relief under any bankruptcy or similar law or laws for the relief of debtors are instituted by or
against the Employer and, if instituted against the Employer, are consented to, or, if contested by the Employer, are not dismissed by the adverse parties or by an order, decree or judgment within sixty (60) days after such institution.

(e) The Employer ceases or announces the cessation of operations at the Project site, unless such operations are transferred to another facility in the State of Iowa.

(f) The Employer directly or indirectly makes any false or misleading representations or warranties in the program application or this Agreement, or in any reports, financial statements, or any other documents which are provided to the Community College or the Department of Economic Development.

(g) The Employer acts in any manner contrary to, or fails to act in accordance with any provision of this Agreement.

(h) The Employer takes corporate action to effect any of the preceding conditions of default.

(i) The Employer fails to meet at least one of the following:

1. Achieve a net increase in the number of employment positions at the Project site;

2. Achieve a net increase in the quality of jobs held by those retrained;

3. Achieve a net increase in the wages of those retrained.

(j) The Employer fails to complete the Project within the agreed period of time. In this Instance, the Employer shall be required to repay 20 percent of the total Project funds expended by the Community College and the Employer.

(k) The Employer fails to retrain the agreed number of employees. The Employer shall be required to repay a proportionate amount of total Project funds expended by the Community College and the Employer. In this instance, the proportion shall be based on the number of employees not trained compared to the number of employees to have been trained.
The declaration of an event of default under Subsection (d) above, and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 4.2. Whenever an event of default has occurred, further training or payments to the Employer shall be suspended.

Section 4.3 Whenever an event of default has occurred for reasons cited in ARTICLE IV, Section 4.1 (a) through (i), the Employer shall immediately repay to the Department of Economic Development all monies expended by the Employer and the Community College from the Project Award. The Employer shall also pay interest on the amount to be repaid at the rate of 2.75%. Interest shall accrue from the issuance date specified on the Project Award check.

Section 4.4 Whenever an event of default has occurred for reasons cited in Section 4.1 (j) or (k), the Employer shall immediately pay the penalty prescribed in ARTICLE IV, Section 4.1 (j) or (k), whichever is applicable, to the Department of Economic Development. The Employer shall also pay interest on the amount to be repaid at the rate of 2.75%. Interest shall accrue from the issuance date specified on the Project Award check.

Section 4.5. Whenever an event of default has occurred and is continuing, the Community College may take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due or to enforce performance and observance of any other obligation or agreement of the Employer under this Agreement. Notwithstanding the foregoing or any other provision of this Agreement, the Community College shall never be obligated to take any step which, in its opinion, will or might cause it to expend time or money or incur liability.

Section 4.6. No remedy conferred upon or reserved to the Community College by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall 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 the Community College to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.
Section 4.7. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 4.8. As required by Iowa Administrative Code, Chapter 260F.3(5), any payments required to be made by the Employer to the Department of Economic Development are a lien upon the Employer's property set forth on Exhibit C attached hereto until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to the lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties, and consequences as for the nonpayment of ordinary taxes. The purchaser at tax sale obtains the property subject to the remaining payments.

Section 4.9. Whenever an event of default has occurred and is unresolved, the Community College shall assign this Agreement to the Iowa Department of Economic Development for appropriate collection action by that Department and the Attorney General of the State.

ARTICLE V

MISCELLANEOUS

Section 5.1. All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate address as follows:

Community College: Joseph A. Borgen, Ph.D.
President
Des Moines Area Community College
2006 S. Ankeny Blvd.
Ankeny, Iowa 50021

Employer: Dick Davidson
President
Thombert, Inc.
316 E. 7th Street N.
Newton IA 50208
Employer and the Community College may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 5.2. All covenants, stipulations, obligations and agreements of the Community College contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, stipulation, obligation or agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Community College or its Board of Directors other than in their official capacity, and neither the members of the Board of Directors nor any official executing this Agreement shall in any circumstances be liable personally or be subject to any personal liability or accountability by reason of the covenants, stipulations, obligations or agreements of the Community College contained herein.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Community College, the Employer and their respective permitted successors and assigns, provided that this Agreement may not be assigned by the Employer without the express written consent of the Community College and may not be assigned by the Community College except as may otherwise be provided herein.

Section 5.4. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

Section 5.5. If any provision of this Agreement, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof made, assumed, entered into or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 5.6. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State.
Section 5.7. This Agreement replaces all prior agreements, if any, between the parties with respect to the subject matter hereof, and upon execution of this Agreement the relationship of the parties with respect to the subject matter hereof shall be governed solely by this Agreement.

IN WITNESS WHEREOF, the Community College and the Employer have caused this Agreement to be duly executed in their respective names by their duly authorized officers, all as of the date hereinabove written.

DES MOINES AREA COMMUNITY COLLEGE

By

(name)

title)

ATTEST:

(name)

(title)

Thombert, Inc.

(name of Employer)

By

(name)

title)

ATTEST:

(name)

(title)
STATE OF IOWA )
COUNTY OF POLK ) SS:

On this 13th day of December, 1993, before me, the undersigned, a Notary Public in and for said State, personally appeared Joseph A. Borgen and Helen Harris, to me personally known, who being by me duly sworn, did say that they are the President/CEO and Board Secretary of Des Moines Area Community College; that no seal has been procured by the said college; that said instrument was signed on behalf of said college by authority of its Board of Directors; and that the said Joseph A. Borgen and Helen Harris acknowledge the execution of said instrument to be the voluntary act and deed of said college, by it and by them voluntarily executed.

\[Signature\]

Notary Public in and for the State of Iowa

STATE OF IOWA ) SS:
COUNTY OF POLK )

On this 19th day of November, 1993, before me, the undersigned, a Notary Public in and for said State, personally appeared Dick Davidson, to me personally known, who being by me duly sworn, did say that they are the President and of Thombert Inc; that no seal has been procured by the said corporation/ that the seal affixed hereto is the seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and that the said President and acknowledge the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

\[Signature\]

Notary Public in and for the State of Iowa

SE6:E6121716.93
IOWA JOBS TRAINING PROGRAM (260F) APPLICATION FOR ASSISTANCE GRANT

THIS APPLICATION IS FOR: ( ) NEW JOBS TRAINING (X) JOB RETRAINING

1. BUSINESS INFORMATION

Thombert, Inc.  42-0670188
316 E 7th St. N.  3089
Newton  Jasper  Iowa  50208
Dick Davidson  515-792-4449

2. COLLEGE INFORMATION

Des Moines Area Community College  Ankeny
Barbara Giese  515-964-6419

3. NEW JOBS TRAINING CERTIFICATION

(Complete this section only if applying for new jobs training assistance)

Iowa Code Section 260F.3 requires that a 260F-funded business must give preference for hiring and training to skilled or experienced unemployed workers in the community over any other workers who do not have greater qualifications when unemployment is due to a plant closing or action in force. The community college, in coordination with the local Department of Employment Services office, is responsible for identifying such unemployed workers. How has his requirement been met?

HEREBY CERTIFY that this applicant is a small business in which the total number of employees at all of the business's sites in Iowa does not exceed 500. I ALSO CERTIFY that the training needs of this applicant cannot be economically funded under Iowa Code Chapter 260E.

Signature of College Official  Date

4. BUSINESS CERTIFICATION

I hereby give permission to the Iowa Department of Economic Development (IDED) to research the business's history, make credit checks, contact the business's financial institution, and perform other related activities necessary for the reasonable evaluation of this application. I understand that all information submitted to IDED relating to this application is subject to the Open Records Law, Iowa Code Chapter 22 (1989) and that its confidentiality may not be guaranteed.

If this is an application for new jobs training assistance, I agree to comply with the requirements of Iowa Code Section 260F.3 as cited above and also certify that the number of employees at all of this business's sites statewide is 500 or less.

HEREBY CERTIFY that, to the best of my knowledge, the information contained in this application is accurate. The Iowa Department of Economic Development will deny financial assistance should it be determined that misrepresentations are made herein. If assistance has already been provided prior to discovery of the misrepresentation, it may form the basis for legal action(s) with the goal being recovery of funds.

Signature of Business Official  Date

Richard J. Davidson, president
5. ENVIRONMENTAL QUALITY

Iowa Administrative Code, Chapter 261, Section 80, requires that the following questions be addressed when applying for Iowa Jobs Training Program financial assistance.

Does this business or any individual, in connection with this business, generate hazardous waste?  (X) yes  ( ) no

If yes, an in-house audit must be conducted and a management plan developed to reduce the amount of waste generated, as well as safely dispose of any waste produced.

If such an audit and management plan have been developed within the last three years, submission of the audit and management plan with this application will suffice.

If such an audit and management plan do not exist, an audit must be initiated prior to the disbursement of funds and a copy of the completed audit submitted within 90 days of disbursement of financial assistance.

In lieu of an in-house audit, the individual or business may request the Department of Natural Resources or the Iowa Waste Reduction Center to conduct the audit. A copy of the authorization for either of these agencies to conduct the audit must be submitted to the Iowa Department of Economic Development (IDED) prior to the disbursement of financial assistance. The individual or business must submit to IDED a copy of the completed audit within 30 days of its receipt.

Has this business or any individual, in connection with this business, been cited for any violation of state or federal environmental statutes, regulations, or rules within the past five years?  (X) yes  ( ) no

If yes, describe the violation(s) in detail and corrective action taken (if necessary, use additional paper):

The company was cited for improper disposal of a hazardous waste resulting out of actions occurring in 1986 and 1987. The company unknowingly violated these regulations and immediately came into compliance with the regulations regarding waste handling and disposal. Since that time we have significantly reduced the waste generated by the process. The solvent involved in the citation is no longer used by Thombert. (See attached article).

Has this business or any individual, in connection with this business, been referred by the Department of Natural Resources to the Iowa Attorney General for environmental violations?  (X) yes  ( ) no

If yes, describe the violation(s) in detail and corrective action taken (if necessary, use additional paper):
Individuals or businesses shall submit annual written reports to IDED which detail efforts to save energy and reduce waste until all conditions of financial assistance have been satisfied.

6. BUSINESS DESCRIPTION

Provide a brief history of the business: Thombert was founded in 1946 by brothers Thomas and Robert Smith. In the early years the company made wooden toys, kitchen cabinets and did her custom wood working. In 1958 Thombert started molding a small number of parts from polyurethane. Today, polyurethane molded goods account for 90% of revenues.

The primary products manufactured by Thombert are wheels and tires for electric lift trucks. These products are sold to the manufacturers of electric lift trucks and through 125 distributors located throughout North America. The distributor sales program was started in 88 and accounts for approximately 40% of sales today.

In November 1991 our largest customer, accounting for 35% of our total sales, summarily red us. Their motivation for taking this action was the belief that they could get a product equivalent to ours from a competitor for 25% less than our price. After nearly two years of outstanding team effort, Thombert has regained the sales lost to our largest customer and is poised to move forward.

What are the product(s) manufactured or the service(s) provided? Polyurethane wheels and tires for electric forklift trucks and other custom molded polyurethane components.

7. BUSINESS INFORMATION

This business is: ( ) new ( ) expanding (X) retooling

If this is a new jobs training project, what activities must occur in order to accomplish the start-up or expansion:

If this is a retraining project, a business must be retooling in order to qualify for assistance. Retooling means a change in equipment, manufacturing process, management practice, etc. Describe the change and provide the dates of this change: Thombert is challenged by the need to retool in several senses. First, since 1991, the continuing growth of our distributor program has required that we achieve extremely high levels of service. As this segment of our business expands it requires that we meet the needs of a growing number of small customers where we have been accustomed to meeting the needs of a few large customers. Virtually all product needed to support this business must be carried in inventory and shipped no later than the next day following the order. The required response time has changed the requirements for almost every system and most job functions within the company. Purchasing, scheduling, manufacturing, customer service and sales have all been required to change significantly.

Second, to meet the ongoing changes in our business environment, we must involve every person at Thombert. To properly implement higher levels of employee involvement, management practices and philosophies must change.
Is the start-up, expansion, or retooling already begun? (X) yes ( ) no If yes, please specify activities to date: Yes, since 1991, the company has undergone significant, even radical, changes. Purchasing, scheduling, manufacturing, customer service, and sales have significantly changed the processes used to serve the new type of customer.

8. NEW JOBS TRAINING EMPLOYEE INFORMATION
(COMPLETE THIS SECTION ONLY FOR NEW JOBS TRAINING PROJECTS)

w many full-time employees were employed by the business prior to the date that you signed the 260F preliminary agreement/application for assistance? 

w many part-time employees were employed by the business prior to the date that you signed the 260F preliminary agreement/application for assistance? 

w many new full-time employees will be added to the payroll within 24 months of the date that you signed the 260F preliminary agreement/application for assistance? 

w many new part-time employees will be added to the payroll within 24 months of the date that you signed the 260F preliminary agreement/application for assistance? 

9. RETRAINING EMPLOYEE INFORMATION
(COMPLETE THIS SECTION ONLY FOR EMPLOYEE RETRAINING PROJECTS)

w many full-time employees were employed by the business prior to the date that you signed the 260F preliminary agreement/application for assistance? 53

w many part-time employees were employed by the business prior to the date that you signed the 260F preliminary agreement/application for assistance? 0

10. EMPLOYEE BENEFITS

What is the average hourly wage for full-time employees? $11.50

What is the average hourly wage for part-time employees? NA

What employee benefits does/will the business provide (e.g. health care, vacation, child care etc.)? Company paid health care

Dental insurance
Vision insurance
Vacation
13 paid holidays
Pension plan or profit sharing
Life insurance
Long term disability coverage
Accident and sickness insurance
Quality improvement bonus shared equally by all employees

COMPANY PAYS 100% OF ALL BENEFITS.
11. TRAINING

What date will the training begin? January 1994

What date will the training end? June 1995

What is the TOTAL number of employees that will receive training during the time frame specified above? 6 - training

All company employees (65) will participate in the assessment.

LIST OF TRAINING ACTIVITIES TO BE PROVIDED

Complete the following chart for each training activity to be provided. Training activities include classroom training, consulting, evaluation, technical assistance, etc. List each training activity. Also attach a comprehensive description for each of the listed items. Insert the descriptions immediately following this page.

<table>
<thead>
<tr>
<th>TRAINING ACTIVITIES</th>
<th>TRAINING PROVIDER</th>
<th># TO BE TRAINED</th>
<th>LENGTH OF TRAINING (HRS, MOS, ETC)</th>
<th>COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Assessment for Strategic Planning</td>
<td>DMACC</td>
<td>No training</td>
<td>3 months</td>
<td>$1,500</td>
</tr>
<tr>
<td>II. Planning for Improvement Training</td>
<td>DMACC</td>
<td>6</td>
<td>6 months</td>
<td>$3,600</td>
</tr>
</tbody>
</table>

TOTALS: XXXXXXXXXXXXXXXXXXX XXXXXXXX XXXXXXXXXX $4,100
TRAINING PLAN

I. Assessment for Strategic Planning

The beginning point for strategic planning will be to assess the current situation and what company employees believe should be occurring. The assessment will provide feedback on strengths, improvement areas, blind spots, expectations. An assessment instrument such as a baseline will be administered to a majority of company employees. The feedback will identify gaps between current and desired performance. The information from this assessment will provide the foundation for the Planning for Improvement training for upper management. ACC would provide the assessment services. Cost: $1,500.

II. Planning for Improvement Training

The management team and plant supervisors will participate in intensive Planning for Improvement training designed on the outcome of the assessment. It is anticipated that the training will incorporate the following concepts:

I. Continuous Quality Improvement Principles
II. Team Skills
III. Problem Solving Skills
IV. Planning for Improvement

The outcome of this training would be a company-wide implementation plan for continuous improvement that defines roles and responsibilities. The company will continue the implementation of the plan through employee training following completion of this grant. Des Moines Area Community college would provide this training and team coaching. The length of training is estimated at 32 hours, but may vary due to assessment outcome. Cost: $3,600 - includes cost of instruction, mileage and materials.
ON-THE-JOB TRAINING

(ON-THE-JOB TRAINING MAY ONLY BE USED WITH NEW JOB TRAINING PROJECTS)

Complete the following chart for each job title which will receive OJT assistance:

<table>
<thead>
<tr>
<th>JOB TITLE</th>
<th>WEEKS OF OJT TRAINING</th>
<th>SALARY DURING TRAINING PERIOD</th>
<th>260F COST DURING TRAINING PERIOD</th>
<th># TO BE TRAINED</th>
<th>TOTAL 260F OJT COST</th>
</tr>
</thead>
<tbody>
<tr>
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</table>

TOTALS

<table>
<thead>
<tr>
<th></th>
<th>XXXXXXXXXX</th>
<th>XXXXXXXXXX</th>
<th>XXXXXXXXXX</th>
</tr>
</thead>
</table>
**LIST OF JOBS TO BE TRAINED**

Complete the following chart by entering each job title to receive training. For each job listed, enter the number of employees to receive training and their average hourly wage.

<table>
<thead>
<tr>
<th>JOB TITLE</th>
<th># TO BE TRAINED</th>
<th>AVERAGE HOURLY WAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>President</td>
<td>1</td>
<td>$40.00</td>
</tr>
<tr>
<td>Manufacturing Vice President</td>
<td>1</td>
<td>32.00</td>
</tr>
<tr>
<td>Controller</td>
<td>1</td>
<td>21.00</td>
</tr>
<tr>
<td>Engineering Manager</td>
<td>1</td>
<td>18.00</td>
</tr>
<tr>
<td>Production Supervisor</td>
<td>2</td>
<td>19.00</td>
</tr>
</tbody>
</table>

**TOTAL**

| 6 | XXXXXXXXXXXX |
a new or expanding business, could trained workers be hired? ( ) yes ( ) no If no, please explain.

Why is this training needed? Thombert employees need training to enhance employees' ability to work as a team to upgrade problem solving and quality skills. An assessment is necessary to identify the areas most needed to be addressed by training. Managers need to participate in training to understand the continuous improvement process and to lay out a plan or Thomberts. The goal is to help ensure that the people employed here have the ability to successfully meet the challenge that manufacturing will present in the future.

Explain why the business's continued existence is dependent on this training being provided. I believe that the traditional ways of conducting business will not be what companies require for success in the future. If we cannot upgrade skills and involve every employee in providing our customers with quality products and services, the future will be very threatening to Thombert.

If this is a retraining project, are employees at risk of losing their jobs within the next ten years if they are not retrained? (X) yes ( ) no

How will the employees benefit from this training? The management participants will benefit through the plan that defines roles and responsibilities for implementation of continuous improvement processes. Employees will benefit from the satisfaction and increased self esteem that come with improving skills. In the longer term, employees will benefit if the company is successful through job security and the continuation of excellent wages and benefits.

How would the business provide this training if the Iowa Jobs Training program was not available? The training would probably not be provided. Some minimal training might be accomplished "in-house."
What is the grant amount being requested? (cannot exceed $4,999): $4,999

Please the following chart to show how the grant will be used:

<table>
<thead>
<tr>
<th>GRANT DISTRIBUTION</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Classroom Training</td>
<td>$ 3,499</td>
</tr>
<tr>
<td>On-The-Job Training</td>
<td></td>
</tr>
<tr>
<td>Other Training</td>
<td></td>
</tr>
<tr>
<td>College Administration</td>
<td></td>
</tr>
<tr>
<td>Legal Fees</td>
<td></td>
</tr>
<tr>
<td>Other Fees</td>
<td></td>
</tr>
<tr>
<td>Reserves</td>
<td></td>
</tr>
<tr>
<td>Other—Assessment</td>
<td>$ 1,500</td>
</tr>
<tr>
<td>Total Loan Amount</td>
<td>$ 4,999</td>
</tr>
</tbody>
</table>
EXHIBIT C

PROJECT SITE

Company is located at:

316 E. 7th Street N.
Newton, IA 50208
Ankeny, Iowa
December 13, 1993

The Board of Directors of the Des Moines Area Community College met in regular session on the 13th day of December, 1993, at 4:00 o'clock p.m., at the DMACC Commons Building at the College in Ankeny, Iowa. The meeting was called to order and there were present Doug Shull, President of the Board, in the chair, and the following named Board Members:

Harold Belken, Susan Clouser, Lloyd Courter, Dale Froehlich,
Dick Johnson, Gerry Pecinovsky, Madelyn Tursi, Nancy Wolf-Keith.

Absent: none

Matters were discussed concerning a Small Business New Jobs Training Agreement between the College and Merchandising Frontiers, Inc. Following a discussion of the proposal, Board Member D. Froehlich introduced and caused to be read a resolution entitled "A Resolution Approving the Form and Content and Execution and Delivery of a Small Business New Jobs Training Agreement"; and moved its adoption. The motion was seconded by Board Member S. Clouser. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:

Ayes: Belken, Clouser, Courter, Froehlich, Johnson, Pecinovsky, Tursi, Wolf-Keith, Shull
Nays: NONE

Whereupon, the President declared said resolution, a copy of which is attached hereto, duly adopted and signed his approval thereto.

* * * * * *

For the President of the Board of Directors

Attest:

Secretary of the Board of Directors
RESOLUTION

A RESOLUTION APPROVING THE FORM AND CONTENT AND EXECUTION AND DELIVERY OF A SMALL BUSINESS NEW JOBS TRAINING AGREEMENT.

WHEREAS, The Des Moines Area Community College (hereinafter referred to as the "College"), is an area community college and a body politic organized and existing under the laws of the State of Iowa, and is authorized and empowered by Chapter 260F of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to provide a "Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to provide education and training of workers for new jobs for a new or expanding small business or for the retraining of workers of an existing business within the State of Iowa (the "State") in order to improve the economic welfare of the residents of the State, and is authorized under the Act to pay the costs of such a program from funds allocated for such purpose by the Iowa Department of Economic Development under Section 260F.6 of the Act; and

WHEREAS, the College has undertaken negotiations with respect to a Jobs Training Program with Merchandising Frontiers, Inc. (the "Company"), pursuant to the provisions of the Act for the purpose of establishing a job training program (hereinafter referred to as the "Project") to educate and train or retrain workers at the Company at its facilities located or to be located in the merged area served by the College, which Project will be beneficial to the Company and the College; and

WHEREAS, the College has received an allocation (the "Fund Advance") under Section 260F.6 of the Act in order to defray all or a portion of the cost of the Project, including necessary expenses incidental thereto, in the amount of $40,000; and

WHEREAS, a Small Business New Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, has been negotiated by the College under the terms of which the College agrees, subject to the provisions of such Agreement, to provide a jobs training program for the Company;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DES MOINES AREA COMMUNITY COLLEGE, AS FOLLOWS:

Section 1. That the Small Business New Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, be and the same is hereby approved and the President of the Board of Directors is hereby authorized to execute said Small Business New Jobs Training Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Small Business New Jobs Training Agreement, which constitutes and is hereby made a part of this Resolution, to be in substantially the form, text and containing the provisions set forth in Exhibit "A" attached hereto.
Section 2. That the form of resolution required by the Iowa Department of Economic Development (the "Department") is hereby approved and the officers of the College are authorized to file such resolution in accordance with the requirements of the Department.

Section 3. That officials of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.

Section 4. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 13th day of December, 1993.

[Signature]
President of the Board of Directors

Attest:

[Signature]
Secretary of the Board of Directors
STATE OF IOWA )
   ) SS:
COUNTY OF POLK )

I, Helen M. Harris, Secretary of the Board of Directors of
the Des Moines Area Community College, do hereby certify that I
have in my possession or have access to the complete corporate
records of said College and of its Board of Directors and offic­
ers; and that I have carefully compared the transcript hereto
attached with the aforesaid corporate records and that said tran­
script hereto attached is a true, correct and complete copy of
all of the corporate records showing the action taken with
respect to the matters set forth therein by the Board of Direc­
tors of said College on December 13, 1993, which proceedings
remain in full force and effect, and have not been amended or
rescinded in any way; that such meeting was duly and publicly
held in accordance with the Notice of Meeting and tentative
agenda, a copy of which was timely served on each member of the
Board of Directors and posted on a bulletin board or other promi­
nent place easily accessible to the public and clearly designated
for that purpose at the principal office of the Board of Direc­
tors (a copy of the face sheet of said agenda being attached
hereto) pursuant to the rules of the Board of Directors and the
provisions of Chapter 21, Code of Iowa, as amended, upon reason­
able advance notice to the public and media at least twenty-four
(24) hours prior to the commencement of the meeting as required
by said law and with members of the public in attendance. I fur­
ther certify that the individuals named in the attached proceed­
ings were on the date thereof duly and lawfully possessed of
their respective offices as indicated therein, that no Board of
Directors vacancies existed except as may be stated in said pro­
ceedings, and that no controversy or litigation is pending,
prayed or threatened involving the organization, existence or
boundaries of the College or the right of the individuals named
therein as officers to their respective positions.

WITNESS my hand hereto affixed this 13th day of December,
1993.

[Signature]
Secretary of the Board of
Directors

SE6:E613302.93
WHEREAS, Des Moines Area Community College, the Community College, is in need of funds to carry out a jobs training project as hereinafter described, and it is deemed necessary that it should apply to the State for an advance of funds in an amount sufficient to fund the project as authorized by Chapter 280C, Code of Iowa, 1985, as amended by 1992 Iowa Acts, Senate File 2295; and

WHEREAS, an Iowa Jobs Training Agreement, the Agreement, has been negotiated with Merchandising Frontiers, Inc., the Employer, establishing a jobs training program to educate and train certain employees and such Agreement is deemed to be beneficial to the Community College and to the Employer; and

NOW, THEREFORE, BE IT RESOLVED BY THE COMMUNITY COLLEGE:

The Iowa Jobs Training Agreement with the Employer and the form thereof are hereby approved by the Community College, and the State is hereby requested to allocate $40,000.00 to fund the project pursuant to the Act.

[Signature] 12-13-93

Authorized Signature

Date

Approved for allocation by the Iowa Department of Economic Development:

[Signature]

Authorized Signature

Date

An advance in the amount of $ is hereby allocated by the Treasurer of State.

[Signature]

Authorized Signature

Date

NOTE: This resolution must be certified in triplicate to the Department of Economic Development, Bureau of State Programs, 200 East Grand Avenue, Des Moines, Iowa 50309.

Form 280C-2 (revised 12/92)
SMALL BUSINESS NEW JOBS TRAINING AGREEMENT

between

Des Moines Area Community College
Ankeny, Iowa

and

Merchandising Frontiers, Inc.

Dated as of December 13, 1993
SMALL BUSINESS NEW JOBS TRAINING AGREEMENT

This Small Business New Jobs Training Agreement (the "Agreement") made and entered into as of December 13, 1993 between Des Moines Area Community College, Ankeny, Iowa (the "Community College") and Merchandising Frontiers, Inc. (the "Employer").

WITNESSETH:

WHEREAS, pursuant to Chapter 260F of Code of Iowa, as amended (the "Act"), the Community College has determined to enter into this Agreement with Employer for the purpose of establishing a small business new jobs training program (the "Project") to educate and train certain persons employed or to be employed by Employer in new jobs; and

WHEREAS, the Iowa Department of Economic Development has approved an award of funds (the "Project Award") under the Act in order to provide funding for the costs of the Project; and

WHEREAS, the Community College and the Employer each have full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed;

NOW, THEREFORE, in consideration of the premises and the mutual representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

REPRESENTATIONS

Section 1.1. Representations of the Community College. The Community College represents and covenants that: (a) it is duly organized and validly existing under the laws of the State of Iowa (the "State"); (b) it is not in violation of any provisions of the laws of the State which would impair its ability to carry out its obligations hereunder; (c) it is empowered to enter into the transactions contemplated by this Agreement; and (d) it will do all things in its power required of it in order to maintain its existence or assure the assumption of its obligations hereunder by any successor public body.

Section 1.2. Representations and Covenants of the Employer. The Employer represents and covenants that:
(a) It is duly and validly organized and is in good standing under the laws of Iowa and is qualified to do business in Iowa.

(b) It has full power and authority to execute, deliver and perform this Agreement and all other agreements entered into by the Employer to secure its performance hereunder and to enter into and carry out the transactions contemplated herein. Such execution, delivery or performance are not in contravention of law or Employer's articles of incorporation, bylaws or any indenture, agreement, mortgage, lease, undertaking or any other restriction, obligation or instrument to which the Employer is a party or by which it is bound. This Agreement has by proper action been duly authorized, executed and delivered by the Employer and all steps necessary have been taken to constitute this Agreement a valid and binding obligation of the Employer.

(c) There is no litigation or proceeding pending, or to the knowledge of the Employer threatened, against the Employer or any other person affecting in any manner whatsoever the right of the Employer to execute this Agreement or to otherwise comply with its obligations contained in this Agreement.

(d) The Employer is an "Eligible Business" or "business" as defined in Section 260F.2 of the Act.

(e) The base employment level of Employer in connection with the Project (as hereinafter defined) as of May 24, 199__ (the date of the Preliminary Agreement between the Employer and Community College with respect to the Project (the "Preliminary Agreement")) was __0__ employees. The employees covered by this Agreement had not commenced work for the Employer as of the date of the execution of the Preliminary Agreement, and those employees are or will be employed in new jobs in connection with the expansion of the Employer's business operations in the City of Adel, Dallas County, Iowa.

ARTICLE II

PROJECT; PROGRAM SERVICES

Section 2.1. The "Project" shall consist of the small business new jobs training program and services to be provided by the Community College to employees of the Employer as described on Exhibit "A" (the "Program Services") entitled "Small Business
Training Proposal". Exhibit "A" is incorporated herein by refer-
erence. Exhibit "A" includes the number of employees to be
trained for new jobs, the date the training will begin, the
length of time each job category will be provided training, the
ending date of the training, areas of training and estimated
costs of each component of small business training. Attached
hereto as Exhibit "B" and incorporated herein by reference is a
copy of the budget of the Community College and the Employer
which sets forth all expenditures associated with the Project.

Section 2.2. The Employer represents and agrees that the
Program Services will be for the purpose of providing training
services to persons employed by the Employer in new jobs.

Section 2.3. Subject to Section 2.5 below, the Community
College will provide the Program Services if and to the extent
that funds are awarded and released for the Project by the
Department of Economic Development. It is understood and agreed
that the Employer and the Community College will cooperate in the
coordination and programming of the specific expenditures and
operation of the Project within the guidelines set out in Exhib-
its "A" and "B".

Section 2.4. The Community College and Employer agree that
all costs of the Project, including but not limited to Program
Services and training, legal and underwriting fees, on-the-job
training, college administrative costs and related costs, may be
paid from a combination of the following sources: (a) the new
jobs credit from withholding to be received or derived with
respect to persons employed at the Project in accordance with the
Act, (b) incremental property taxes to be received or derived
from the Employer's business property described in Exhibit "C"
attached hereto and where the new jobs are to be created as a
result of the Project in accordance with the Act, (c) tuition,
student fees or special charges fixed by the Board of Directors
and paid by the Employer to defray program costs in part, and (d)
the Project Award. Funds received from such sources shall be
placed in a special fund of the Community College and used exclu-
sively for purposes of the Project and for repayment of the
Project Award, plus interest to the Iowa Department of Economic
Development. The Employer agrees to pay or cause to be paid all
costs of the Project, including repayment of the Project Award
and interest on the Project Award in accordance with the Act, to
the extent that the amounts set forth above are insufficient for
such payment.

Section 2.5. It is understood by the Community College and
the Employer that should the Project Award not be available or
received from the Department of Economic Development within a
reasonable period of time, this Agreement shall be terminated by
mutual agreement of the parties. In any event, the Employer
shall pay all administrative and legal costs associated with the Project which have been incurred by the Community College.

Section 2.6. The Community College and Employer agree that the new jobs credit from withholding, the incremental property taxes, if any, to be received or derived from the Employer's business property where the new jobs are to be created, and the tuition, student fees or special charges and the special fund into which the same are paid may be and hereby are irrevocably pledged by the Community College to the payment of the principal of and interest on the Project Award received by the Community College to finance the Project pursuant to the Act.

Section 2.7. The term of this Agreement shall begin on December 13, 1993 and end on December 13, 2003. The term of the Agreement shall not exceed ten (10) years and shall coincide with the period of time over which the Project Award is to be repaid and the Project costs are deferred.

Section 2.8. The Employer shall pay the Community College an application/administration fee in the amount of $7,116.00 to defray Community College costs of applying for the Project Award. Legal fees incurred by the Community College shall be considered a part of the Project and may be paid from such application fee or from the Project Award.

Section 2.9. The Community College may revise or expand the training curriculum from time to time with the consent of the Employer; provided that no revision shall be made which would change the Project to other than purposes permitted by the Act; and provided that the training curriculum remains within the context of the Project application approved by the Department of Economic Development.

Section 2.10. In the event that moneys provided by the Project Award are not sufficient to pay all costs of the Project, the Employer will, nonetheless, pay all such costs of the Project in full from its own funds. If the Employer should pay any portion of such costs, it shall not be entitled to any reimbursement therefor from the Community College.

ARTICLE III

PAYMENTS; SECURITY

Section 3.1. The obligation of the Employer to make payments hereunder shall be absolute and unconditional, and the Employer shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense, set-off, recoupment
or counterclaim which the Employer may have or assert against the Community College or any other person.

Section 3.2. The Employer agrees that the payments required to be made by it hereunder are a lien upon the Employer's business property set forth on Exhibits C attached hereto until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to this lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties and consequences as for the nonpayment of ordinary taxes. The purchaser at any such tax sale shall obtain the property subject to the remaining payments.

ARTICLE IV
EVENT OF DEFAULT AND REMEDIES

Section 4.1. Events of Default. Each of the following shall be an "event of default" hereunder:

(a) The Employer fails to comply with any requirements contained in this Agreement and such failure continues for a period of twenty (20) days from the date a written notice concerning such failure is sent from the Community College to the Employer which specifies the issue(s) of noncompliance. If noncompliance is of such a nature that a cure cannot be reasonably accomplished within twenty (20) days, the Community College may, but need not, extend the period of cure to a maximum of sixty (60) days.

(b) The Employer becomes insolvent or bankrupt, or admits in writing its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors, or applies or consents to the appointment of a trustee or a receiver for the Employer or the major part of its property.

(c) A trustee or receiver is appointed for the Employer or for the major part of its property and the order of such appointment is not discharged, vacated, or stayed within sixty (60) days after such appointment.

(d) Bankruptcy, reorganization, arrangement, insolvency, or liquidation proceedings or other proceedings for relief under any bankruptcy or similar law or laws for the relief of debtors are instituted by or against the Employer and, if instituted against the Employer, are consented to, or, if contested by the Employer, are not dismissed by the adverse parties or
by an order, decree or judgment within sixty (60) days after such institution.

(e) The Employer ceases or announces the cessation of operations at the Project site, unless such operations are transferred to another facility in the State of Iowa.

(f) The Employer directly or indirectly makes any false or misleading representations or warranties in the program application or this Agreement, or in any reports, financial statements, or any other documents which are provided to the Community College or the Department of Economic Development.

(g) The Employer acts in any manner contrary to, or fails to act in accordance with any provision of this Agreement.

(h) The Employer takes corporate action to effect any of the preceding conditions of default.

(i) The Employer fails to complete the Project within the agreed period of time.

(j) The Employer fails to achieve a net increase in the number of employment positions at the Project site.

The declaration of an event of default under Subsection (d) above, and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 4.2. Whenever an event of default has occurred, further training or payments to the Employer shall be suspended.

Section 4.3 Whenever an event of default has occurred, the Employer shall immediately repay to the Department of Economic Development all monies expended by the Employer and the Community College from the Project Award. The Employer shall also pay interest on the amount to be repaid at the rate of 2.75%. Interest shall accrue from the issuance date specified on the Project Award check.

Section 4.4. Whenever an event of default has occurred and is continuing, the Community College may take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due or to enforce performance and observance of any other obligation or agreement of the Employer under this
Agreement. Notwithstanding the foregoing or any other provision of this Agreement, the Community College shall never be obligated to take any step which, in its opinion, will or might cause it to expend time or money or incur liability.

Section 4.5. No remedy conferred upon or reserved to the Community College by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall 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 the Community College to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.

Section 4.6. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 4.7. Whenever an event of default has occurred and is unresolved, the Community College shall assign this Agreement to the Iowa Department of Economic Development for appropriate collection action by that Department and the Attorney General of the State.

ARTICLE V

MISCELLANEOUS

Section 5.1. All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate address as follows:

Community College:  Joseph A. Borgen, Ph.D.
                   President
                   Des Moines Area Community College
                   2006 S. Ankeny Blvd.
                   Ankeny, Iowa  50021

Employer:   Jerry Mayer
            Merchandising Frontiers, Inc.
            2881 R Avenue
            Adel, IA  50003
Employer and the Community College may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 5.2. All covenants, stipulations, obligations and agreements of the Community College contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, stipulation, obligation or agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Community College or its Board of Directors other than in their official capacity, and neither the members of the Board of Directors nor any official executing this Agreement shall in any circumstances be liable personally or be subject to any personal liability or accountability by reason of the covenants, stipulations, obligations or agreements of the Community College contained herein.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Community College, the Employer and their respective permitted successors and assigns, provided that this Agreement may not be assigned by the Employer without the express written consent of the Community College and may not be assigned by the Community College except as may otherwise be provided herein.

Section 5.4. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

Section 5.5. If any provision of this Agreement, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof made, assumed, entered into or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 5.6. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State.
Section 5.7. The entire agreement of the parties is contained in this document. Oral or written statements by either party which are not contained herein are hereby rendered null, void and of no effect. This Agreement replaces all prior agreements, if any, between the parties with respect to the subject matter hereof, and upon execution of this Agreement the relationship of the parties with respect to the subject matter hereof shall be governed solely by this Agreement.

IN WITNESS WHEREOF, the Community College and the Employer have caused this Agreement to be duly executed in their respective names by their duly authorized officers, all as of the date hereinabove written.

DES MOINES AREA COMMUNITY COLLEGE

By

(name)  (title)

ATTEST:

(name)  (title)

Merchandising Enterprises, Inc.

(name of Employer)

By

(name)  (title)

ATTEST:

(name)  (title)
STATE OF IOWA  )  SS:
COUNTY OF POLK  )

On this 13th day of December, 1993, before me, the undersigned, a Notary Public in and for said State, personally appeared Joseph A. Borgen and Helen Harris, to me personally known, who being by me duly sworn, did say that they are the President/CEO and Board Secretary of Des Moines Area Community College; that no seal has been procured by the said college; that said instrument was signed on behalf of said college by authority of its Board of Directors; and that the said Joseph A. Borgen and Helen Harris acknowledge the execution of said instrument to be the voluntary act and deed of said college, by it and by them voluntarily executed.

Notary Public in and for the State of Iowa

STATE OF IOWA  )  SS:
COUNTY OF DALLAS  )

On this 23rd day of November, 1993, before me, the undersigned, a Notary Public in and for said State, personally appeared JERRY MAYER and __________________, to me personally known, who being by me duly sworn, did say that they are the __________________________________________; that no seal has been procured by the said corporation/ that the seal affixed hereto is the seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and that the said __________________ and __________________ acknowledge the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

Notary Public in and for the State of Iowa

SE6:E6132303.93
EACH OF THE TRAINING ACTIVITIES WILL BE EVALUATED IN ACCORDANCE WITH THESE EVALUATION PROCEDURES.

EVALUATION

All training which is conducted under this training plan will be evaluated. The procedure to be used will vary depending upon the type of training which is to take place. Techniques used will be: 1) completion of an evaluation form by participants at the conclusion of each course which DMACC provides instruction, 2) a written evaluation of training that was provided under the training plan to be completed by management/supervisory staff at the end of the first and second year of training, 3) focus group sessions with management/supervisors regarding outcomes of training.
COMPANY: MERCHANDISING FRONTIERS

TRAINING

Training Title: ORIENTATION VIDEO DEVELOPMENT AND PRODUCTION
Training Start: 01/01/94  Training End: 01/01/96
Delivered By: Des Moines Area Community College

Expenses:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instructor Cost:</td>
<td>$______</td>
</tr>
<tr>
<td>Mileage</td>
<td>$______</td>
</tr>
<tr>
<td>Supplies</td>
<td>$______</td>
</tr>
<tr>
<td>Equipment</td>
<td>$______</td>
</tr>
</tbody>
</table>
| Other         | only $10,000 of total  
|               | $25,000 cost from this fund |

Total Costs: $10,000

Number of Employees to be trained: all

OUTLINE/COURSE DESCRIPTION:

This video will help Merchandising Frontiers new owners convey company mission, goals, quality programs and employee work rules to potential and new employees.

DMACC Training Plan Category III  $10,000
COMPANY: MERCHANDISING FRONTIERS

TRAINING

Training Title: SAFETY TRAINING  
Training Start: 01/01/94  
Training Plan: ongoing  
Delivered By: DMACC, Iowa Safety Council, vendors of training materials

Expenses:
- Instructor Cost: $7,000
- Mileage: $  
- Supplies: $3,084
- Equipment: $  
- Other: $  
Total Costs: $10,084

Number of Employees to be trained: 18

OUTLINE/COURSE DESCRIPTION:

This portion of the plan may include safety consulting, training and materials purchase to ensure Merchandising Frontiers develops and maintains safe workplace in the new Winterset plant. Topics will include (but are not limited too): Forklift, Basic Machine and Hand Tool Safety, Hazardous Material, Right-to-Know and development of a Safety/Ergonomics plan.

DMACC Training Plan Category I $7,000
Category II $3,084
COMPANY: MERCHANDISING FRONTIERS

TRAINING

Training Title: Network Training
Training Start: _________________________ Training Plan: ____________________________
Delivered By: Des Moines Area Community College and Computer System Vendors

Expenses:
- Instructor Cost: $__________
- Mileage: $__________
- Supplies: $__________
- Equipment: $__________
- Other: $2,500

Total Costs: $2,500

Number of Employees to be trained: 2

OUTLINE/COURSE DESCRIPTION:

The company is installing a local area network in early 1994. Dollars from this fund will be used to assist Merchandising Frontiers select and train appropriate systems. Also, two employees will enroll in selected DMACC classes for Network training. Additionally, necessary tutorial software and books will be purchased from the fund.

DMACC Training Plan Category IV $600
I $1,900
COMPANY: MERCHANDISING FRONTIERS

TRAINING

Training Title: ADVANCED AUTO-CADD
Training Start: 01/01/93
Training Plan: 12/21/95
Delivered By: Des Moines Area Community College

Expenses:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instructor Cost</td>
<td>$</td>
</tr>
<tr>
<td>Mileage</td>
<td>$</td>
</tr>
<tr>
<td>Supplies</td>
<td>$</td>
</tr>
<tr>
<td>Equipment</td>
<td>$</td>
</tr>
<tr>
<td>Other</td>
<td>$800.00</td>
</tr>
</tbody>
</table>

Total Costs: $800.00

Number of Employees to be trained: 2

OUTLINE/COURSE DESCRIPTION:

Two design engineers will enroll in selected AUTO-CADD at DMACC to gain experience and knowledge in computer design. Textbooks and materials are included.

DMACC Training Plan Category IV $800.00
EXHIBIT A

DES MOINES AREA COMMUNITY COLLEGE
TRAINING OUTLINE
260F

COMPANY: MERCHANDISING FRONTIERS

TRAINING

Training Title Organizational Excellence
Training Start 09/11/93 Training Plan ongoing 12/31/94
Delivered By: Company President

Expenses:
  Instructor Cost: $6,000
  Mileage $
  Supplies $
  Equipment $
  Other $
Total Costs: $6,000

Number of Employees to be trained 18

OUTLINE/COURSE DESCRIPTION:

As essentially a start up company the owners of Merchandising Frontiers have implemented an extensive organizational evaluation, planning and goal setting training program. See attached outline. Dollars from this fund will be used to reimburse the company for the president's time spent conducting training.

DMACC Training Plan Category I $6,000
Organizational Excellence Training

I. Customers

A. Special data (i.e. sq. ft. of malls, # of restaurants, etc.)
B. Sales $
C. Employee count
D. Location(s)
E. Organizational chart
F. Product specifics - historical & future
G. Needs, wants, desires, etc.

II. Competition

A. Major customers
B. Products offered & processes used in manufacturing
C. Business alliances
D. Sales $
E. Employee count
F. Facility location(s) & size
G. Organizational chart
H. Overall strategy - price, quantity, quality, etc.
I. Sales methods (i.e. standard pricing, direct sales force, distributors, manufacturing representatives, etc.)

III. Our Addressed Markets - (For each address: size, products, etc.)

A. Push Carts
B. Portable Kitchen Units (PKU)
C. Portable Merchandising Units (PMU)
D. Portable Wall Shops

IV. Our current process flow from initial customer contact through service work.

A. Identify each step in the process
B. Identify paper used at each step, who initiates it, who gets it and where it is filed.
C. Identify major variances.
D. Identify process improvements.

V. Organizational Design

A. Review draft of the Al-Cart mission statement
B. Review action levers in an organization

1. Strategy
   a. Review business plan objectives and strategies.
   b. Develop objectives and strategies for each major organization.

2. Shared Values
   a. Develop desired values in the areas of products, customers, employees, suppliers, the community and financial performance.
   b. Review values for compatibility with objectives/strategies.
3. Management Style
   a. Develop desired behavior in decision making, delegation of authority and risk. Includes communication plans.
   b. Define necessary changes to current style.

4. People Processes
   a. Develop approaches to human resource management. Include recruitment, selection, training, socialization and development plans.
   b. Develop a skills inventory for all personnel.

5. Rewards
   a. Develop the monetary and non-monetary rewards that provide incentives for employees. This includes compensation, benefits, promotion systems, recognition mechanisms, profit/gain sharing and working conditions.
   b. Plan to implement the above.

6. Structure
   a. Develop the segmentation of work into roles and responsibilities to accomplish tasks and strategic initiatives. Includes: layers of management, span of control, differentiation with respect to functions, products, regions or markets.
   b. Implementation plan to include facility layouts and work flow analysis.

7. Systems and Processes
   a. Develop the financial reporting, information reporting and control systems. Includes: measurement criteria, budgeting, reporting procedures, authorization levels, policies and procedures, business systems and individual responsibilities.
   b. Implementation plan.

9. Technology
   a. Define the core processes of the company and the future processes to consider.
   b. Develop a plan to further the technology and define new opportunities.
COMPANY: MERCHANDISING FRONTIERS

TRAINING

Training Title: Team Building Training
Training Start: 01/01/94
Training Plan: ongoing 12/31/94
Delivered By: Company President

Expenses:
- Instructor Cost: $2,600
- Mileage: $__
- Supplies: Team Handbooks (18) $600
- Equipment: $__
- Other: $__

Total Costs: $3,200

Number of Employees to be trained: 18

OUTLINE/COURSE DESCRIPTION:

Merchandising Frontier's goal is to have fully integrated work teams. Dollars from this fund will be used to reimburse for the team the president spends conducting training as well as purchase the Team Handbook for each team member. See attached basic outline.

DMACC Training Plan Categories I: $2,600
 III: $600
Course Name: QUALITY IMPROVEMENT: TEAM BUILDING

A step-by-step plan to transform groups into high performance, empowered work teams. Cases and exercises lead participants through planning, organizing, goal setting, building trust and accentuating positive results. Team Building improves employee productivity and communication, develops skills for self-direction and increases organizational effectiveness by empowering their people to be proactive when dealing with customers or solving problems.

I. Why Teams
   • Creating the Environment for a Team Structure
   • Stages of Group Development

II. Skills for Self-Direction
   • Communication: What We Say and What We Don't Say
   • Feedback

III. Skills for Team Development
   • Team Meeting
   • Conflict Resolution
   • Decision Making

IV. "Leadership" Skills for Team Management
   • Coaching/Facilitating Skills
   • How to establish Meaningful Rewards

V. Problem-Solving Skills
   • Systematic Problem-solving
   • Data Collection and Analysis

VI. Managing Cultural Diversity in the Team
   • Recognizing Values
   • Sensitivity to Ethnic and Gender Diversity

VII. Empowerment
   • Customer Service (Internal and External) Skills
   • Making a Difference
Complete the following chart for each training activity to be provided. Training activities include classroom training, consulting, evaluation, technical assistance, etc. List each training activity. Also attach a comprehensive description for each of the listed items. Put the descriptions immediately following this page.

<table>
<thead>
<tr>
<th>TRAINING ACTIVITIES</th>
<th>TRAINING PROVIDER</th>
<th># TO BE TRAINED</th>
<th>LENGTH OF TRAINING (HRS, MOS, ETC)</th>
<th>COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orientation Video</td>
<td>DMACC</td>
<td>all</td>
<td>---</td>
<td>This funds $10,000 of $25,000 cost</td>
</tr>
<tr>
<td>Safety Training</td>
<td>DMACC, IA</td>
<td>18</td>
<td>variable</td>
<td>$10,084</td>
</tr>
<tr>
<td>- materials</td>
<td>Safety Council</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- consulting</td>
<td>and various vendors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Network Training and Consulting (Credit/Non-Credit Classes)(Includes books &amp; tutorials) is one semester</td>
<td>DMACC</td>
<td>2</td>
<td>each class</td>
<td>$2,500</td>
</tr>
<tr>
<td>SW. Auto-Cadd Classes &amp; Books</td>
<td>DMACC</td>
<td>2</td>
<td>each class</td>
<td>$800</td>
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<tr>
<td>Organizational Excellence Training</td>
<td>Company Trainer</td>
<td>18</td>
<td>2 hr per week</td>
<td>$6,000</td>
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<td>(09/01/93-12/31/94)</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Team Building Training</td>
<td>Company Trainer</td>
<td>all</td>
<td>2 hr per week</td>
<td>$2,600</td>
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<td>(01/01/94-12/31/94)</td>
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<tr>
<td>Team Hand Books</td>
<td>Publisher</td>
<td>18</td>
<td></td>
<td>$600</td>
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<td>TOTALS</td>
<td></td>
<td></td>
<td></td>
<td>$32,584</td>
</tr>
</tbody>
</table>
Beginning 633.0 ft. North of the SE cor. of Sec. 26, T79N, R27W thence, N89°03'W 379.33 ft. thence, South 476.0 ft. to the North Right of Way line. Filed of the Chicago Milwaukee Railroad thence, westerly along said Right of Way line to the West line of the SE% SW% of Sec. 26, T79N, R27W thence, North 309.5 ft. thence, East to the East line of the SE% SW% of Sec. 26, T79N, R27W thence, South 95.7 ft. to the point of beginning containing 10.0 acres, more or less.
Ankeny, Iowa

December 13, 1993

The Board of Directors of the Des Moines Area Community College met in regular session on the 13th day of December, 1993, at four o'clock p.m., at the DMACC Commons Building at the College in Ankeny, Iowa. The meeting was called to order and there were present Doug Shull, President of the Board, in the chair, and the following named Board Members:

Harold Belken, Susan Clouser, Lloyd Courter, Dale Froehlich, Dick Johnson, Gerry Pecinovsky, Madelyn Tursi, Nancy Wolf-Keith.

Absent: NONE

Matters were discussed concerning the New Jobs Training Agreement between the College and Iowa Trade Bindery, Inc. Following a discussion of the change of location of the Company, Board Member D. Johnson introduced and caused to be read a resolution entitled "A Resolution Providing for the Division of Taxes Levied on Property Where New Jobs are Created as a Result of a New Jobs Training Program"; and moved its adoption. The motion was seconded by Board Member H. Belken. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:

Ayes: Belken, Clouser, Courter, Froehlich, Johnson, Pecinovsky, Shull, Tursi, Wolf-Keith

Nays: NONE

Whereupon, the President declared said resolution, a copy of which is attached hereto, duly adopted and signed his approval thereto.

* * * * * *

for the
President of the Board of Directors

Attest:

Secretary of the Board of Directors
A RESOLUTION PROVIDING FOR THE DIVISION OF TAXES LEVIED ON PROPERTY WHERE NEW JOBS ARE CREATED AS A RESULT OF A NEW JOBS TRAINING PROGRAM.

WHEREAS, the Des Moines Area Community College (hereinafter referred to as the "College"), is an area community college and a body politic organized and existing under the laws of the State of Iowa, and is authorized and empowered by Chapter 260E of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to issue New Jobs Training Certificates and use the proceeds from the sale of said Certificates to defray all or a portion of the cost of a "New Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to encourage industry and trade to locate and expand within the State of Iowa (the "State") in order to create jobs and employment opportunities and to improve the economic welfare of the residents of the State; and

WHEREAS, the College has previously approved a New Jobs Training Program for Iowa Trade Bindery, Inc. (the "Company"), pursuant to the provisions of the Act for the purpose of establishing a job training program (hereinafter referred to as the "Project") to educate and train workers for new jobs with the Company at its facilities located in the merged area served by the College; and

WHEREAS, the College has approved the issuance of New Jobs Training Certificates (the "Certificates") in order to finance the cost of the Project; and

WHEREAS, the Certificates are to be paid in part from taxes levied on the taxable business property where the Project is located; and

WHEREAS, the location of the Project is being changed by the Company; and

WHEREAS, in order to provide for a division of taxes levied on the taxable business property where the Project now will be located, the Board of Directors of the College must adopt a resolution to that effect; and

WHEREAS, the Project will now be located, and the new jobs will be created at the real property which is legally described on Exhibit "B" attached hereto and hereby incorporated herein;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DES MOINES AREA COMMUNITY COLLEGE, AS FOLLOWS:

Section 1. That all taxes levied on the Company's taxable business property, including any equipment, located on the real property legally described on Exhibit "B" attached hereto each
year shall be divided as provided in Section 403.19 of the Iowa Code, subsections 1 and 2, in the same manner as if the Company's business property was taxable property in an urban renewal project and this Resolution was an ordinance within the meaning of those subsections, all in accordance with the provisions of the Act.

Section 2. That the County Auditor of the County where the property described on Exhibit "B" is located shall after the date of the adoption of this Resolution make the allocations provided for herein.

Section 3. The taxes received by this Board of Directors shall be allocated to and when collected be paid into a special fund of the College and shall be irrevocably pledged by the College to pay the principal of and interest on the Certificates issued by the College to finance the Project.

Section 4. That the Secretary of the Board of Directors shall certify a copy of this Resolution to the County Auditor of the County where the property described on Exhibit "B" is located.

Section 5. That officials of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.

Section 6. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 13th day of December, 1993.

Attest:

[Signature]
President of the Board of Directors

[Signature]
Secretary of the Board of Directors
STATE OF IOWA  )  SS:
COUNTY OF POLK  )

I, Helen M. Harris, Secretary of the Board of Directors of the Des Moines Area Community College, do hereby certify that I have in my possession or have access to the complete corporate records of said College and of its Board of Directors and officers; and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true, correct and complete copy of all of the corporate records showing the action taken with respect to the matters set forth therein by the Board of Directors of said College on December 13, 1993, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that such meeting was duly and publicly held in accordance with the Notice of Meeting and tentative agenda, a copy of which was timely served on each member of the Board of Directors and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board of Directors (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board of Directors and the provisions of Chapter 21, Code of Iowa, as amended, upon reasonable advance notice to the public and media at least twenty-four (24) hours prior to the commencement of the meeting as required by said law and with members of the public in attendance. I further certify that the individuals named in the attached proceedings were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board of Directors vacancies existed except as may be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the College or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand hereto affixed this 13th day of December, 1993.

[Signature]
Secretary of the Board of Directors

SE6:E6133304.93
The Board of Directors of the Des Moines Area Community College met in regular session on the 13th day of December, 1993 at four o'clock p.m., at the DMACC Commons Building at the College in Ankeny, Iowa. The meeting was called to order and there were present Doug Shull, President of the Board, in the chair, and the following named Board Members:

Harold Belken, Susan Clouser, Lloyd Courter, Dale Froehlich, Dick Johnson, Gerry Pecinovsky, Madelyn Tursi, Nancy Wolf-Keith

Absent: NONE

Matters were discussed concerning a new jobs training agreement between the College and Maytag Corporation. Following a discussion of the proposal, Board Member D. Froehlich introduced and caused to be read a resolution entitled "A Resolution Approving the Form and Content and Execution and Delivery of a New Jobs Training Agreement, Instituting Proceedings for the Taking of Additional Action for the Issuance of New Jobs Training Certificates, and Directing the Publication of a Notice of Intention to Issue Not to Exceed $630,000 Aggregate Principal Amount of New Jobs Training Certificates (Maytag Corporation Project) of the Des Moines Area Community College"; and moved its adoption. The motion was seconded by Board Member H. Belken. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:

Ayes: Belken, Clouser, Courter, Froehlich, Johnson, Pecinovsky, Shull, Tursi, Wolf-Keith
Nays: NONE

Whereupon, the President declared said Resolution, a copy of which is attached hereto, duly adopted and signed his approval thereto.

* * * * * *

President of the Board of Directors

Attest:

Vera Harris
Secretary of the Board of Directors
RESOLUTION

A RESOLUTION APPROVING THE FORM AND CONTENT AND EXECU-
TION AND DELIVERY OF A NEW JOBS TRAINING AGREEMENT,
INSTITUTING PROCEEDINGS FOR THE TAKING OF ADDITIONAL
ACTION FOR THE ISSUANCE OF NEW JOBS TRAINING CERTIFI-
CATES, AND DIRECTING THE PUBLICATION OF A NOTICE OF
INTENTION TO ISSUE NOT TO EXCEED $630,000 AGGREGATE
PRINCIPAL AMOUNT OF NEW JOBS TRAINING CERTIFICATES
(MAYTAG CORPORATION PROJECT) OF THE DES MOINES AREA
COMMUNITY COLLEGE.

WHEREAS, The Des Moines Area Community College (hereinafter
referred to as the "College"), is an area community college and a
body politic organized and existing under the laws of the State
of Iowa, and is authorized and empowered by Chapter 260E of the
Code of Iowa, as amended (hereinafter referred to as the "Act"),
to issue New Jobs Training Certificates and use the proceeds from
the sale of said Certificates to defray all or a portion of the
cost of a "New Jobs Training Program" as that term is defined in
the Act, including the program costs, the purpose of which is to
courage industry and trade to locate and expand within the
State of Iowa (the "State") in order to create jobs and employ-
ment opportunities and to improve the economic welfare of the
residents of the State; and

WHEREAS, the College has undertaken negotiations with Maytag
Corporation (the "Company") for the purpose of establishing an
additional job training program (hereinafter referred to as the
"Project") to educate and train workers for new jobs with the
Company at its facilities located in the merged area served by
the College, which Project will be beneficial to the Company and
the College; and

WHEREAS, the College has determined that the amount neces-
sary to defray all or a portion of the cost of the Project,
including necessary expenses incidental thereto, will require the
issuance by the College of not to exceed $630,000 aggregate prin-
cipal amount of its New Jobs Training Certificates pursuant to
the provisions of the Act; and

WHEREAS, it is proposed to finance the cost of the Project
through the issuance of not to exceed $630,000 New Jobs Training
Certificates (Maytag Corporation Project) of the College (the
"Certificates"); and

WHEREAS, before the Certificates may be issued, it is neces-
sary to publish a notice of the proposal to issue new jobs train-
ing certificates and the right to appeal the decision of the
Board of Directors of the College to issue the Certificates pur-
suant to the provisions of the Act, all as required and provided
for by Section 260E.6 of the Act; and
WHEREAS, an Industrial New Jobs Training Agreement, in the form and with the contents set forth in Exhibit A attached hereto, has been negotiated by the College under the terms of which the College agrees, subject to the provisions of such Agreement, to provide a new jobs training program for the Company;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DES MOINES AREA COMMUNITY COLLEGE, AS FOLLOWS:

Section 1. That the Secretary of the Board of Directors is hereby directed to give notice of intention to issue the Certificates, stating the amount and purpose thereof, and the Project for which the Certificates are to be issued, by publication at least once in a legal newspaper, printed in the English language published at least once weekly and having a general circulation within the merged area served by the College. The notice shall be in substantially the following form:
COPY OF ADVERTISEMENT
Exhibit "A"

NOTICE OF INTENTION TO ISSUE
NEW JOB TRAINING CERTIFICATES
(MAYTAG CORPORATION PROJECT)
OF THE DES MOINES AREA
COMMUNITY COLLEGE

Notice is hereby given that the Board of Directors of the Des Moines Area Community College intends to issue in the manner required by law to exceed the following amount of Job Training Certificates in the Community College New Jobs Training Project (Maytag Corporation Project). The Certificates are to be issued for the purpose of providing funds to pay the costs, including program costs, of a new jobs training program to educate and train workers for new jobs of Maytag Corporation in Newton, Iowa.

The Board of Directors has instituted proceedings and taken further and additional action for the authorization and issuance of the Certificates.

A person may, within fifteen days after the date of the publication of this notice, file an action in the district court of a county in the area within which the Des Moines Area Community College is located, to appeal the decision of the Board of Directors in proceeding to issue the Certificates. The action of the Board of Directors in determining to issue the Certificates is final and conclusive unless the district court finds that the Board of Directors has exceeded its legal authority. No action shall be brought which questions the legality of the Certificates, the power of the Board of Directors to issue the Certificates, or the effectiveness of any proceedings relating to the authorization of the Project or the authorization and issuance of the Certificates themselves, and shall be brought within fifteen days from the date of the publication of this notice.

This notice is published pursuant to the provisions of Chapter 116 of the Iowa Code.

By Order of the Board of Directors

Helen Harris
Secretary of the Board of Directors

STATE OF IOWA
POLK COUNTY

The undersigned, being first duly sworn, on oath states that she/he is the Chief Clerk of Des Moines Register and Tribune Company, a corporation duly organized and existing under the laws of the State of Iowa, with its principal place of business in Des Moines, Iowa, the publisher of THE DES MOINES REGISTER (Daily)

DES MOINES SUNDAY REGISTER
newspapers of general circulation printed and published in the City of Des Moines, Polk County, Iowa, and that an advertisement, a printed copy of which is attached as Exhibit "A" and made a part of this affidavit, was printed and published in

The Des Moines Register (daily) the following dates: December 27, 1993

in Des Moines Sunday Register on

Subscribed and sworn to before me by said affiant this 12th day of January, 1994

Notary Public in and for Polk County, Iowa
NOTICE OF INTENTION TO ISSUE
NEW JOBS TRAINING CERTIFICATES
(MAYTAG CORPORATION PROJECT)
OF THE DES MOINES AREA COMMUNITY COLLEGE

Notice is hereby given that the Board of Directors of the Des Moines Area Community College intends to issue in the manner required by law not to exceed $630,000 aggregate principal amount of Des Moines Area Community College New Jobs Training Certificates (Maytag Corporation Project). The Certificates are to be issued for the purpose of providing funds to pay the costs, including program costs, of a new jobs training program to educate and train workers for new jobs at Maytag Corporation in Newton, Iowa.

The Board of Directors has instituted proceedings and taken further and additional action for the authorization and issuance of the certificates.

A person may, within fifteen days after the publication of this notice by action in the district court of a county in the area within which the Des Moines Area Community College is located, appeal the decision of the Board of Directors in proposing to issue the Certificates. The action of the Board of Directors in determining to issue the Certificates is final and conclusive unless the district court finds that the Board of Directors has exceeded its legal authority. An action shall not be brought which questions the legality of the Certificates, the power of the Board of Directors to issue the Certificates, the effectiveness of any proceedings relating to the authorization of the Project, or the authorization and issuance of the Certificates from and after fifteen days from the publication of this notice.

This notice is published pursuant to the provisions of Chapter 260E of the Iowa Code.

By Order of the Board of Directors

Secretary of the Board of Directors
Section 2. That the Industrial New Jobs Training Agreement, in the form and with the contents set forth in Exhibit A attached hereto, be and the same is hereby approved and the President of the Board of Directors is hereby authorized to execute said Industrial New Jobs Training Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Industrial New Jobs Training Agreement, which constitutes and is hereby made a part of this Resolution, to be in substantially the form, text and containing the provisions set forth in Exhibit A attached hereto.

Section 3. That this Board does hereby institute proceedings and take further and additional action for the authorization and issuance in the manner required by law of not to exceed $630,000 of New Jobs Training Certificates (Maytag Corporation Project), the proceeds of which Certificates will be used to provide funds to pay costs, including program costs, of new jobs training by providing education and training of workers for new jobs at the Company.

Section 4. That officials of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.

Section 5. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 13th day of December, 1993.

[Signature]
President of the Board of Directors

Attest:

[Signature]
Secretary of the Board of Directors
STATE OF IOWA )
COUNTY OF POLK )

I, Helen M. Harris, Secretary of the Board of Directors of the Des Moines Area Community College, do hereby certify that I have in my possession or have access to the complete corporate records of said College and of its Board of Directors and officers; and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true, correct and complete copy of all of the corporate records showing the action taken with respect to the matters set forth therein by the Board of Directors of said College on December 13, 1993, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that such meeting was duly and publicly held in accordance with the Notice of Meeting and tentative agenda, a copy of which was timely served on each member of the Board of Directors and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board of Directors (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board of Directors and the provisions of Chapter 21, Code of Iowa, as amended, upon reasonable advance notice to the public and media at least twenty-four (24) hours prior to the commencement of the meeting as required by said law and with members of the public in attendance. I further certify that the individuals named in the attached proceedings were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board of Directors vacancies existed except as may be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the College or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand hereto affixed this 13th day of December, 1993.

[Signature]
Secretary of the Board of Directors

SE6:E6132610.93
INDUSTRIAL NEW JOBS
TRAINING AGREEMENT

between

Des Moines Area Community College
Ankeny, Iowa

and

MAYTAG COMPANY

Dated as of December 13, 1993

Relating to

Des Moines Area Community College
Job Training Certificates
INDUSTRIAL NEW JOBS TRAINING AGREEMENT

This Training Agreement (the "Agreement") made and entered into as of December 13, 1993 between Des Moines Area Community College, Ankeny, Iowa (the "Area School") and Maytag Company, a(n) Delaware corporation (the "Employer").

A. Pursuant to Chapter 280B of Code of Iowa, as amended (the "Act"), the Area School has determined to enter into this Agreement with Employer for the purpose of establishing a new jobs training program to educate and train certain persons employed by Employer in new jobs.

B. The Area School and the Employer each have full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed.

NOW THEREFORE, in consideration of the premises and the mutual representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

REPRESENTATIONS

Section 1.1 Representations of the Area School. The Area School represents and covenants that: (a) it is duly organized and validly existing under the laws of the State of Iowa; (b) it is not in violation of any provisions of the laws of the State which would impair its ability to carry out its obligations hereunder; (c) it is empowered to enter into the transactions contemplated by this Agreement; and (d) it will do all things in its power required of it in order to maintain its existence or assure the assumption of its obligations hereunder by any successor public body.

Section 1.2 Representations and Covenants of the Employer. The Employer represents and covenants that:

(a) It is a(n) Delaware corporation.

(b) It has full power and authority to execute, deliver and perform this Agreement and all other instruments given by the Employer to secure the Certificates (hereinafter described and referred to herein as the "Certificates") and to enter into and carry out the transactions contemplated herein. Such execution, delivery of performance are not in contravention of law or Employer's articles of incorporation, by-laws or any indenture, agreement, mortgage, lease, undertaking or any other restriction, obligation or instrument to which the Company is a party or by which it is bound. This Agreement has by proper action been duly authorized, executed and delivered by the Employer and all steps necessary have been taken to constitute this Agreement a valid and binding obligation of the Employer.
(c) There is no litigation or proceeding pending, or to the knowledge of the Employer threatened, against the Employer or any other person affecting in any manner whatsoever the right of the Employer to execute this Agreement or to otherwise comply with its obligations contained in this Agreement.

(d) The employees to be covered by this Agreement had not commenced work for the Employer as of the date of the execution of the Preliminary Industrial New Jobs Training Agreement between the Area School and the Employer (the "Preliminary Agreement"), and those employees are or will be employed in new jobs in connection with the expansion of the Employer's business operations.

(e) The Employer is engaged in interstate/intrastate commerce for the purpose of manufacturing, processing or assembling products, conducting research and development, or providing services in interstate commerce.

ARTICLE II

PROJECT: PROGRAM SERVICES

Section 2.1. The "Project" shall consist of the program services described and the on-the-job training program described on Exhibit "A" entitled "Training Plan For Maytag Company". Exhibit "A" is incorporated herein by reference. Exhibit "A" shows the number of employees, areas of training, training period and estimated costs. Included as a part of Exhibit "A" and incorporated by reference is a copy of the proposed budget of the Area School and the Employer relating to the Project.

Section 2.2. The Employer represents and agrees that the Program Services are for the purpose of providing education and training services to persons to be employed as a part of the Project.

Section 2.3. The Area School agrees to provide the Program Services. It is understood and agreed that the Employer and the Area School will cooperate in the coordination and programming of the specific expenditures and operation of the Project within the guidelines set out in Exhibit "A".

Section 2.4. The Employer agrees to pay or cause to be paid all necessary and incidental costs of the Project, including principal and interest on the Certificates. The costs shall be paid from new jobs credit from withholding with respect to persons employed at the Project and the incremental property taxes produced by the expansion by the Employer as a part of the Project.

Section 2.5. The terms of this Agreement shall be for not to exceed ten (10) years and shall coincide with the period of time over which the Certificates mature and the Project costs are deferred.
Section 2.6. The Area School may revise the training curriculum from time to time with the consent of the Employer; provided that no revision shall be made which would change the Project to other than purposes permitted by the Act; provided, however, that this Agreement shall not terminate until the Certificates have been paid in full.

Section 2.7. The Certificates will be issued pursuant to a resolution adopted by the Board of Directors of the Area School in the aggregate principal amount, bearing interest, maturing and being redeemable as set forth in such resolution.

The proceeds from the sale of the Certificates shall be paid to the Area School and deposited in a Project Fund established by the Area School. Pending disbursement, the proceeds so deposited in the Project Fund, together with any investment earnings thereon, shall be subject to a lien in favor of the holders of the Certificates as provided in the resolution authorizing the Certificates.

Section 2.8. In the event that moneys in the Project Fund are not sufficient to pay all costs of the Project, the Employer will, nonetheless, pay all costs of such Project in full from its own funds. If the Employer should pay any portion of such costs, it shall not be entitled to any reimbursement therefrom from the Area School; nor shall it be entitled to any abatement, diminution or postponement of the payments required to satisfy the debt service requirements on the Certificates. Provided, however, that the Employer will be entitled to reimbursement of its own funds from the Project Fund when a surplus is attained in such fund and not needed to satisfy the debt service requirements on the Certificates.

ARTICLE III
PAYMENTS: SECURITY

Section 3.1. Whether or not the amounts described in Section 2.4 are sufficient for such purpose, the Employer shall make, or cause to be made, payments on or before each principal and interest payment date until the principal and premium, if any, and interest on the Certificates shall have been paid, by paying, or causing to be paid, to the Area School, as payments hereunder, an amount equal to the amount payable as installments or principal (whether at maturity or by redemption) and premium, if any, and interest on the Certificates on such principal and interest payment date.

In any event, the sum of all payments under this Agreement shall be sufficient to pay the total amount due with respect to such principal of and interest and any premium of the Certificates as and when due.

Section 3.2. The Employer shall make, or cause to be made, from the sources described in Section 2.4 hereof, all payments directly to the Area School at its principal office for application to the payment of the corresponding installments of principal and premium, if any, and interest on the Certificates. The parties shall agree upon a payment schedule prior to the issuance of Certificates.
Section 3.3. The obligation of the Employer to make payments shall be absolute and unconditional upon issuance of the Certificates, and the Employer shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense, set-off, recoupment or counterclaim which the Employer may have or assert against the Area School or any other person.

Section 3.4. To secure the payment by the Employer of the payments and compliance by the Employer with all the terms, provisions and conditions hereof, Employer agrees that the new jobs credit from withholding, as defined and described in Section 5 of the Act, and the incremental property taxes, as defined and described in Section 4 of the Act, shall be pledged for payment of the principal of and premium, if any, and interest on the Certificates. To the extent required by the Act, the Employer further agrees that the payments required to be made by it hereunder are a lien upon the Employer's business property in the State of Iowa until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to this lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties and consequences as for the nonpayment of ordinary taxes. The purchaser at any such tax sale shall obtain the property subject to the remaining payments.

ARTICLE IV
EVENT OF DEFAULT AND REMEDIES

Section 4.1. Events of Default. Each of the following shall be an "event of default" hereunder:

(a) The Employer shall fail to pay any required payment on or prior to the date on which such payment is due and payable and continuing for more than five (5) business days thereafter.

(b) The Employer shall fail to observe and perform any other agreement, term or condition contained in this Agreement, if such failure continues for a period of thirty (30) days after notice of such failure is given to the Employer by the Area School, or for such longer period as the Area School may agree to in writing; provided, that if the failure is other than the payment of money and is of such nature that it cannot be corrected within the applicable period, such failure shall not constitute an event of default so long as the Employer institutes curative action within the applicable period and diligently pursues such action to completion.

(c) The Employer shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or hereafter in effect; (iii) commence a proceeding under any other federal or state bankruptcy, insolvency, reorganization or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or
reorganization entered against it or have the proceeding remain undismissed and unstayed for 90 days; (iv) make an assignment for the benefit of creditors; or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property.

(d) Any representation or warranty made by the Employer herein or any statement in any report, certificate, financial statement or other instrument furnished in connection with this Agreement or with the sale of the Certificates shall at any time prove to have been false or misleading in any material respect when made or given.

The declaration of an event of default under Subsection (c) above, and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 4.2. Whenever an event of default shall have happened and be continuing, the Area School may take whatever action at law or in equity may appear necessary or desirable to collect the payments due and other amounts then due and thereafter to become due, or to enforce performance and observance of any other obligation or agreement of the Employer under this Agreement. Notwithstanding the foregoing, the Area School shall not be obligated to take any step which in its opinion will or might cause it to expend time or money or otherwise incur liability unless and until a satisfactory indemnity bond has been furnished to the Area School at no cost or expense to the Area School. Any amounts collected as payments or applicable to payments and any other amounts which would be applicable to payment of principal and premium, if any, and interest on the Certificates collected pursuant to action taken under this Section shall be paid to the holders of the Certificates for application to such payment.

Section 4.3. No remedy conferred upon or reserved to the Area School by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall 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 the Area School to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.

Section 4.4. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.
ARTICLE V
MISCELLANEOUS

Section 5.1. All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate notice address as follows:

Area School: Joseph A. Borgen, Ph.D.
President
Des Moines Area Community College
2006 S. Ankeny Blvd.
Ankeny, Iowa 50021

Employer: Maytag Company
Richard J. Haines
President
One Dependability Sq.
Newton, Iowa 50208

Employer and the Area School may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 5.2. All covenants, stipulations, obligations and agreements of the Area School contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, stipulation, obligation or agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Area School or the Board of Directors other than in his official capacity, and neither the members of the Board of Directors nor any official executing the Certificates shall be liable personally on the Certificates or be subject to any personal liability or accountability by reason of the issuance thereof or by reason of the covenants, stipulations, obligations or agreements of the Area School contained in this Agreement.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Area School, the Employer and their respective permitted successors and assigns provided that this Agreement may not be assigned by the Employer and may not be assigned by the Area School except as may otherwise be necessary to enforce or secure payment of the principal or premium, if any, and interest on the Certificates.

Section 5.4. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.
Section 5.5. If any provision of this Agreement, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof made, assumed, entered into or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 5.6. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State of Iowa.

Section 5.7. To further secure the payment of principal or premium, if any, and interest on the Certificates, the Employer shall, upon the request of the Area School, prior to the sale and issuance of the Certificates, cause to be provided to the Area School a guarantee of such payments by the Employer (or a letter-of-credit from a financial institution) in form and content acceptable to the Area School.

Section 5.8. The Area School and the Employer agree to use their best efforts to sell and issue the Certificates and the Employer will cooperate with the Area School to provide necessary financial information in connection with the sale of the Certificates. The parties shall agree upon a repayment schedule prior to the issuance of Certificates. It is understood and agreed that should the Certificates not be marketed or marketable within a reasonable time that this Agreement shall terminate and the Project shall be terminated by mutual agreement of the parties.

Section 5.9. The Employer covenants that it shall take such action or shall refrain from taking any action as shall be necessary to maintain the exemption from Federal income taxes of the interest on the Certificates.

Section 5.10. The Employer agrees to keep the facilities for which the Project has been established continuously insured in an amount at least equal to the total amount of the Certificates outstanding insuring the facilities against loss or damage by fire, lightning, such other perils as are covered by standard "extended coverage" endorsements, vandalism and malicious mischief and containing customary loss deductible provisions. If loss or damage occurs and the Employer determines not to rebuild or restore the facilities to their former condition, the Employer agrees to cause the insurance proceeds to be applied to the payment of principal and interest on the Certificates.
Section 5.11. This Agreement shall supplement the Preliminary Agreement which, except as modified herein, is hereby ratified and confirmed and together this Agreement and the Preliminary Agreement shall constitute one agreement between the Employer and the Area School with respect to the Project.

IN WITNESS WHEREOF, the Area School and the Employer have caused this Agreement to be duly executed in their respective names, all as of the date hereinabove written.

DES MOINES AREA COMMUNITY COLLEGE

By ____________________________
Date 12-13-93

ATTEST:

Helen Harris

MAYTAG COMPANY

(Company Name)

By ____________________________
Date 10/28/93

J.P. Tolson Vice-President

ATTEST:

[Signature]

[Signature]
November 29, 1993

The 260E training plan for Maytag prepared by Collette Saylor has been reviewed by me and is in proper order.

Jolyne T. Ghanatabadi, Ph.D.
Dean, Curriculum and Scheduling
TRAINING PLAN
AND BUDGET
FOR
MAYTAG COMPANY
ORIGINAL AGREEMENT

NOVEMBER 1993

Prepared by
Collette Saylor
Training Consultant
Economic Development Group
DMACC
Maytag Company

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INTRODUCTION
MAYTAG COMPANY
ORIGINAL AGREEMENT

The Maytag Company, headquartered in Newton, Iowa, is one of the leaders in the highly competitive appliance industry. In Newton, 2664 employees and staff produce washers, dryers and dishwashers recognized world wide for quality and dependability. This agreement is for the training of 205 new employees to produce a newly redesigned line of washers and dryers. Maytag Company is adding these positions and forming a second shift to meet the increased demand for these new washers and dryers.

This training plan has been designed to meet the training needs of these new employees, as well as existing employees bidding into new jobs. To best accomplish Maytag's training objective to train these employees to become productive faster, this plan has been developed by Maytag and DMACC staff.

It is a broad based training plan for several reasons:
- The new employees are entering a variety of positions throughout the Newton plant.
- Maytag has a well established and competent training department which already delivers the majority of the modules necessary to provide quality training.

For these reasons, this plan has been designed to provide dollars for Maytag to supplement and upgrade their current training activities.

The plan includes:
- Job Skill Specific Training
- Management/Supervisory Training
- Training Materials
- Professional and Job Skill Development Seminars/Workshops/Conferences
- Reimbursement of Maytag trainer salaries
- Funds to lease technical lab space and develop curriculum at the Newton Polytechnic Campus

The training began in November 1993 and will continue through January 1997.

EVALUATION
All training which is conducted under this training plan will be evaluated. The procedure to be used will vary depending upon the type of training which is to take place. Techniques used will be: 1) completion of an evaluation form by participants at the conclusion of each course which DMACC provides instruction, 2) a written evaluation of training that was provided under the training plan to be completed by management/supervisory staff at the end of the first and second year of training, 3) focus group sessions with management/supervisors regarding outcomes of training.

(1)
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**TOTAL 205**

Average salary $14.92 per hour
Benefits start for all after 6 months
Average is $29.00 per hour per person for salary and benefits
MAYTAG COMPANY
ORIGINAL AGREEMENT
TRAINING PLAN AND BUDGET

I. JOB SKILL SPECIFIC TRAINING

The following are training modules already developed and conducted by Maytag trainers. All employees will take these courses. (See Category VI for fund reimbursement details).

Hazardous Material Transfer Awareness
DDI-Communicating with Others
DDI-Working in Teams
DDI-Participating in Meetings
DDI-Empowered Work Force
DDI-Making the Difference
Shop Math
OSHA Formaldehyde Training
Electrical Safety Awareness
Power Truck Training
Lockout/Tagout Basic
Lockout/Tagout Prime
MTM/Incentive Training
Maytag Preventive Maintenance
Process Quality Improvement
Handling Gas Cylinders
Hazardous Communications
Safety
Learning Maps
SPC
Instrument/Measurement
Die Setting
Sexual Harassment
Lab Standard OSHA I & II
Mobile Phase I & II Lubrication
II. MANAGEMENT/SUPERVISORY TRAINING

The following are the training modules currently offered by Maytag’s training staff to managers and supervisors. These courses, the same as above, are also required for supervisors. (See Category VI for fund reimbursement detail).

- Hazardous Material Transfer Awareness
- DDI-Communicating with Others
- DDI-Working in Teams
- DDI-Participating in Meetings
- DDI-Empowered Work Force
- DDI-Making the Difference
- OSHA Formaldehyde Training
- Electrical Safety Awareness
- Power Truck Training
- Lockout/Tagout Basic
- Lockout/Tagout Prime
- MTM/Incentive Training
- Maytag Preventive Maintenance
- Process Quality Improvement
- Handling Gas Cylinders
- Hazardous Communications
- Safety
- Learning Maps
- SPC
- Instrument/Measurement
- Die Setting
- Sexual Harassment
- Lab Standard OSHA I & II
- Mobile Phase I & II Lubrication

III. TRAINING MATERIALS AND EQUIPMENT $213,500

To best meet the training needs of new employees in Maytag’s current programs, dollars from this fund will be used to:

A. Purchase the necessary DDI "Techniques for an Empowered Workplace" materials currently being taught company wide. $28,000

B. Update New Employee Manuals. Funds will be used to reimburse Maytag for the writing and printing of these manuals for the 205 new employees. $5,000
C. Pay a portion of the development cost of the Root Learning Map. These maps are a method of teaching new employees the world of business and how it changes, consumer buying habits and individual employee impact on these factors. The development includes collecting numbers, consulting on how to portray the information and creating learning tools. This fund will reimburse to Maytag approximately 10% of the total cost in 1994.

D. Partially fund the purchase of a self-paced Die Setting Interactive Video and testing program for sheet metal press workers. This fund will reimburse Maytag one-third of the cost of this program.

E. Pay for the purchase of all required materials for the modules including handouts, booklets, notebooks, flip charts, etc. for training these new employees and supervisors.

F. Pay for the production of custom designed videos by DMACC Media Services. These videos may include but are not limited to:
   - New Employees Orientation
   - Hazardous Materials to accompany required testing
   - Lock Out-Tag Out
   - Quality and SPC
   - OHSA Regulations
   - Open Spaces
   - Sexual Harassment

IV. PROFESSIONAL/JOB SKILL DEVELOPMENT

SEMINARS/WORKSHOPS/CONFERENCES

Dollars from this fund may be used for the following training opportunities for new employees:
   - DMACC classes as approved by Maytag
   - Vender training schools relating metals, inspections, porcelain and operation of machinery and equipment.

V. NO FUNDS ARE ALLOCATED FOR ON-THE-JOB TRAINING
VI. TRAINER SALARIES REIMBURSEMENT $175,000

Maytag Company has a full-service training department that will be conducting the training outlined in Categories I and II. Funds from this plan will be reimbursed to Maytag to pay approximately 32% of Maytag trainers salaries for 1994 and 1995. This reimbursement will be made to Maytag upon presentation of documentation including class lists with dates, times, instructor and participants names and social security numbers. This reimbursement will not exceed the dollar amount listed.

VII. TECHNICAL TRAINING LAB AND CURRICULUM DEVELOPMENT $111,508

To best serve the technical training needs of Maytag Company, funds from this program will be used to lease equipment and space, develop curriculum and provide instruction for technical training lab in the Newton Polytechnic. The training could include Welding skills, PLC, CNC Machining and Electricity/Electronics.

TOTAL TRAINING FUND $512,008
BUDGET SUMMARY
FOR
MAYTAG COMPANY
ORIGINAL AGREEMENT

The source of training funds is from the Iowa New Jobs Credit withholding and Iowa Code 260E.

The training fund dollars will be allocated in the following training areas:

I. JOB SKILL SPECIFIC TRAINING -0-

Maytag's training department currently offers a full schedule of training modules. See Category VI for trainers salaries reimbursement from this fund.

II. SUPERVISORY/MANAGEMENT TRAINING -0-

Maytag's training department currently offers a full schedule of modules for supervisors. See Category VI for trainers salaries reimbursement for this fund.

III. TRAINING MATERIALS AND EQUIPMENT $213,500

- DDI materials 28,000
- Update New Employees Manuals 5,000
- 10% of Root Learning Maps 24,000
- One-third of Self-Paced Die Setting Program 4,500
- DMACC production of training videos 150,000

IV. PROFESSIONAL/JOB SKILL DEVELOPMENT SEMINARS/WORKSHOP/CONFERENCES $12,000

V. ON-THE-JOB TRAINING -0-

VI. TRAINER SALARIES REIMBURSEMENT $175,000

- 32% of Maytag trainers' salaries for training to new employees and supervisors
VII. TECHNICAL TRAINING

- Lease space and equipment at Newton Polytechnic Campus
- Curriculum development for Technical courses

TOTAL FUND $512,008

No dollars from this fund will be allocated for On-The-Job training reimbursement.

The training began in November 1993 and will continue through January 1997.

Upon receipt of proper documentation, reimbursement to providers of training that meets the guidelines of Iowa Code 260E, DMACC and this training plan will be made on an applied for basis.

This plan may be revised to meet the changing needs of the Maytag Company with written consent of the company and DMACC. This revision will be filed to adjust this original training plan.
Ankeny, Iowa

December 13, 1993

The Board of Directors of the Des Moines Area Community College met in regular session on the 13th day of December, 1993 at four o'clock p.m., at the DMACC Commons Building at the College in Ankeny, Iowa. The meeting was called to order and there were present ____________, President of the Board, in the chair, and the following named Board Members:

Harold Belken, Susan Clouser, Lloyd Courter, Dale Froehlich, Dick Johnson, Gerry Pecinovsky, Madelyn Tursi, Nancy Wolf-Keith

Absent: ______

Matters were discussed concerning an additional new jobs training agreement between the College and Principal Mutual Life Insurance Company. Following a discussion of the proposal, Board Member ______ introduced and caused to be read a resolution entitled "A Resolution Approving the Form and Content and Execution and Delivery of a New Jobs Training Agreement, Instituting Proceedings for the Taking of Additional Action for the Issuance of New Jobs Training Certificates, and Directing the Publication of a Notice of Intention to Issue Not to Exceed $905,000 Aggregate Principal Amount of New Jobs Training Certificates (Principal Mutual Life Insurance Company, Project #6) of the Des Moines Area Community College"; and moved its adoption. The motion was seconded by Board Member ______. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:

Ayes: Belken, Clouser, Courter, Froehlich, Johnson, Pecinovsky, Shull, Tursi, Wolf-Keith

Nays: ______

Whereupon, the President declared said Resolution, a copy of which is attached hereto, duly adopted and signed his approval thereto.

* * * * *

[Signature]

President of the Board of Directors

Attest:

[Signature]

Secretary of the Board of Directors
RESOLUTION

A RESOLUTION APPROVING THE FORM AND CONTENT AND EXECU-
TION AND DELIVERY OF A NEW JOBS TRAINING AGREEMENT,
INSTITUTING PROCEEDINGS FOR THE TAKING OF ADDITIONAL
ACTION FOR THE ISSUANCE OF NEW JOBS TRAINING CERTIFI-
CATES, AND DIRECTING THE PUBLICATION OF A NOTICE OF
INTENTION TO ISSUE NOT TO EXCEED $905,000 AGGREGATE
PRINCIPAL AMOUNT OF NEW JOBS TRAINING CERTIFICATES
(PRINCIPAL MUTUAL LIFE INSURANCE COMPANY, PROJECT #6)
OF THE DES MOINES AREA COMMUNITY COLLEGE.

WHEREAS, The Des Moines Area Community College (hereinafter
referred to as the "College"), is an area community college and a
body politic organized and existing under the laws of the State
of Iowa, and is authorized and empowered by Chapter 260E of the
Code of Iowa, as amended (hereinafter referred to as the "Act"),
to issue New Jobs Training Certificates and use the proceeds from
the sale of said Certificates to defray all or a portion of the
cost of a "New Jobs Training Program" as that term is defined in
the Act, including the program costs, the purpose of which is to
encourage industry and trade to locate and expand within the
State of Iowa (the "State") in order to create jobs and employ-
ment opportunities and to improve the economic welfare of the
residents of the State; and

WHEREAS, the College has undertaken negotiations with Prin-
cipal Mutual Life Insurance Company (the "Company") for the pur-
pose of establishing an additional job training program (herein-
after referred to as the "Project") to educate and train workers
for new jobs with the Company at its facilities located in the
merged area served by the College, which Project will be benefi-
cial to the Company and the College; and

WHEREAS, the College has determined that the amount neces-
sary to defray all or a portion of the cost of the Project,
including necessary expenses incidental thereto, will require the
issuance by the College of not to exceed $905,000 aggregate prin-
cipal amount of its New Jobs Training Certificates pursuant to
the provisions of the Act; and

WHEREAS, it is proposed to finance the cost of the Project
through the issuance of not to exceed $905,000 New Jobs Training
Certificates (Principal Mutual Life Insurance Company, Project
#6) of the College (the "Certificates"); and

WHEREAS, before the Certificates may be issued, it is neces-
sary to publish a notice of the proposal to issue new jobs train-
ing certificates and the right to appeal the decision of the
Board of Directors of the College to issue the Certificates pur-
suant to the provisions of the Act, all as required and provided
for by Section 260E.6 of the Act; and
WHEREAS, an Industrial New Jobs Training Agreement, in the form and with the contents set forth in Exhibit A attached hereto, has been negotiated by the College under the terms of which the College agrees, subject to the provisions of such Agreement, to provide a new jobs training program for the Company;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DES MOINES AREA COMMUNITY COLLEGE, AS FOLLOWS:

Section 1. That the Secretary of the Board of Directors is hereby directed to give notice of intention to issue the Certificates, stating the amount and purpose thereof, and the Project for which the Certificates are to be issued, by publication at least once in a legal newspaper, printed in the English language published at least once weekly and having a general circulation within the merged area served by the College. The notice shall be in substantially the following form:
STATE OF IOWA

POLK COUNTY

The undersigned, being first duly sworn, on oath states that she/he is the Chief Clerk of the Register and Tribune Company, a corporation duly organized and existing under the laws of the State of Iowa, with its principal place of business in Des Moines, Iowa, the publisher of THE DES MOINES REGISTER (Daily) and the Des Moines Sunday Register newspapers of general circulation printed and published in the City of Des Moines, Polk County, Iowa, and that an advertisement, a printed copy of which is attached as Exhibit "A" and made a part of this affidavit, was printed and published in

The Des Moines Register (daily) the following dates December 27, 1993

in Des Moines Sunday Register on

Subscribed and sworn to before me by said affiant this 12th day of


Notary Public in and for Polk County, Iowa

Mailing Address ▪ P.O. Box 957 ▪ Des Moines, Iowa 50304
Street Address ▪ 715 Locust Street ▪ Des Moines, Iowa 50309 ▪ (515) 284-8000
NOTICE OF INTENTION TO ISSUE
NEW JOBS TRAINING CERTIFICATES
(PRINCIPAL MUTUAL LIFE INSURANCE COMPANY, PROJECT #6)
OF THE DES MOINES AREA COMMUNITY COLLEGE

Notice is hereby given that the Board of Directors of the Des Moines Area Community College intends to issue in the manner required by law not to exceed $905,000 aggregate principal amount of Des Moines Area Community College New Jobs Training Certificates (Principal Mutual Life Insurance Company, Project #6). The Certificates are to be issued for the purpose of providing funds to pay the costs, including program costs, of a new jobs training program to educate and train workers for new jobs at Principal Mutual Life Insurance Company in Des Moines, Iowa.

The Board of Directors has instituted proceedings and taken further and additional action for the authorization and issuance of the certificates.

A person may, within fifteen days after the publication of this notice by action in the district court of a county in the area within which the Des Moines Area Community College is located, appeal the decision of the Board of Directors in proposing to issue the Certificates. The action of the Board of Directors in determining to issue the Certificates is final and conclusive unless the district court finds that the Board of Directors has exceeded its legal authority. An action shall not be brought which questions the legality of the Certificates, the power of the Board of Directors to issue the Certificates, the effectiveness of any proceedings relating to the authorization of the Project, or the authorization and issuance of the Certificates from and after fifteen days from the publication of this notice.

This notice is published pursuant to the provisions of Chapter 260E of the Iowa Code.

By Order of the Board of Directors

Secretary of the Board of Directors
Section 2. That the Industrial New Jobs Training Agreement, in the form and with the contents set forth in Exhibit A attached hereto, be and the same is hereby approved and the President of the Board of Directors is hereby authorized to execute said Industrial New Jobs Training Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Industrial New Jobs Training Agreement, which constitutes and is hereby made a part of this Resolution, to be in substantially the form, text and containing the provisions set forth in Exhibit A attached hereto.

Section 3. That this Board does hereby institute proceedings and take further and additional action for the authorization and issuance in the manner required by law of not to exceed $905,000 of New Jobs Training Certificates (Principal Mutual Life Insurance Company, Project #6), the proceeds of which Certificates will be used to provide funds to pay costs, including program costs, of new jobs training by providing education and training of workers for new jobs at the Company.

Section 4. That officials of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.

Section 5. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 13th day of December, 1993.

[Signature]
President of the Board of Directors

Attest:

[Signature]
Secretary of the Board of Directors
STATE OF IOWA }  
COUNTY OF POLK )

I, Helen M. Harris, Secretary of the Board of Directors of the Des Moines Area Community College, do hereby certify that I have in my possession or have access to the complete corporate records of said College and of its Board of Directors and officers; and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true, correct and complete copy of all of the corporate records showing the action taken with respect to the matters set forth therein by the Board of Directors of said College on December 13, 1993, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that such meeting was duly and publicly held in accordance with the Notice of Meeting and tentative agenda, a copy of which was timely served on each member of the Board of Directors and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board of Directors (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board of Directors and the provisions of Chapter 21, Code of Iowa, as amended, upon reasonable advance notice to the public and media at least twenty-four (24) hours prior to the commencement of the meeting as required by said law and with members of the public in attendance. I further certify that the individuals named in the attached proceedings were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board of Directors vacancies existed except as may be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the College or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand hereto affixed this 13th day of December, 1993.

[Signature]

Secretary of the Board of Directors
INDUSTRIAL NEW JOBS
TRAINING AGREEMENT

between

Des Moines Area Community College
Ankeny, Iowa

and

Principal Mutual Life Insurance Co.
Project #6

Dated as of December 13, 1993

Relating to

Des Moines Area Community College
Job Training Certificates
This Training Agreement (the "Agreement") made and entered into as of December 13, 1993 between Des Moines Area Community College, Ankeny, Iowa (the "Area School") and Principal Mutual Life Insurance Co., a(n) Iowa corporation (the "Employer"), under the following circumstances:

A. Pursuant to Chapter 280B of Code of Iowa, as amended (the "Act"), the Area School has determined to enter into this Agreement with Employer for the purpose of establishing a new jobs training program to educate and train certain persons employed by Employer in new jobs.

B. The Area School and the Employer each have full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed.

NOW THEREFORE, in consideration of the premises and the mutual representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I
REPRESENTATIONS

Section 1.1 Representations of the Area School. The Area School represents and covenants that: (a) it is duly organized and validly existing under the laws of the State of Iowa; (b) it is not in violation of any provisions of the laws of the State which would impair its ability to carry out its obligations hereunder; (c) it is empowered to enter into the transactions contemplated by this Agreement; and (d) it will do all things in its power required of it in order to maintain its existence or assure the assumption of its obligations hereunder by any successor public body.

Section 1.2 Representations and Covenants of the Employer. The Employer represents and covenants that:

(a) It is a(n) Iowa corporation.

(b) It has full power and authority to execute, deliver and perform this Agreement and all other instruments given by the Employer to secure the Certificates (hereinafter described and referred to herein as the "Certificates") and to enter into and carry out the transactions contemplated herein. Such execution, delivery of performance are not in contravention of law or Employer's articles of incorporation, by-laws or any indenture, agreement, mortgage, lease, undertaking or any other restriction, obligation or instrument to which the Company is a party or by which it is bound. This Agreement has by proper action been duly authorized, executed and delivered by the Employer and all steps necessary have been taken to constitute this Agreement a valid and binding obligation of the Employer.
(c) There is no litigation or proceeding pending, or to the knowledge of the Employer threatened, against the Employer or any other person affecting in any manner whatsoever the right of the Employer to execute this Agreement or to otherwise comply with its obligations contained in this Agreement.

(d) The employees to be covered by this Agreement had not commenced work for the Employer as of the date of the execution of the Preliminary Industrial New Jobs Training Agreement between the Area School and the Employer (the "Preliminary Agreement"), and those employees are or will be employed in new jobs in connection with the expansion of the Employer's business operations.

(e) The Employer is engaged in interstate/intrastate commerce for the purpose of manufacturing, processing or assembling products, conducting research and development, or providing services in interstate commerce.

ARTICLE II

PROJECT: PROGRAM SERVICES

Section 2.1. The "Project" shall consist of the program services described and the on-the-job training program described on Exhibit "A" entitled "Training Plan For Project Number 6". Exhibit "A" is incorporated herein by reference. Exhibit "A" shows the number of employees, areas of training, training period and estimated costs. Included as a part of Exhibit "A" and incorporated by reference is a copy of the proposed budget of the Area School and the Employer relating to the Project.

Section 2.2. The Employer represents and agrees that the Program Services are for the purpose of providing education and training services to persons to be employed as a part of the Project.

Section 2.3. The Area School agrees to provide the Program Services. It is understood and agreed that the Employer and the Area School will cooperate in the coordination and programming of the specific expenditures and operation of the Project within the guidelines set out in Exhibit "A".

Section 2.4. The Employer agrees to pay or cause to be paid all necessary and incidental costs of the Project, including principal and interest on the Certificates. The costs shall be paid from new jobs credit from withholding with respect to persons employed at the Project and the incremental property taxes produced by the expansion by the Employer as a part of the Project.

Section 2.5. The terms of this Agreement shall be for not to exceed ten (10) years and shall coincide with the period of time over which the Certificates mature and the Project costs are deferred.
Section 2.6. The Area School may revise the training curriculum from time to time with the consent of the Employer; provided that no revision shall be made which would change the Project to other than purposes permitted by the Act; provided, however, that this Agreement shall not terminate until the Certificates have been paid in full.

Section 2.7. The Certificates will be issued pursuant to a resolution adopted by the Board of Directors of the Area School in the aggregate principal amount, bearing interest, maturing and being redeemable as set forth in such resolution.

The proceeds from the sale of the Certificates shall be paid to the Area School and deposited in a Project Fund established by the Area School. Pending disbursement, the proceeds so deposited in the Project Fund, together with any investment earnings thereon, shall be subject to a lien in favor of the holders of the Certificates as provided in the resolution authorizing the Certificates.

Section 2.8. In the event that moneys in the Project Fund are not sufficient to pay all costs of the Project, the Employer will, nonetheless, pay all costs of such Project in full from its own funds. If the Employer should pay any portion of such costs, it shall not be entitled to any reimbursement therefrom from the Area School; nor shall it be entitled to any abatement, diminution or postponement of the payments required to satisfy the debt service requirements on the Certificates. Provided, however, that the Employer will be entitled to reimbursement of its own funds from the Project Fund when a surplus is attained in such fund and not needed to satisfy the debt service requirements on the Certificates.

ARTICLE III
PAYMENTS: SECURITY

Section 3.1. Whether or not the amounts described in Section 2.4 are sufficient for such purpose, the Employer shall make, or cause to be made, payments on or before each principal and interest payment date until the principal and premium, if any, and interest on the Certificates shall have been paid, by paying, or causing to be paid, to the Area School, as payments hereunder, an amount equal to the amount payable as installments or principal (whether at maturity or by redemption) and premium, if any, and interest on the Certificates on such principal and interest payment date.

In any event, the sum of all payments under this Agreement shall be sufficient to pay the total amount due with respect to such principal of and interest and any premium of the Certificates as and when due.

Section 3.2. The Employer shall make, or cause to be made, from the sources described in Section 2.4 hereof, all payments directly to the Area School at its principal office for application to the payment of the corresponding installments of principal and premium, if any, and interest on the Certificates. The parties shall agree upon a payment schedule prior to the issuance of Certificates.
Section 3.3. The obligation of the Employer to make payments shall be absolute and unconditional upon issuance of the Certificates, and the Employer shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense, set-off, recoupment or counterclaim which the Employer may have or assert against the Area School or any other person.

Section 3.4. To secure the payment by the Employer of the payments and compliance by the Employer with all the terms, provisions and conditions hereof, Employer agrees that the new jobs credit from withholding, as defined and described in Section 5 of the Act, and the incremental property taxes, as defined and described in Section 4 of the Act, shall be pledged for payment of the principal of and premium, if any, and interest on the Certificates. To the extent required by the Act, the Employer further agrees that the payments required to be made by it hereunder are a lien upon the Employer's business property in the State of Iowa until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to this lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties and consequences as for the nonpayment of ordinary taxes. The purchaser at any such tax sale shall obtain the property subject to the remaining payments.

ARTICLE IV

EVENT OF DEFAULT AND REMEDIES

Section 4.1. Events of Default. Each of the following shall be an "event of default" hereunder:

(a) The Employer shall fail to pay any required payment on or prior to the date on which such payment is due and payable and continuing for more than five (5) business days thereafter.

(b) The Employer shall fail to observe and perform any other agreement, term or condition contained in this Agreement, if such failure continues for a period of thirty (30) days after notice of such failure is given to the Employer by the Area School, or for such longer period as the Area School may agree to in writing; provided, that if the failure is other than the payment of money and is of such nature that it cannot be corrected within the applicable period, such failure shall not constitute an event of default so long as the Employer institutes curative action within the applicable period and diligently pursues such action to completion.

(c) The Employer shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or hereafter in effect; (iii) commence a proceeding under any other federal or state bankruptcy, insolvency, reorganization or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or
reorganization entered against it or have the proceeding remain undismissed and unstayed for 90 days; (iv) make an assignment for the benefit of creditors; or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property.

(d) Any representation or warranty made by the Employer herein or any statement in any report, certificate, financial statement or other instrument furnished in connection with this Agreement or with the sale of the Certificates shall at any time prove to have been false or misleading in any material respect when made or given.

The declaration of an event of default under Subsection (c) above, and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 4.2. Whenever an event of default shall have happened and be continuing, the Area School may take whatever action at law or in equity may appear necessary or desirable to collect the payments due and other amounts then due and thereafter to become due, or to enforce performance and observance of any other obligation or agreement of the Employer under this Agreement. Notwithstanding the foregoing, the Area School shall not be obligated to take any step which in its opinion will or might cause it to expend time or money or otherwise incur liability unless and until a satisfactory indemnity bond has been furnished to the Area School at no cost or expense to the Area School. Any amounts collected as payments or applicable to payments and any other amounts which would be applicable to payment of principal and premium, if any, and interest on the Certificates collected pursuant to action taken under this Section shall be paid to the holders of the Certificates for application to such payment.

Section 4.3. No remedy conferred upon or reserved to the Area School by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall 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 the Area School to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.

Section 4.4. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.
ARTICLE V
MISCELLANEOUS

Section 5.1. All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate notice address as follows:

Area School: Joseph A. Borgen, Ph.D.
President
Des Moines Area Community College
2006 S. Ankeny Blvd.
Ankeny, Iowa 50021

Employer: Thomas J. Gaard
Vice President
Principal Mutual Life Insurance Co.
711 High St.
Des Moines, Iowa

Employer and the Area School may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 5.2. All covenants, stipulations, obligations and agreements of the Area School contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, stipulation, obligation or agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Area School or the Board of Directors other than in his official capacity, and neither the members of the Board of Directors nor any official executing the Certificates shall be liable personally on the Certificates or be subject to any personal liability or accountability by reason of the issuance thereof or by reason of the covenants, stipulations, obligations or agreements of the Area School contained in this Agreement.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Area School, the Employer and their respective permitted successors and assigns provided that this Agreement may not be assigned by the Employer and may not be assigned by the Area School except as may otherwise be necessary to enforce or secure payment of the principal or premium, if any, and interest on the Certificates.

Section 5.4. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.
Section 5.5. If any provision of this Agreement, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof made, assumed, entered into or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 5.6. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State of Iowa.

Section 5.7. To further secure the payment of principal or premium, if any, and interest on the Certificates, the Employer shall, upon the request of the Area School, prior to the sale and issuance of the Certificates, cause to be provided to the Area School a guarantee of such payments by the Employer (or a letter-of-credit from a financial institution) in form and content acceptable to the Area School.

Section 5.8. The Area School and the Employer agree to use their best efforts to sell and issue the Certificates and the Employer will cooperate with the Area School to provide necessary financial information in connection with the sale of the Certificates. The parties shall agree upon a repayment schedule prior to the issuance of Certificates. It is understood and agreed that should the Certificates not be marketed or marketable within a reasonable time that this Agreement shall terminate and the Project shall be terminated by mutual agreement of the parties.

Section 5.9. The Employer covenants that it shall take such action or shall refrain from taking any action as shall be necessary to maintain the exemption from Federal income taxes of the interest on the Certificates.

Section 5.10. The Employer agrees to keep the facilities for which the Project has been established continuously insured in an amount at least equal to the total amount of the Certificates outstanding insuring the facilities against loss or damage by fire, lightning, such other perils as are covered by standard "extended coverage" endorsements, vandalism and malicious mischief and containing customary loss deductible provisions. If loss or damage occurs and the Employer determines not to rebuild or restore the facilities to their former condition, the Employer agrees to cause the insurance proceeds to be applied to the payment of principal and interest on the Certificates.
Section 5.11. This Agreement shall supplement the Preliminary Agreement which, except as modified herein, is hereby ratified and confirmed and together this Agreement and the Preliminary Agreement shall constitute one agreement between the Employer and the Area School with respect to the Project.

IN WITNESS WHEREOF, the Area School and the Employer have caused this Agreement to be duly executed in their respective names, all as of the date hereinabove written.

DES MOINES AREA COMMUNITY COLLEGE

By [Signature] 12-13-93

Date

ATTEST:

John Harris

Principal Mutual Life Insurance Co.

(Company Name)

By [Signature] Date

Thomas J. Gaard

Vice President

ATTEST:

Trudy Heiman
November 19, 1993

The 260E training plan for Principal prepared by Barbara Giese has been reviewed by me and is in proper order.

[Signature]
Jolyne L. Ghanatabadi, Ph.D.
Dean, Curriculum and Scheduling
TRAINING PLAN
FOR
PRINCIPAL MUTUAL LIFE INSURANCE COMPANY
PROJECT #6

Prepared by:
Barbara Giese
Training Consultant
Des Moines Area Community College
November 12, 1993
PRINCIPAL MUTUAL LIFE INSURANCE COMPANY

PROJECT #6

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Principal Mutual Life Insurance Company is an insurance/financial company with the home office located in Des Moines, Iowa. This sixth project covers company growth from July 16, 1992 until July 1994. Principal currently has 6,336 employees in Polk County. It is anticipated that 500 employees will be hired in this two-year period of growth. This expansion is due to normal business growth with faster expansion occurring in the pension division. This expansion period is also seeing more emphasis on front-line customer service, work force diversity, and dealing with the international market.

Principal has a well established training curriculum and training staff. Funds from this project will be used to revise and support part of the existing training program. This will include revamping the new employee orientation program and continued support for keyboard productivity programs and computer assisted instruction. New areas that will be funded are change management, team empowerment, English-As-A-Second-Language, work force diversity, and global awareness. DMACC will assist in the development of a complete ESL program for non-native English-speaking employees and conversational Spanish.

Principal is currently doing basic skill assessment of new employees. The existing classroom curriculum addresses number skills, reading and effective business writing.

All training conducted under this training plan will be evaluated. The procedures to be used will vary depending upon the type of training. Principal has participants complete course evaluations. Principal training management and DMACC training consultant will evaluate the training program on a periodic basis.

Des Moines Area Community College staff, in cooperation with Principal training staff, have prepared this plan to train 500 new employees between July 16, 1992, and January 1997.
### Position Category Title

<table>
<thead>
<tr>
<th>Position Category Title</th>
<th>Number of Jobs</th>
<th>Average Hourly Wage</th>
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</thead>
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<tr>
<td>Officers &amp; Line Management</td>
<td>8</td>
<td>20.19</td>
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<tr>
<td>Professionals (Trainers, Accountants, Auditors, Underwriters, etc.)</td>
<td>245</td>
<td>12.02</td>
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<tr>
<td>Clerical</td>
<td>235</td>
<td>8.17</td>
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<tr>
<td>Operatives (Supply, Shipping,</td>
<td>12</td>
<td>7.21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total New Positions</strong></td>
<td><strong>500</strong></td>
<td></td>
</tr>
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**Employee Benefits:**

From the first day of employment - health insurance, vision exams, dental, life insurance, accidental death insurance, pension, long term care insurance available for fee, holidays, sick leave, bonus time until vacation time starts, tuition reimbursement, credit union, free bus passes, flex time, reduced fee parking, wellness center for employee and family.
I. **Job Specific Skill Development** $278,880

The Principal corporate training program has a number of established classroom curriculums that are required of employees involved in various job activities. New employees participate in new employee orientation and the computer-based keyboard productivity program. Under this project the new employee orientation program will be revamped to include diversity and global awareness messages. A video and handbook materials will be developed to support the changes in the orientation program. Funds will also be used to support the training of new employees on the keyboard productivity program.

The Principal classroom curriculum is divided into 5 series that are organized by job activity in Technical, Communicator, Productivity, Management Procedures, and Leaders. Classes that are being revised or developed under this project are: working in teams, integrity selling, negotiation skills, information mapping, effective meetings, project management, change management, salary administration, coaching for career development, loss prevention and risk controls, dimensions of leadership, leadership refresher workshop, team building, global awareness and diversity workshop. As Principal is working in a more global market place and is hiring an increasingly diverse work force, the training program must address these changes. DMACC will assist Principal in the development of a corporate English-As-A-Second-Language program. This ESL effort will include one-on-one assessment to determine language skill level. The recent expansion of Principal into Mexico and Spain has created a need for conversational Spanish. DMACC may assist with the development of Spanish instruction.

New hires will learn the company's customized computer systems through computer-assisted instruction. Project funds will be used for development and updating of the CBT.

II. **Management/Supervisor Training** $209,160

Expenses for new courses in the productivity, management procedures, and leaders series will be funded by this project. The company is evaluating commercially produced corporate change management courses. Expenses will include instructor certification expenses and package purchases. The Pension division is in the process of reengineering. Corporate training will be providing assistance with team building and empowerment training. Some expenditures for these efforts will be funded by this project. Computer-assisted instruction may also be developed in conjunction with these new courses to assess a new hire’s knowledge, before or after, or to aid in the learning process.
III. Training Materials $69,722

The corporate training department will develop a library of materials to support/supplement the changing business environment. A special focus will be on the purchase of materials addressing work force diversity, global awareness and quality. It is anticipated that funds will be used to purchase materials for a language lab to support the ESL and conversational Spanish instructional areas.

Revamping the new employee orientation program will require production of a new video and handbooks. Principal has in-house video production and publication development that will do the work on this project.

IV. Professional/Skill Development for Individual Employees $139,440

Principal strongly supports employees' continued education through the company tuition reimbursement program. Employees are made aware of this opportunity through new employee orientation and yearly college fairs. This project will also support new employee enrollment in special skill oriented credit and non-credit workshop courses outside the company program. Funds will cover activity such as instructors' certification in the Franklin Stress Management.

Funds will be used to certify Principal corporate trainers in commercially produced training curriculums that are purchased.

V. On-The-Job Training 0

Although all Principal Mutual Life Insurance company employees receive instruction through on-the-job training, no funds from this project will be used to support this function.

VI. Project Management Fee $29,050

A project management fee of 4% of the training fund will be assessed by Des Moines Area Community College to cover the costs and activities of the EDG training consultant's work with the company to develop and monitor the project.
The training fund is generated by a credit to new jobs withholding taxes under the provision of HF 623, Iowa Code 260E.

Revision of this budget is allowable if both parties consent. A revised budget with signatures of college and company representatives will be filed with the original training plan.

Specific details for this project are contained in the Training Plan Outline.

I. Job Specific Skill Development $278,880
   - Revamping the new employee orientation program
   - Keyboard Productivity program
   - Revision and development of courses for the corporate classroom series
   - Development of and revision to computer-assisted instruction
   - English-As-A-Second-Language program development and instruction
   - Conversational Spanish program

II. Management and Supervisory Training $209,160
   - Development of new courses in productivity, management procedures and leaders
   - Implementation of a corporate change-management program
   - Team building and empowerment for Pension Division
   - Computer-assisted instruction

III. Training Materials $69,722
   - Library materials
   - Development of a language lab to support ESL and Conversational Spanish
   - In-house production of video and handbooks for new employee orientation

IV. Professional/Skill Development of Individual Employees $139,440
   - Individual employee enrollment in special skill oriented credit and non-credit courses outside the company training program
   - Expenses for Principal trainer certifications
   - Study aids developed using computer assisted instruction

V. Project Management Fee For DMACC $29,050

Total Training Budget $726,252
No funds from this project will be used for on-the-job training reimbursement.


Upon receipt of proper documentation, reimbursement to all providers of training and training that meets the guidelines of 260E will be made on a monthly or quarterly basis.
The Board of Directors of the Des Moines Area Community College met in regular session on the 13th day of December, 1993 at four o'clock p.m., at the DMACC Commons Building at the College in Ankeny, Iowa. The meeting was called to order and there were present Doug Shull, President of the Board, in the chair, and the following named Board Members:

Harold Belken, Susan Clouser, Lloyd Courter, Dale Froehlich,

Dick Johnson, Gerry Pecinovsky, Madelyn Tursi, Nancy Wolf-Keith

Absent: NONE

Matters were discussed concerning a new jobs training agreement between the College and RA-MARK Industries, Inc. Following a discussion of the proposal, Board Member D. Froehlich introduced and caused to be read a resolution entitled "A Resolution Approving the Form and Content and Execution and Delivery of a New Jobs Training Agreement, Instituting Proceedings for the Taking of Additional Action for the Issuance of New Jobs Training Certificates, and Directing the Publication of a Notice of Intention to Issue Not to Exceed $20,000 Aggregate Principal Amount of New Jobs Training Certificates (RA-MARK Industries, Inc. Project) of the Des Moines Area Community College"; and moved its adoption. The motion was seconded by Board Member H. Belken. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:

Ayes: Belken, Clouser, Courter, Froehlich, Johnson, Pecinovsky, Shull, Tursi, Wolf-Keith

Nays: NONE

Whereupon, the President declared said Resolution, a copy of which is attached hereto, duly adopted and signed his approval thereto.

* * * * * *

for the President of the Board of Directors

Attest:

Secretary of the Board of Directors
RESOLUTION

A RESOLUTION APPROVING THE FORM AND CONTENT AND EXECU­TION AND DELIVERY OF A NEW JOBS TRAINING AGREEMENT, INSTITUTING PROCEEDINGS FOR THE TAKING OF ADDITIONAL ACTION FOR THE ISSUANCE OF NEW JOBS TRAINING CERTIFI­CATES, AND DIRECTING THE PUBLICATION OF A NOTICE OF INTENTION TO ISSUE NOT TO EXCEED $20,000 AGGREGATE PRINCIPAL AMOUNT OF NEW JOBS TRAINING CERTIFICATES (RA-MARK INDUSTRIES, INC. PROJECT) OF THE DES MOINES AREA COMMUNITY COLLEGE.

WHEREAS, The Des Moines Area Community College (hereinafter referred to as the "College"), is an area community college and a body politic organized and existing under the laws of the State of Iowa, and is authorized and empowered by Chapter 260E of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to issue New Jobs Training Certificates and use the proceeds from the sale of said Certificates to defray all or a portion of the cost of a "New Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to encourage industry and trade to locate and expand within the State of Iowa (the "State") in order to create jobs and employ­ment opportunities and to improve the economic welfare of the residents of the State; and

WHEREAS, the College has undertaken negotiations with RA-MARK Industries, Inc. (the "Company") for the purpose of establishing an additional job training program (hereinafter referred to as the "Project") to educate and train workers for new jobs with the Company at its facilities located in the merged area served by the College, which Project will be beneficial to the Company and the College; and

WHEREAS, the College has determined that the amount neces­sary to defray all or a portion of the cost of the Project, including necessary expenses incidental thereto, will require the issuance by the College of not to exceed $20,000 aggregate principal amount of its New Jobs Training Certificates pursuant to the provisions of the Act; and

WHEREAS, it is proposed to finance the cost of the Project through the issuance of not to exceed $20,000 New Jobs Training Certificates (RA-MARK Industries, Inc. Project) of the College (the "Certificates"); and

WHEREAS, before the Certificates may be issued, it is neces­sary to publish a notice of the proposal to issue new jobs training certificates and the right to appeal the decision of the Board of Directors of the College to issue the Certificates pur­suant to the provisions of the Act, all as required and provided for by Section 260E.6 of the Act; and
WHEREAS, an Industrial New Jobs Training Agreement, in the form and with the contents set forth in Exhibit A attached hereto, has been negotiated by the College under the terms of which the College agrees, subject to the provisions of such Agreement, to provide a new jobs training program for the Company;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DES MOINES AREA COMMUNITY COLLEGE, AS follows:

Section 1. That the Secretary of the Board of Directors is hereby directed to give notice of intention to issue the Certificates, stating the amount and purpose thereof, and the Project for which the Certificates are to be issued, by publication at least once in a legal newspaper, printed in the English language published at least once weekly and having a general circulation within the merged area served by the College. The notice shall be in substantially the following form:
COPY OF ADVERTISEMENT
Exhibit "A"

(R495)—NOTICE OF INTENTION TO ISSUE
NEW JOBS TRAINING CERTIFICATES
(4A-MARK INDUSTRIES, INC. PROJECT)
OF THE DESMOINES AREA
COMMUNITY COLLEGE

Notice is hereby given that the Board of Directors of the Des Moines Area Community College intends to issue the following certificates not to exceed $20,000 aggregate principal amount of Des Moines Area Community College New Jobs Training Certificates (RA-Mark Industries, Inc. Project). The certificates are to be issued for the purpose of providing funds to pay the costs, including program costs, of a new jobs training program to educate and train workers for new jobs of RA-Mark Industries, Inc. in Dexter, Iowa. The Board of Directors has instituted proceedings and taken further and additional action for the authorization and issuance of the certificates.

A person may, within fifteen days after the publication of this notice by action in the district court of a county in the area within which the Des Moines Area Community College is located, appeal the decision of the Board of Directors in proposing to issue the certificates. The action of the Board of Directors in determining to issue the Certificates is final and conclusive unless the district court finds that the Board of Directors has exceeded its legal authority. An action shall not be brought which questions the legality of the Certificates. The power of the Board of Directors to issue the Certificates, the effectiveness of any proceedings relating to the authorization of the Project, or the authorization and issuance of the Certificates from and after fifteen days from the publication of this notice.

This notice is published pursuant to the provisions of Chapter 260E of the Iowa Code.

By Order of the Board of Directors
Helen Harris
Secretary of the Board of Directors

STATE OF IOWA
POLK COUNTY

The undersigned, being first duly sworn, on oath states that she/he is the
Chief Clerk
of Des Moines Register and Tribune Company, a corporation duly organized and existing under the laws of the State of Iowa, with its principal place of business in Des Moines, Iowa, the publisher of

THE DES MOINES REGISTER (Daily)
DES MOINES SUNDAY REGISTER
newspapers of general circulation printed and published in the City of Des Moines, Polk County, Iowa, and that an advertisement, a printed copy of which is attached as Exhibit "A" and made a part of this affidavit, was printed and published in

The Des Moines Register (daily) the following dates
December 27, 1993

in Des Moines Sunday Register on

Subscribed and sworn to before me by said affiant this 12th day of
January 1994

Mary E. Silman
Notary Public in and for Polk County, Iowa
NOTICE OF INTENTION TO ISSUE
NEW JOBS TRAINING CERTIFICATES
(RA-MARK INDUSTRIES, INC. PROJECT)
OF THE DES MOINES AREA COMMUNITY COLLEGE

Notice is hereby given that the Board of Directors of the Des Moines Area Community College intends to issue in the manner required by law not to exceed $20,000 aggregate principal amount of Des Moines Area Community College New Jobs Training Certificates (RA-MARK Industries, Inc. Project). The Certificates are to be issued for the purpose of providing funds to pay the costs, including program costs, of a new jobs training program to educate and train workers for new jobs at RA-MARK Industries, Inc. in Dexter, Iowa.

The Board of Directors has instituted proceedings and taken further and additional action for the authorization and issuance of the certificates.

A person may, within fifteen days after the publication of this notice by action in the district court of a county in the area within which the Des Moines Area Community College is located, appeal the decision of the Board of Directors in proposing to issue the Certificates. The action of the Board of Directors in determining to issue the Certificates is final and conclusive unless the district court finds that the Board of Directors has exceeded its legal authority. An action shall not be brought which questions the legality of the Certificates, the power of the Board of Directors to issue the Certificates, the effectiveness of any proceedings relating to the authorization of the Project, or the authorization and issuance of the Certificates from and after fifteen days from the publication of this notice.

This notice is published pursuant to the provisions of Chapter 260E of the Iowa Code.

By Order of the Board of Directors

Secretary of the Board of Directors
Section 2. That the Industrial New Jobs Training Agreement, in the form and with the contents set forth in Exhibit A attached hereto, be and the same is hereby approved and the President of the Board of Directors is hereby authorized to execute said Industrial New Jobs Training Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Industrial New Jobs Training Agreement, which constitutes and is hereby made a part of this Resolution, to be in substantially the form, text and containing the provisions set forth in Exhibit A attached hereto.

Section 3. That this Board does hereby institute proceedings and take further and additional action for the authorization and issuance in the manner required by law of not to exceed $20,000 of New Jobs Training Certificates (RA-MARK Industries, Inc. Project), the proceeds of which Certificates will be used to provide funds to pay costs, including program costs, of new jobs training by providing education and training of workers for new jobs at the Company.

Section 4. That officials of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.

Section 5. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 13th day of December, 1993.

[Signature]
President of the Board of Directors

Attest:

[Signature]
Secretary of the Board of Directors
I, Helen M. Harris, Secretary of the Board of Directors of the Des Moines Area Community College, do hereby certify that I have in my possession or have access to the complete corporate records of said College and of its Board of Directors and officers; and that I have carefully compared the transcript hereeto attached with the aforesaid corporate records and that said transcript hereeto attached is a true, correct and complete copy of all of the corporate records showing the action taken with respect to the matters set forth therein by the Board of Directors of said College on December 13, 1993, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that such meeting was duly and publicly held in accordance with the Notice of Meeting and tentative agenda, a copy of which was timely served on each member of the Board of Directors and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board of Directors (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board of Directors and the provisions of Chapter 21, Code of Iowa, as amended, upon reasonable advance notice to the public and media at least twenty-four (24) hours prior to the commencement of the meeting as required by said law and with members of the public in attendance. I further certify that the individuals named in the attached proceedings were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board of Directors vacancies existed except as may be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the College or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand hereto affixed this 13th day of December, 1993.

[Signature]

Secretary of the Board of Directors
INDUSTRIAL NEW JOBS TRAINING AGREEMENT

between

Des Moines Area Community College
Ankeny, Iowa

and

RA-MARK INDUSTRIES, INC.

Dated as of DECEMBER 13, 1993

Relating to

Des Moines Area Community College
Job Training Certificates
This Training Agreement (the "Agreement") made and entered into as of DECEMBER 13, 1993 between Des Moines Area Community College, Ankeny, Iowa (the "Area School") and RA-MARK INDUSTRIES, INC., a(n) IOWA corporation (the "Employer"), under the following circumstances:

A. Pursuant to Chapter 280B of Code of Iowa, as amended (the "Act"), the Area School has determined to enter into this Agreement with Employer for the purpose of establishing a new jobs training program to educate and train certain persons employed by Employer in new jobs.

B. The Area School and the Employer each have full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed.

NOW THEREFORE, in consideration of the premises and the mutual representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I
REPRESENTATIONS

Section 1.1 Representations of the Area School. The Area School represents and covenants that: (a) it is duly organized and validly existing under the laws of the State of Iowa; (b) it is not in violation of any provisions of the laws of the State which would impair its ability to carry out its obligations hereunder; (c) it is empowered to enter into the transactions contemplated by this Agreement; and (d) it will do all things in its power required of it in order to maintain its existence or assure the assumption of its obligations hereunder by any successor public body.

Section 1.2 Representations and Covenants of the Employer. The Employer represents and covenants that:

(a) It is a(n) IOWA corporation.

(b) It has full power and authority to execute, deliver and perform this Agreement and all other instruments given by the Employer to secure the Certificates (hereinafter described and referred to herein as the "Certificates") and to enter into and carry out the transactions contemplated herein. Such execution, delivery of performance are not in contravention of law or Employer's articles of incorporation, by-laws or any indenture, agreement, mortgage, lease, undertaking or any other restriction, obligation or instrument to which the Company is a party or by which it is bound. This Agreement has by proper action been duly authorized, executed and delivered by the Employer and all steps necessary have been taken to constitute this Agreement a valid and binding obligation of the Employer.
(c) There is no litigation or proceeding pending, or to the knowledge of the Employer threatened, against the Employer or any other person affecting in any manner whatsoever the right of the Employer to execute this Agreement or to otherwise comply with its obligations contained in this Agreement.

(d) The employees to be covered by this Agreement had not commenced work for the Employer as of the date of the execution of the Preliminary Industrial New Jobs Training Agreement between the Area School and the Employer (the "Preliminary Agreement"), and those employees are or will be employed in new jobs in connection with the expansion of the Employer's business operations.

(e) The Employer is engaged in interstate/intrastate commerce for the purpose of manufacturing, processing or assembling products, conducting research and development, or providing services in interstate commerce.

ARTICLE II

PROJECT: PROGRAM SERVICES

Section 2.1. The "Project" shall consist of the program services described and the on-the-job training program described on Exhibit "A" entitled "Training Plan For RA-MARK INDUSTRIES, INC." Exhibit "A" is incorporated herein by reference. Exhibit "A" shows the number of employees, areas of training, training period and estimated costs. Included as a part of Exhibit "A" and incorporated by reference is a copy of the proposed budget of the Area School and the Employer relating to the Project.

Section 2.2. The Employer represents and agrees that the Program Services are for the purpose of providing education and training services to persons to be employed as a part of the Project.

Section 2.3. The Area School agrees to provide the Program Services. It is understood and agreed that the Employer and the Area School will cooperate in the coordination and programming of the specific expenditures and operation of the Project within the guidelines set out in Exhibit "A".

Section 2.4. The Employer agrees to pay or cause to be paid all necessary and incidental costs of the Project, including principal and interest on the Certificates. The costs shall be paid from new jobs credit from withholding with respect to persons employed at the Project and the incremental property taxes produced by the expansion by the Employer as a part of the Project.

Section 2.5. The terms of this Agreement shall be for not to exceed ten (10) years and shall coincide with the period of time over which the Certificates mature and the Project costs are deferred.
Section 2.6. The Area School may revise the training curriculum from time to time with the consent of the Employer; provided that no revision shall be made which would change the Project to other than purposes permitted by the Act; provided, however, that this Agreement shall not terminate until the Certificates have been paid in full.

Section 2.7. The Certificates will be issued pursuant to a resolution adopted by the Board of Directors of the Area School in the aggregate principal amount, bearing interest, maturing and being redeemable as set forth in such resolution.

The proceeds from the sale of the Certificates shall be paid to the Area School and deposited in a Project Fund established by the Area School. Pending disbursement, the proceeds so deposited in the Project Fund, together with any investment earnings thereon, shall be subject to a lien in favor of the holders of the Certificates as provided in the resolution authorizing the Certificates.

Section 2.8. In the event that moneys in the Project Fund are not sufficient to pay all costs of the Project, the Employer will, nonetheless, pay all costs of such Project in full from its own funds. If the Employer should pay any portion of such costs, it shall not be entitled to any reimbursement therefrom from the Area School; nor shall it be entitled to any abatement, diminution or postponement of the payments required to satisfy the debt service requirements on the Certificates. Provided, however, that the Employer will be entitled to reimbursement of its own funds from the Project Fund when a surplus is attained in such fund and not needed to satisfy the debt service requirements on the Certificates.

ARTICLE III
PAYMENTS: SECURITY

Section 3.1. Whether or not the amounts described in Section 2.4 are sufficient for such purpose, the Employer shall make, or cause to be made, payments on or before each principal and interest payment date until the principal and premium, if any, and interest on the Certificates shall have been paid, by paying, or causing to be paid, to the Area School, as payments hereunder, an amount equal to the amount payable as installments of principal or principal (whether at maturity or by redemption) and premium, if any, and interest on the Certificates on such principal and interest payment date.

In any event, the sum of all payments under this Agreement shall be sufficient to pay the total amount due with respect to such principal and interest and any premium of the Certificates as and when due.

Section 3.2. The Employer shall make, or cause to be made, from the sources described in Section 2.4 hereof, all payments directly to the Area School at its principal office for application to the payment of the corresponding installments of principal and premium, if any, and interest on the Certificates. The parties shall agree upon a payment schedule prior to the issuance of Certificates.
Section 3.3. The obligation of the Employer to make payments shall be absolute and unconditional upon issuance of the Certificates, and the Employer shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense, set-off, recoupment or counterclaim which the Employer may have or assert against the Area School or any other person.

Section 3.4. To secure the payment by the Employer of the payments and compliance by the Employer with all the terms, provisions and conditions hereof, Employer agrees that the new jobs credit from withholding, as defined and described in Section 5 of the Act, and the incremental property taxes, as defined and described in Section 4 of the Act, shall be pledged for payment of the principal of and premium, if any, and interest on the Certificates. To the extent required by the Act, the Employer further agrees that the payments required to be made by it hereunder are a lien upon the Employer's business property in the State of Iowa until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to this lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties and consequences as for the nonpayment of ordinary taxes. The purchaser at any such tax sale shall obtain the property subject to the remaining payments.

ARTICLE IV

EVENT OF DEFAULT AND REMEDIES

Section 4.1. Events of Default. Each of the following shall be an "event of default" hereunder:

(a) The Employer shall fail to pay any required payment on or prior to the date on which such payment is due and payable and continuing for more than five (5) business days thereafter.

(b) The Employer shall fail to observe and perform any other agreement, term or condition contained in this Agreement, if such failure continues for a period of thirty (30) days after notice of such failure is given to the Employer by the Area School, or for such longer period as the Area School may agree to in writing; provided, that if the failure is other than the payment of money and is of such nature that it cannot be corrected within the applicable period, such failure shall not constitute an event of default so long as the Employer institutes curative action within the applicable period and diligently pursues such action to completion.

(c) The Employer shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or hereafter in effect; (iii) commence a proceeding under any other federal or state bankruptcy, insolvency, reorganization or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or
reorganization entered against it or have the proceeding remain undismissed and unstayed for 90 days; (iv) make an assignment for the benefit of creditors; or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property.

(d) Any representation or warranty made by the Employer herein or any statement in any report, certificate, financial statement or other instrument furnished in connection with this Agreement or with the sale of the Certificates shall at any time prove to have been false or misleading in any material respect when made or given.

The declaration of an event of default under Subsection (c) above, and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 4.2. Whenever an event of default shall have happened and be continuing, the Area School may take whatever action at law or in equity may appear necessary or desirable to collect the payments due and other amounts then due and thereafter to become due, or to enforce performance and observance of any other obligation or agreement of the Employer under this Agreement. Notwithstanding the foregoing, the Area School shall not be obligated to take any step which in its opinion will or might cause it to expend time or money or otherwise incur liability unless and until a satisfactory indemnity bond has been furnished to the Area School at no cost or expense to the Area School. Any amounts collected as payments or applicable to payments and any other amounts which would be applicable to payment of principal and premium, if any, and interest on the Certificates collected pursuant to action taken under this Section shall be paid to the holders of the Certificates for application to such payment.

Section 4.3. No remedy conferred upon or reserved to the Area School by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall 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 the Area School to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.

Section 4.4. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.
ARTICLE V

MISCELLANEOUS

Section 5.1. All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate notice address as follows:

Area School: Joseph A. Borgen, Ph.D.
President
Des Moines Area Community College
2006 S. Ankeny Blvd.
Ankeny, Iowa 50021

Employer: MARK E. ROTH
PRESIDENT
RA-MARK INDUSTRIES, INC.
375 STATE STREET
PO BOX 68
DEXTER, IOWA 50070

Employer and the Area School may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 5.2. All covenants, stipulations, obligations and agreements of the Area School contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, stipulation, obligation or agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Area School or the Board of Directors other than in his official capacity, and neither the members of the Board of Directors nor any official executing the Certificates shall be liable personally on the Certificates or be subject to any personal liability or accountability by reason of the issuance thereof or by reason of the covenants, stipulations, obligations or agreements of the Area School contained in this Agreement.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Area School, the Employer and their respective permitted successors and assigns provided that this Agreement may not be assigned by the Employer and may not be assigned by the Area School except as may otherwise be necessary to enforce or secure payment of the principal or premium, if any, and interest on the Certificates.

Section 5.4. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

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Section 5.5. If any provision of this Agreement, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof made, assumed, entered into or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 5.6. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State of Iowa.

Section 5.7. To further secure the payment of principal or premium, if any, and interest on the Certificates, the Employer shall, upon the request of the Area School, prior to the sale and issuance of the Certificates, cause to be provided to the Area School a guarantee of such payments by the Employer (or a letter-of-credit from a financial institution) in form and content acceptable to the Area School.

Section 5.8. The Area School and the Employer agree to use their best efforts to sell and issue the Certificates and the Employer will cooperate with the Area School to provide necessary financial information in connection with the sale of the Certificates. The parties shall agree upon a repayment schedule prior to the issuance of Certificates. It is understood and agreed that should the Certificates not be marketed or marketable within a reasonable time that this Agreement shall terminate and the Project shall be terminated by mutual agreement of the parties.

Section 5.9. The Employer covenants that it shall take such action or shall refrain from taking any action as shall be necessary to maintain the exemption from Federal income taxes of the interest on the Certificates.

Section 5.10. The Employer agrees to keep the facilities for which the Project has been established continuously insured in an amount at least equal to the total amount of the Certificates outstanding insuring the facilities against loss or damage by fire, lightning, such other perils as are covered by standard "extended coverage" endorsements, vandalism and malicious mischief and containing customary loss deductible provisions. If loss or damage occurs and the Employer determines not to rebuild or restore the facilities to their former condition, the Employer agrees to cause the insurance proceeds to be applied to the payment of principal and interest on the Certificates.
Section 5.11. This Agreement shall supplement the Preliminary Agreement which, except as modified herein, is hereby ratified and confirmed and together this Agreement and the Preliminary Agreement shall constitute one agreement between the Employer and the Area School with respect to the Project.

IN WITNESS WHEREOF, the Area School and the Employer have caused this Agreement to be duly executed in their respective names, all as of the date hereinabove written.

DES MOINES AREA COMMUNITY COLLEGE

By [Signature] 12-13-93
Date

RA-MARK INDUSTRIES, INC.

(Company Name)

By [Signature] 12/13/93
Date

Mark E. Roth, President

ATTEST:

Carolyn S. Kerby
November 24, 1993

The 260E training plan for RA-MARK prepared by John Stapley has been reviewed by me and is in proper order.

Jolyne L. Ghanatabadi, Ph.D.
Dean, Curriculum and Scheduling

To: John Stapley
TRAINING PLAN

FOR

RA-MARK INDUSTRIES, INC.
PROJECT #1

Prepared by:

Des Moines Area Community College
Economic Development Group
John Stapley, Training Consultant
November 29, 1993
INTRODUCTION

RA-MARK INDUSTRIES, INC.

RA-MARK Industries, Inc. is located in Dexter, Iowa. Founded in the late 60's RA-MARK has built its reputation on competitive pricing, excellent quality and customer service in supplying structural and miscellaneous steel and aluminum materials to the construction industry. The expansion of an additional building is based not only on increased demand for space, but safety and environmental concerns. With this expansion RA-MARK will be adding 12 positions.

This training plan was developed to meet the known specialized training needs of RA-MARK Industries, Inc. The objectives of this plan are to provide the new employees with the necessary skills training to become productive while observing safety and environmental concerns. This plan encompasses not only the craftsmanship needs but also the people skills needed at RA-MARK.

All training conducted under this plan will be evaluated by individual course evaluations and periodic training program evaluations by RA-MARK management and Des Moines Area Community College training consultant.
### LIST OF POSITIONS

<table>
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<tr>
<th>POSITIONS</th>
<th>NUMBER</th>
<th>SALARY</th>
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<tr>
<td>Draftsman</td>
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<td>Shop Worker</td>
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<tr>
<td>Operations Manager</td>
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</table>

**Fringe Benefits**

After 30 days: Paid holidays, health plan (major medical and dental) and annual bonus. (Company pays 92% of medical.)

After 1 year: All employees are eligible for sick leave, paid vacations, profit sharing and employees 21 years and older are eligible for 401K plan.
RA-MARK INDUSTRIES, INC.

I. Job Specific Skill Development $4,000

Each new RA-MARK employee must complete an orientation program that includes introduction to RA-MARK, its customers and its industry. To maintain its reputation for quality excellence and customer service each employee must follow RA-MARK's formal policies and safety program.

All new employee's will receive skill training within the first year of employment. Subject areas include metal craftsmanship (grinding, punching, press brake, shears), wire welding, blue print reading, math skills, drafting (Board Skills), painting skills, right-to-know, computer literacy, and AUTO-CADD.

Ra-Mark is upgrading its design capability to use AUTO-CADD. DMACC will provide an assessment of current AUTO-CADD skills to skills required for Ra-Mark Industries AUTO-CADD System. It is planned that DMACC will train to the gaps of the AUTO-CADD skills of Ra-Mark new employees. Draftspersons will attend appropriate DMACC AUTO-CADD courses.

Funds from this category will be used to reimburse the cost for development and delivery of courses to RA-MARK. Cost for training materials will be funded in Category III. Should RA-MARK decide to do some of the training, the reimbursement will be made at $20/hr rate.

II. Supervisory and Management Development $3,100

Funds from this category will be used to reimburse materials, development and delivery cost of courses for supervisors such as Conflict Management, Time Management, and Interpersonal Skills. "Supervisor as a Trainer," delivered by DMACC will provide skills for Ra-Mark, to perform most of the craftsmanship training.

III. Training Materials $3,650

Dollars from this fund will be used to purchase the following:

A. Development and printing of manuals.  
B. Training materials.  
   DMACC will provide technical writing for A above.
IV. Professional/Skill Development Seminars/Workshops For Individual Employees

Funds in this category will be allocated to meeting individual training needs of the new positions. It may fund tuition and materials cost for credit/noncredit courses and outside seminars including travel expenses.

V. On-The-Job Training OJT

Ra-Mark provides a planned OJT program for its shopworkers. Funds in this category will reimburse Ra-Mark for 1/2 of each of the eight shopworkers' wages not to exceed $187.50 per worker (at $7/hour this equals 26.78 hours or 4 hours of 8 hours per day for 6.69 days).
RA-MARK INDUSTRIES, INC.
Estimated Training Budget

The training fund is generated by a credit to new jobs withholding taxes under the provisions of HF623, Iowa Code 260E.

Training plan components

I. Job Specific Skill Development $ 4,000
   - Orientation/Safety
   - Assessment
   - Advanced Skill Training

II. Management/Supervisory Job Specific Training 3,100
    - Management/Supervisor courses/seminars
    - Training techniques for Managers/Supervisors

III. Training Materials 3,650
     - Development and printing of materials
     - Training materials

IV. Professional/Skill Development Seminars/Workshops 3,230
    For Individual Employees
    - Tuition reimbursements for credit/noncredit courses
    - Seminar tuition and travel expenses

V. On-The-Job Training For Shopworker Training 1,500

TOTAL BUDGET $15,480

The training began in July 1993 and will continue until January 1997.

Upon receipt of proper documentation, reimbursement for all training expenses that meet the guidelines of Iowa Code 260E, DMACC, and this training plan will be made on an applied-for basis.

This plan may be revised to meet the changing training needs of Ra-Mark Industries, Inc., if both parties consent. A revised training plan with signatures of both DMACC and company representative will be filed with the original plan.
Ankeny, Iowa

December 13, 1993

The Board of Directors of the Des Moines Area Community College met in regular session on the 13th day of December, 1993 at four o'clock p.m., at the DMACC Commons Building at the College in Ankeny, Iowa. The meeting was called to order and there were present Doug Shull, President of the Board, in the chair, and the following named Board Members:

Harold Belken, Susan Clouser, Lloyd Courter, Dale Froehlich,

Dick Johnson, Gerry Pecinovsky, Madelyn Tursi, Nancy Wolf-Keith

Absent: NONE

Matters were discussed concerning an additional new jobs training agreement between the College and Woodgrain Milwork, Inc., d/b/a Windsor Window Co. Following a discussion of the proposal, Board Member D. Froehlich introduced and caused to be read a resolution entitled "A Resolution Approving the Form and Content and Execution and Delivery of a New Jobs Training Agreement, Instituting Proceedings for the Taking of Additional Action for the Issuance of New Jobs Training Certificates, and Directing the Publication of a Notice of Intention to Issue Not to Exceed $220,000 Aggregate Principal Amount of New Jobs Training Certificates (Woodgrain Milwork, Inc., d/b/a Windsor Window Co., Project #2) of the Des Moines Area Community College"; and moved its adoption. The motion was seconded by Board Member Harold Belken. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:

Ayes: Belken, Clouser, Courter, Froehlich, Johnson, Pecinovsky, Shull Tursi, Wolf-Keith

Nays: NONE

Whereupon, the President declared said Resolution, a copy of which is attached hereto, duly adopted and signed his approval thereto.

* * * * * *

President of the Board of Directors

Attest:

Secretary of the Board of Directors
RESOLUTION

A RESOLUTION APPROVING THE FORM AND CONTENT AND EXECU- TION AND DELIVERY OF A NEW JOBS TRAINING AGREEMENT, INSTITUTING PROCEEDINGS FOR THE TAKING OF ADDITIONAL ACTION FOR THE ISSUANCE OF NEW JOBS TRAINING CERTIFICATES, AND DIRECTING THE PUBLICATION OF A NOTICE OF INTENTION TO ISSUE NOT TO EXCEED $220,000 AGGREGATE PRINCIPAL AMOUNT OF NEW JOBS TRAINING CERTIFICATES (WOODGRAIN MILWORK, INC., d/b/a WINDSOR WINDOW CO., PROJECT #2) OF THE DES MOINES AREA COMMUNITY COLLEGE.

WHEREAS, The Des Moines Area Community College (hereinafter referred to as the "College"), is an area community college and a body politic organized and existing under the laws of the State of Iowa, and is authorized and empowered by Chapter 260E of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to issue New Jobs Training Certificates and use the proceeds from the sale of said Certificates to defray all or a portion of the cost of a "New Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to encourage industry and trade to locate and expand within the State of Iowa (the "State") in order to create jobs and employment opportunities and to improve the economic welfare of the residents of the State; and

WHEREAS, the College has undertaken negotiations with Woodgrain Milwork, Inc., d/b/a Windsor Window Co. (the "Company") for the purpose of establishing an additional job training program (hereinafter referred to as the "Project") to educate and train workers for new jobs with the Company at its facilities located in the merged area served by the College, which Project will be beneficial to the Company and the College; and

WHEREAS, the College has determined that the amount necessary to defray all or a portion of the cost of the Project, including necessary expenses incidental thereto, will require the issuance by the College of not to exceed $220,000 aggregate principal amount of its New Jobs Training Certificates pursuant to the provisions of the Act; and

WHEREAS, it is proposed to finance the cost of the Project through the issuance of not to exceed $220,000 New Jobs Training Certificates (Woodgrain Milwork, Inc., d/b/a Windsor Window Co. Project Number 2) of the College (the "Certificates"); and

WHEREAS, before the Certificates may be issued, it is necessary to publish a notice of the proposal to issue new jobs training certificates and the right to appeal the decision of the Board of Directors of the College to issue the Certificates pursuant to the provisions of the Act, all as required and provided for by Section 260E.6 of the Act; and
WHEREAS, an Industrial New Jobs Training Agreement, in the form and with the contents set forth in Exhibit A attached hereto, has been negotiated by the College under the terms of which the College agrees, subject to the provisions of such Agreement, to provide a new jobs training program for the Company;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DES MOINES AREA COMMUNITY COLLEGE, AS FOLLOWS:

Section 1. That the Secretary of the Board of Directors is hereby directed to give notice of intention to issue the Certificates, stating the amount and purpose thereof, and the Project for which the Certificates are to be issued, by publication at least once in a legal newspaper, printed in the English language published at least once weekly and having a general circulation within the merged area served by the College. The notice shall be in substantially the following form:
The Des Moines Register

Affidavit of Publication

COPY OF ADVERTISEMENT
Exhibit "A"

STATE OF IOWA

POLK COUNTY

The undersigned, being first duly sworn, on oath states that she/he is the Chief Clerk of Des Moines Register and Tribune Company, a corporation duly organized and existing under the laws of the State of Iowa, with its principal place of business in Des Moines, Iowa, the publisher of

THE DES MOINES REGISTER (Daily)

DES MOINES SUNDAY REGISTER

newspapers of general circulation printed and published in the City of Des Moines, Polk County, Iowa, and that an advertisement, a printed copy of which is attached as Exhibit "A" and made a part of this affidavit, was printed and published in

The Des Moines Register (daily) the following dates December 27, 1993

in Des Moines Sunday Register on

Subscribed and sworn to before me by said affiant this 12th day of January 1994.

Notary Public in and for Polk County, Iowa
NOTICE OF INTENTION TO ISSUE
NEW JOBS TRAINING CERTIFICATES
(WOODGRAIN MILWORK, INC. d/b/a WINDSOR WINDOW CO.
PROJECT #2) OF THE DES MOINES AREA COMMUNITY COLLEGE

Notice is hereby given that the Board of Directors of the Des Moines Area Community College intends to issue in the manner required by law not to exceed $220,000 aggregate principal amount of Des Moines Area Community College New Jobs Training Certificates (Woodgrain Milwork, Inc., d/b/a Windsor Window Co. Project #2). The Certificates are to be issued for the purpose of providing funds to pay the costs, including program costs, of a new jobs training program to educate and train workers for new jobs at Woodgrain Milwork, Inc., d/b/a Windsor Window Co. in West Des Moines, Iowa.

The Board of Directors has instituted proceedings and taken further and additional action for the authorization and issuance of the certificates.

A person may, within fifteen days after the publication of this notice by action in the district court of a county in the area within which the Des Moines Area Community College is located, appeal the decision of the Board of Directors in proposing to issue the Certificates. The action of the Board of Directors in determining to issue the Certificates is final and conclusive unless the district court finds that the Board of Directors has exceeded its legal authority. An action shall not be brought which questions the legality of the Certificates, the power of the Board of Directors to issue the Certificates, the effectiveness of any proceedings relating to the authorization of the Project, or the authorization and issuance of the Certificates from and after fifteen days from the publication of this notice.

This notice is published pursuant to the provisions of Chapter 260E of the Iowa Code.

By Order of the Board of Directors

Secretary of the Board of Directors
Section 2. That the Industrial New Jobs Training Agreement, in the form and with the contents set forth in Exhibit A attached hereto, be and the same is hereby approved and the President of the Board of Directors is hereby authorized to execute said Industrial New Jobs Training Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Industrial New Jobs Training Agreement, which constitutes and is hereby made a part of this Resolution, to be in substantially the form, text and containing the provisions set forth in Exhibit A attached hereto.

Section 3. That this Board does hereby institute proceedings and take further and additional action for the authorization and issuance in the manner required by law of not to exceed $220,000 of New Jobs Training Certificates (Woodgrain Milwork, Inc., d/b/a Windsor Window Co. Project #2), the proceeds of which Certificates will be used to provide funds to pay costs, including program costs, of new jobs training by providing education and training of workers for new jobs at the Company.

Section 4. That officials of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.

Section 5. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 13th day of December, 1993.

[Signature]
for the President of the Board of Directors

Attest:
[Signature]
Secretary of the Board of Directors
STATE OF IOWA )
COUNTY OF POLK )

I, Helen M. Harris, Secretary of the Board of Directors of the Des Moines Area Community College, do hereby certify that I have in my possession or have access to the complete corporate records of said College and of its Board of Directors and officers; and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true, correct and complete copy of all of the corporate records showing the action taken with respect to the matters set forth therein by the Board of Directors of said College on December 13, 1993, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that such meeting was duly and publicly held in accordance with the Notice of Meeting and tentative agenda, a copy of which was timely served on each member of the Board of Directors and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board of Directors (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board of Directors and the provisions of Chapter 21, Code of Iowa, as amended, upon reasonable advance notice to the public and media at least twenty-four (24) hours prior to the commencement of the meeting as required by said law and with members of the public in attendance. I further certify that the individuals named in the attached proceedings were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board of Directors vacancies existed except as may be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the College or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand hereto affixed this 13th day of December, 1993.

[Signature]
Secretary of the Board of Directors

SE6:E6132609.93
INDUSTRIAL NEW JOBS
TRAINING AGREEMENT

between

Des Moines Area Community College
Ankeny, Iowa

and

WOODGRAIN MILLWORK, INC.
dba
WINDSOR WINDOW COMPANY

Dated as of December 13, 1993

Relating to

Des Moines Area Community College
Job Training Certificates
This Training Agreement (the "Agreement") made and entered into as of December 13, 1993 between Des Moines Area Community College, Ankeny, Iowa (the "Area School") and Woodgrain Millwork, Inc. dba Windsor Window Co a(n) Oregon corporation (the "Employer"), under the following circumstances:

A. Pursuant to Chapter 280B of Code of Iowa, as amended (the "Act"), the Area School has determined to enter into this Agreement with Employer for the purpose of establishing a new jobs training program to educate and train certain persons employed by Employer in new jobs.

B. The Area School and the Employer each have full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed.

NOW THEREFORE, in consideration of the premises and the mutual representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

REPRESENTATIONS

Section 1.1 Representations of the Area School. The Area School represents and covenants that: (a) it is duly organized and validly existing under the laws of the State of Iowa; (b) it is not in violation of any provisions of the laws of the State which would impair its ability to carry out its obligations hereunder; (c) it is empowered to enter into the transactions contemplated by this Agreement; and (d) it will do all things in its power required of it in order to maintain its existence or assure the assumption of its obligations hereunder by any successor public body.

Section 1.2 Representations and Covenants of the Employer. The Employer represents and covenants that:

(a) It is a(n) Oregon corporation.

(b) It has full power and authority to execute, deliver and perform this Agreement and all other instruments given by the Employer to secure the Certificates (hereinafter described and referred to herein as the "Certificates") and to enter into and carry out the transactions contemplated herein. Such execution, delivery of performance are not in contravention of law or Employer's articles of incorporation, by-laws or any indenture, agreement, mortgage, lease, undertaking or any other restriction, obligation or instrument to which the Company is a party or by which it is bound. This Agreement has by proper action been duly authorized, executed and delivered by the Employer and all steps necessary have been taken to constitute this Agreement a valid and binding obligation of the Employer.
(c) There is no litigation or proceeding pending, or to the knowledge of the Employer threatened, against the Employer or any other person affecting in any manner whatsoever the right of the Employer to execute this Agreement or to otherwise comply with its obligations contained in this Agreement.

(d) The employees to be covered by this Agreement had not commenced work for the Employer as of the date of the execution of the Preliminary Industrial New Jobs Training Agreement between the Area School and the Employer (the "Preliminary Agreement"), and those employees are or will be employed in new jobs in connection with the expansion of the Employer's business operations.

(e) The Employer is engaged in interstate/intrastate commerce for the purpose of manufacturing, processing or assembling products, conducting research and development, or providing services in interstate commerce.

ARTICLE II

PROJECT: PROGRAM SERVICES

Section 2.1. The "Project" shall consist of the program services described and the on-the-job training program described on Exhibit "A" entitled "Training Plan For Windsor Window Company Second Project." Exhibit "A" is incorporated herein by reference. Exhibit "A" shows the number of employees, areas of training, training period and estimated costs. Included as a part of Exhibit "A" and incorporated by reference is a copy of the proposed budget of the Area School and the Employer relating to the Project.

Section 2.2. The Employer represents and agrees that the Program Services are for the purpose of providing education and training services to persons to be employed as a part of the Project.

Section 2.3. The Area School agrees to provide the Program Services. It is understood and agreed that the Employer and the Area School will cooperate in the coordination and programming of the specific expenditures and operation of the Project within the guidelines set out in Exhibit "A".

Section 2.4. The Employer agrees to pay or cause to be paid all necessary and incidental costs of the Project, including principal and interest on the Certificates. The costs shall be paid from new jobs credit from withholding with respect to persons employed at the Project and the incremental property taxes produced by the expansion by the Employer as a part of the Project.

Section 2.5. The terms of this Agreement shall be for not to exceed ten (10) years and shall coincide with the period of time over which the Certificates mature and the Project costs are deferred.
Section 2.6. The Area School may revise the training curriculum from time to time with the consent of the Employer; provided that no revision shall be made which would change the Project to other than purposes permitted by the Act; provided, however, that this Agreement shall not terminate until the Certificates have been paid in full.

Section 2.7. The Certificates will be issued pursuant to a resolution adopted by the Board of Directors of the Area School in the aggregate principal amount, bearing interest, maturing and being redeemable as set forth in such resolution.

The proceeds from the sale of the Certificates shall be paid to the Area School and deposited in a Project Fund established by the Area School. Pending disbursement, the proceeds so deposited in the Project Fund, together with any investment earnings thereon, shall be subject to a lien in favor of the holders of the Certificates as provided in the resolution authorizing the Certificates.

Section 2.8. In the event that moneys in the Project Fund are not sufficient to pay all costs of the Project, the Employer will, nonetheless, pay all costs of such Project in full from its own funds. If the Employer should pay any portion of such costs, it shall not be entitled to any reimbursement therefor from the Area School; nor shall it be entitled to any abatement, diminution or postponement of the payments required to satisfy the debt service requirements on the Certificates. Provided, however, that the Employer will be entitled to reimbursement of its own funds from the Project Fund when a surplus is attained in such fund and not needed to satisfy the debt service requirements on the Certificates.

ARTICLE III
PAYMENTS: SECURITY

Section 3.1. Whether or not the amounts described in Section 2.4 are sufficient for such purpose, the Employer shall make, or cause to be made, payments on or before each principal and interest payment date until the principal and premium, if any, and interest on the Certificates shall have been paid, by paying, or causing to be paid, to the Area School, as payments hereunder, an amount equal to the amount payable as installments or principal (whether at maturity or by redemption) and premium, if any, and interest on the Certificates on such principal and interest payment date.

In any event, the sum of all payments under this Agreement shall be sufficient to pay the total amount due with respect to such principal of and interest and any premium of the Certificates as and when due.

Section 3.2. The Employer shall make, or cause to be made, from the sources described in Section 2.4 hereof, all payments directly to the Area School at its principal office for application to the payment of the corresponding installments of principal and premium, if any, and interest on the Certificates. The parties shall agree upon a payment schedule prior to the issuance of Certificates.
Section 3.3. The obligation of the Employer to make payments shall be absolute and unconditional upon issuance of the Certificates, and the Employer shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense, set-off, recoupment or counterclaim which the Employer may have or assert against the Area School or any other person.

Section 3.4. To secure the payment by the Employer of the payments and compliance by the Employer with all the terms, provisions and conditions hereof, Employer agrees that the new jobs credit from withholding, as defined and described in Section 5 of the Act, and the incremental property taxes, as defined and described in Section 4 of the Act, shall be pledged for payment of the principal of and premium, if any, and interest on the Certificates. To the extent required by the Act, the Employer further agrees that the payments required to be made by it hereunder are a lien upon the Employer's business property in the State of Iowa until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to this lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties and consequences as for the nonpayment of ordinary taxes. The purchaser at any such tax sale shall obtain the property subject to the remaining payments.

ARTICLE IV

EVENT OF DEFAULT AND REMEDIES

Section 4.1. Events of Default. Each of the following shall be an "event of default" hereunder:

(a) The Employer shall fail to pay any required payment on or prior to the date on which such payment is due and payable and continuing for more than five (5) business days thereafter.

(b) The Employer shall fail to observe and perform any other agreement, term or condition contained in this Agreement, if such failure continues for a period of thirty (30) days after notice of such failure is given to the Employer by the Area School, or for such longer period as the Area School may agree to in writing; provided, that if the failure is other than the payment of money and is of such nature that it cannot be corrected within the applicable period, such failure shall not constitute an event of default so long as the Employer institutes curative action within the applicable period and diligently pursues such action to completion.

(c) The Employer shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or hereafter in effect; (iii) commence a proceeding under any other federal or state bankruptcy, insolvency, reorganization or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or
reorganization entered against it or have the proceeding remain undismissed and unstayed for 90 days; (iv) make an assignment for the benefit of creditors; or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property.

(d) Any representation or warranty made by the Employer herein or any statement in any report, certificate, financial statement or other instrument furnished in connection with this Agreement or with the sale of the Certificates shall at any time prove to have been false or misleading in any material respect when made or given.

The declaration of an event of default under Subsection (c) above, and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 4.2. Whenever an event of default shall have happened and be continuing, the Area School may take whatever action at law or in equity may appear necessary or desirable to collect the payments due and other amounts then due and thereafter to become due, or to enforce performance and observance of any other obligation or agreement of the Employer under this Agreement. Notwithstanding the foregoing, the Area School shall not be obligated to take any step which in its opinion will or might cause it to expend time or money or otherwise incur liability unless and until a satisfactory indemnity bond has been furnished to the Area School at no cost or expense to the Area School. Any amounts collected as payments or applicable to payments and any other amounts which would be applicable to payment of principal and premium, if any, and interest on the Certificates collected pursuant to action taken under this Section shall be paid to the holders of the Certificates for application to such payment.

Section 4.3. No remedy conferred upon or reserved to the Area School by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall 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 the Area School to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.

Section 4.4. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.
ARTICLE V

MISCELLANEOUS

Section 5.1. All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate notice address as follows:

Area School: Joseph A. Borgen, Ph.D.
President
Des Moines Area Community College
2006 S. Ankeny Blvd.
Ankeny, Iowa 50021

Employer: Jeff Jones
General Manager
Windsor Window Company
900 S. 19th Street
West Des Moines, Iowa 50265

Employer and the Area School may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 5.2. All covenants, stipulations, obligations and agreements of the Area School contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, stipulation, obligation or agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Area School or the Board of Directors other than in his official capacity, and neither the members of the Board of Directors nor any official executing the Certificates shall be liable personally on the Certificates or be subject to any personal liability or accountability by reason of the issuance thereof or by reason of the covenants, stipulations, obligations or agreements of the Area School contained in this Agreement.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Area School, the Employer and their respective permitted successors and assigns provided that this Agreement may not be assigned by the Employer and may not be assigned by the Area School except as may otherwise be necessary to enforce or secure payment of the principal or premium, if any, and interest on the Certificates.

Section 5.4. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.
Section 5.5. If any provision of this Agreement, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof made, assumed, entered into or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 5.6. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State of Iowa.

Section 5.7. To further secure the payment of principal or premium, if any, and interest on the Certificates, the Employer shall, upon the request of the Area School, prior to the sale and issuance of the Certificates, cause to be provided to the Area School a guarantee of such payments by the Employer (or a letter-of-credit from a financial institution) in form and content acceptable to the Area School.

Section 5.8. The Area School and the Employer agree to use their best efforts to sell and issue the Certificates and the Employer will cooperate with the Area School to provide necessary financial information in connection with the sale of the Certificates. The parties shall agree upon a repayment schedule prior to the issuance of Certificates. It is understood and agreed that should the Certificates not be marketed or marketable within a reasonable time that this Agreement shall terminate and the Project shall be terminated by mutual agreement of the parties.

Section 5.9. The Employer covenants that it shall take such action or shall refrain from taking any action as shall be necessary to maintain the exemption from Federal income taxes of the interest on the Certificates.

Section 5.10. The Employer agrees to keep the facilities for which the Project has been established continuously insured in an amount at least equal to the total amount of the Certificates outstanding insuring the facilities against loss or damage by fire, lightning, such other perils as are covered by standard "extended coverage" endorsements, vandalism and malicious mischief and containing customary loss deductible provisions. If loss or damage occurs and the Employer determines not to rebuild or restore the facilities to their former condition, the Employer agrees to cause the insurance proceeds to be applied to the payment of principal and interest on the Certificates.
Section 5.11. This Agreement shall supplement the Preliminary Agreement which, except as modified herein, is hereby ratified and confirmed and together this Agreement and the Preliminary Agreement shall constitute one agreement between the Employer and the Area School with respect to the Project.

IN WITNESS WHEREOF, the Area School and the Employer have caused this Agreement to be duly executed in their respective names, all as of the date hereinabove written.

Woodgrain Millwork, Inc.
dba Windsor Window Company

ATTEST: Jim Liddell

ATTEST: Arline M. Coyneron

DES MOINES AREA COMMUNITY COLLEGE

By [Signature] 12/13/93
Date

Woodgrain Millwork, Inc.
dba Windsor Window Company

(Company Name)

By [Signature] 10/13/93
Corporate Secretary Date
Jim Liddell
November 9, 1993

The 260E training plan for Windsor Windows prepared by Collette Saylor has been reviewed by me and is in proper order.

\[\text{Signature}\]

Jolyne L. Ghanatabadi, Ph.D.
Dean, Curriculum and Scheduling
TRAINING PLAN
FOR
WINDSOR WINDOW COMPANY
SECOND AGREEMENT

NOVEMBER 1993

Prepared By:
Collette Saylor
Training Consultant
EDG
<table>
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<th>Section</th>
<th>Page</th>
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<td>Introduction</td>
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<td>List of Positions</td>
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WINDSOR WINDOW COMPANY
INTRODUCTION

Windsor Window Company, located in West Des Moines, began in 1950. The company soon acquired a reputation for producing quality windows and doors at a fair price. In 1987, Windsor Window was purchased by Woodgrain Millwork, Inc. of Fruitland, Idaho. Since joining Woodgrain, Windsor has streamlined its processes, upgraded quality and expanded operations increasing business ten fold in six years. Windsor has also expanded its workforce from a base of 114 employees by 40 new positions in the first agreement. This second agreement is for 135 new positions. Much of this growth is due to the relocation of patio door manufacturing from Idaho to Iowa.

This training plan, designed by DMACC and Windsor staff, is intended to meet the growth needs of Windsor by providing training that assists in making new employees productive faster. To meet this objective the training, which began in March 1993, will include:

I. Job Skill Specific Training
II. Supervisory/Management Training
III. Training Materials and Supplies
IV. Professional/Job Skill Development
   Seminars/Workshops/College Courses
VI. JIT and TQM
VII. Travel Expenses for Training
VIII. Human Resources/Trainer Salary Reimbursement

EVALUATION

All training which is conducted under this training plan will be evaluated. The procedure to be used will vary depending upon the type of training which is to take place. Techniques used will be: 1) completion of an evaluation form by participants at the conclusion of each course which DMACC provides instruction, 2) a written evaluation of training that was provided under the training plan to be completed by management/supervisory staff at the end of the first and second year of training, 3) focus group sessions with management/supervisors regarding outcomes of training.
## WINDSOR WINDOW COMPANY

### SECOND AGREEMENT

<table>
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<tr>
<th>POSITION TITLE</th>
<th>NUMBER OF JOBS</th>
<th>AVERAGE HOURLY WAGE</th>
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<tr>
<td>Managers</td>
<td>8</td>
<td>$30,000 (Yearly)</td>
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<tr>
<td>Support Staff</td>
<td>10</td>
<td>$8.35</td>
</tr>
<tr>
<td>Production Assemblers</td>
<td>117</td>
<td>$8.35</td>
</tr>
</tbody>
</table>

Benefits are 20 - 25% of salary and begin 60 days from start.
I. JOB SKILLS SPECIFIC TRAINING  $20,000

The training described below is for new employees of Windsor Window Company to assist in the development of the skills necessary to better perform their jobs:

A. A new employee orientation program will be developed to accompany the video produced by DMACC under the original agreement. The DMACC training consultant and Windsor Window HR manager will work together on this program.

B. With the relocation of the patio door manufacturing from Idaho to Des Moines, a great deal of training will need to be provided. The new workers to this division will be trained in the following areas:
   - equipment usage and maintenance
   - patio door parts description
   - quality production standards
   - manufacturing processes

DMACC will assist in helping Windsor Windows gear up for this training by providing technical support, curriculum design and training internal trainers (see Category VII). A DMACC Trainer will spend extensive time both in Des Moines and Idaho with the designated trainer group. All his expenses, including salary and travel, will be paid from this fund.

C. A portion of this fund may be used for the hiring of an environmental and ergonomics consultant to assist Windsor Window in developing compliance plans and layout of this new patio door plan. This consultant will also provide training related to ergonomics and a healthy work environment.

D. Windsor Window is in need of training related to manufacturing skills training including safety in the workplace. Training will be provided in the following areas:
   - Forklift Safety
   - First Aid/CPR
   - Lifting Safely
   - Aids in the Workplace
- Emergency Evacuation (money will be used from this fund to develop these plans)
- Lockout-Tagout
- Jig and Fixtures
- Measurement
- Hand Tool Usage

E. Because of the cultural diversity of the Windsor Window workforce, DMACC will assist in the development and delivery of cultural diversity, understanding religious differences and sexual harassment training to all employees.

F. Windsor Window in installing a new computerized inventory control system in 1994. Training will be provided to train workers how to use this system, as well as, all workers will be trained in the basics of bar coding in the plant.

G. DMACC will assist in providing training in Basic Electricity and Electronics to maintenance workers.

II. SUPERVISORY/MANAGEMENT SKILLS TRAINING $25,000

Detailed below are the training activities to be offered to improve the skills of managers and supervisors that impact the work of new employees:

A. All manufacturing department supervisors will be required to take the National Safety Council's "Supervisory Safety Training" sixteen week program. This program concentrates on how to teach and maintain safety in the plant. Dollars will also be used to certify internal trainers.

B. DMACC will provide customized "Supervisor as Trainer" workshops to supervisors, lead workers and foreman to ensure the new employees are trained properly on job skills.

C. Cultural Diversity training will be offered to managers and supervisors in conjunction with the worker program provided by DMACC.

D. A consultant will be hired to develop policy and procedures manuals and consult with senior management on legal issues relating to hiring, firing, affirmative action, equal employment opportunity, the American with Disabilities Act and sexual harassment.
E. A portion of this fund may be used to train a Windsor Window staff person as a facilitator and purchase material for a packaged supervisory skills program; i.e., DDI/Techniques for an Empowered Workforce or Zenger-Miller Frontline.

III. TRAINING MATERIALS AND SUPPLIES $10,403

A. With the influx of new employees for the patio door production and because of lack of space in which to conduct training, dollars from this fund will be used to rent a trailer to use as a training facility. Necessary training supplies such as flip charts will be purchased. Overhead projectors and white boards will be leased.

B. Training videos and manuals will also be purchased to facilitate training in safety, workplace health issues and diversity. Dollars will also be used to print new employee orientation handbooks and the quality manual, also any necessary materials for selected supervisory training programs.

IV. PROFESSIONAL/JOB SKILLS DEVELOPMENT $15,000

A. A portion of this fund will be used as in the first agreement to reimburse tuition for college classes.

B. Reimbursement will also be provided for employees, including the HR manager to attend professional training activities.

V. ON-THE-JOB TRAINING No funds allocated

VI. OTHER TRAINING - JIT/TQM $27,000

Windsor Windows used David Bucher and Associates to consult and provide MRP II training under their first 260E agreement. The company is exploring continuing with this firm to provide JIT and TQM training. They will be investigating other vendors, including DMACC for these programs. These funds will also be used to purchase training materials, senior management awareness training and training for the project coordinator.
VII. TRAVEL EXPENSES

With patio door manufacturing being moved to Des Moines, Windsor Window will need to send new employees for 3-5 weeks to be trained on the equipment, products and processes in Idaho. Dollars from this fund will pay for travel and expenses for this training. Also, current Idaho employees will be brought to Des Moines to help train new employees for 2 weeks to 2 months. Dollars will also be used to reimburse Windsor Window for these expenses. Windsor will also be reimbursed for the salaries of the three Des Moines trainers while in Idaho and the Idaho trainer's salaries while in Des Moines with a maximum of four weeks salary for each trainer.

VIII. HR/TRAINER SALARY

To help facilitate the hiring, orientation and training of all the new employees, dollars from this fund will be used to reimburse Windsor Window up to 50% of the salary of a new Human Resources/Training Specialist for two years.

TOTAL TRAINING FUND $180,403
The source of training funds is from the Iowa New Jobs Credit withholding and Iowa Code 260E.

The training fund dollars will be allocated in the following training areas:

I. **Job Skill Specific Training** $20,000
   - upgrade new employee orientation program
   - training for new patio door plant employees in equipment usage, maintenance, parts, quality and processes
   - environmental and ergonomics consulting and training
   - safety and manufacturing skills
   - cultural diversity
   - computerized inventory
   - basic electricity/electronics

II. **SUPERVISORY/MANAGEMENT TRAINING** $25,000
    - Supervisory Safety training
    - supervisor as trainer
    - cultural diversity
    - policies and procedures
    - DDI or Zenger-Miller

III. **TRAINING MATERIALS AND SUPPLIES** $10,403
    - rental of training facility
    - video and manuals
    - new employee manuals
    - training equipment will be leased
    - training supplies

IV. **PROFESSIONAL/JOB SKILL DEVELOPMENT** $15,000
    - seminars, workshops and college classes that are job related

V. **ON-THE-JOB TRAINING** -0-

VI. **JIT and TQM** $27,000
    - continuation with JIT consultant
    - begin work on training and implementation of TQM
VII. TRAVEL EXPENSES  $55,000

- Des Moines trainers to Idaho patio door plant all expenses and salary for up to four weeks
- Idaho trainers to Des Moines all expenses and salary for up to four weeks

VIII. HUMAN RESOURCES/TRAINER SALARY  $28,000

- up to 50% of new HR/trainer’s salary for up to two years will be reimbursed

TOTAL FUND  $180,403

NO DOLLARS WILL BE ALLOCATED FOR ON-THE-JOB TRAINING REIMBURSEMENT FROM THIS FUND.

The training began in March 1993 and will continue through January 1997.

Upon receipt of proper documentation, reimbursement to providers of training that meets the guidelines of Iowa Code 260E, DMACC and this training plan will be made on an applied for basis.

This plan may be revised to meet the changing training needs of Windsor Window Company plant with written consent of the company and DMACC and will be filed to adjust this original training plan.
The Board of Directors of the Des Moines Area Community College met in regular session on the 13th day of December, 1993, at four o'clock p.m., at the DMACC Commons Building at the College in Ankeny, Iowa. The meeting was called to order and there were present Doug Shull, President of the Board, in the chair, and the following named Board Members:

Harold Belken, Susan Clouser, Lloyd Courter, Dale Froehlich.
Dick Johnson, Gerry Pecinovsky, Madelyn Tursi, Nancy Wolf-Keith
Absent: NONE

Matters were discussed concerning an additional New Jobs Training Agreement between the College and Eaton Corporation. Following a discussion of the proposal, Board Member D. Johnson introduced and caused to be read a resolution entitled "A Resolution Approving the Form and Content and Execution and Delivery of a New Jobs Training Agreement, Instituting Proceedings for the Taking of Additional Action for the Issuance of New Jobs Training Certificates, Directing the Publication of a Notice of Intention to Issue Not to Exceed $235,000 Aggregate Principal Amount of New Jobs Training Certificates (Eaton Corporation, Project #2) of the Des Moines Area Community College, and Providing for the Division of Taxes Levied on Property Where New Jobs are Created as a Result of a New Jobs Training Program"; and moved its adoption. The motion was seconded by Board Member G. Pecinovsky. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:

Ayes: Belken, Clouser, Courter, Froehlich, Johnson, Pecinovsky, Shull, Tursi, Wolf-Keith
Nays: NONE

Whereupon, the President declared said resolution, a copy of which is attached hereto, duly adopted and signed his approval thereto.

[Signature]
President of the Board of Directors

Attest:
[Signature]
Secretary of the Board of Directors
RESOLUTION

A RESOLUTION APPROVING THE FORM AND CONTENT AND EXECU-TION AND DELIVERY OF A NEW JOBS TRAINING AGREEMENT, INSTITUTING PROCEEDINGS FOR THE TAKING OF ADDITIONAL ACTION FOR THE ISSUANCE OF NEW JOBS TRAINING CERTIFI-CATES, DIRECTING THE PUBLICATION OF A NOTICE OF INTEN-TION TO ISSUE NOT TO EXCEED $235,000 AGGREGATE PRINCI-PAL AMOUNT OF NEW JOBS TRAINING CERTIFICATES (EATON CORPORATION, PROJECT #2) OF THE DES MOINES AREA COMMU-NITY COLLEGE, AND PROVIDING FOR THE DIVISION OF TAXES LEVIED ON PROPERTY WHERE NEW JOBS ARE CREATED AS A RESULT OF A NEW JOBS TRAINING PROGRAM.

WHEREAS, The Des Moines Area Community College (hereinafter referred to as the "College"), is an area community college and a body politic organized and existing under the laws of the State of Iowa, and is authorized and empowered by Chapter 260E of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to issue New Jobs Training Certificates and use the proceeds from the sale of said Certificates to defray all or a portion of the cost of a "New Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to encourage industry and trade to locate and expand within the State of Iowa (the "State") in order to create jobs and employ-ment opportunities and to improve the economic welfare of the residents of the State; and

WHEREAS, the College has undertaken negotiations with respect to a New Jobs Training Program with Eaton Corporation (the "Company"), pursuant to the provisions of the Act for the purpose of establishing a job training program (hereinafter referred to as the "Project") to educate and train workers for new jobs with the Company at its facilities located or to be located in the merged area served by the College, which Project will be beneficial to the Company and the College; and

WHEREAS, the College has determined that the amount neces-sary to defray all or a portion of the cost of the Project, including necessary expenses incidental thereto, will require the issuance by the College of not to exceed $235,000 aggregate prin-cipal amount of its New Jobs Training Certificates pursuant to the provisions of the Act; and

WHEREAS, it is proposed to finance the cost of the Project through the issuance of not to exceed $235,000 New Jobs Training Certificates (Eaton Corporation, Project #2) of the College (the "Certificates"); and

WHEREAS, in order to provide for a division of taxes levied on the taxable business property where the Project will be located, the Board of Directors of the College must adopt a reso-lution to that effect; and
WHEREAS, the Project will be located, and the new jobs will be created at the real property which is legally described on Exhibit "B" attached hereto and hereby incorporated herein; and

WHEREAS, before the Certificates may be issued, it is necessary to publish a notice of the proposal to issue new jobs training certificates and the right to appeal the decision of the Board of Directors of the College to issue the Certificates pursuant to the provisions of the Act, all as required and provided for by Section 260E.6 of the Act; and

WHEREAS, an Industrial New Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, has been negotiated by the College under the terms of which the College agrees, subject to the provisions of such Agreement, to provide a new jobs training program for the Company;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DES MOINES AREA COMMUNITY COLLEGE, AS FOLLOWS:

Section 1. That the Secretary of the Board of Directors is hereby directed to give notice of intention to issue the Certificates, stating the amount and purpose thereof, and the Project for which the Certificates are to be issued, by publication at least once in a legal newspaper, printed in the English language published at least once weekly and having a general circulation within the merged area served by the College. The notice shall be in substantially the following form:
Notice is hereby given that the Board of Directors of the Des Moines Area Community College intends to issue in the manner required by law not to exceed $23,000 aggregate principal amount of Des Moines Area Community College New Jobs Training Certificates (Eaton Corporation, Project #2). The Certificates are to be issued for the purpose of providing funds to pay the costs, including program costs, of a new jobs training program to educate and train workers for new jobs at Eaton Corporation, in Winterset, Iowa.

The Board of Directors has instituted proceedings and taken further and additional action for the authorization and issuance of the Certificates.

A person may, within fifteen days after the publication of this notice by action in the district court of a county in the area within which the Des Moines Area Community College is located, appeal the decision of the Board of Directors in proceeding to issue the Certificates. The action of the Board of Directors in determining to issue the Certificates is final and conclusive unless the district court finds that the Board of Directors has exceeded its legal authority. An action shall not be brought which questions the legality of the Certificates, the power of the Board of Directors to issue the Certificates, the effectiveness of any proceedings relating to the authorization of the Project, or the authorization and issuance of the Certificates from and after fifteen days from the publication of this notice.

This notice is published pursuant to the provisions of Chapter 2606 of the Iowa Code.

By Order of the Board of Directors.

Helen Harris
Secretary of the Board of Directors.

STATE OF IOWA

POLK COUNTY

The undersigned, being first duly sworn, on oath states that she/he is the Chief Clerk of Des Moines Register and Tribune Company, a corporation duly organized and existing under the laws of the State of Iowa, with its principal place of business in Des Moines, Iowa, the publisher of

THE DES MOINES REGISTER (Daily)

DES MOINES SUNDAY REGISTER

newspapers of general circulation printed and published in the City of Des Moines, Polk County, Iowa, and that an advertisement, a printed copy of which is attached as Exhibit "A" and made a part of this affidavit, was printed and published in

The Des Moines Register (daily) the following dates December 27, 1993

in Des Moines Sunday Register on


Subscribed and sworn to before me by said affiant this 12th day of January, 1994.

Notary Public in and for Polk County, Iowa
NOTICE OF INTENTION TO ISSUE
NEW JOBS TRAINING CERTIFICATES
(EATON CORPORATION, PROJECT #2) OF
THE DES MOINES AREA COMMUNITY COLLEGE

Notice is hereby given that the Board of Directors of the Des Moines Area Community College intends to issue in the manner required by law not to exceed $235,000 aggregate principal amount of Des Moines Area Community College New Jobs Training Certificates (Eaton Corporation, Project #2). The Certificates are to be issued for the purpose of providing funds to pay the costs, including program costs, of a new jobs training program to educate and train workers for new jobs at Eaton Corporation, in Winterset, Iowa.

The Board of Directors has instituted proceedings and taken further and additional action for the authorization and issuance of the Certificates.

A person may, within fifteen days after the publication of this notice by action in the district court of a county in the area within which the Des Moines Area Community College is located, appeal the decision of the Board of Directors in proposing to issue the Certificates. The action of the Board of Directors in determining to issue the Certificates is final and conclusive unless the district court finds that the Board of Directors has exceeded its legal authority. An action shall not be brought which questions the legality of the Certificates, the power of the Board of Directors to issue the Certificates, the effectiveness of any proceedings relating to the authorization of the Project, or the authorization and issuance of the Certificates from and after fifteen days from the publication of this notice.

This notice is published pursuant to the provisions of Chapter 260E of the Iowa Code.

By Order of the Board of Directors

Secretary of the Board of Directors
Section 2. That the Industrial New Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, be and the same is hereby approved and the President of the Board of Directors is hereby authorized to execute said Industrial New Jobs Training Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Industrial New Jobs Training Agreement, which constitutes and is hereby made a part of this Resolution, to be in substantially the form, text and containing the provisions set forth in Exhibit "A" attached hereto.

Section 3. That this Board does hereby institute proceedings and take further and additional action for the authorization and issuance in the manner required by law of not to exceed $235,000 of New Jobs Training Certificates (Eaton Corporation, Project #2) the proceeds of which Certificates will be used to provide funds to pay costs, including program costs, of new jobs training by providing education and training of workers for new jobs at the Company.

Section 4. That all taxes levied on the Company's taxable business property, including any equipment, located on the real property legally described on Exhibit "B" attached hereto each year shall be divided as provided in Section 403.19 of the Iowa Code, subsections 1 and 2, in the same manner as if the Company's business property was taxable property in an urban renewal project and this Resolution was an ordinance within the meaning of those subsections, all in accordance with the provisions of the Act.

Section 5. That the County Auditor of the County where the property described on Exhibit "B" is located shall after the date of the adoption of this Resolution make the allocations provided for herein.

Section 6. The taxes received by this Board of Directors shall be allocated to and when collected be paid into a special fund of the College and shall be irrevocably pledged by the College to pay the principal of and interest on the Certificates issued by the College to finance the Project.

Section 7. That the Secretary of the Board of Directors shall certify a copy of this Resolution to the County Auditor of the County where the property described on Exhibit "B" is located.

Section 8. That officials of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.
Section 9. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 13th day of December, 1993.

[Signature]

for the President of the Board of Directors

Attest:

[Signature]

Secretary of the Board of Directors
STATE OF IOWA )
) SS:
COUNTY OF POLK )

I, Helen M. Harris, Secretary of the Board of Directors of the Des Moines Area Community College, do hereby certify that I have in my possession or have access to the complete corporate records of said College and of its Board of Directors and officers; and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true, correct and complete copy of all of the corporate records showing the action taken with respect to the matters set forth therein by the Board of Directors of said College on December 13, 1993, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that such meeting was duly and publicly held in accordance with the Notice of Meeting and tentative agenda, a copy of which was timely served on each member of the Board of Directors and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board of Directors (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board of Directors and the provisions of Chapter 21, Code of Iowa, as amended, upon reasonable advance notice to the public and media at least twenty-four (24) hours prior to the commencement of the meeting as required by said law and with members of the public in attendance. I further certify that the individuals named in the attached proceedings were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board of Directors vacancies existed except as may be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the College or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand hereto affixed this 13th day of December, 1993.

[Signature]
Secretary of the Board of Directors

SE6:E6132606.93
INDUSTRIAL NEW JOBS TRAINING AGREEMENT

between

Des Moines Area Community College
Ankeny, Iowa

and

Eaton Corporation Appliance and Specialty Controls Division
Winterset, Iowa; Plant

Dated as of December 13, 1993

Relating to

Des Moines Area Community College
Job Training Certificates
INDUSTRIAL NEW JOBS TRAINING AGREEMENT

This Training Agreement (the "Agreement") made and entered into as of December 13, 1993 between Des Moines Area Community College, Ankeny, Iowa (the "Area School") and Eaton Corporation (the "Employer"), under the following circumstances:

A. Pursuant to Chapter 280B of Code of Iowa, as amended (the "Act"), the Area School has determined to enter into this Agreement with Employer for the purpose of establishing a new jobs training program to educate and train certain persons employed by Employer in new jobs.

B. The Area School and the Employer each have full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed.

NOW THEREFORE, in consideration of the premises and the mutual representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

REPRESENTATIONS

Section 1.1 Representations of the Area School. The Area School represents and covenants that: (a) it is duly organized and validly existing under the laws of the State of Iowa; (b) it is not in violation of any provisions of the laws of the State which would impair its ability to carry out its obligations hereunder; (c) it is empowered to enter into the transactions contemplated by this Agreement; and (d) it will do all things in its power required of it in order to maintain its existence or assure the assumption of its obligations hereunder by any successor public body.

Section 1.2 Representations and Covenants of the Employer. The Employer represents and covenants that:

(a) It is a(n) Ohio corporation.

(b) It has full power and authority to execute, deliver and perform this Agreement and all other instruments given by the Employer to secure the Certificates (hereinafter described and referred to herein as the "Certificates") and to enter into and carry out the transactions contemplated herein. Such execution, delivery of performance are not in contravention of law or Employer's articles of incorporation, by-laws or any indenture, agreement, mortgage, lease, undertaking or any other restriction, obligation or instrument to which the Company is a party or by which it is bound. This Agreement has by proper action been duly authorized, executed and delivered by the Employer and all steps necessary have been taken to constitute this Agreement a valid and binding obligation of the Employer.
(b) There is no litigation or proceeding pending, or to the knowledge of the Employer threatened, against the Employer or any other person affecting in any manner whatsoever the right of the Employer to execute this Agreement or to otherwise comply with its obligations contained in this Agreement.

(d) The employees to be covered by this Agreement had not commenced work for the Employer as of the date of the execution of the Preliminary Industrial New Jobs Training Agreement between the Area School and the Employer (the "Preliminary Agreement"), and those employees are or will be employed in new jobs in connection with the expansion of the Employer's business operations.

(e) The Employer is engaged in interstate/intrastate commerce for the purpose of manufacturing, processing or assembling products, conducting research and development, or providing services in interstate commerce.

ARTICLE II

PROJECT: PROGRAM SERVICES

Section 2.1. The "Project" shall consist of the program services described and the on-the-job training program described on Exhibit "A" entitled "Training Plan For Eaton Corporation, Appliance and Specialty Controls Division." Exhibit "A" is incorporated herein by reference. Exhibit "A" shows the number of employees, areas of training, training period and estimated costs. Included as a part of Exhibit "A" and incorporated by reference is a copy of the proposed budget of the Area School and the Employer relating to the Project.

Section 2.2. The Employer represents and agrees that the Program Services are for the purpose of providing education and training services to persons to be employed as a part of the Project.

Section 2.3. The Area School agrees to provide the Program Services. It is understood and agreed that the Employer and the Area School will cooperate in the coordination and programming of the specific expenditures and operation of the Project within the guidelines set out in Exhibit "A".

Section 2.4. The Employer agrees to pay or cause to be paid all necessary and incidental costs of the Project, including principal and interest on the Certificates. The costs shall be paid on new jobs credit from withholding with respect to persons employed at the Project and the incremental property taxes produced by the expansion by the Employer as a part of the Project.

Section 2.5. The terms of this Agreement shall be for not to exceed ten (10) years and shall coincide with the period of time over which the Certificates mature and the Project costs are deferred.
Section 2.6. The Area School may revise the training curriculum from
time to time with the consent of the Employer; provided that no revision
shall be made which would change the Project to other than purposes
permitted by the Act; provided, however, that this Agreement shall not
terminate until the Certificates have been paid in full.

Section 2.7. The Certificates will be issued pursuant to a resolution
adopted by the Board of Directors of the Area School in the aggregate
principal amount, bearing interest, maturing and being redeemable as set
forth in such resolution.

The proceeds from the sale of the Certificates shall be paid to the
Area School and deposited in a Project Fund established by the Area School.
Pending disbursement, the proceeds so deposited in the Project Fund,
together with any investment earnings thereon, shall be subject to a lien
in favor of the holders of the Certificates as provided in the resolution
authorizing the Certificates.

Section 2.8. In the event that moneys in the Project Fund are not
sufficient to pay all costs of the Project, the Employer will, nonetheless,
pay all costs of such Project in full from its own funds. If the Employer
should pay any portion of such costs, it shall not be entitled to any
reimbursement therefor from the Area School; nor shall it be entitled to
any abatement, diminution or postponement of the payments required to
satisfy the debt service requirements on the Certificates. Provided,
however, that the Employer will be entitled to reimbursement of its own
funds from the Project Fund when a surplus is attained in such fund and not
needed to satisfy the debt service requirements on the Certificates.

ARTICLE III
PAYMENTS: SECURITY

Section 3.1. Whether or not the amounts described in Section 2.4 are
sufficient for such purpose, the Employer shall make, or cause to be made,
payments on or before each principal and interest payment date until the
principal and premium, if any, and interest on the Certificates shall have
been paid, by paying, or causing to be paid, to the Area School, as
payments hereunder, an amount equal to the amount payable as installments
or principal (whether at maturity or by redemption) and premium, if any,
and interest on the Certificates on such principal and interest payment
date.

In any event, the sum of all payments under this Agreement shall be
sufficient to pay the total amount due with respect to such principal of
and interest and any premium of the Certificates as and when due.

Section 3.2. The Employer shall make, or cause to be made, from the
sources described in Section 2.4 hereof, all payments directly to the Area
School at its principal office for application to the payment of the
Corresponding installments of principal and premium, if any, and interest
on the Certificates. The parties shall agree upon a payment schedule prior
to the issuance of Certificates.
Section 3.3. The obligation of the Employer to make payments shall be absolute and unconditional upon issuance of the Certificates, and the Employer shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense, set-off, recoupment or counterclaim which the Employer may have or assert against the Area School or any other person.

Section 3.4. To secure the payment by the Employer of the payments and compliance by the Employer with all the terms, provisions and conditions hereof, Employer agrees that the new jobs credit from withholding, as defined and described in Section 5 of the Act, and the incremental property taxes, as defined and described in Section 4 of the Act, shall be pledged for payment of the principal of and premium, if any, and interest on the Certificates. To the extent required by the Act, the Employer further agrees that the payments required to be made by it hereunder are a lien upon the Employer’s Winterset property in the State of Iowa until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to this lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties and consequences as for the nonpayment of ordinary taxes. The purchaser at any such tax sale shall obtain the property subject to the remaining payments.

ARTICLE IV

EVENT OF DEFAULT AND REMEDIES

Section 4.1. Events of Default. Each of the following shall be an "event of default" hereunder:

(a) The Employer shall fail to pay any required payment on or prior to the date on which such payment is due and payable and continuing for more than five (5) business days thereafter.

(b) The Employer shall fail to observe and perform any other agreement, term or condition contained in this Agreement, if such failure continues for a period of thirty (30) days after notice of such failure is given to the Employer by the Area School, or for such longer period as the Area School may agree to in writing; provided, that if the failure is other than the payment of money and is of such nature that it cannot be corrected within the applicable period, such failure shall not constitute an event of default so long as the Employer institutes curative action within the applicable period and diligently pursues such action to completion.

(c) The Employer shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or hereafter in effect; (iii) commence a proceeding under any other federal or state bankruptcy, insolvency, reorganization or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or
reorganization entered against it or have the proceeding remain undismissed and unstayed for 90 days; (iv) make an assignment for the benefit of creditors; or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property.

(d) Any representation or warranty made by the Employer herein or any statement in any report, certificate, financial statement or other instrument furnished in connection with this Agreement or with the sale of the Certificates shall at any time prove to have been false or misleading in any material respect when made or given.

The declaration of an event of default under Subsection (c) above, and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 4.2. Whenever an event of default shall have happened and be continuing, the Area School may take whatever action at law or in equity may appear necessary or desirable to collect the payments due and other amounts then due and thereafter to become due, or to enforce performance and observance of any other obligation or agreement of the Employer under this Agreement. Notwithstanding the foregoing, the Area School shall not be obligated to take any step which in its opinion will or might cause it to expend time or money or otherwise incur liability unless and until a satisfactory indemnity bond has been furnished to the Area School at no cost or expense to the Area School. Any amounts collected as payments or applicable to payments and any other amounts which would be applicable to payment of principal and premium, if any, and interest on the Certificates collected pursuant to action taken under this Section shall be paid to the holders of the Certificates for application to such payment.

Section 4.3. No remedy conferred upon or reserved to the Area School by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall 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 the Area School to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.

Section 4.4. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.
ARTICLE V

MISCELLANEOUS

Section 5.1. All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate notice address as follows:

Area School: Joseph A. Borgen, Ph.D.
President
Des Moines Area Community College
2006 S. Ankeny Blvd.
Ankeny, Iowa 50021

Employer: Mike Hanson
Plant Manager
Eaton Corporation
Appliance and Specialty Controls Division
1200 Highway 92 East
Winterset, Iowa 50273

Employer and the Area School may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 5.2. All covenants, stipulations, obligations and agreements of the Area School contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, stipulation, obligation or agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Area School or the Board of Directors other than in his official capacity, and neither the members of the Board of Directors nor any official executing the Certificates shall be liable personally on the Certificates or be subject to any personal liability or accountability by reason of the issuance thereof or by reason of the covenants, stipulations, obligations or agreements of the Area School contained in this Agreement.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Area School, the Employer and their respective permitted successors and assigns provided that this Agreement may not be assigned by the Employer and may not be assigned by the Area School except as may otherwise be necessary to enforce or secure payment of the principal or premium, if any, and interest on the Certificates.

Section 5.4. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.
Section 5.5. If any provision of this Agreement, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof made, assumed, entered into or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 5.6. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State of Iowa.

Section 5.7. To further secure the payment of principal or premium, if any, and interest on the Certificates, the Employer shall, upon the request of the Area School, prior to the sale and issuance of the Certificates, cause to be provided to the Area School a guarantee of such payments by the Employer (or a letter-of-credit from a financial institution) in form and content acceptable to the Area School.

Section 5.8. The Area School and the Employer agree to use their best efforts to sell and issue the Certificates and the Employer will cooperate with the Area School to provide necessary financial information in connection with the sale of the Certificates. The parties shall agree upon a repayment schedule prior to the issuance of Certificates. It is understood and agreed that should the Certificates not be marketed or marketable within a reasonable time that this Agreement shall terminate and the Project shall be terminated by mutual agreement of the parties.

Section 5.9. The Employer covenants that it shall take such action or shall refrain from taking any action as shall be necessary to maintain the exemption from Federal income taxes of the interest on the Certificates.

Section 5.10. The Employer agrees to keep the facilities for which the Project has been established continuously insured in an amount at least equal to the total amount of the Certificates outstanding insuring the facilities against loss or damage by fire, Lightning, such other perils as are covered by standard "extended coverage" endorsements, vandalism and malicious mischief and containing customary loss deductible provisions. If loss or damage occurs and the Employer determines not to rebuild or restore the facilities to their former condition, the Employer agrees to cause the insurance proceeds to be applied to the payment of principal and interest on the Certificates.
Section 5.11. This Agreement shall supplement the Preliminary Agreement which, except as modified herein, is hereby ratified and confirmed and together this Agreement and the Preliminary Agreement shall constitute one agreement between the Employer and the Area School with respect to the Project.

IN WITNESS WHEREOF, the Area School and the Employer have caused this Agreement to be duly executed in their respective names, all as of the date hereinabove written.

DES MOINES AREA COMMUNITY COLLEGE

By [Signature] 12-13-93

ATTEST:

[Signature]

Eaton Corporatio, Appliance and Specialty Controls Division

By [Signature] 10-28-93

A.M. Cutler

Executive Vice President and Chief Operating Officer-Controls
November 1, 1993

The 260E training plan for Eaton prepared by Collette Saylor has been reviewed by me and is in proper order.

Jolyne L. Ghanatabadi, Ph.D.
Dean, Curriculum and Scheduling
TRAINING PLAN
AND
BUDGET
FOR
EATON CORPORATION APPLIANCE
AND SPECIALTY CONTROLS DIVISION
SECOND AGREEMENT
OCTOBER 1993

Prepared by:
Collette Saylor
Training Consultant
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Eaton Corporation Appliance/Specialty
Controls Division
Second Agreement

Introduction

Eaton Corporation has over 38,000 employees worldwide; currently 200 of these employees are at the Appliance/Specialty Controls Division Plant in Winterset, Iowa. This training agreement is for fifty new positions in Winterset. This plant produces electronic control products for appliances such as stoves, microwaves, washers and dryers. This plant is growing and adding more advanced equipment to meet the increasing demand for electronic controls.

The objectives of this training plan are to assist the Eaton Corporation train the Winterset employees to be more productive and to provide supervisors with the necessary skills to manage their employees more effectively. This plan includes corporate Eaton training, as well as training conducted by trainers in the plant.

The training plan has been designed by Eaton and DMACC staff to meet these objectives. The training began in January 1993 and will continue until January 1997. The training plan includes:

I. Job Skill Specific Training

II. Management/Supervisory Skill Training

III. Training Materials

IV. Professional/Job Skill Development Seminars, Conferences and Courses

VI. DMACC Coordination Fee

EVALUATION

All training which is conducted under this training plan will be evaluated. The procedure to be used will vary depending upon the type of training which is to take place. Techniques used will be: 1) completion of an evaluation form by participants at the conclusion of each course which DMACC provides instruction, 2) a written evaluation of training that was provided under the training plan to be completed by management/supervisory staff at the end of the first and second year of training, 3) focus group sessions with management/supervisors regarding outcomes of training.
## Eaton Corporation
### Second Agreement
#### List of Positions

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<tr>
<th>Position Title</th>
<th>Number of Jobs</th>
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<tr>
<td>Maintenance Technician</td>
<td>1</td>
<td>7.25</td>
</tr>
<tr>
<td>Group Leaders</td>
<td>4</td>
<td>7.50</td>
</tr>
<tr>
<td>Production Workers</td>
<td>33</td>
<td>6.00</td>
</tr>
<tr>
<td>Shipping Clerk</td>
<td>1</td>
<td>6.50</td>
</tr>
<tr>
<td>Maintenance Clerk</td>
<td>1</td>
<td>6.50</td>
</tr>
</tbody>
</table>

Total 50 new positions

All positions have benefits totally $2.50 per hour.

Benefits begin the first day of the month following 60 days of employment.
I. JOB SPECIFIC TRAINING

A. New Hire Orientation 20 hours

Every new employee to Eaton receives orientation training which includes Right to Know, Safety, Teaming, Component Identification, Electric Static Discharge, Process Reading, Scale Reading and Bill and Material Reading. New hire orientation is conducted by Eaton trainers over a three month period.

B. Safety Training 27 hours

The following safety training programs are conducted on an on-going basis by Eaton trainers:

- Fork Lift 4 hours
- Lock-Out/Tag-Out 8 hours
- Hazardous Communication 1.5 hours
- Blood Born Pathogens 4 hours
- Fire Extinguisher 1.5 hours
- First Aid & CPR (outside vendor) 8 hours

C. Computer Systems Training 40-120 hours

The current system, ASK, will be taught to new employees until 1994 when the new BPIS system is installed. Both systems are MRPII based and use Bar Code tracking. Training is conducted by Eaton Corporate trainers and all employees receive 40-120 hours based upon their involvement with the systems.

D. Soldering Training 12 hours

All employees are trained in Soldering, Charting and Wave Soldering use and maintenance. Currently Phoenix, a consulting firm, is developing these programs. Eaton trainers will receive training to conduct these programs. This plan includes the cost of trainers instruction and the necessary instructional materials for new employees.(See category III)
E. **Automatic Insertion Equipment Training**  
4 hours for Operators  
40-60 hours for Technicians

New equipment is being installed at the Winterset plant which will require extensive training including Component Identification, Automatic Insertion Equipment Maintenance and Equipment Use. Funds from this program will be used to send two Eaton trainers to the vendor school for two weeks, and for the first several sessions conducted by the vendor in plant upon installation. Eaton trainers will then conduct the training for the use of this equipment.

F. **Test Fixture Equipment Use and Repair**  
2 hours

Each employee will be trained on the use and repair of test fixture equipment. Each line has four to eight pieces of test equipment. This ongoing training is conducted by Eaton trainers to ensure quality products.

G. **Team Skills**  
12-15 hours per Team

Eaton-Winterset is currently developing teams of employees into self-directed work groups. Eaton trainers conducting this training will be trained in Zenger-Miller Team Skills. Dollars from this fund will be used to purchase needed workbooks, videos (Category III), and trainer training. All teams are to be trained by December, 1994.

H. **Business Excellence**  
16 hours

The use of this purchased program is mandated by Eaton Corporate. This program is designed to train all employees in developing Eaton into a world class manufacturer. Ten Eaton employees have been trained to be internal facilitators. Dollars from this fund will be used to purchase workbooks and videos. (Category III)

I. **SPC**  
3 hours

Statistical Process Controls is taught to all employees through their work teams by internal trainers.

J. **ISO-9000**  
3 hours

Currently Eaton is in the process of preparing for ISO-9000 certification during Spring of 1994. Internal trainers are used to provide awareness training to all employees.
K. **ERGONOMICS** 3-6 hours

Eaton is hiring a consultant to evaluate the Winterset plant, recommend and develop programs to help employees maintain a safer more comfortable work environment. Dollars from this will be used for consultant training time.

L. **JIT** 6-8 hours

Each employee receives six to eight hours of Just-In-Time training. This training is provided by corporate trainers using a package custom designed for Eaton.

II. **SUPERVISORY/MANAGEMENT TRAINING**

A. **Frontline Leadership** 24-48 hours

Eaton is beginning to use Zenger-Miller Front-Line Leadership training programs. Funds from this program will be used to pay for facilitator training, workbooks and videos. (Category III)

B. **Six Sigma** 8 hours

Eaton Corporate requires management at Winterset to participate in Six Sigma leadership training. Six Sigma is a Motorola program designed to teach managers how to lead continuous quality improvement efforts.

C. **Sexual Harassment/ADA** 2 hours
   **Performance Appraisal** 2 hours

These programs are conducted for managers and supervisors annually by Eaton Corporate trainers or attorneys.

For both Categories I & II, Eaton will be reimbursed for trainer time spent conducting training for new employees and supervisors. Eaton will be reimbursed at a rate of $20 per hour upon presentation of documentation including class lists, days/dates/time, and instructor time sheets. As indicated, the costs of train the trainer programs, including fees and expenses, will be reimbursed to Eaton.

**TOTAL TRAINING FUNDS** $77,847
III. TRAINING MATERIALS

$55,700

Dollars from this fund will be used to purchase necessary training materials including workbooks, videos and handouts for the following Job Skill Specific (Category I) and Supervisory Training (Category II) programs:

- New employee orientation
- Safety
- Zenger-Miller Modules for Frontline and Team Skills
- Soldering
- Automatic Insertion Equipment and Test Fixture training
- SPC, JIT and ISO-9000
- Ergonomics
- Business Excellance
- Six Sigma
- Assorted paper and training supplies

IV. PROFESSIONAL/JOB SKILL DEVELOPMENT

$20,736

Dollars from this fund will be used for the following training activities:

A. Tuition reimbursement for new employees to take electronics or business classes at DMACC or other local colleges.

B. Tuition and fees for seminars, workshops and conferences which contribute to an employee's or supervisor's ability to better perform their jobs.

C. Non-credit training for computer software packages, including Windows, Excel, Work, WordPerfect and LANS, at DMACC and various vendors.

Cost of tuition, fees, and related travel will be paid for these activities.

VI. DMACC PROJECT MANAGEMENT

$8,100

Five percent of the training fund will be paid to DMACC to coordinate this project.

TOTAL FUND

$162,383
The source of training funds is from the Iowa new jobs credit withholding and the use of incremental property tax under Iowa Code 260E.

The training fund dollars will be allocated in the following training areas:

I. Job Skill Specific Training
   All new employees receive training from Eaton trainers in these areas:
   - New Hire Orientation
   - Safety
   - Computer Skills
   - Soldering
   - Automatic Insertion Equipment
   - Text Fixtures
   - Team Skills
   - Business Excellence
   - SPC
   - ISO 9000
   - Ergonomics
   - JIT

II. Supervisory/Management Training
   All supervisors and managers receive the following training from Eaton trainers:
   - Frontline Leadership
   - Six Sigma
   - Sexual Harassment, ADA, and performance appraisal

For both categories I & II, Eaton will be reimbursed for trainer time conducting these programs for new employees and their supervisors. Eaton will be reimbursed at a rate of $20 per hour up to a maximum of $77,847.
III. TRAINING MATERIALS $55,700
Eaton will be reimbursed for the cost of all materials related to the training in categories I & II.

IV. PROFESSIONAL/JOB SKILL DEVELOPMENT $20,736
Reimbursement will be made to Eaton for the following:
- new employees taking DMACC classes
- seminars/workshops/conferences fees and expenses

VI. DMACC PROJECT MANAGEMENT FEE $ 8,100

TOTAL FUND $162,383

No dollars will be allocated for On the Job Training reimbursement from this fund.

The training began in January 1993 and will continue until January 1997.

Upon receipt of proper documentation, reimbursement to providers of training that meets the guidelines of Iowa Code 260E, DMACC and this training plan will be made on an applied for basis.

This plan may be revised to meet the changing training need of Eaton Corporation Winterset plant with written consent of the company and DMACC and will be filed to adjust this original training plan.
Ankeny, Iowa
December 13, 1993

The Board of Directors of the Des Moines Area Community College met in regular session on the 13th day of December, 1993, at four o'clock p.m., at the DMACC Commons Building at the College in Ankeny, Iowa. The meeting was called to order and there were present Doug Shull, President of the Board, in the chair, and the following named Board Members:

Harold Belken, Susan Clouser, Lloyd Courter, Dale Froehlich,
Dick Johnson, Gerry Pecinovsky, Madelyn Tursi, Nancy Wolf-Keith

Absent: NONE

Matters were discussed concerning an additional New Jobs Training Agreement between the College and Midland International Tileworks, Inc. Following a discussion of the proposal, Board Member D. Johnson introduced and caused to be read a resolution entitled "A Resolution Approving the Form and Content and Execution and Delivery of a New Jobs Training Agreement, Instituting Proceedings for the Taking of Additional Action for the Issuance of New Jobs Training Certificates, Directing the Publication of a Notice of Intention to Issue Not to Exceed $435,000 Aggregate Principal Amount of New Jobs Training Certificates (Midland International Tileworks, Inc., Project #2) of the Des Moines Area Community College, and Providing for the Division of Taxes Levied on Property Where New Jobs are Created as a Result of a New Jobs Training Program"; and moved its adoption. The motion was seconded by Board Member G. Pecinovsky. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:

Ayes: Belken, Clouser, Courter, Froehlich, Johnson, Pecinovsky, Shull, Tursi, Wolf-Keith

Nays: NONE

Whereupon, the President declared said resolution, a copy of which is attached hereto, duly adopted and signed his approval thereto.

[Signature]
President of the Board of Directors

Attest:
[Signature]
Secretary of the Board of Directors
RESOLUTION

A RESOLUTION APPROVING THE FORM AND CONTENT AND EXECU-
TION AND DELIVERY OF A NEW JOBS TRAINING AGREEMENT,
INSTITUTING PROCEEDINGS FOR THE TAKING OF ADDITIONAL
ACTION FOR THE ISSUANCE OF NEW JOBS TRAINING CERTIFI-
CATES, DIRECTING THE PUBLICATION OF A NOTICE OF INTEN-
TION TO ISSUE NOT TO EXCEED $435,000 AGGREGATE PRINCI-
PAL AMOUNT OF NEW JOBS TRAINING CERTIFICATES (MIDLAND
INTERNATIONAL TILEWORKS, INC., PROJECT #2) OF THE
DES MOINES AREA COMMUNITY COLLEGE, AND PROVIDING FOR
THE DIVISION OF TAXES LEVIED ON PROPERTY WHERE NEW JOBS
ARE CREATED AS A RESULT OF A NEW JOBS TRAINING PROGRAM.

WHEREAS, The Des Moines Area Community College (hereinafter
referred to as the "College"), is an area community college and a
body politic organized and existing under the laws of the State
of Iowa, and is authorized and empowered by Chapter 260E of the
Code of Iowa, as amended (hereinafter referred to as the "Act"),
to issue New Jobs Training Certificates and use the proceeds from
the sale of said Certificates to defray all or a portion of the
cost of a "New Jobs Training Program" as that term is defined in
the Act, including the program costs, the purpose of which is to
encourage industry and trade to locate and expand within the
State of Iowa (the "State") in order to create jobs and employ-
ment opportunities and to improve the economic welfare of the
residents of the State; and

WHEREAS, the College has undertaken negotiations with
respect to a New Jobs Training Program with Midland International
Tileworks, Inc. (the "Company"), pursuant to the provisions of
the Act for the purpose of establishing a job training program
(hereinafter referred to as the "Project") to educate and train
workers for new jobs with the Company at its facilities located
or to be located in the merged area served by the College, which
Project will be beneficial to the Company and the College; and

WHEREAS, the College has determined that the amount neces-
sary to defray all or a portion of the cost of the Project,
including necessary expenses incidental thereto, will require the
issuance by the College of not to exceed $435,000 aggregate prin-
cipal amount of its New Jobs Training Certificates pursuant to
the provisions of the Act; and

WHEREAS, it is proposed to finance the cost of the Project
through the issuance of not to exceed $435,000 New Jobs Training
Certificates (Midland International Tileworks, Inc., Project #2)
of the College (the "Certificates"); and

WHEREAS, in order to provide for a division of taxes levied
on the taxable business property where the Project will be
located, the Board of Directors of the College must adopt a reso-
lution to that effect; and
WHEREAS, the Project will be located, and the new jobs will be created at the real property which is legally described on Exhibit "B" attached hereto and hereby incorporated herein; and

WHEREAS, before the Certificates may be issued, it is necessary to publish a notice of the proposal to issue new jobs training certificates and the right to appeal the decision of the Board of Directors of the College to issue the Certificates pursuant to the provisions of the Act, all as required and provided for by Section 260E.6 of the Act; and

WHEREAS, an Industrial New Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, has been negotiated by the College under the terms of which the College agrees, subject to the provisions of such Agreement, to provide a new jobs training program for the Company;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DES MOINES AREA COMMUNITY COLLEGE, AS FOLLOWS:

Section 1. That the Secretary of the Board of Directors is hereby directed to give notice of intention to issue the Certificates, stating the amount and purpose thereof, and the Project for which the Certificates are to be issued, by publication at least once in a legal newspaper, printed in the English language published at least once weekly and having a general circulation within the merged area served by the College. The notice shall be in substantially the following form:
The Des Moines Register

Affidavit of Publication

COPY OF ADVERTISEMENT
Exhibit "A"

STATE OF IOWA
POLK COUNTY

The undersigned, being first duly sworn, on oath states that she/he is the Chief Clerk of Des Moines Register and Tribune Company, a corporation duly organized and existing under the laws of the State of Iowa, with its principal place of business in Des Moines, Iowa, the publisher of

THE DES MOINES REGISTER (Daily)

DES MOINES SUNDAY REGISTER

newspapers of general circulation printed and published in the City of Des Moines, Polk County, Iowa, and that an advertisement, a printed copy of which is attached as Exhibit "A" and made a part of this affidavit, was printed and published in

The Des Moines Register (daily) the following dates December 27, 1993

in Des Moines Sunday Register on

Subscribed and sworn to before me by said affiant this 12th day of January 1994

Notary Public in and for Polk County, Iowa
NOTICE OF INTENTION TO ISSUE
NEW JOBS TRAINING CERTIFICATES
(MIDLAND INTERNATIONAL TILEWORKS, INC., PROJECT #2)
OF THE DES MOINES AREA COMMUNITY COLLEGE

Notice is hereby given that the Board of Directors of the
Des Moines Area Community College intends to issue in the manner
required by law not to exceed $435,000 aggregate principal amount
of Des Moines Area Community College New Jobs Training Certifi­
cates (Midland International Tileworks, Inc., Project #2). The
Certificates are to be issued for the purpose of providing funds
to pay the costs, including program costs, of a new jobs training
program to educate and train workers for new jobs at Midland
International Tileworks, Inc. in Redfield, Iowa.

The Board of Directors has instituted proceedings and taken
further and additional action for the authorization and issuance
of the Certificates.

A person may, within fifteen days after the publication of
this notice by action in the district court of a county in the
area within which the Des Moines Area Community College is
located, appeal the decision of the Board of Directors in propos­
ing to issue the Certificates. The action of the Board of Direc­
tors in determining to issue the Certificates is final and con­
clusive unless the district court finds that the Board of Direc­
tors has exceeded its legal authority. An action shall not be
brought which questions the legality of the Certificates, the
power of the Board of Directors to issue the Certificates, the
effectiveness of any proceedings relating to the authorization of
the Project, or the authorization and issuance of the Certifi­
cates from and after fifteen days from the publication of this
notice.

This notice is published pursuant to the provisions of Chap­
ter 260E of the Iowa Code.

By Order of the Board of
Directors

Secretary of the Board of
Directors
Section 2. That the Industrial New Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, be and the same is hereby approved and the President of the Board of Directors is hereby authorized to execute said Industrial New Jobs Training Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Industrial New Jobs Training Agreement, which constitutes and is hereby made a part of this Resolution, to be in substantially the form, text and containing the provisions set forth in Exhibit "A" attached hereto.

Section 3. That this Board does hereby institute proceedings and take further and additional action for the authorization and issuance in the manner required by law of not to exceed $435,000 of New Jobs Training Certificates (Midland International Tileworks, Inc. Project #2) the proceeds of which Certificates will be used to provide funds to pay costs, including program costs, of new jobs training by providing education and training of workers for new jobs at the Company.

Section 4. That all taxes levied on the Company's taxable business property, including any equipment, located on the real property legally described on Exhibit "B" attached hereto each year shall be divided as provided in Section 403.19 of the Iowa Code, subsections 1 and 2, in the same manner as if the Company's business property was taxable property in an urban renewal project and this Resolution was an ordinance within the meaning of those subsections, all in accordance with the provisions of the Act.

Section 5. That the County Auditor of the County where the property described on Exhibit "B" is located shall after the date of the adoption of this Resolution make the allocations provided for herein.

Section 6. The taxes received by this Board of Directors shall be allocated to and when collected be paid into a special fund of the College and shall be irrevocably pledged by the College to pay the principal of and interest on the Certificates issued by the College to finance the Project.

Section 7. That the Secretary of the Board of Directors shall certify a copy of this Resolution to the County Auditor of the County where the property described on Exhibit "B" is located.

Section 8. That officials of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.
Section 9. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 13th day of December, 1993.

[Signature]

President of the Board of Directors

Attest:

[Signature]

Secretary of the Board of Directors
STATE OF IOWA )
COUNTY OF POLK )

I, Helen M. Harris, Secretary of the Board of Directors of the Des Moines Area Community College, do hereby certify that I have in my possession or have access to the complete corporate records of said College and of its Board of Directors and officers; and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true, correct and complete copy of all of the corporate records showing the action taken with respect to the matters set forth therein by the Board of Directors of said College on December 13, 1993, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that such meeting was duly and publicly held in accordance with the Notice of Meeting and tentative agenda, a copy of which was timely served on each member of the Board of Directors and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board of Directors (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board of Directors and the provisions of Chapter 21, Code of Iowa, as amended, upon reasonable advance notice to the public and media at least twenty-four (24) hours prior to the commencement of the meeting as required by said law and with members of the public in attendance. I further certify that the individuals named in the attached proceedings were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board of Directors vacancies existed except as may be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the College or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand hereto affixed this 13th day of December, 1993.

[Signature]
Secretary of the Board of Directors

SE6:E6132608.93
INDUSTRIAL NEW JOBS
TRAINING AGREEMENT

between

Des Moines Area Community College
Ankeny, Iowa

and

MIDLAND INTERNATIONAL TILEWORKS

Dated as of DECEMBER 13, 1993

Relating to

Des Moines Area Community College
Job Training Certificates
INDUSTRIAL NEW JOBS TRAINING AGREEMENT

This Training Agreement (the "Agreement") made and entered into as of DECEMBER 13, 1993 between Des Moines Area Community College, Ankeny, Iowa (the "Area School") and MIDLAND INTERNATIONAL TILEWORKS, an IOWA corporation (the "Employer"), under the following circumstances:

A. Pursuant to Chapter 280B of Code of Iowa, as amended (the "Act"), the Area School has determined to enter into this Agreement with Employer for the purpose of establishing a new jobs training program to educate and train certain persons employed by Employer in new jobs.

B. The Area School and the Employer each have full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed.

NOW THEREFORE, in consideration of the premises and the mutual representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

REPRESENTATIONS

Section 1.1 Representations of the Area School. The Area School represents and covenants that: (a) it is duly organized and validly existing under the laws of the State of Iowa; (b) it is not in violation of any provisions of the laws of the State which would impair its ability to carry out its obligations hereunder; (c) it is empowered to enter into the transactions contemplated by this Agreement; and (d) it will do all things in its power required of it in order to maintain its existence or assure the assumption of its obligations hereunder by any successor public body.

Section 1.2 Representations and Covenants of the Employer. The Employer represents and covenants that:

(a) It is an IOWA corporation.

(b) It has full power and authority to execute, deliver and perform this Agreement and all other instruments given by the Employer to secure the Certificates (hereinafter described and referred to herein as the "Certificates") and to enter into and carry out the transactions contemplated herein. Such execution, delivery of performance are not in contravention of law or Employer's articles of incorporation, by-laws or any indenture, agreement, mortgage, lease, undertaking or any other restriction, obligation or instrument to which the Company is a party or by which it is bound. This Agreement has by proper action been duly authorized, executed and delivered by the Employer and all steps necessary have been taken to constitute this Agreement a valid and binding obligation of the Employer.
(c) There is no litigation or proceeding pending, or to the
knowledge of the Employer threatened, against the Employer or any
other person affecting in any manner whatsoever the right of the
Employer to execute this Agreement or to otherwise comply with its
obligations contained in this Agreement.

(d) The employees to be covered by this Agreement had not
commenced work for the Employer as of the date of the execution of
the Preliminary Industrial New Jobs Training Agreement between the
Area School and the Employer (the "Preliminary Agreement"), and
those employees are or will be employed in new jobs in connection
with the expansion of the Employer's business operations.

(e) The Employer is engaged in interstate/intrastate commerce
for the purpose of manufacturing, processing or assembling products,
conducting research and development, or providing services in
interstate commerce.

ARTICLE II

PROJECT: PROGRAM SERVICES

Section 2.1. The "Project" shall consist of the program services
described and the on-the-job training program described on Exhibit "A"
entitled "Training Plan For Midland International Tileworks
Exhibit "A" is incorporated herein by reference. Exhibit "A" shows the
number of employees, areas of training, training period and estimated
costs. Included as a part of Exhibit "A" and incorporated by reference is
a copy of the proposed budget of the Area School and the Employer relating
to the Project.

Section 2.2. The Employer represents and agrees that the Program
Services are for the purpose of providing education and training services
to persons to be employed as a part of the Project.

Section 2.3. The Area School agrees to provide the Program Services.
It is understood and agreed that the Employer and the Area School will
cooperate in the coordination and programming of the specific expenditures
and operation of the Project within the guidelines set out in Exhibit "A".

Section 2.4. The Employer agrees to pay or cause to be paid all
necessary and incidental costs of the Project, including principal and
interest on the Certificates. The costs shall be paid from new jobs credit
from withholding with respect to persons employed at the Project and the
incremental property taxes produced by the expansion by the Employer as a
part of the Project.

Section 2.5. The terms of this Agreement shall be for not to exceed
ten (10) years and shall coincide with the period of time over which the
Certificates mature and the Project costs are deferred.
Section 2.6. The Area School may revise the training curriculum from time to time with the consent of the Employer; provided that no revision shall be made which would change the Project to other than purposes permitted by the Act; provided, however, that this Agreement shall not terminate until the Certificates have been paid in full.

Section 2.7. The Certificates will be issued pursuant to a resolution adopted by the Board of Directors of the Area School in the aggregate principal amount, bearing interest, maturing and being redeemable as set forth in such resolution.

The proceeds from the sale of the Certificates shall be paid to the Area School and deposited in a Project Fund established by the Area School. Pending disbursement, the proceeds so deposited in the Project Fund, together with any investment earnings thereon, shall be subject to a lien in favor of the holders of the Certificates as provided in the resolution authorizing the Certificates.

Section 2.8. In the event that moneys in the Project Fund are not sufficient to pay all costs of the Project, the Employer will, nonetheless, pay all costs of such Project in full from its own funds. If the Employer should pay any portion of such costs, it shall not be entitled to any reimbursement therefore from the Area School; nor shall it be entitled to any abatement, diminution or postponement of the payments required to satisfy the debt service requirements on the Certificates. Provided, however, that the Employer will be entitled to reimbursement of its own funds from the Project Fund when a surplus is attained in such fund and not needed to satisfy the debt service requirements on the Certificates.

ARTICLE III
PAYMENTS: SECURITY

Section 3.1. Whether or not the amounts described in Section 2.4 are sufficient for such purpose, the Employer shall make, or cause to be made, payments on or before each principal and interest payment date until the principal and premium, if any, and interest on the Certificates shall have been paid, by paying, or causing to be paid, to the Area School, as payments hereunder, an amount equal to the amount payable as installments or principal (whether at maturity or by redemption) and premium, if any, and interest on the Certificates on such principal and interest payment date.

In any event, the sum of all payments under this Agreement shall be sufficient to pay the total amount due with respect to such principal of and interest and any premium of the Certificates as and when due.

Section 3.2. The Employer shall make, or cause to be made, from the sources described in Section 2.4 hereof, all payments directly to the Area School at its principal office for application to the payment of the corresponding installments of principal and premium, if any, and interest on the Certificates. The parties shall agree upon a payment schedule prior to the issuance of Certificates.
Section 3.3. The obligation of the Employer to make payments shall be absolute and unconditional upon issuance of the Certificates, and the Employer shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense, set-off, recoupment or counterclaim which the Employer may have or assert against the Area School or any other person.

Section 3.4. To secure the payment by the Employer of the payments and compliance by the Employer with all the terms, provisions and conditions hereof, Employer agrees that the new jobs credit from withholding, as defined and described in Section 5 of the Act, and the incremental property taxes, as defined and described in Section 4 of the Act, shall be pledged for payment of the principal of and premium, if any, and interest on the Certificates. To the extent required by the Act, the Employer further agrees that the payments required to be made by it hereunder are a lien upon the Employer's business property in the State of Iowa until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to this lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties and consequences as for the nonpayment of ordinary taxes. The purchaser at any such tax sale shall obtain the property subject to the remaining payments.

ARTICLE IV
EVENT OF DEFAULT AND REMEDIES

Section 4.1. Events of Default. Each of the following shall be an "event of default" hereunder:

(a) The Employer shall fail to pay any required payment on or prior to the date on which such payment is due and payable and continuing for more than five (5) business days thereafter.

(b) The Employer shall fail to observe and perform any other agreement, term or condition contained in this Agreement, if such failure continues for a period of thirty (30) days after notice of such failure is given to the Employer by the Area School, or for such longer period as the Area School may agree to in writing; provided, that if the failure is other than the payment of money and is of such nature that it cannot be corrected within the applicable period, such failure shall not constitute an event of default so long as the Employer institutes curative action within the applicable period and diligently pursues such action to completion.

(c) The Employer shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or hereafter in effect; (iii) commence a proceeding under any other federal or state bankruptcy, insolvency, reorganization or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or
reorganization entered against it or have the proceeding remain undismissed and unstayed for 90 days; (iv) make an assignment for the benefit of creditors; or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property.

(d) Any representation or warranty made by the Employer herein or any statement in any report, certificate, financial statement or other instrument furnished in connection with this Agreement or with the sale of the Certificates shall at any time prove to have been false or misleading in any material respect when made or given.

The declaration of an event of default under Subsection (c) above, and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 4.2. Whenever an event of default shall have happened and be continuing, the Area School may take whatever action at law or in equity may appear necessary or desirable to collect the payments due and other amounts then due and thereafter to become due, or to enforce performance and observance of any other obligation or agreement of the Employer under this Agreement. Notwithstanding the foregoing, the Area School shall not be obligated to take any step which in its opinion will or might cause it to expend time or money or otherwise incur liability unless and until a satisfactory indemnity bond has been furnished to the Area School at no cost or expense to the Area School. Any amounts collected as payments or applicable to payments and any other amounts which would be applicable to payment of principal and premium, if any, and interest on the Certificates collected pursuant to action taken under this Section shall be paid to the holders of the Certificates for application to such payment.

Section 4.3. No remedy conferred upon or reserved to the Area School by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall 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 the Area School to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.

Section 4.4. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.
ARTICLE V

MISCELLANEOUS

Section 5.1. All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate notice address as follows:

Area School: Joseph A. Borgen, Ph.D.
President
Des Moines Area Community College
2006 S. Ankeny Blvd.
Ankeny, Iowa 50021

Employer: William Forsythe
President
Midland International Tileworks
4140 Grand Avenue
Des Moines IA 50312

Employer and the Area School may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 5.2. All covenants, stipulations, obligations and agreements of the Area School contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, stipulation, obligation or agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Area School or the Board of Directors other than in his official capacity, and neither the members of the Board of Directors nor any official executing the Certificates shall be liable personally on the Certificates or be subject to any personal liability or accountability by reason of the issuance thereof or by reason of the covenants, stipulations, obligations or agreements of the Area School contained in this Agreement.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Area School, the Employer and their respective permitted successors and assigns provided that this Agreement may not be assigned by the Employer and may not be assigned by the Area School except as may otherwise be necessary to enforce or secure payment of the principal or premium, if any, and interest on the Certificates.

Section 5.4. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.
Section 5.5. If any provision of this Agreement, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof made, assumed, entered into or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 5.6. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State of Iowa.

Section 5.7. To further secure the payment of principal or premium, if any, and interest on the Certificates, the Employer shall, upon the request of the Area School, prior to the sale and issuance of the Certificates, cause to be provided to the Area School a guarantee of such payments by the Employer (or a letter-of-credit from a financial institution) in form and content acceptable to the Area School.

Section 5.8. The Area School and the Employer agree to use their best efforts to sell and issue the Certificates and the Employer will cooperate with the Area School to provide necessary financial information in connection with the sale of the Certificates. The parties shall agree upon a repayment schedule prior to the issuance of Certificates. It is understood and agreed that should the Certificates not be marketed or marketable within a reasonable time that this Agreement shall terminate and the Project shall be terminated by mutual agreement of the parties.

Section 5.9. The Employer covenants that it shall take such action or shall refrain from taking any action as shall be necessary to maintain the exemption from Federal income taxes of the interest on the Certificates.

Section 5.10. The Employer agrees to keep the facilities for which the Project has been established continuously insured in an amount at least equal to the total amount of the Certificates outstanding insuring the facilities against loss or damage by fire, lightning, such other perils as are covered by standard "extended coverage" endorsements, vandalism and malicious mischief and containing customary loss deductible provisions. If loss or damage occurs and the Employer determines not to rebuild or restore the facilities to their former condition, the Employer agrees to cause the insurance proceeds to be applied to the payment of principal and interest on the Certificates.
Section 5.11. This Agreement shall supplement the Preliminary Agreement which, except as modified herein, is hereby ratified and confirmed and together this Agreement and the Preliminary Agreement shall constitute one agreement between the Employer and the Area School with respect to the Project.

IN WITNESS WHEREOF, the Area School and the Employer have caused this Agreement to be duly executed in their respective names, all as of the date hereinabove written.

DES MOINES AREA COMMUNITY COLLEGE

By [Signature] 12-13-93
Date

MIDLAND INTERNATIONAL TILEWORKS
(Company Name)

By [Signature] 12/13/93
Deborah Forsythe Date
Executive Vice-President
November 4, 1993

The 260E training plan for Midland International Tileworks prepared by John Stapley has been reviewed by me and is in proper order.

Jolyne L. Ghanatabadi, Ph.D.
Dean, Curriculum and Scheduling
TRAINING PLAN
FOR
MIDLAND INTERNATIONAL TILEWORKS
PROJECT TWO

Prepared by
Des Moines Area Community College
Economic Development Group
John Stapley, Training Consultant
November 22, 1993
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<th>Section</th>
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<td>Introduction</td>
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<td>List of Positions</td>
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<td>Training Plan</td>
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<td>Training Budget</td>
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<td>The Tileworks Background Information</td>
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INTRODUCTION

MIDLAND INTERNATIONAL TILEWORKS

MIDLAND INTERNATIONAL TILEWORKS was incorporated as an Iowa S Corporation in June 1985. The first ceramic tile line was introduced in 1987 as The Tileworks. Using all Italian technology and equipment, Midland International Tileworks produces high quality, durable tile. As one of the fastest growing single-fire floor tile manufactures in the United States, The Tileworks current expansion project will make it the second largest producer of this product in the country. Most of the new positions from this expansion will be located in the Redfield facility, with some support positions located at the Des Moines Administrative Offices.

This training plan was developed between Midland International Tileworks and DMACC to meet the specialized training needs of Midland International Tileworks. Midland International Tileworks presently does not enjoy a favorable reputation as a place to work in the community. To reduce turnover and develop a strong versatile workforce Midland International Tileworks is working to change from traditional style of management to a contemporary style of management. The objectives of this plan are to provide new employees and its managers with the skills necessary to achieve productivity and quality goals to compete in the global marketplace.

All training which is conducted under this training will be evaluated. The procedure to be used will vary depending upon the type of training which is to take place. Techniques used will be: 1) completion of an evaluation form by participants at the conclusion of each course which DMACC provides instruction, 2) a written evaluation of training that was provided under the training plan to be completed by management/supervisor regarding outcomes of training.
MIDLAND INTERNATIONAL TILLEWORKS

LIST OF POSITIONS AND SALARY RATES

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FRINGE BENEFITS

After 90 days - life, health and disability insurance
100% paid by company
vacation and company paid holidays
TRAINING PLAN
FOR
MIDLAND INTERNATIONAL TILEWORKS

I. JOB SPECIFIC SKILL DEVELOPMENT $14,000

At Midland International Tileworks all new employees must complete an orientation program that includes orientation to the company (its quality philosophy, its customers and its industry), employee benefits, safety.

Funds will be used for pre-/post-employment job skill testing program. This assessment focuses on personality, numerical skill and business judgement. Results are used to place individuals in areas they will be most productive.

Each new employee will receive advanced skill training within the first year of employment. Subject areas may include specialized equipment operation, lock-out/tag-out, right-to-know, train-the-trainer, electrical/machine maintenance (Italian equipment), glaze make-up, robotics, team skills, team problem solving, and leadership training. DMACC may assist in the development and delivery of some of these courses.

Cost of training in this category is for trainer salaries for the development and delivery of these courses. Materials and supplies are funded out of Category III. Plant employees who conduct the above courses for Tileworks will be reimbursed at the rate of $15/hr.

II. SUPERVISORY AND MANAGEMENT DEVELOPMENT TRAINING $8,000

With this expansion Midland International Tileworks is working to change from traditional to a contemporary style of management seeking employee participation focused on continuous process improvement. All managers and supervisors will receive Quality Leadership training, Problem Solving training, Safety Leadership, Supervisor as trainer and Statistical Process Control (SPC) over the training period. While Tileworks plans to do some of this internally, DMACC may assist with SPC and Team Empowerment.

III. TRAINING MATERIALS $40,000

Dollars from this fund will be used to purchase the following:

a. Printing and bindery costs for in-house training materials.
b. Assessment instruments
c. Development and printing of manuals
d. Tileworks understands the value of effective visual aids for its training. DMACC will development and produce training video’s for Tileworks key processes:

- Orientation
- Glaze line
- Kiln Operation
- Press Operation

3
IV. PROFESSIONAL/SKILL DEVELOPMENT SEMINARS/WORKSHOP  $8,120

a. Funds for this category will be used to reimburse employees for class taken through DMACC.

b. Dollars from this fund will support employee attendance at seminars workshops, or conferences that help them perform their jobs.

V. ON-THE-JOB TRAINING (OJT)  $29,425

On-the-job training funds will be used for employees who require careful instructions for the specialized equipment or processes for continuous production of glazed ceramic tiles. Tileworks has developed a structured OJT training program for their critical processes. It provides two-way communication following a detailed set of operations and skills with an OJT trainer over a two week period before going under the direction of a group leader.

VI. EQUIPMENT VENDOR TRAINING  $180,000

The Tileworks has purchased and installed $5,000,000 worth of ITALIAN Technology and Equipment. The equipment includes Sachmi kiln/automated press/roller feeder machinery/Automatic Vertical Drier, Barber & Tarozzi transfer machinery, Nuova Fima packaging machinery, Omis glazing line and a MAC-PAL pelletizing robot. The specialized nature of the equipment requires technical trainers from the equipment manufacturers. Dollars from this fund will be used to cover travel, living expenses of the Italian technicians as well as all fees associated with the technical training.

VII. PROJECT MANAGEMENT FEE  $14,713

5% of this fund will be paid to DMACC to coordinate and manage this project.
TRAINING BUDGET SUMMARY
FOR
MIDLAND INTERNATIONAL TILEWORKS
PROJECT TWO

The source of training funds is from the Iowa new jobs credit withholding and the use of incremental property tax under Iowa Code 260E.

I. JOB SPECIFIC SKILL DEVELOPMENT $14,000
   - Pre-employment assessments
   - Orientation
   - Advanced skill training

II. MANAGEMENT/SUPERVISORY TRAINING 8,000
    - Management/Supervisor courses
    - Management strategies (MRPII, SPC, TQM, etc.)
    - Leadership skills

III. TRAINING MATERIALS 40,000
    - Assessment Instruments 2,250
    - Orientation materials/training materials 3,750
    - Development and production of videos 26,000
    - Development and printing of manuals 8,000

IV. PROFESSIONAL/SKILL DEVELOPMENT SEMINAR 8,120
    - Cost of tuition, course materials, travel and living expenses to seminars/workshops
    - Costs of professional memberships, conferences and expenses.

V. ON-THE-JOB TRAINING 29,425
    - For employees working in continuous process systems requiring close supervision.
VI. EQUIPMENT VENDOR TRAINING  180,000

- Technical support fee
- Travel, living expenses of the Italian technicians, and fees associated with technical training for installed equipment.

VII. PROJECT MANAGEMENT FEE  14,713

5% Project Management fee

TOTAL BUDGET $294,258

The training began in November 1992 and will continue until January 1997.

Upon receipt of proper documentation, reimbursement for all training expenses that meet the guidelines of Iowa Code 260E, DMACC, and this training plan will be made on an applied-for basis.

This plan may be revised to meet the changing training needs of Midland International Tileworks if both parties consent. A revised training plan with signatures of both DMACC and company representative will be filed with the original plan.
Midland International Tileworks (the Company) history can be traced back to 1931. Midland Brick, an affiliated company under the same management, was operated by family members for more than 50 years. During the 1979 Oil Embargo, Midland Brick ownership began exploring the potential of diversifying into less fuel intensive products.

A new fast-fire technology was emerging in Italy and the potential growth of the ceramic tile product category as well as the opportunity to produce a ceramic building material at a considerable fuel savings interested the Company's ownership.

Between 1978 and 1981 the principals of the Company operated a brick manufacturing facility in Missouri. The Missouri brick plant was the largest brick manufacturing facility in the upper-Midwest. In 1981, the Company acquired the Cantex Brick Division of Harsco, which was the Company's closest and largest competitor.

Instead of rushing into manufacturing, in 1981 the Company explored the new ceramic technology and the emerging ceramic tile market by importing tile from Italy and distributing it in their facilities in Missouri and then later in Kansas, Iowa and Nebraska. In 1985, with this ceramic tile marketing experience in hand, they began exploring the mechanics of constructing a ceramic tile manufacturing facility in this country. Several trips were made to Italy and negotiations commenced with several Italian manufacturing equipment suppliers.

In January, 1986, while the Company was in final negotiations regarding equipment and clay reserve purchases, management learned that a recently constructed state-of-the-art ceramic tile plant in Canada had filed for bankruptcy and that the less than six month old equipment was being liquidated. The liquidation company faced an almost insurmountable dilemma. The building that housed the factory had been sold and needed to be vacated within 90 days. Midland International Tileworks was the first interested party to view the Canadian facility (several other groups were scheduled in the weeks to follow). The liquidation company faced a $10,000 per day penalty for every day they were in the facility after the 90 day period and the Midland Group soon learned that if they did not find a buyer within the next 30 days the equipment would have to be disassembled and warehoused (at an estimated $2,000,000 cost) until a buyer could be found.
Midland International Tileworks offered approximately 20% of the market value of the equipment. After three days of negotiations, the liquidation company accepted the offer and in February of 1986, Midland started disassembling the plant and ultimately moved more than 70 truckloads of equipment from Montreal to Redfield, Iowa.

The Redfield building used for the installation of the Canadian-bought equipment had originally been a part of the brick operations that were acquired through the 1981 acquisition. In May, 1986, construction commenced in this formerly idle brick facility that had more than 500 years of some of the best quality clay available in the world.

In less than one year after start-up of ceramic tile manufacturing, the Company realized they were at full production capacity and started planning for further expansion. In late 1989 two lines were added to the one original line and the production capacity was increased by 140%.

Today the Company markets ceramic tile under two differentiated brand names - Tileworks and StileS™ - to more than 1,000 accounts in over 2,400 locations in the Continental United States, Hawaii and Alaska, Mexico and Canada, as well as limited amounts of exports to the Middle East. In less than six years of operation, the Company has grown to more than $16,500,000 of revenues with a production capacity of over 14 million square feet per year.

For all practical purposes, the Company again in 1992 reached full capacity and is currently completing its third phase of expansion, which will add another 15,000,000 square feet of production capacity per year. As one of the fastest growing single-fire floor tile manufacturers in the United States, The Tileworks expansion project, which will be completed by June, 1993, will make it the second largest producer of this product in the country.
The first ceramic tile line was introduced in 1987 as The Tileworks. Today, it is comprised of 58 different colors, sizes and textures of glazed ceramic tile that is primarily used for residential and small commercial floors. The distribution network for this line has grown to 130 stocking distributor locations nationwide.

The StileS™ line was introduced in late 1989 and initially targeted for the floor covering industry. Today it is comprised of 35 different colors, sizes and textures of glazed ceramic tile. The distribution group for this line has grown to 55 stocking distributor locations. Most of this customer group are large floor covering distributors who wholesale carpet, vinyl, wood and, now, ceramic to retailers. Each distributor typically services a statewide - sometimes multi-state - area with its own delivery trucks.

Because of its unique approach to the retail market, the StileS™ line has recently been embraced by some of the nation’s largest retailers - Home Depot, Color Tile, Hechinger’s and Payless Cashways. Color Tile is the world’s largest retailer of ceramic and the three aforementioned home centers are among the five largest in the U.S. today. Tile being sold and stocked by this group range from specific product lines to the entire StileS™ program.

Using all Italian technology and equipment, The Tileworks produces high quality, durable tile. It has concentrated on developing products that have already proven to be quite successful for foreign producers but not previously produced domestically. The Tileworks has been the first U.S. manufacturer of several new designs and at this time, still is the only manufacturer of many certain specific products.

Because of its ability to be on the leading edge of new product introduction, it has been able to capture some of the best of foreign design and “Americanize” it for the U.S. market. This aggressive approach to product development enables the Company to sell its new lines at higher prices. In 1993, this same philosophy is being pursued in the development of marbleized and stone-like tiles that have greater appeal for the American market than what is currently being offered by foreign suppliers.

Being one of the nine single-fire floor tile manufacturers in the U.S., it is estimated that almost 70% of the floor tile consumed in the U.S. is imported. Italy is the major foreign country to supply the U.S. market. Although Italian quality is generally good, the equipment and technology is identical to that used by The Tileworks. Consequently, availability and shipping problems, ocean and inland freight, 19% duty and colors and designs created for a world market (not just American) are all negative factors from which The Tileworks benefits.
Relations with Employees

The Tileworks employs over 140 people at its Redfield manufacturing facility. In addition to an hourly base pay, all production personnel receive weekly incentive pay based on the Company's pre-determined minimum goals for total production, percentages of first quality recovery and shipments. Once minimum goals are achieved, employees are rewarded at every level of improvement. By enabling each production employee to earn up to 10% bonus pay every week, quality control and production efficiencies begin with those who can effect change the most - factory line workers.

Through the concept of "worker empowerment" employees are encouraged to make suggestions to management for improvements in processes and procedures. By "helping to build a better mousetrap" they feel more in control of their jobs, their earning power and their ability to make a difference.

Relations with Customers

By offering quality products with quick ship service, The Tileworks has aggressively challenged its foreign competition which still dominates the U.S. market for single-fire ceramic tile.

The Tileworks quality rivals that of the Italian and Spanish producers. Being in regular contact with many of their customers, The Tileworks management team focuses its new product development based on the best designs that are selling for their customers. The best of Italian/Spanish design is then Americanized and introduced in sizes, textures and colors that are most popular for U.S. tastes.

Not only has this approach proven to be very successful for The Tileworks and its customers alike, but also The Tileworks has cut the 4 - 6 week lead times required to import tile down to less than one week from date of order. All of this translates into much shorter lead times, just in time inventories and fast turnover for Tileworks customers.

The Tileworks believes that its customers are its eyes and ears and that each customer's input is vitally important in helping to shape this young Company. Both of the Forsythes are actively involved in customer relations and use a "hands on" approach to help customers maximize sales opportunities, solve challenging problems and listen to their ideas and specific needs.

In the scope of manufacturer/customer relationships, The Tileworks organization strives to be a partner and to make its customers feel that they are an important part of The Tileworks team.
The Tileworks' sales for 1992 increased by 49% from the previous year. The sales for 1992 exceeded the Company's annual production capacity by several million dollars.

In addition to its existing customer base growth, the Company has helped national accounts like Color Tile, Payless Cashways and The Home Depot to develop highly successful ceramic programs that continue to excel in the marketplace. The opportunities for additional growth in the home center and national account categories have only been limited by the Company's production capacity.

In June of this year, The Tileworks will have completed its third expansion since its initial ground breaking in 1986. This latest expansion will increase its production capacity by almost 85%. Both CDBG funds and jobs training dollars from the State of Iowa have helped to speed this project along.

When the new production begins in less than two months, the Company will have an annual production capacity of almost 28,000,000 square feet of glazed ceramic floor tile. With this added production, The Tileworks will continue to aggressively pursue new customers nationwide, as well as introduce a number of innovative new products to the market in the coming year.
Ankeny, Iowa

December 13, 1993

The Board of Directors of the Des Moines Area Community College met in regular session on the 13th day of December, 1993, at four o'clock p.m., at the DMACC Commons Building at the College in Ankeny, Iowa. The meeting was called to order and there were present Doug Shull, President of the Board, in the chair, and the following named Board Members:

Harold Belken, Susan Clouser, Lloyd Courter, Dale Froehlich,

Dick Johnson, Gerry Pecinovsky, Madelyn Tursi, Nancy Wolf-Keith

Absent: NONE

Matters were discussed concerning an additional New Jobs Training Agreement between the College and The Printer, Inc. Following a discussion of the proposal, Board Member D. Johnson introduced and caused to be read a resolution entitled "A Resolution Approving the Form and Content and Execution and Delivery of a New Jobs Training Agreement, Instituting Proceedings for the Taking of Additional Action for the Issuance of New Jobs Training Certificates, Directing the Publication of a Notice of Intention to Issue Not to Exceed $235,000 Aggregate Principal Amount of New Jobs Training Certificates (The Printer, Inc., Project #2) of the Des Moines Area Community College, and Providing for the Division of Taxes Levied on Property Where New Jobs are Created as a Result of a New Jobs Training Program"; and moved its adoption. The motion was seconded by Board Member G. Pecinovsky. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:

Ayes: Belken, Clouser, Courter, Froehlich, Johnson, Pecinovsky, Shull, Tursi, Wolf-Keith

Nays: NONE

Whereupon, the President declared said resolution, a copy of which is attached hereto, duly adopted and signed his approval thereto.

* * * * * *

President of the Board of Directors

Attest:

Secretary of the Board of Directors
RESOLUTION

A RESOLUTION APPROVING THE FORM AND CONTENT AND EXECUTION AND DELIVERY OF A NEW JOBS TRAINING AGREEMENT, INSTITUTING PROCEEDINGS FOR THE TAKING OF ADDITIONAL ACTION FOR THE ISSUANCE OF NEW JOBS TRAINING CERTIFICATES, DIRECTING THE PUBLICATION OF A NOTICE OF INTENTION TO ISSUE NOT TO EXCEED $235,000 AGGREGATE PRINCIPAL AMOUNT OF NEW JOBS TRAINING CERTIFICATES (THE PRINTER, INC., PROJECT #2) OF THE DES MOINES AREA COMMUNITY COLLEGE, AND PROVIDING FOR THE DIVISION OF TAXES LEVIED ON PROPERTY WHERE NEW JOBS ARE CREATED AS A RESULT OF A NEW JOBS TRAINING PROGRAM.

WHEREAS, The Des Moines Area Community College (hereinafter referred to as the "College"), is an area community college and a body politic organized and existing under the laws of the State of Iowa, and is authorized and empowered by Chapter 260E of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to issue New Jobs Training Certificates and use the proceeds from the sale of said Certificates to defray all or a portion of the cost of a "New Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to encourage industry and trade to locate and expand within the State of Iowa (the "State") in order to create jobs and employment opportunities and to improve the economic welfare of the residents of the State; and

WHEREAS, the College has undertaken negotiations with respect to a New Jobs Training Program with The Printer, Inc. (the "Company"), pursuant to the provisions of the Act for the purpose of establishing a job training program (hereinafter referred to as the "Project") to educate and train workers for new jobs with the Company at its facilities located or to be located in the merged area served by the College, which Project will be beneficial to the Company and the College; and

WHEREAS, the College has determined that the amount necessary to defray all or a portion of the cost of the Project, including necessary expenses incidental thereto, will require the issuance by the College of not to exceed $235,000 aggregate principal amount of its New Jobs Training Certificates pursuant to the provisions of the Act; and

WHEREAS, it is proposed to finance the cost of the Project through the issuance of not to exceed $235,000 New Jobs Training Certificates (The Printer, Inc., Project #2) of the College (the "Certificates"); and

WHEREAS, in order to provide for a division of taxes levied on the taxable business property where the Project will be located, the Board of Directors of the College must adopt a resolution to that effect; and
WHEREAS, the Project will be located, and the new jobs will be created at the real property which is legally described on Exhibit "B" attached hereto and hereby incorporated herein; and

WHEREAS, before the Certificates may be issued, it is necessary to publish a notice of the proposal to issue new jobs training certificates and the right to appeal the decision of the Board of Directors of the College to issue the Certificates pursuant to the provisions of the Act, all as required and provided for by Section 260E.6 of the Act; and

WHEREAS, an Industrial New Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, has been negotiated by the College under the terms of which the College agrees, subject to the provisions of such Agreement, to provide a new jobs training program for the Company;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DES MOINES AREA COMMUNITY COLLEGE, AS FOLLOWS:

Section 1. That the Secretary of the Board of Directors is hereby directed to give notice of intention to issue the Certificates, stating the amount and purpose thereof, and the Project for which the Certificates are to be issued, by publication at least once in a legal newspaper, printed in the English language published at least once weekly and having a general circulation within the merged area served by the College. The notice shall be in substantially the following form:
Notice is hereby given that the Board of Directors of the Des Moines Area Community College intends to issue in the manner required by low not to exceed $235,000 aggregate principal amount of Des Moines Area Community College New Jobs Training Certificates (The Printer, Inc., Project #2). The Certificates are to be issued for the purpose of providing funds to pay the costs, including program costs, of a newjobs training program to educate and train workers for new jobs at The Printer, Inc., in Des Moines, Iowa.

A person may, within fifteen days after the publication of this notice by action in the district court of a county in the area within which the Des Moines Area Community College is located, appeal the decision of the Board of Directors in proposing to issue the Certificates. The action of the Board of Directors in determining to issue the Certificates is final and conclusive unless the district court finds that the Board of Directors has exceeded its legal, authority, and an appeal shall not be brought which questions the legality of the Certificates, the power of the Board of Directors to issue the Certificates, the effectiveness of any proceedings relating to the authorization of the Project, or the authorization and issuance of the Certificates from and after fifteen days from the publication of this notice.

This notice is published pursuant to the provisions of Chapter 260E of the Iowa Code.

STATE OF IOWA

POLK COUNTY

The undersigned, being first duly sworn, on oath states that she/he is the Chief Clerk of Des Moines Register and Tribune Company, a corporation duly organized and existing under the laws of the State of Iowa, with its principal place of business in Des Moines, Iowa, the publisher of THE DES MOINES REGISTER (Daily)

DES MOINES SUNDAY REGISTER

newspapers of general circulation printed and published in the City of Des Moines, Polk County, Iowa, and that an advertisement, a printed copy of which is attached as Exhibit "A" and made a part of this affidavit, was printed and published in

The Des Moines Register (daily) the following dates December 27, 1993

in Des Moines Sunday Register on

Subscribed and sworn to before me by said affiant this 12th day of January 1994

[Signature]

Notary Public in and for Polk County, Iowa

Mailing Address • P.O. Box 957 • Des Moines, Iowa 50304
Street Address • 715 Locust Street • Des Moines, Iowa 50309 • (515) 284-3000

GANNETT
NOTICE OF INTENTION TO ISSUE NEW JOBS TRAINING CERTIFICATES (THE PRINTER, INC., PROJECT #2) OF THE DES MOINES AREA COMMUNITY COLLEGE

Notice is hereby given that the Board of Directors of the Des Moines Area Community College intends to issue in the manner required by law not to exceed $235,000 aggregate principal amount of Des Moines Area Community College New Jobs Training Certificates (The Printer, Inc., Project #2). The Certificates are to be issued for the purpose of providing funds to pay the costs, including program costs, of a new jobs training program to educate and train workers for new jobs at The Printer, Inc. in Des Moines, Iowa.

The Board of Directors has instituted proceedings and taken further and additional action for the authorization and issuance of the Certificates.

A person may, within fifteen days after the publication of this notice by action in the district court of a county in the area within which the Des Moines Area Community College is located, appeal the decision of the Board of Directors in proposing to issue the Certificates. The action of the Board of Directors in determining to issue the Certificates is final and conclusive unless the district court finds that the Board of Directors has exceeded its legal authority. An action shall not be brought which questions the legality of the Certificates, the power of the Board of Directors to issue the Certificates, the effectiveness of any proceedings relating to the authorization of the Project, or the authorization and issuance of the Certificates from and after fifteen days from the publication of this notice.

This notice is published pursuant to the provisions of Chapter 260E of the Iowa Code.

By Order of the Board of Directors

Secretary of the Board of Directors
Section 2. That the Industrial New Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, be and the same is hereby approved and the President of the Board of Directors is hereby authorized to execute said Industrial New Jobs Training Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Industrial New Jobs Training Agreement, which constitutes and is hereby made a part of this Resolution, to be in substantially the form, text and containing the provisions set forth in Exhibit "A" attached hereto.

Section 3. That this Board does hereby institute proceedings and take further and additional action for the authorization and issuance in the manner required by law of not to exceed $235,000 of New Jobs Training Certificates (The Printer Inc., Project #2) the proceeds of which Certificates will be used to provide funds to pay costs, including program costs, of new jobs training by providing education and training of workers for new jobs at the Company.

Section 4. That all taxes levied on the Company's taxable business property, including any equipment, located on the real property legally described on Exhibit "B" attached hereto each year shall be divided as provided in Section 403.19 of the Iowa Code, subsections 1 and 2, in the same manner as if the Company's business property was taxable property in an urban renewal project and this Resolution was an ordinance within the meaning of those subsections, all in accordance with the provisions of the Act.

Section 5. That the County Auditor of the County where the property described on Exhibit "B" is located shall after the date of the adoption of this Resolution make the allocations provided for herein.

Section 6. The taxes received by this Board of Directors shall be allocated to and when collected be paid into a special fund of the College and shall be irrevocably pledged by the College to pay the principal of and interest on the Certificates issued by the College to finance the Project.

Section 7. That the Secretary of the Board of Directors shall certify a copy of this Resolution to the County Auditor of the County where the property described on Exhibit "B" is located.

Section 8. That officials of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.
Section 9. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 13th day of December, 1993.

[Signature]
President of the Board of Directors

Attest:

[Signature]
Secretary of the Board of Directors
I, Helen M. Harris, Secretary of the Board of Directors of the Des Moines Area Community College, do hereby certify that I have in my possession or have access to the complete corporate records of said College and of its Board of Directors and officers; and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true, correct and complete copy of all of the corporate records showing the action taken with respect to the matters set forth therein by the Board of Directors of said College on December 13, 1993, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that such meeting was duly and publicly held in accordance with the Notice of Meeting and tentative agenda, a copy of which was timely served on each member of the Board of Directors and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board of Directors (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board of Directors and the provisions of Chapter 21, Code of Iowa, as amended, upon reasonable advance notice to the public and media at least twenty-four (24) hours prior to the commencement of the meeting as required by said law and with members of the public in attendance. I further certify that the individuals named in the attached proceedings were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board of Directors vacancies existed except as may be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the College or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand hereto affixed this 13th day of December, 1993.

[Signature]
Secretary of the Board of Directors

SE6:E6132607.93
INDUSTRIAL NEW JOBS
TRAINING AGREEMENT

between

Des Moines Area Community College
Ankeny, Iowa

and

THE PRINTER, INC.

Dated as of DECEMBER 13, 1993

Relating to

Des Moines Area Community College
Job Training Certificates
This Training Agreement (the "Agreement") made and entered into as of DECEMBER 13, 1993 between Des Moines Area Community College, Ankeny, Iowa (the "Area School") and THE PRINTER, INC. (a(n) IOWA corporation (the "Employer"), under the following circumstances:

A. Pursuant to Chapter 280B of Code of Iowa, as amended (the "Act"), the Area School has determined to enter into this Agreement with Employer for the purpose of establishing a new jobs training program to educate and train certain persons employed by Employer in new jobs.

B. The Area School and the Employer each have full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed.

NOW THEREFORE, in consideration of the premises and the mutual representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

REPRESENTATIONS

Section 1.1 Representations of the Area School. The Area School represents and covenants that: (a) it is duly organized and validly existing under the laws of the State of Iowa; (b) it is not in violation of any provisions of the laws of the State which would impair its ability to carry out its obligations hereunder; (c) it is empowered to enter into the transactions contemplated by this Agreement; and (d) it will do all things in its power required of it in order to maintain its existence or assure the assumption of its obligations hereunder by any successor public body.

Section 1.2 Representations and Covenants of the Employer. The Employer represents and covenants that:

(a) It is a(n) IOWA corporation.

(b) It has full power and authority to execute, deliver and perform this Agreement and all other instruments given by the Employer to secure the Certificates (hereinafter described and referred to herein as the "Certificates") and to enter into and carry out the transactions contemplated herein. Such execution, delivery of performance are not in contravention of law or Employer's articles of incorporation, by-laws or any indenture, agreement, mortgage, lease, undertaking or any other restriction, obligation or instrument to which the Company is a party or by which it is bound. This Agreement has by proper action been duly authorized, executed and delivered by the Employer and all steps necessary have been taken to constitute this Agreement a valid and binding obligation of the Employer.
(c) There is no litigation or proceeding pending, or to the knowledge of the Employer threatened, against the Employer or any other person affecting in any manner whatsoever the right of the Employer to execute this Agreement or to otherwise comply with its obligations contained in this Agreement.

(d) The employees to be covered by this Agreement had not commenced work for the Employer as of the date of the execution of the Preliminary Industrial New Jobs Training Agreement between the Area School and the Employer (the "Preliminary Agreement"), and those employees are or will be employed in new jobs in connection with the expansion of the Employer's business operations.

(e) The Employer is engaged in interstate/intrastate commerce for the purpose of manufacturing, processing or assembling products, conducting research and development, or providing services in interstate commerce.

ARTICLE II

PROJECT: PROGRAM SERVICES

Section 2.1. The "Project" shall consist of the program services described and the on-the-job training program described on Exhibit "A" entitled "Training Plan For The Printer, Inc.". Exhibit "A" is incorporated herein by reference. Exhibit "A" shows the number of employees, areas of training, training period and estimated costs. Included as a part of Exhibit "A" and incorporated by reference is a copy of the proposed budget of the Area School and the Employer relating to the Project.

Section 2.2. The Employer represents and agrees that the Program Services are for the purpose of providing education and training services to persons to be employed as a part of the Project.

Section 2.3. The Area School agrees to provide the Program Services. It is understood and agreed that the Employer and the Area School will cooperate in the coordination and programming of the specific expenditures and operation of the Project within the guidelines set out in Exhibit "A".

Section 2.4. The Employer agrees to pay or cause to be paid all necessary and incidental costs of the Project, including principal and interest on the Certificates. The costs shall be paid from new jobs credit from withholding with respect to persons employed at the Project and the incremental property taxes produced by the expansion by the Employer as a part of the Project.

Section 2.5. The terms of this Agreement shall be for not to exceed ten (10) years and shall coincide with the period of time over which the Certificates mature and the Project costs are deferred.
Section 2.6. The Area School may revise the training curriculum from time to time with the consent of the Employer; provided that no revision shall be made which would change the Project to other than purposes permitted by the Act; provided, however, that this Agreement shall not terminate until the Certificates have been paid in full.

Section 2.7. The Certificates will be issued pursuant to a resolution adopted by the Board of Directors of the Area School in the aggregate principal amount, bearing interest, maturing and being redeemable as set forth in such resolution.

The proceeds from the sale of the Certificates shall be paid to the Area School and deposited in a Project Fund established by the Area School. Pending disbursement, the proceeds so deposited in the Project Fund, together with any investment earnings thereon, shall be subject to a lien in favor of the holders of the Certificates as provided in the resolution authorizing the Certificates.

Section 2.8. In the event that moneys in the Project Fund are not sufficient to pay all costs of the Project, the Employer will, nonetheless, pay all costs of such Project in full from its own funds. If the Employer should pay any portion of such costs, it shall not be entitled to any reimbursement therefor from the Area School; nor shall it be entitled to any abatement, diminution or postponement of the payments required to satisfy the debt service requirements on the Certificates. Provided, however, that the Employer will be entitled to reimbursement of its own funds from the Project Fund when a surplus is attained in such fund and not needed to satisfy the debt service requirements on the Certificates.

ARTICLE III
PAYMENTS: SECURITY

Section 3.1. Whether or not the amounts described in Section 2.4 are sufficient for such purpose, the Employer shall make, or cause to be made, payments on or before each principal and interest payment date until the principal and premium, if any, and interest on the Certificates shall have been paid, by paying, or causing to be paid, to the Area School, as payments hereunder, an amount equal to the amount payable as installments or principal (whether at maturity or by redemption) and premium, if any, and interest on the Certificates on such principal and interest payment date.

In any event, the sum of all payments under this Agreement shall be sufficient to pay the total amount due with respect to such principal of and interest and any premium of the Certificates as and when due.

Section 3.2. The Employer shall make, or cause to be made, from the sources described in Section 2.4 hereof, all payments directly to the Area School at its principal office for application to the payment of the corresponding installments of principal and premium, if any, and interest on the Certificates. The parties shall agree upon a payment schedule prior to the issuance of Certificates.
Section 3.3. The obligation of the Employer to make payments shall be absolute and unconditional upon issuance of the Certificates, and the Employer shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense, set-off, recoupment or counterclaim which the Employer may have or assert against the Area School or any other person.

Section 3.4. To secure the payment by the Employer of the payments and compliance by the Employer with all the terms, provisions and conditions hereof, Employer agrees that the new jobs credit from withholding, as defined and described in Section 5 of the Act, and the incremental property taxes, as defined and described in Section 4 of the Act, shall be pledged for payment of the principal of and premium, if any, and interest on the Certificates. To the extent required by the Act, the Employer further agrees that the payments required to be made by it hereunder are a lien upon the Employer's business property in the State of Iowa until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to this lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties and consequences as for the nonpayment of ordinary taxes. The purchaser at any such tax sale shall obtain the property subject to the remaining payments.

ARTICLE IV
EVENT OF DEFAULT AND REMEDIES

Section 4.1. Events of Default. Each of the following shall be an "event of default" hereunder:

(a) The Employer shall fail to pay any required payment on or prior to the date on which such payment is due and payable and continuing for more than five (5) business days thereafter.

(b) The Employer shall fail to observe and perform any other agreement, term or condition contained in this Agreement, if such failure continues for a period of thirty (30) days after notice of such failure is given to the Employer by the Area School, or for such longer period as the Area School may agree to in writing; provided, that if the failure is other than the payment of money and is of such nature that it cannot be corrected within the applicable period, such failure shall not constitute an event of default so long as the Employer institutes curative action within the applicable period and diligently pursues such action to completion.

(c) The Employer shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or hereafter in effect; (iii) commence a proceeding under any other federal or state bankruptcy, insolvency, reorganization or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or
reorganization entered against it or have the proceeding remain undismissed and unstayed for 90 days; (iv) make an assignment for the benefit of creditors; or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property.

(d) Any representation or warranty made by the Employer herein or any statement in any report, certificate, financial statement or other instrument furnished in connection with this Agreement or with the sale of the Certificates shall at any time prove to have been false or misleading in any material respect when made or given.

The declaration of an event of default under Subsection (c) above, and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 4.2. Whenever an event of default shall have happened and be continuing, the Area School may take whatever action at law or in equity may appear necessary or desirable to collect the payments due and other amounts then due and thereafter to become due, or to enforce performance and observance of any other obligation or agreement of the Employer under this Agreement. Notwithstanding the foregoing, the Area School shall not be obligated to take any step which in its opinion will or might cause it to expend time or money or otherwise incur liability unless and until a satisfactory indemnity bond has been furnished to the Area School at no cost or expense to the Area School. Any amounts collected as payments or applicable to payments and any other amounts which would be applicable to payment of principal and premium, if any, and interest on the Certificates collected pursuant to action taken under this Section shall be paid to the holders of the Certificates for application to such payment.

Section 4.3. No remedy conferred upon or reserved to the Area School by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall 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 the Area School to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.

Section 4.4. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.
ARTICLE V

MISCELLANEOUS

Section 5.1. All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate notice address as follows:

Area School: Joseph A. Borgen, Ph.D.
President
Des Moines Area Community College
2006 S. Ankeny Blvd.
Ankeny, Iowa 50021

Employer: WILLIAM C. BENSKIN
PRESIDENT
THE PRINTER, INC.
1220 THOMAS BECK ROAD
DES MOINES, IOWA 50315

Employer and the Area School may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 5.2. All covenants, stipulations, obligations and agreements of the Area School contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, stipulation, obligation or agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Area School or the Board of Directors other than in his official capacity, and neither the members of the Board of Directors nor any official executing the Certificates shall be liable personally on the Certificates or be subject to any personal liability or accountability by reason of the issuance thereof or by reason of the covenants, stipulations, obligations or agreements of the Area School contained in this Agreement.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Area School, the Employer and their respective permitted successors and assigns provided that this Agreement may not be assigned by the Employer and may not be assigned by the Area School except as may otherwise be necessary to enforce or secure payment of the principal or premium, if any, and interest on the Certificates.

Section 5.4. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.
Section 5.5. If any provision of this Agreement, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof made, assumed, entered into or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 5.6. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State of Iowa.

Section 5.7. To further secure the payment of principal or premium, if any, and interest on the Certificates, the Employer shall, upon the request of the Area School, prior to the sale and issuance of the Certificates, cause to be provided to the Area School a guarantee of such payments by the Employer (or a letter-of-credit from a financial institution) in form and content acceptable to the Area School.

Section 5.8. The Area School and the Employer agree to use their best efforts to sell and issue the Certificates and the Employer will cooperate with the Area School to provide necessary financial information in connection with the sale of the Certificates. The parties shall agree upon a repayment schedule prior to the issuance of Certificates. It is understood and agreed that should the Certificates not be marketed or marketable within a reasonable time that this Agreement shall terminate and the Project shall be terminated by mutual agreement of the parties.

Section 5.9. The Employer covenants that it shall take such action or shall refrain from taking any action as shall be necessary to maintain the exemption from Federal income taxes of the interest on the Certificates.

Section 5.10. The Employer agrees to keep the facilities for which the Project has been established continuously insured in an amount at least equal to the total amount of the Certificates outstanding insuring the facilities against loss or damage by fire, lightning, such other perils as are covered by standard "extended coverage" endorsements, vandalism and malicious mischief and containing customary loss deductible provisions. If loss or damage occurs and the Employer determines not to rebuild or restore the facilities to their former condition, the Employer agrees to cause the insurance proceeds to be applied to the payment of principal and interest on the Certificates.
Section 5.11. This Agreement shall supplement the Preliminary Agreement which, except as modified herein, is hereby ratified and confirmed and together this Agreement and the Preliminary Agreement shall constitute one agreement between the Employer and the Area School with respect to the Project.

IN WITNESS WHEREOF, the Area School and the Employer have caused this Agreement to be duly executed in their respective names, all as of the date hereinabove written.

DES MOINES AREA COMMUNITY COLLEGE

By

Date

ATTEST:

Helen M. Hasee

THE PRINTER, INC.

(Company Name)

By

Date

William C. Benskin

President
November 24, 1993

The 260E training plan for Printers, Inc. prepared by John Stapley has been reviewed by me and is in proper order.

Jolyne L. Ghanatabadi, Ph.D.
Dean, Curriculum and Scheduling
TRAINING PLAN
FOR
THE PRINTER, INC.
PROJECT TWO

Prepared by

Des Moines Area Community College
Economic Development Group
John Stapley, Training Consultant
November 29, 1993
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INTRODUCTION

THE PRINTER, INC.

The Printer, Inc., founded in 1973 as a print brokerage, has evolved to a full-service print communications company. The company located in Des Moines, Iowa presently occupies a high-capacity 60,000 square-foot facility that is a showcase of state-of-the-market design and technology. This second project is due to continued business expansion that is adding 26 new positions and installing 2.5 million dollars of state-of-the-market printing presses.

This training plan was developed by The Printer, Inc. and DMACC to meet the training needs of the new positions. The objective of this plan is to provide new employees with knowledge of the company operations and policies, and the necessary skills training to become productive in these new positions.

All training which is conducted under this training will be evaluated. The procedure to be used will vary depending upon the type of training which is to take place. Techniques used will be: completion of an evaluation form by participants at the conclusion of each course in which DMACC provides instruction, a written evaluation of training that was provided under the training plan to be completed by management/supervisor and DMACC regarding outcomes of training.
# THE PRINTER, INC.

## LIST OF POSITIONS

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<tr>
<td>Computer Graphics</td>
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<tr>
<td>Bindery Operator</td>
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<td>18,000</td>
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<tr>
<td>Supervisors</td>
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<td>28,400</td>
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**FRINGE BENEFITS:**

Life, Health and Dental Insurance (100% paid by company for each employee/family plan cost $22/week paid by employee) sick leave, paid vacations, 10 paid holidays, 401K plan and profit sharing.
TRAINING PLAN
FOR
THE PRINTER, INC.
PROJECT TWO

I. Job Specific Skill Development $26,000

A. Each new employee at The Printer is required to complete preemployment assessments and a comprehensive new-hire orientation. The orientation covers company goals and policies, general safety (includes Lock Out/Tag Out and Haz-Mat), and product and process orientation.

B. The Printer’s TQM/SPC training will be provided each new employee. After completion of TQM/SPC course employees will receive Team Skills Training and participate with other employees on a process improvement team.

C. Salespersons will receive additional product/process orientation to gain complete knowledge of The Printer’s services. They will also attend courses such as power selling, negotiation techniques, and collection methods.

D. Bindery Operators will receive 20 hours of machine training on bindery process equipment.

E. Telemarketing persons are looking to DMACC for telemarketing skills (both in-bound and out-bound). They will be taking computer literacy and WordPerfect courses at DMACC as well. The courses at DMACC will be funded in category IV.

F. Pressmen will receive technical training from the German technicians representing Man-Roland and Heidelberg. Xerox will also send people to The Printer to provide training on the Docutech equipment which is funded in Category VI.

G. Computer graphics persons will attend DMACC desktop publishing and related courses funded in Category IV.

II. Management/Supervisory Job Specific Training $9,850

A. The new supervisors will be provided The Printer, Inc. new supervisor course. This covers policies, product and process responsibilities, and how to supervise their area of responsibility.
B. Other management/supervisory skills will be completed at DMACC. Subjects include but are not limited to conflict management, basic supervision, leadership skills, and teaching the new employee how to do the job. These courses will be funded in category IV.

III. Training Materials $12,500

A. This category will fund the expenditures for assessment instruments, manuals, and printing cost associated with the orientation program, and course materials from Categories I and II.

B. This fund will also be used for the printing and bindery cost for documenting their Quality System to align with ISO-9000 guidelines.

C. Funds will be used to upgrade the training resource library with videos, books, and training aids.

IV. Professional/Skill Development Seminars/Workshops $41,433

Funds in this category will be allocated to meeting individual training needs of employees in new positions. It may fund tuition and course materials for credit/noncredit courses and outside seminars, including travel expenses. (Reference category’s I and II)

VI. Vendor/Equipment Training $42,500

The Printer has purchased $3,325,000 of state-of-the-market printing equipment. The bulk of this equipment is German technology in the form of Man-Roland 640 printing press and Heidelberg 137 EMC cutter. Other major equipment for this expansion is Xerox Docutech printing systems. This specialized equipment requires technical trainers from the equipment manufacturers to train the maintenance and production personnel. Dollars budgeted in this category will be used to reimburse all expenses incurred for technical training provided by equipment manufacturers.

VII. Consulting Services $18,000

A. This fund will be used for the reimbursement of consulting services performed by DMACC to help The Printer document their quality system to meet the guidelines of ISO-9000.

B. The Printer has a concern for waste reduction. DMACC will provide consulting services to help The Printer to implement a waste reduction program.
TRAINING BUDGET SUMMARY
FOR
THE PRINTER, INC.
PROJECT TWO

The source of training funds is from the Iowa new jobs credit withholding and the use of incremental property tax under Iowa Code 260E.

I. Job Specific Skill Development $26,000
   - Preemployment assessments
   - Orientation
   - Skill training

II. Management/Supervisory Training $9,850
   - Management/supervisor courses
   - Management strategies (SPC, TQM, etc.)
   - Leadership skills

III. Training Materials $12,500
    - Assessment Instruments
    - Orientation materials/training materials
    - Printing and binding cost for documenting of The Printer Quality System
    - Library training and reference materials

IV. Professional/Skill Development Seminars/Workshops $41,433
    - Cost of materials and tuition for DMACC courses
    - Cost of materials, tuition, and travel expenses for seminars and workshops.

VI. Vendor/Equipment Training $42,500
    - Travel expenses of the German technicians and technical training fee
    - Travel and technical training fee for other expansion equipment such as the Xerox Docutech

VII. Consulting Services $18,000
    - ISO-9000 consultation
    - Waste reduction consultation

Total Budget $150,283
The training began in July 1993 and will continue until January 1997.

Training delivered by employees of The Printer, Inc. will be reimbursed at the individual's per diem rate not to exceed $50 per hour.

Upon receipt of proper documentation, reimbursement for all training expenses that meet the guidelines of Iowa Code 260E, DMACC, and this training plan will be made on an applied-for basis.

This plan may be revised to meet the changing training needs of The Printer, Inc. if both parties consent. A revised training plan with signatures of both DMACC and company representative will be filed with the original plan.
The Board of Directors of the Des Moines Area Community College (Merged Area XI) in the Counties of Adair, Audubon, Boone, Carroll, Cass, Clarke, Crawford, Dallas, Greene, Guthrie, Hamilton, Hardin, Jasper, Lucas, Madison, Mahaska, Marion, Marshall, Polk, Poweshiek, Shelby, Story and Warren, State of Iowa, met in regular session on the 13th day of December, 1993 at four p.m., in the DMACC Commons Building at the College in Ankeny, Iowa. The meeting was called to order and there were present Doug Shull, President of the Board, in the chair, and the following named Board Members:

Harold Belken, Susan Clouser, Lloyd Courter, Dale Froehlich
Dick Johnson, Gerry Pecinovsky, Madelyn Tursi, Nancy Wolf-Keith

Absent: NONE

Matters were discussed concerning new jobs training programs involving the College and the companies referred to in the attached resolution and the issuance of New Jobs Training Certificates in order to fund the training programs. Following a discussion of the proposal, Board Member L. Courter introduced and caused to be read a resolution entitled "A Resolution Directing the Publication of a Notice of Intention to Issue Not to Exceed $4,700,000 Aggregate Principal Amount of Taxable New Jobs Training Certificates and Calling a Public Hearing on the Proposal to Issue said Certificates", and moved its adoption. The motion was seconded by Board Member S. Clouser. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:

Ayes: Belken, Clouser, Courter, Froehlich, Johnson, Pecinovsky, Shull, Tursi, Wolf-Keith
Nays: NONE

Whereupon, the President declared the resolution, a copy of which is attached hereto, duly adopted and signed his approval thereto.

* * * * * * *

Doug Shull, President of the Board of Directors

Attest:
Helen Harris, Secretary of the Board of Directors
RESOLUTION

A RESOLUTION DIRECTING THE PUBLICATION OF A NOTICE OF INTENTION TO ISSUE NOT TO EXCEED $4,700,000 AGGREGATE PRINCIPAL AMOUNT OF TAXABLE NEW JOBS TRAINING CERTIFICATES AND CALLING A PUBLIC HEARING ON THE PROPOSAL TO ISSUE SAID CERTIFICATES.

WHEREAS, the Des Moines Area Community College (hereinafter referred to as the "College"), of the Counties of Adair, Audubon, Boone, Carroll, Cass, Clarke, Crawford, Dallas, Greene, Guthrie, Hamilton, Hardin, Jasper, Lucas, Madison, Mahaska, Marion, Marshall, Polk, Poweshiek, Shelby, Story and Warren, State of Iowa, (the area served by the College being hereinafter referred to as the "Merged Area"), is an area community college and a body politic organized and existing under the laws of the State of Iowa, and is authorized and empowered by Chapter 260E of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to issue New Jobs Training Certificates and use the proceeds from the sale of said Certificates to defray all or a portion of the cost of a "New Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to encourage industry and trade to locate and expand within the State of Iowa (the "State") in order to create jobs and employment opportunities and to improve the economic welfare of the residents of the State; and

WHEREAS, the College has undertaken negotiations with certain companies (the "Companies") with respect to New Jobs Training Programs, pursuant to the provisions of the Act for the purpose of establishing job training programs (hereinafter referred to as the "Projects") to educate and train workers for new jobs with the Companies at their facilities located or to be located in the Merged Area served by the College, which Projects will be beneficial to the Companies and the College; and

WHEREAS, the Act authorizes the College to issue New Jobs Training Certificates with respect to a single project or multiple projects and the College has determined that it will be beneficial to the College and the Companies to issue taxable New Jobs Training Certificates which will provide the aggregate funding for all of the Projects; and

WHEREAS, the College has determined that the aggregate amount necessary to defray all or a portion of the cost of the Projects, including necessary expenses incidental thereto, will require the issuance by the College of its Taxable New Jobs Training Certificates pursuant to the provisions of the Act in the amount of $4,700,000 for the purpose of funding the Projects in the amounts set forth below opposite the name of each Company:
WHEREAS, it is proposed to finance the cost of the Projects through the issuance of Taxable New Jobs Training Certificates (Multiple Projects XVIII) of the College in an aggregate principal amount of $4,700,000 (the "Certificates"); and

WHEREAS, before the Certificates may be issued, it is necessary to conduct a public hearing on the proposal to issue the Certificates and to publish the notice of the proposal to issue the Certificates and the right to appeal the decision of the Board of Directors to issue the Certificates, all as required and provided for by Section 260E.6 of the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DES MOINES AREA COMMUNITY COLLEGE, AS FOLLOWS:

Section 1. That the Board of Directors of the Des Moines Area Community College meet in the DMACC Commons Building at the College in Ankeny, Iowa, on the 10th day of January, 1994, at o'clock p.m., at which time and place a public hearing shall be held on the proposal to issue the Certificates, at which hearing all residents of the Merged Area who appear shall be given an opportunity to express their views for or against the proposal to issue the Certificates.

Section 2. That the Secretary of the Board of Directors of the College is hereby directed to give notice of intention to issue the Certificates, setting forth the amount and purpose thereof, and the time when and place where the hearing will be held, by publication at least once not less than fifteen (15)
days prior to the date fixed for the hearing, in a newspaper published and having a general circulation in Polk County, Iowa. The notice shall be in substantially the following form:
The Des Moines Register

Affidavit of Publication

COPY OF ADVERTISEMENT
Exhibit "A"

STATE OF IOWA
POLK COUNTY

The undersigned, being first duly sworn, on oath states that she/he is the Chief Clerk of Des Moines Register and Tribune Company, a corporation duly organized and existing under the laws of the State of Iowa, with its principal place of business in Des Moines, Iowa, the publisher of

THE DES MOINES REGISTER (Daily)
DES MOINES SUNDAY REGISTER

newspapers of general circulation printed and published in the City of Des Moines, Polk County, Iowa, and that an advertisement, a printed copy of which is attached as Exhibit "A" and made a part of this affidavit, was printed and published in

The Des Moines Register (daily) the following dates December 27, 1993

in Des Moines Sunday Register on ____________

Subscribed and sworn to before me by said affiant this ____________ day of

January, 1994

Mary L. Leeman
Notary Public in and for Polk County, Iowa

Mailing Address • P.O. Box 957 • Des Moines, Iowa 50304
Street Address • 715 Locust Street • Des Moines, Iowa 50309 • (515) 284-8000
NOTICE OF INTENTION TO ISSUE
TAXABLE NEW JOBS TRAINING CERTIFICATES
(MULTIPLE PROJECTS XVIII) OF THE
DES MOINES AREA COMMUNITY COLLEGE

Notice is hereby given that a public hearing will be conducted before the Board of Directors of Des Moines Area Community College (the "College") in the DMACC Commons Building at the College in Ankeny, Iowa, at _____ o'clock p.m., on January 10, 1994, on a proposal to issue not to exceed $4,700,000 aggregate principal amount of the College's Taxable New Jobs Training Certificates (Multiple Projects XVIII) (the "Certificates"), pursuant to the provisions of Chapter 260E of the Code of Iowa. The Certificates are to be issued for the purpose of providing funds to pay the costs, including program costs and administrative expenses, of new jobs training programs (the "Projects") to educate and train workers for new jobs at the following companies (the "Companies") at the following locations:

<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Home Shield Corporation</td>
<td>Carroll, Iowa</td>
</tr>
<tr>
<td>Project #3</td>
<td></td>
</tr>
<tr>
<td>Eaton Corporation</td>
<td>Winterset, Iowa</td>
</tr>
<tr>
<td>Project #2</td>
<td>Ames, Iowa</td>
</tr>
<tr>
<td>Engineering Animation Incorporated</td>
<td>Carroll, Iowa</td>
</tr>
<tr>
<td>General Electric Company</td>
<td>Newton, Iowa</td>
</tr>
<tr>
<td>Maytag Corporation</td>
<td>Redfield, Iowa</td>
</tr>
<tr>
<td>Midland International Tileworks Project #2</td>
<td></td>
</tr>
<tr>
<td>Principal Mutual Life Insurance Company</td>
<td>Des Moines, Iowa</td>
</tr>
<tr>
<td>Project #6</td>
<td></td>
</tr>
<tr>
<td>The Printer, Inc. Project #2</td>
<td>Des Moines, Iowa</td>
</tr>
<tr>
<td>RA-MARK Industries, Inc.</td>
<td>Dexter, Iowa</td>
</tr>
<tr>
<td>Raider Express, Inc. Project #2</td>
<td>Altoona, Iowa</td>
</tr>
<tr>
<td>Annette Holdings, Inc. a/k/a TMC Transportation, Inc.</td>
<td>Des Moines, Iowa</td>
</tr>
<tr>
<td>Tone Brothers, Inc. Project #4</td>
<td>Ankeny, Iowa</td>
</tr>
<tr>
<td>Woodgrain Milwork, Inc. d/b/a Windsor Window Co. Project #2</td>
<td>West Des Moines, Iowa</td>
</tr>
<tr>
<td>WoodMarc, a division of Homemaker's Plaza, Inc., Project #2</td>
<td>Winterset, Iowa</td>
</tr>
</tbody>
</table>

All residents of the Merged Area who appear at said public hearing shall be given an opportunity to express their views for or against the proposal to issue said Certificates, and at said hearing, or any adjournment thereof, the Board of Directors of the College shall adopt a resolution determining whether or not to proceed with the issuance of said Certificates.

Notice is further given of the intention of the Board of Directors of the College to issue the Certificates and that the
Board of Directors has instituted proceedings and taken further and additional action for the authorization and issuance of the Certificates.

A person may, within fifteen days after the publication of this notice by action in the district court of a county in the area within which the College is located, appeal the decision of the Board of Directors in proposing to issue the Certificates. The action of the Board of Directors in determining to issue the Certificates is final and conclusive unless the district court finds that the Board of Directors has exceeded its legal authority. An action shall not be brought which questions the legality of the Certificates, the power of the Board of Directors to issue the Certificates, the effectiveness of any proceedings relating to the authorization of the Projects, or the authorization and issuance of the Certificates from and after fifteen days from the publication of this notice.

By Order of the Board of Directors of Des Moines Area Community College

Secretary of the Board of Directors
Section 3. That the preparation and distribution of a preliminary official statement in accordance with Rule 15c2-12(b)(1) of the Securities Exchange Act of 1934 is hereby authorized and approved.

Section 4. That the officers of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.

Section 5. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 13th day of December, 1993.

[Signature]
President of the Board of Directors

Attest:

[Signature]
Secretary of the Board of Directors
I, Helen Harris, Secretary of the Board of Directors of the Des Moines Area Community College (Merged Area XI) in the Counties of Adair, Audubon, Boone, Carroll, Cass, Clarke, Crawford, Dallas, Greene, Guthrie, Hamilton, Hardin, Jasper, Lucas, Madison, Mahaska, Marion, Marshall, Polk, Poweshiek, Shelby, Story and Warren, State of Iowa, do hereby certify that I have in my possession or have access to the complete corporate records of said College and of its Board of Directors and officers; and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true, correct and complete copy of all of the corporate records showing the action taken with respect to the matters set forth therein by the Board of Directors of said College on December 13, 1993, which proceedings remain in full force and effect, have not been amended or rescinded in any way; that such meeting was duly and publicly held in accordance with the Notice of Meeting and tentative agenda, a copy of which was timely served on each member of the Board and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board and the provisions of Chapter 21, Code of Iowa, as amended, upon reasonable advance notice to the public and media at least twenty-four (24) hours prior to the commencement of the meeting as required by said law and with members of the public in attendance. I further certify that the individuals named in the attached proceedings were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board vacancies existed except as may be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the College or the right of the individuals named therein as officers to their respective positions.

Dated this 13th day of December, 1993.

[Signature]

Secretary of the Board of Directors of the Des Moines Area Community College

SE6:E6133301.93
Ankeny, Iowa  
December 13, 1993  

The Board of Directors of the Des Moines Area Community College (Merged Area XI) in the Counties of Adair, Audubon, Boone, Carroll, Cass, Clarke, Crawford, Dallas, Greene, Guthrie, Hamilton, Hardin, Jasper, Lucas, Madison, Mahaska, Marion, Marshall, Polk, Poweshiek, Shelby, Story and Warren, State of Iowa, met in regular session on the 13th day of December, 1993 at four p.m. in the DMACC Commons Building at the College in Ankeny, Iowa. The meeting was called to order and there were present Doug Shull, President of the Board, in the chair, and the following named Board Members:  

Harold Belken, Susan Clouser, Lloyd Courter, Dale Froehlich, Dick Johnson, Gerry Pecinovsky, Madelyn Tursi, Nancy Wolf-Keith  

Absent: NONE  

Matters were discussed concerning new jobs training programs involving the College and the companies referred to in the attached resolution and the issuance of New Jobs Training Certificates in order to fund the training programs. Following a discussion of the proposal, Board Member S. Clouser introduced and caused to be read a resolution entitled "A Resolution Directing the Advertisement for Sale of Taxable New Jobs Training Certificates"; and moved its adoption. The motion was seconded by Board Member H. Belken. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:  

Ayes: Belken, Clouser, Courter, Froehlich, Johnson, Pecinovsky Shull, Tursi, Wolf-Keith  

Nays: NONE  

Whereupon, the President declared the resolution, a copy of which is attached hereto, duly adopted and signed his approval thereto.  

* * * * * *  

Doug Shull, President of  
the Board of Directors  

Attest:  

Helen Harris, Secretary of the  
Board of Directors
RESOLUTION

A RESOLUTION DIRECTING THE ADVERTISEMENT FOR SALE
OF TAXABLE NEW JOBS TRAINING CERTIFICATES

WHEREAS, the Des Moines Area Community College (hereinafter referred to as the "College"), of the Counties of Adair, Audubon, Boone, Carroll, Cass, Clarke, Crawford, Dallas, Greene, Guthrie, Hamilton, Hardin, Jasper, Lucas, Madison, Mahaska, Marion, Marshall, Polk, Poweshiek, Shelby, Story and Warren, State of Iowa, (the area served by the College being hereinafter referred to as the "Merged Area"), is an area community college and a body politic organized and existing under the laws of the State of Iowa, and is authorized and empowered by Chapter 260E of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to issue New Jobs Training Certificates and use the proceeds from the sale of said Certificates to defray all or a portion of the cost of a "New Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to encourage industry and trade to locate and expand within the State of Iowa (the "State") in order to create jobs and employment opportunities and to improve the economic welfare of the residents of the State; and

WHEREAS, the College has undertaken negotiations with certain companies (the "Companies") with respect to New Jobs Training Programs, pursuant to the provisions of the Act for the purpose of establishing job training programs (hereinafter referred to as the "Projects") to educate and train workers for new jobs with the Companies at their facilities located or to be located in the Merged Area served by the College, which Projects will be beneficial to the Companies and the College; and

WHEREAS, the Act authorizes the College to issue New Jobs Training Certificates with respect to a single project or multiple projects and the College has determined that it will be beneficial to the College and the Companies to issue a single issue of Taxable New Jobs Training Certificates with respect to all of the Projects; and

WHEREAS, the College has determined that the aggregate amount necessary to defray all or a portion of the cost of the Projects, including necessary expenses incidental thereto, will require the issuance by the College of its Taxable New Jobs Training Certificates pursuant to the provisions of the Act in the amount of $4,700,000 for the purpose of funding the Projects in the amounts set forth below opposite the name of each Company:
<table>
<thead>
<tr>
<th>Company</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Home Shield Corporation Project #3</td>
<td>$176,500</td>
</tr>
<tr>
<td>Eaton Corporation Project #2</td>
<td>230,500</td>
</tr>
<tr>
<td>Engineering Animation Incorporated</td>
<td>87,500</td>
</tr>
<tr>
<td>General Electric Company</td>
<td>124,500</td>
</tr>
<tr>
<td>Maytag Corporation</td>
<td>626,000</td>
</tr>
<tr>
<td>Midland International Tileworks Project #2</td>
<td>431,500</td>
</tr>
<tr>
<td>Principal Mutual Life Insurance Company Project #6</td>
<td>902,500</td>
</tr>
<tr>
<td>The Printer, Inc. Project #2</td>
<td>230,500</td>
</tr>
<tr>
<td>RA-MARK Industries, Inc.</td>
<td>20,000</td>
</tr>
<tr>
<td>Raider Express, Inc. Project #2</td>
<td>369,500</td>
</tr>
<tr>
<td>Annette Holdings, Inc. a/k/a TMC</td>
<td>386,000</td>
</tr>
<tr>
<td>Transportation, Inc.</td>
<td></td>
</tr>
<tr>
<td>Tone Brothers, Inc. Project #4</td>
<td>760,500</td>
</tr>
<tr>
<td>Woodgrain Milwork, Inc. d/b/a Windsor Window Co. Project #2</td>
<td>220,000</td>
</tr>
<tr>
<td>WoodMarc, a division of Homemaker's Plaza, Inc., Project #2</td>
<td>134,500</td>
</tr>
</tbody>
</table>

WHEREAS, it is proposed to finance the cost of the Projects through the issuance of Taxable New Jobs Training Certificates (Multiple Projects XVIII) of the College in an aggregate principal amount of $4,700,000 (the "Certificates"); and

WHEREAS, the College has heretofore pursuant to resolution of the Board of Directors directed the publication of a notice of the proposal to issue Taxable New Jobs Training Certificates with respect to each of the Companies and the right to appeal the decision of the Board of Directors of the College to issue the Certificates pursuant to the provisions of the Act as required and provided for by Section 260E.6 of the Act; and

WHEREAS, the Board of Directors of the College is authorized to proceed on behalf of the College with the sale of the Certificates, and has determined to select a date for the sale of the Certificates, publish notice of the sale, and take all action necessary to proceed with the sale of the Certificates on a basis favorable to the College and acceptable to the Board of Directors of the College;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DES MOINES AREA COMMUNITY COLLEGE, AS FOLLOWS:

Section 1. That the Certificates described herein be offered at public sale scheduled for January 10, 1994, with the opening of bids at 11:00 o'clock a.m. in Room 30b of Building Number 1, at the College in Ankeny, Iowa and the bids referred to the Board of Directors of the College at its meeting scheduled for January 10, 1994 at ___ o'clock p.m. at the College in Ankeny, Iowa.
Section 2. That the Secretary of the Board of Directors of the College shall cause to be published, in compliance with Chapter 75 of the Code of Iowa, notice of the sale of the Certificates at least once, the last one of which shall be not less than four nor more than twenty days before the sale in a legal newspaper, printed wholly in the English language, published in the county of or a county contiguous to the place of sale. The notice shall be in substantially the following form with such variations therein (including the completion of the omissions therein, the determination or modification of the maturity schedule for the Certificates, and any appropriate reduction or increase in the principal amount of the Certificates) as shall be approved by the officers of the College:
Affidavit of Publication

STATE OF IOWA
POLK COUNTY

The undersigned, being first duly sworn, on oath states that she/he is the Chief Clerk of Des Moines Register and Tribune Company, a corporation duly organized and existing under the laws of the State of Iowa, with its principal place of business in Des Moines, Iowa, the publisher of THE DES MOINES REGISTER (Daily)

DES MOINES SUNDAY REGISTER

newspapers of general circulation printed and published in the City of Des Moines, Polk County, Iowa, and that an advertisement, a printed copy of which is attached as Exhibit "A" and made a part of this affidavit, was printed and published in

The Des Moines Register (daily) the following dates December 27, 1993

in Des Moines Sunday Register on_____

Subscribed and sworn to before me by said affiant this 12th day of January 1994

Notary Public in and for Polk County, Iowa

[Signature]

Mailing Address 715 Locust Street Des Moines, Iowa 50309
Street Address 715 Locust Street Des Moines, Iowa 50309 (515) 284-8000
The Des Moines Register

Affidavit of Publication

COPY OF ADVERTISEMENT
Exhibit "A"

STATE OF IOWA
POLK COUNTY

The undersigned, being first duly sworn, on oath states that she/he is the
Chief Clerk
Of Des Moines Register and Tribune
Company, a corporation duly organized and existing under the laws of the State of
Iowa, with its principal place of business in Des Moines, Iowa, the
publisher of
THE DES MOINES REGISTER (Daily)

DES MOINES SUNDAY REGISTER

newspapers of general circulation printed
and published in the City of Des Moines,
Polk County, Iowa, and that an
advertisement, a printed copy of which is
attached as Exhibit "A" and made a part
of this affidavit, was printed and
published in
The Des Moines Register (daily) the
following dates December 27, 1993

In Des Moines Sunday Register on

Subscribed and sworn to before me by
said affiant this 12th day of

[Signature]

Notary Public in and for Polk County, Iowa
NOTICE OF BOND SALE

DES MOINES AREA COMMUNITY COLLEGE
TAXABLE NEW JOBS TRAINING CERTIFICATES

The Des Moines Area Community College (Merged Area XI) (the "College") of the Counties of Adair, Audubon, Boone, Carroll, Cass, Clarke, Crawford, Dallas, Greene, Guthrie, Hamilton, Hardin, Jasper, Lucas, Madison, Mahaska, Marion, Marshall, Polk, Poweshiek, Shelby, Story and Warren (the "Merged Area"), State of Iowa, will receive bids in Room 30b in Building Number 1 at the College in Ankeny, Iowa, on January 10, 1994 for the purchase of the following Taxable New Jobs Training Certificates (the "Bonds"): $4,700,000 Des Moines Area Community College Taxable New Jobs Training Certificates (Multiple Projects XVIII)

The Bonds are to be issued for the purpose of financing job training programs under Chapter 260E of the Code of Iowa, as amended (the "Act").

Sealed bids for the Bonds will be received at the office of the President of the College at any time prior to 11:00 o'clock a.m. on the date of the sale. The most favorable bid will be referred to the Board of Directors at their meeting to be held on the date specified above and the Bonds will then be sold to the most favorable bidder for cash, unless the Board determines to reject the most favorable bid. The most favorable bidder shall be the bidder whose bid produces the lowest interest cost computed by determining, at the rate or rates specified in the bid, the total dollar value of all interest on the Bonds and deducting any premium therefrom or adding any discount thereto.

The College reserves the right to reduce the principal amount of the Bonds to be sold on the date of the sale on the basis of the bids received and market conditions.

BOND DETAILS: The Bonds are in the aggregate principal amount set forth above, to be dated January 1, 1994, to be in the denomination of $5,000, or any integral multiple thereof designated by the successful bidder within forty-eight hours of acceptance of the bid, and to mature as follows:
<table>
<thead>
<tr>
<th>Principal Amount</th>
<th>Maturity (June 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$140,000</td>
<td>1995</td>
</tr>
<tr>
<td>330,000</td>
<td>1996</td>
</tr>
<tr>
<td>375,000</td>
<td>1997</td>
</tr>
<tr>
<td>420,000</td>
<td>1998</td>
</tr>
<tr>
<td>565,000</td>
<td>1999</td>
</tr>
<tr>
<td>660,000</td>
<td>2000</td>
</tr>
<tr>
<td>705,000</td>
<td>2001</td>
</tr>
<tr>
<td>750,000</td>
<td>2002</td>
</tr>
<tr>
<td>755,000</td>
<td>2003</td>
</tr>
</tbody>
</table>

Interest on the Bonds will be payable on December 1, 1994 and semiannually thereafter on each June 1 and December 1 until the principal on the Bonds is paid in full. Principal and interest will be payable by Norwest Bank Iowa, National Association, the Paying Agent for the College.

AUTHORITY: The Bonds are issued under the authority of Chapter 260E of the Code of Iowa, as amended.

PURPOSE: The proceeds of the issuance of the Bonds will be used to finance the training of workers (the "Projects"), including the costs of the issuance of the Bonds and administrative expenses, in new jobs at the following companies (the "Companies") at the following locations:

<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Home Shield Corporation</td>
<td>Carroll, Iowa</td>
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<tr>
<td>Principal Mutual Life Insurance Company</td>
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</tr>
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<td>Altoona, Iowa</td>
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</tr>
<tr>
<td>WoodMarc, a division of Homemaker's Plaza, Inc., Project #2</td>
<td>Winterset, Iowa</td>
</tr>
</tbody>
</table>
The Projects are undertaken pursuant to Industrial New Jobs Training Agreements between the College and each of the Companies. The proceeds of the issuance of the Bonds will also be used to pay related administrative costs of the new jobs training programs and costs of issuance.

SECURITY: All of the Bonds are issued on a parity basis. The Bonds are secured by special funds of the College into which are deposited a new jobs credit from withholding taxes to be received or derived from new employment resulting from each of the Projects, and revenue from incremental property taxes to be received or derived from some of the business properties where new jobs are created as a result of the Projects. In addition, the Bonds are secured by a special standby tax assessed upon all taxable property within the Merged Area to the extent necessary to pay principal and interest on the Bonds.

PARITY BONDS: The College reserves the right to issue additional bonds payable from the same sources and ranking on a parity with the Bonds.

INTEREST RATE AND BIDDING REQUIREMENTS: The Bonds shall bear interest at a rate or rates to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/20 of 1%, or both. No Bond shall bear more than one interest rate, all Bonds maturing in any one year shall carry the same interest rate, and each rate of interest specified for Bonds of any maturity shall not be less than a rate of interest specified for an earlier maturity. No proposal for the purchase of less than all of the Bonds or at a price less than $4,653,000 plus accrued interest will be considered. Each bid shall state the total interest cost, total premium or discount, the net interest cost to the College and the net effective interest rate thereunder, but such statements shall not be considered a part of the bid.

BID SECURITY: A Good Faith Deposit ("Deposit") in the form of a certified or cashier's check or a Financial Surety Bond in an amount equal to $94,000 payable to the order of the Treasurer of the College, is required for a bid to be considered. If a check is used, it must accompany the bid. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of Iowa and such bond must be submitted to the College or its Financial Advisor prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose Deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder utilizing a Financial Surety Bond, then that purchaser ("Purchaser") is required to submit its Deposit to the College or its Financial Advisor in the form of a cashier's check (or wire transfer such amount as instructed by the College or its Financial Advisor) not later than 3:30 p.m. Des Moines, Iowa time on the next business day following the award. If such Deposit is not received by that time, the
Financial Surety Bond may be drawn by the College to satisfy the Deposit requirement. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event a Purchaser fails to honor its accepted bid, the Deposit will be retained by the College. Checks of the unsuccessful bidders will be promptly returned to each bidder's representative or by registered mail.

REGISTRATION: The Bonds will be registered as to principal and interest. Norwest Bank Iowa, National Association will act as registrar of the Bonds and transfer agent for the College.

PRIOR REDEMPTION: Bonds maturing on or after June 1, 2002, are subject to redemption prior to their stated maturities, in whole or from time to time in part, in numerical order, on June 1, 2001, or on any interest payment date thereafter at the option of the College, upon terms of par plus accrued interest to the date of call.

DELIVERY OF BONDS: The Bonds will be delivered, without expense to the purchaser, at any mutually acceptable bank or trust company in the United States, upon full payment in immediately available cash or federal funds. The Bonds are expected to be delivered within thirty days after the sale. Should delivery be delayed beyond sixty days from date of sale for any reason, except failure of performance by the purchaser, the purchaser may withdraw its bid and thereafter its interest in and liability for the Bonds will cease and its bid security will be returned without interest. When the Bonds are ready for delivery, the College may give the successful bidder five working days notice of the delivery date and the College will expect payment in full on that date, otherwise reserving the right at its option to determine that the bidder has failed to comply with the offer of purchase. Accrued interest to the date of delivery of the Bonds shall be paid by the purchaser at the time of delivery.

OFFICIAL STATEMENT: Prior to the date of sale of the Bonds, potential underwriters may obtain copies of a preliminary official statement in accordance with Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934 (the "Act") from the Financial Advisor to the College, Evensen, Dodge, Inc., 222 South Ninth Street, Suite 3800, Minneapolis, Minnesota 55402, (612) 338-3535. The College will provide the purchasers of the Bonds with copies of a final official statement in accordance with Rule 15c2-12(b)(3) under the Act.

CUSIP NUMBERS: It is anticipated that the Bonds will be printed with CUSIP numbers, unless otherwise requested by the purchasers. In no event will the College be responsible for or Bond Counsel review or express any opinion of the correctness of such numbers, and incorrect numbers on said Bonds shall not be
cause for the purchasers to refuse to accept delivery of the Bonds.

RATINGS: The Bonds will be rated by Moody's Investors Services, Inc.

LEGAL OPINION: The Bonds will be sold subject to the opinion of Davis, Hockenberg, Wine, Brown, Koehn & Shors, P.C., Attorneys, of Des Moines, Iowa, which will be furnished without expense to the purchasers of the Bonds at the delivery thereof. Except to the extent necessary to issue their opinion as to the legality of the Bonds, the attorneys will not examine or review or express any opinion with respect to the accuracy or completeness of documents, materials or statements made or furnished in connection with the sale, issuance or marketing of the Bonds.

RIGHTS RESERVED: The right is reserved to reject any or all bids, and to waive any irregularities as deemed to be in the best interests of the public.

Dated this ____ day of December, 1993.

HELEN HARRIS,
Secretary of the Board of Directors of the Des Moines Area Community College

(end of notice)
Section 3. That the preparation and distribution of a preliminary official statement in accordance with Rule 15c2-12(b)(1) of the Securities Exchange Act of 1934 is hereby authorized and approved.

Section 4. That officials of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.

Section 5. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 13th day of December, 1993.

Attest:

[Signature]
President of the Board of Directors

[Signature]
Secretary of the Board of Directors
STATE OF IOWA )
COUNTY OF POLK )

I, Helen Harris, Secretary of the Board of Directors of the Des Moines Area Community College (Merged Area XI) in the Counties of Adair, Audubon, Boone, Carroll, Cass, Clarke, Crawford, Dallas, Greene, Guthrie, Hamilton, Hardin, Jasper, Lucas, Madison, Mahaska, Marion, Marshall, Polk, Poweshiek, Shelby, Story and Warren, State of Iowa, do hereby certify that I have in my possession or have access to the complete corporate records of said College and of its Board of Directors and officers; and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true, correct and complete copy of all of the corporate records showing the action taken with respect to the matters set forth therein by the Board of Directors of said College on December 13, 1993, which proceedings remain in full force and effect, have not been amended or rescinded in any way; that such meeting was duly and publicly held in accordance with the Notice of Meeting and tentative agenda, a copy of which was timely served on each member of the Board and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board and the provisions of Chapter 21, Code of Iowa, as amended, upon reasonable advance notice to the public and media at least twenty-four (24) hours prior to the commencement of the meeting as required by said law and with members of the public in attendance. I further certify that the individuals named in the attached proceedings were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board vacancies existed except as may be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the College or the right of the individuals named therein as officers to their respective positions.

Dated this 13th day of December, 1993.

Helen Harris
Secretary of the Board of Directors of the Des Moines Area Community College

SE6:E6132804.93
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<td>Cost</td>
<td>8</td>
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</tbody>
</table>
PROJECT TEAM:

Architect: RDG-Bussard Dikis Inc  
303 Locust  
Des Moines, Iowa 50309  
515-288-3141

Structural Engineer: Shuck-Britson Inc.  
2409 Grand Avenue  
Des Moines, Iowa 50312  
515-243-4477

Mechanical/Electrical Engineer: Shive Hattery Engineers and Architects  
1701 48th Street  
West Des Moines, Iowa 50265-2755  
515-283-1012

Civil Engineer: Snyder Associates  
301 North Ankeny Boulevard  
Ankeny, Iowa 50021  
515-964-2020
PROJECT GOALS:

1. Provide space for a new COMPUTER LAB which is integrated with the Media Center. This will provide additional computer access for open use by students or special computer seminars. It will be directly accessible from the existing Media Center so that learning resources are available in a combined Center. Faculty offices are adjacent for instructional assistance.

2. Provide additional CLASSROOM, CONFERENCE, and FACULTY OFFICE SPACES.

3. Develop a new MULTI-USE COMMONS. Expand and relocate the existing Student Commons to a central location on Campus. This will be a LINK between the existing Gymnasium and Academic Buildings. The location will create a strong unifying architectural element and prominent visual image. Multiple uses include:

   Student Commons

   Career Day

   Pre-function space for gymnasium or auditorium events.

   Support space for conferences or seminars.

   Banquets

4. Remodel the STUDENT SERVICES to improve the operation of registration, counseling, financial aid/business and related services.

5. Master plan for logical future growth.

6. Provide a replacement CHILLER for the existing air conditioning system. Replacement will have expanded capacity for the additional building area.
DMACC BOONE CAMPUS ADDITION & REMODELING
DMACC BOONE CAMPUS - ADDITION & REMODELING
Site Plan

Bussard Dikis
Renaissance Design Group
An Architecture, Interior Design and Planning Corporation
RDG Bussard Dikis Inc. 303 Locust Street Des Moines, Iowa 50309 515-286-3141 Fax 515-286-8631
RDG Wilson-Birge Inc. 2201 Farnam Street Omaha, Nebraska 68102 402-345-3151 Fax 402-345-3937
DMACC BOONE CAMPUS - ADDITION & REMODELING
Commons Multi-use Layouts
### Project Schedule

#### Boone Addition and Remodeling - 1994

**DMACC Boone Campus**

<table>
<thead>
<tr>
<th>Year</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
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</tr>
</tbody>
</table>

- **26/Oct/93**: Project Schedule
- **26/Oct**: Concept Design
- **25 Oct. - 15 Nov.**: Complete Schematic Design
- **15 Nov. - 13 Dec.**: Design Development
  - 13 Dec.: Doc. Design Presentation to Board of Directors
  - 14 Dec.: Submit Life Cycle Cost Analysis to State (if required)
- **14 Dec. - 2 Mar.**: Construction Documents
  - 2 - 7 March: Final Review/Coordination
  - 7 March: Board Authorize Bidding of Project
  - 8 March: Submit Documents to State for Coded Handicapped Review
  - 8 March: Submit Energy Code Review to State
- **8 Mar. - 7 Apr.**: Bid Period
  - 7 April: Receive Bids
  - 11 April: Board Award Construction Contract
  - 20 April: Start Construction (Building)
- **20 Apr. - 15 July**: Building Construction
  - 15 - 31 July: Punch List
  - 1 Aug.: Substantial Completion
  - 1 - 15 Aug.: Move-In
  - 15 August: Start Operations

26/Oct/93
PROJECT COSTS:

TOTAL PROJECT BUDGET $2,000,000

The budget includes construction costs, architectural/engineering fees, surveys, testing, furnishings and equipment. Computers and computer networking are not included.
DATE: November 29, 1993

TO: Helen Harris - Board Secretary

FROM: Don Zuck - Vice President, Operations

RE: December 13, 1993, Board Meeting Agenda
    Amendment to Newton Polytechnic Lease Between DMACC and DMACC Foundation

Attached to this memo is a Resolution and an Amendment to the Newton Polytechnic Lease between DMACC and the DMACC Foundation.

The reason for the proposed amendment is to reduce the lease payments by $11,163.38 per month (from $23,445.67 to $12,282.29). This reduction is the result of a lease prepayment to the Foundation in the amount of $1,248,529.98. This prepayment was made available as a portion of DMACC’s Plant Fund Capital Loan Notes and represents the DMACC funding committed to the Newton Polytechnic project. The reduction in lease payments frees $11,163.38 per month, or $133,960.56 per year, in the general fund for other operating expenses.

Also included in the lease amendment is a provision that will allow the Foundation to lease approximately 1,400 sq.ft. of space to our federal contract (Manufacturing Model) until July 31, 1994. The amount of this lease payment will be credited against the DMACC payments.

Please place this matter on the agenda for Board consideration.

Attachment
c: Gordon Greta
RESOLUTION
AUTHORIZING AMENDMENT TO LEASE BETWEEN
THE DES MOINES AREA COMMUNITY COLLEGE
FOUNDATION (LANDLORD) AND
DES MOINES AREA COMMUNITY COLLEGE MERGED AREA XI (TENANT)

Resolved, that the lease between the Des Moines Area Community College Foundation and Des Moines Area Community College dated March 2, 1993 (the "Lease") is amended and the amendment to lease (the "Amendment") is approved. The Board hereby authorizes and directs the President and Secretary of the Board to execute and deliver the Amendment and all other related documents, instruments, or certifications.

Passed and approved this 13th day of December, 1993.

President

ATTEST:

Secretary
This Amendment to Lease (the "Amendment"), executed in duplicate, made and entered into this 13th day of December, 1993, by and between Des Moines Area Community College Foundation, an Iowa not-for-profit corporation (hereinafter called the "Landlord"), whose address for the purpose of this Amendment is 2006 South Ankeny Boulevard, Ankeny, IA 50021, and Des Moines Area Community College Merged Area XI (hereinafter called the "Tenant"), whose address for the purpose of this Amendment is 2006 South Ankeny Boulevard, Ankeny, IA 50021, for the purpose of mending the Lease dated the 2nd day of March, 1993 (the "Lease") by and between the Landlord and the Tenant.

WITNESSETH:

WHEREAS, the Landlord and the Tenant have entered into the Lease with respect to the property legally described on Exhibit 1 hereto; and

WHEREAS, the Landlord desires to reduce its rental payments under the Lease by the payment of a lump sum in return for reduced rental payments; and

WHEREAS, the Landlord and the Tenant have agreed to reduce the amount of space leased to the Tenant for the period ending on July 31, 1994;

NOW, THEREFORE, the Landlord and the Tenant hereby agree that the Lease shall be and is hereby amended as follows:

1. Section 1 of the Lease shall be amended to add the following additional sentence to paragraph (a) of Section 1:

   Notwithstanding the lease of the entire premises as provided herein, the Landlord and the Tenant agree that for the period beginning on the date of occupancy and ending on July 31, 1994, the space designated in the facility as Rooms 111, 125, 127, 133, 134, and 147A shall be excluded from the premises leased to the Tenant hereunder.

2. The first sentence of Section 2 of the Lease is hereby amended to change the dollar amount of the rental set forth therein from $23,445.67 to $12,282.29. In addition, the monthly rental payment by Tenant shall be reduced by the dollar amount of any monthly rental payments received by Landlord for the space referred to in Section 1 above.

3. In consideration of the reduced rental payments provided for above, the Tenant agrees to pay the Landlord upon
execution of this agreement, the sum of $1,248,529.98. Landlord shall use such amount exclusively for the retirement of indebtedness on the property legally described on Exhibit 1 hereto.

4. Except as amended herein, the parties reaffirm the Lease as originally executed.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment to Lease in duplicate the day and year first above written.

LANDLORD:

Des Moines Area Community College Foundation

By: Jim Wilson, President

By: Eldon Leonrard, Secretary

TENANT:

Des Moines Area Community College

By: Douglas K. Shull, President

By: Helen M. Harris, Secretary

STATE OF IOWA )
COUNTY OF POLK ) SS.

On this 16th day of December, 1993, before me the undersigned, a Notary Public in and for said State, personally appeared Jim Wilson and Eldon Leonard, to me personally known, who being by my duly sworn, did say that they are the President and Secretary, respectively, of Des Moines Area Community College Foundation; that no seal has been procured by the said corporation/that the seal affixed hereto is the seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and that the said President and Secretary as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

Notary Public in and for the State of Iowa
STATE OF IOWA )
                ) SS.
COUNTY OF POLK )

On this 15th day of December, 1993, before me the undersigned, a Notary Public in and for said State, personally appeared Douglas K. Shull and Helen M. Harris, to me personally known, who being by my duly sworn, did say that they are the President and Secretary, respectively, of Des Moines Area Community College; that no seal has been procured by the said corporation/that the seal affixed hereto is the seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and that the said President and Secretary as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

[Signature]
Notary Public in and for the State of Iowa

SE6:E6131602.93
EXHIBIT 1

Parcel A

A parcel of land lying within Lots 30 and 31, West Newton, an addition to the City of Newton, Jasper County, Iowa, more particularly described as follows:

Beginning at the Southeast Corner of Lot 31, of said West Newton. Thence South 89° 24'41" West, 66.02 feet along the South line of said Lot 31, to the Southwest Corner of said Lot 31; thence South 89° 08'01" West, 71.00 feet along the South line of said Lot 30; thence North 0° 30'33" West, 140.27 feet to the North line of Lot 31 extended; thence North 89° 12'15" East, 137.02 feet along the North line of Lot 31 and North line extended to the Northeast Corner of said Lot 31; thence South 0° 30'33" East, 140.42 feet, along the East line of said Lot 31 to the Point of Beginning. Said parcel contains 0.44 acre.

Parcel B

A parcel of land lying within Lots 23 thru 26 and Lots 32 thru 40 and abandoned North 3rd Avenue West, West Newton, an addition to the City of Newton, Jasper County, Iowa, more particularly described as follows:

Beginning at the Southeast Corner of said Lot 40, of said West Newton. Thence South 89° 16'03" West, 389.17 feet along the South line of said Lots 40, 39, 38, 37, and the East one-half of Lot 36 to the Southwest corner of the said East one-half of Lot 36; thence South 89° 12'08" West, 77.90 feet along the South line of the West one-half of said Lot 36 to the Southwest corner of said Lot 36; thence South 89° 15'31" West, 311.38 feet along the South line of Lots 35, 34, and 33 to the Southwest corner of said Lot 33; thence South 89° 24'44" West, 54.03 feet along the South line of the East 54 feet of said Lot 32 to the Southwest corner of said East 54 feet; thence North 0° 35'00" West, 140.53 feet along the West line of said East 54 feet of Lot 32 to the Northwest corner of said East 54 feet; thence North 89° 12'15" East, 54.03 feet along the North line of said East 54 feet of Lot 32 to the Northeast corner of said Lot 32; thence North 0° 35'00" West, 173.22 feet along the West line and the West line extended of said Lot 26; thence North 89° 13'21" East, 502.09 feet; thence South 0° 47'45" East, 15.00 feet; thence North 89° 13'21" East, 120.62 feet; thence South 0° 35'00" East, 158.02 feet along the East line and the East line extended of said Lot 23 to the Southeast corner of Lot 23; thence North 89° 12'15" East, 155.69 feet along the North line of said Lots 39 and 40 to the Northeast corner of said Lot 40; thence South 0° 35'00" East, 141.45 feet along the East line of said Lot 40 to the Southeast corner of said Lot 40 and the Point of Beginning. Said parcel contains 5.13 acres.
DES MOINES AREA COMMUNITY COLLEGE
ANALYSIS OF COMPUTER HARDWARE BIDS
MAIN COMPUTER SYSTEM

12/13/93

PROCESS:
DMACC contracted with McGladrey & Pullen to assist in the preparation of the Request for Proposals and the analysis and evaluation of the vendor proposals. McGladrey & Pullen helped define DMACC's functional needs and requirements.

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>November 16, 1993</td>
<td>RFP's mailed</td>
</tr>
<tr>
<td>November 19, 1993</td>
<td>First newspaper advertisement</td>
</tr>
<tr>
<td>November 26, 1993</td>
<td>Second newspaper advertisement</td>
</tr>
<tr>
<td>December 3, 1993</td>
<td>Sealed bids received</td>
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BID TABULATION:

<table>
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<tr>
<th>Vendor</th>
<th>Base Bid</th>
<th>Adjusted 5 Year Cost of Ownership</th>
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</thead>
<tbody>
<tr>
<td>Hewlett Packard</td>
<td>180,401</td>
<td>303,057</td>
</tr>
<tr>
<td>Data General</td>
<td>219,597</td>
<td>360,417</td>
</tr>
<tr>
<td>IBM</td>
<td>222,451</td>
<td>366,793</td>
</tr>
<tr>
<td>NCR</td>
<td>236,583</td>
<td>382,273</td>
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</tbody>
</table>

Vendor submitting proposal not meeting requirements of RFP:
Digital equipment 264,497

Requesting/Receiving Porposals, but not returned:
Sun Microsystems, Inc.
Avanti IV
Bull Computer

RANKING:

Based on:
Base Bid & Adjusted 5 Year Cost of Ownership
Hardware appropriateness
Previous experience with software
Experience with higher education
Hardware support services
Resources and financial stability of vendor
DMACC staffing required for support
System training requirements
Reference checks

Results:
1 Hewlett Packard
2 IBM
3 Data General
4 NCR

RECOMMENDATION:

Based on the evaluation criteria and the fact that Hewlett Packard is the low-cost provider, we recommend that Hewlett Packard be accepted as the vendor for the administrative computing hardware system.
Des Moines Area Community College

Analysis of Request For Proposal

December, 1993

McGLADREY & PULLEN
Certified Public Accountants & Consultants
December 9, 1993

Mr. Joe Robbins  
Des Moines Area Community College  
2006 South Ankeny Boulevard  
Ankeny, IA  

Dear Joe:

This report summarizes our findings and recommendations regarding the selection of an appropriate hardware configuration for the Des Moines Area Community College (DMACC). This report is a result of an analysis of vendor responses and related documentation to the original Request For Proposal (RFP).

We appreciate this opportunity to work with DMACC on this important project.

If you have any questions regarding the results of our project, please feel free to contact me at your convenience.

Very truly yours,

McGLADREY & PULLEN  

Gordon L. Opland, Principal
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<th>Section</th>
<th>Title</th>
<th>Page No.</th>
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<td>Section II</td>
<td>Summary of Vendor Responses</td>
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<td>Section III</td>
<td>Conclusions</td>
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**EXHIBITS**

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<tr>
<td>Exhibit A</td>
<td>Vendor Data</td>
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<tr>
<td>Exhibit B</td>
<td>Summary of Costs</td>
</tr>
<tr>
<td>Exhibit C</td>
<td>Weighted Criteria Ranking</td>
</tr>
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</table>
The overall objective of this project was to assist and facilitate the selection of a hardware configuration that will meet the needs of DMACC. To assist in the examination of data processing alternatives, McGladrey & Pullen helped define DMACC’s functional needs and requirements for identifying alternative data processing systems. The objectives of the evaluation were to prepare a document of processing requirements that could be sent to vendors that would provide the necessary information to make an informed decision regarding the hardware product’s fit to DMACC’s needs. To accomplish this evaluation process, we performed the following activities:

Phase I

- Interviewed College personnel to gain a better understanding of the long term data processing strategy of the Company.
- Interviewed College management and system users to identify and define the needs and functional requirements of the College.
- Developed the Request for Proposal (RFP).

Phase II

- Received, reviewed and evaluated the vendor proposals.
- Prepared the final report with analysis and recommendations.

The Request For Proposal was sent to seven vendors, of which we received five responses. A full list of all seven vendors is located in Exhibit A. The following sections of this report will focus on evaluating the responses received from the following four vendors:

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Hardware Configuration</th>
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<td>Data General</td>
<td>DG Avion 9540</td>
</tr>
<tr>
<td>Hewlett Packard</td>
<td>HP 9000 Series 800 Model H70</td>
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<tr>
<td>IBM</td>
<td>IBM RISC System/6000 Model 990</td>
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<tr>
<td>NCR</td>
<td>NCR 3525</td>
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</table>

Although a response was received from Digital Equipment Corporation, it was not evaluated since Digital did not meet the specifications for responding to the request for proposal.
II. SUMMARY OF VENDOR RESPONSES

The evaluation criteria in the original RFP included:

1. The appropriateness and quality of the proposal to satisfy DMACC's administrative and technical requirements and to provide for future growth;
2. Previous experience and performance of the vendor with the SCT product set being obtained by the college, in a higher education environment the size of the college (credit, non-credit and continuing education enrollment);
3. Demonstrated understanding of the needs of higher education institutions, particularly community colleges;
4. Hardware support services and capabilities;
5. The resources and the financial stability of the vendor to fulfill their proposal;
6. The DMACC staffing needs required to support the system;
7. System training requirements and ease of staff transition;
8. Ability/willingness to meet contractual conditions and the required schedule;
9. Reference checks;
10. Full system cost;
11. Other criteria as the college deems relevant and appropriate.

Criteria items #3, #6, #7, #8, #9, and #11 were comparable for all vendors and did not warrant additional analysis or inclusion in the weighted criteria ranking. The remaining criteria established in the original RFP have been summarized into the following five key areas to allow an initial rank of vendors based upon their response to the RFP:

A. Cost - weight factor of 30%
B. Technical Appropriateness - weight factor of 30%
C. Availability of support - weight factor of 20%
D. Experience with SCT Banner - weight factor of 10%
E. Company history and UNIX experience - weight factor of 10%
A. Cost

The vendors are ranked according to the total cost for the first five years.

The summary of costs for each vendor is displayed in Exhibit B:

<table>
<thead>
<tr>
<th>Rank</th>
<th>Vendor</th>
<th>Adjusted Cost Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hewlett Packard</td>
<td>$303,057</td>
</tr>
<tr>
<td>2</td>
<td>Data General</td>
<td>$360,417</td>
</tr>
<tr>
<td>3</td>
<td>IBM</td>
<td>$366,793</td>
</tr>
<tr>
<td>4</td>
<td>NCR</td>
<td>$382,273</td>
</tr>
</tbody>
</table>

B. Technical Appropriateness

To rate the vendors on the technical appropriateness of their solutions, we reviewed areas including disk drive subsystems, memory and disk expandability, system security, multiple processor capability, data integrity and operating systems.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Vendor</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hewlett Packard</td>
<td>Expandability of proposed model is available. Performance of H70 ranks very high in independent testing.</td>
</tr>
<tr>
<td>2</td>
<td>IBM</td>
<td>Model 990 is currently the top-of-the-line of AIX product offerings.</td>
</tr>
<tr>
<td>3</td>
<td>Data General</td>
<td>Disk Subsystem has many advantages.</td>
</tr>
<tr>
<td>4</td>
<td>NCR</td>
<td>Performance for the configuration specified is lower than other vendors.</td>
</tr>
</tbody>
</table>
C. Availability of Support

To rate the availability of providing ongoing hardware support, we reviewed the number of field personnel on staff at the Des Moines location and the information provided regarding hardware maintenance plans.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Vendor</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>IBM</td>
<td>7 field engineers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strong history with DMACC</td>
</tr>
<tr>
<td>2</td>
<td>Hewlett Packard</td>
<td>5 field engineers</td>
</tr>
<tr>
<td>3</td>
<td>NCR</td>
<td>4 field engineers</td>
</tr>
<tr>
<td>4</td>
<td>Data General</td>
<td>1 field engineer</td>
</tr>
</tbody>
</table>

D. Experience with SCT Banner

We evaluated the number of end users of the SCT Banner software for each hardware vendor.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Vendor</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>IBM</td>
<td>80 end users of SCT Banner</td>
</tr>
<tr>
<td>2</td>
<td>Hewlett Packard</td>
<td>17 end users of SCT Banner</td>
</tr>
<tr>
<td>3</td>
<td>Data General</td>
<td>8 end users of SCT Banner</td>
</tr>
<tr>
<td>4</td>
<td>NCR</td>
<td>8 end users of SCT Banner</td>
</tr>
</tbody>
</table>
E. Company History and UNIX Experience

Each company was evaluated to assess the financial stability of the company and the company’s expertise with the UNIX operating system.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Vendor</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>NCR</td>
<td>Association with AT&amp;T, who is original author of UNIX</td>
</tr>
<tr>
<td>2</td>
<td>Hewlett Packard</td>
<td>Strong history of technical expertise with UNIX</td>
</tr>
<tr>
<td>3</td>
<td>IBM</td>
<td>Relatively new to UNIX marketplace.</td>
</tr>
<tr>
<td>4</td>
<td>Data General</td>
<td>Of the four vendors, lowest sales volume and company assets.</td>
</tr>
</tbody>
</table>
III. CONCLUSIONS

Exhibit C shows a weighted criteria ranking for each of the four vendors analyzed. Based on the weighted criteria ranking and the fact that Hewlett Packard is the low-cost provider, we recommend that DMACC accept Hewlett Packard as the vendor for its administrative computing hardware system.
EXHIBITS
<table>
<thead>
<tr>
<th>Vendor Name &amp; Address</th>
<th>Hardware</th>
<th>Contact</th>
<th>Phone Number</th>
<th>RFP Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data General Corporation</td>
<td>DG AViiON 9540</td>
<td>Randy Wilson</td>
<td>402-492-8243</td>
<td>Received 12/03/93 Complete</td>
</tr>
<tr>
<td>1055 North 115th Street, Suite 100</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Omaha, NE 68154</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Digital Equipment Corporation</td>
<td>Alpha 4000</td>
<td>Mary Petersen</td>
<td>402-391-0310</td>
<td>Received 12/03/93 Complete</td>
</tr>
<tr>
<td>8805 Indian Hills Drive</td>
<td>Model 610</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Omaha, NE 68114</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hewlett Packard Company</td>
<td>HP 9000</td>
<td>John Kassing</td>
<td>515-224-1435</td>
<td>Received 12/03/93 Complete</td>
</tr>
<tr>
<td>4445 Corporate Drive, Suite 100</td>
<td>Series 800</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West Des Moines, IA 50266</td>
<td>Model H70</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IBM Corporation</td>
<td>RISC System/6000 Model 990</td>
<td>Curt Christopher</td>
<td>515-283-2800</td>
<td>Received 12/03/93 Complete</td>
</tr>
<tr>
<td>400 Locust Avenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Des Moines, WA 50309</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NCR Corporation</td>
<td>NCR 3525</td>
<td>Mark Floersch</td>
<td>515-223-1158</td>
<td>Received 12/03/93 Complete</td>
</tr>
<tr>
<td>Des Moines District</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3900 Westown Parkway</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West Des Moines, IA 50266</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sun Microsystems, Inc.</td>
<td>Sparcserver 690</td>
<td>John Hake</td>
<td>612-832-4101</td>
<td>Did Not Respond</td>
</tr>
<tr>
<td>Minnesota Center, Suite 950</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7760 France Avenue South</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bloomington, MN 55435</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unisys Corporation</td>
<td>U6000/75</td>
<td>Sales Department</td>
<td>515-224-0334</td>
<td>Did Not Respond</td>
</tr>
<tr>
<td>3636 Westown Parkway</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West Des Moines, IA 50265</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Summary of Costs

#### Hardware

<table>
<thead>
<tr>
<th>Model 990</th>
<th>DATA GENERAL 95C</th>
<th>Hewlett Packard H70</th>
<th>NCR 3255</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quantity</strong></td>
<td><strong>Price</strong></td>
<td><strong>Quantity</strong></td>
<td><strong>Price</strong></td>
</tr>
<tr>
<td>1 System–1 CPU</td>
<td>$170,284.00</td>
<td>1 System–4 CPU's</td>
<td>$73,240.00</td>
</tr>
<tr>
<td>512MB In System Quote</td>
<td>$28,210.00</td>
<td>10-1.0GB Disks</td>
<td>$50,500.00</td>
</tr>
<tr>
<td>18,550.00</td>
<td>4-2.0GB Disks</td>
<td>$2,600.00</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>5,447.50</td>
<td>1</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>508.00</td>
<td>2</td>
<td>$33,687.50</td>
<td>1</td>
</tr>
</tbody>
</table>

**First Year Maintenance**
- N/A
- N/A
- N/A
- N/A

**Total Hardware**
- $294,658.80
- $259,228.74
- $212,855.26
- $228,338.50

#### System Software

<table>
<thead>
<tr>
<th><strong>Operating System</strong></th>
<th><strong>Language and Compilers</strong></th>
<th><strong>Utilities</strong></th>
<th><strong>Installation</strong></th>
<th><strong>Total System Software</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>$229,049.00</td>
<td>$9,300.00</td>
<td>$1,247.50</td>
<td>$0.00</td>
<td>$247,606.50</td>
</tr>
<tr>
<td>$6,000.00</td>
<td>$1,320.00</td>
<td>$33,353.00</td>
<td>Preinstalled</td>
<td>$66,971.80</td>
</tr>
<tr>
<td>$8,107.50</td>
<td>$1,320.00</td>
<td>$14,690.00</td>
<td></td>
<td>$65,811.30</td>
</tr>
<tr>
<td>$38,400.00</td>
<td>$1,247.50</td>
<td>$7,345.00</td>
<td></td>
<td>$36,235.00</td>
</tr>
</tbody>
</table>

**First Year Maintenance**
- $20,249.00
- $0.00
- $0.00
- $0.00

**Total System Software**
- $85,911.30
- $36,235.00
- $63,330.50

#### Other Charges

<table>
<thead>
<tr>
<th><strong>Freight</strong></th>
<th><strong>Cables</strong></th>
<th><strong>Documentation</strong></th>
<th><strong>Site Preparation</strong></th>
<th><strong>Hardware Installation</strong></th>
<th><strong>System Software Installation</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>$1,600.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>N/A</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>N/A</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>N/A</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

**Total Other Charges**
- $2,500.00
- $355.00
- $10,600.00

### Cost Summary

<table>
<thead>
<tr>
<th><strong>Hardware</strong></th>
<th><strong>System Software</strong></th>
<th><strong>Total Other Charges</strong></th>
<th><strong>Total Hardware – First Year Costs</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>$227,687.00</td>
<td>$191,612.44</td>
<td>$250,028.74</td>
<td>$294,658.80</td>
</tr>
<tr>
<td>$191,612.44</td>
<td></td>
<td>$0.00</td>
<td>$294,658.80</td>
</tr>
<tr>
<td>$179,255.26</td>
<td></td>
<td>$212,855.26</td>
<td>$294,658.80</td>
</tr>
<tr>
<td>$184,406.00</td>
<td></td>
<td>$228,338.50</td>
<td>$294,658.80</td>
</tr>
</tbody>
</table>

**Total Hardware – First Year Costs**
- $294,658.80
- $250,028.74
- $212,855.26
- $228,338.50
## DES MOINES AREA COMMUNITY COLLEGE
ADMINISTRATIVE COMPUTING HARDWARE SYSTEM
REQUEST FOR PROPOSAL
SUMMARY OF COSTS

<table>
<thead>
<tr>
<th></th>
<th>IBM</th>
<th>DATA GENERAL</th>
<th>Hewlett Packard</th>
<th>NCR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Model 990</td>
<td>95G</td>
<td>H70</td>
<td>3525</td>
</tr>
<tr>
<td>QUANTITY</td>
<td>PRICE</td>
<td>QUANTITY</td>
<td>PRICE</td>
<td>QUANTITY</td>
</tr>
<tr>
<td><strong>Total Hardware — First Year Costs</strong></td>
<td>$204,059.00</td>
<td>$259,023.74</td>
<td>$212,855.56</td>
<td>$228,336.50</td>
</tr>
<tr>
<td><strong>LONG-TERM MAINTENANCE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hardware Maintenance — Year 2–5</td>
<td>48,894.40</td>
<td>78,750.00</td>
<td>$33,129.60</td>
<td>$61,104.00</td>
</tr>
<tr>
<td>System Software Maintenance — Year 2–5</td>
<td>7,440.00</td>
<td>29,743.20</td>
<td>21,072.00</td>
<td>62,832.00</td>
</tr>
<tr>
<td><strong>Total Maintenance — Year 2–5</strong></td>
<td>$54,134.40</td>
<td>$108,493.20</td>
<td>$54,201.60</td>
<td>$123,936.00</td>
</tr>
<tr>
<td><strong>Total Hardware — Five Year Costs</strong></td>
<td>$348,793.20</td>
<td>$368,416.94</td>
<td>$267,057.16</td>
<td>$352,272.50</td>
</tr>
<tr>
<td><strong>ADJUSTMENTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training (Note 2)</td>
<td>$18,000.00</td>
<td>$0.00</td>
<td>$18,000.00</td>
<td>$30,000.00</td>
</tr>
<tr>
<td>Hardware Maintenance (Note 3)</td>
<td>0.00</td>
<td>0.00</td>
<td>18,000.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Excess Disk Capacity (Note 4)</td>
<td>0.00</td>
<td>(6,000.00)</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total Adjustments</strong></td>
<td>$18,000.00</td>
<td>$(6,000.00)</td>
<td>$30,000.00</td>
<td>$30,000.00</td>
</tr>
<tr>
<td><strong>TOTAL ADJUSTED HARDWARE COST</strong></td>
<td>$366,793.20</td>
<td>$390,416.94</td>
<td>$297,057.16</td>
<td>$382,272.50</td>
</tr>
<tr>
<td><strong>VENDOR RANKING</strong></td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td><strong>BID TABULATION (Note 5)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase Price</td>
<td>$222,450.00</td>
<td>$219,098.50</td>
<td>$180,401.10</td>
<td>$233,583.00</td>
</tr>
<tr>
<td>Maintenance</td>
<td>$11,873.60</td>
<td>$16,720.80</td>
<td>$12,377.16</td>
<td>$30,884.00</td>
</tr>
</tbody>
</table>

### NOTES

1. We estimate there will be 125 users for terminal emulators.
2. The desire to provide $33,000 in training requires an adjustment to certain vendors in order to compensate for a training proposal less than $33,000.
3. Hewlett Packard's proposal contains two conflicting amounts for hardware maintenance. An $18,000 adjustment was made after a discussion with the vendor.
4. Data General's proposal contains excess disk drives, therefore, an $6,000 credit is made to prevent any overstatement.
5. These amounts represent the bid tabulations compiled at the time of bid openings.
### DES MOINES AREA COMMUNITY COLLEGE
### WEIGHTED CRITERIA RANKING

**EXHIBIT C**

<table>
<thead>
<tr>
<th>Vendor:</th>
<th>Data General</th>
<th>IBM</th>
<th>Hewlett Packard</th>
<th>NCR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Criteria</strong></td>
<td><strong>Weight</strong></td>
<td><strong>Ranking</strong></td>
<td><strong>Point Factor</strong></td>
<td><strong>Ranking</strong></td>
</tr>
<tr>
<td>Cost of Ownership</td>
<td>30</td>
<td>2</td>
<td>60</td>
<td>3</td>
</tr>
<tr>
<td>Technical Appropriateness</td>
<td>30</td>
<td>3</td>
<td>90</td>
<td>2</td>
</tr>
<tr>
<td>Availability of support</td>
<td>20</td>
<td>4</td>
<td>60</td>
<td>1</td>
</tr>
<tr>
<td>Experience with SCT Banner</td>
<td>10</td>
<td>3</td>
<td>30</td>
<td>1</td>
</tr>
<tr>
<td>Company history with UNIX</td>
<td>10</td>
<td>4</td>
<td>40</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total points</strong></td>
<td></td>
<td></td>
<td>300</td>
<td></td>
</tr>
</tbody>
</table>

**Note:** The lowest total points represents the best ranking for the vendor comparison.
DMACC MONTHLY FINANCIAL REPORT

Des Moines Area Community College

NOVEMBER 1993
DES MOINES AREA COMMUNITY COLLEGE
MONTHLY FINANCIAL REPORT

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1 Balance Sheet – All Funds
2 Statement of Revenue, Expenditures & Changes in Fund Balance
3 Schedule B – Investments
4 Schedule F – Detail of Liabilities

BUDGET VS ACTUAL SUMMARY REPORTS

5 Budget Balance Report All Funds
6 Budget Status Graph – Funds 1 and 2
7 Budget Status Graph – Funds 3 through 7
8 Graph Showing Actual Revenue and Expenses Compared to Prior Year for Funds 1, 2, and 7
## BALANCE SHEET
### DES MOINES AREA COMMUNITY COLLEGE
#### BALANCE SHEET
##### NOVEMBER 30, 1993

### ASSETS

<table>
<thead>
<tr>
<th>Category</th>
<th>Unrestricted</th>
<th>Restricted</th>
<th>Auxiliary</th>
<th>Agency</th>
<th>Scholarship</th>
<th>Loan</th>
<th>Plant</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash on hand or in banks</td>
<td>362,723</td>
<td>(3,658)</td>
<td>(3,703)</td>
<td></td>
<td>1,185</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>6,500,029</td>
<td>17,250,008</td>
<td>(309,739)</td>
<td>572,596</td>
<td>175,979</td>
<td>82,237</td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>5,926,711</td>
<td>18,648,877</td>
<td>59,404</td>
<td>29,126</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Loans</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits &amp; Prepaid Expenses</td>
<td>1,393</td>
<td>202,786</td>
<td>9,866</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>190,582</td>
<td>745,920</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due to/from other funds</td>
<td>89,392</td>
<td>(83,392)</td>
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<tr>
<td><strong>Total current assets</strong></td>
<td>13,064,830</td>
<td>36,014,621</td>
<td>491,882</td>
<td>175,979</td>
<td>1,124,102</td>
<td>1,478,710</td>
<td>52,961,712</td>
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</tbody>
</table>

| Category                              |              |            |           |        |             |      |       |
| Fixed Assets                          |              |            |           |        |             |      |       |
| Land, Buildings & Improvements        |              |            |           |        |             |      |       |
| Equipment, Leased Prop, Books & Film  |              |            |           |        |             |      |       |
| **Total fixed assets**                | 0            | 0          | 163,546   | 0      | 0           |      | 59,152,297|
| **TOTAL ASSETS**                      | 13,064,830   | 36,014,621 | 491,882   | 175,979| 1,124,102   | 1,478,710| 112,277,555|

### LIABILITIES AND FUND BALANCES

<table>
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<tr>
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<th>Unrestricted</th>
<th>Restricted</th>
<th>Auxiliary</th>
<th>Agency</th>
<th>Scholarship</th>
<th>Loan</th>
<th>Plant</th>
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</thead>
<tbody>
<tr>
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<td>10,334,122</td>
<td>9,735,731</td>
<td>105,385</td>
<td>(19,326)</td>
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<td>Deposits Held in Custody for Others</td>
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<td></td>
<td>794,460</td>
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<td>797,064</td>
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<td><strong>Total liabilities</strong></td>
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<td>35,561,731</td>
<td>105,385</td>
<td>775,134</td>
<td>0</td>
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<td>2,216,507</td>
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<table>
<thead>
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<th>Category</th>
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<th>Restricted</th>
<th>Auxiliary</th>
<th>Agency</th>
<th>Scholarship</th>
<th>Loan</th>
<th>Plant</th>
</tr>
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<tbody>
<tr>
<td>Fund Balance</td>
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<td>386,497</td>
<td>175,979</td>
<td>1,124,102</td>
<td>1,463,664</td>
<td>3,793,714</td>
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<td>0</td>
<td>175,979</td>
<td>1,124,102</td>
<td>63,262,072</td>
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<tr>
<td><strong>TOTAL LIABILITIES &amp; FUND BALANCE</strong></td>
<td>13,064,830</td>
<td>36,014,621</td>
<td>491,882</td>
<td>775,134</td>
<td>175,979</td>
<td>1,124,102</td>
<td>112,277,555</td>
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### Statement of Revenue, Expenditures & Changes in Fund Balances
November 30, 1993

<table>
<thead>
<tr>
<th>Unrestricted General</th>
<th>Restricted General Fund 1</th>
<th>Restricted General Fund 2</th>
<th>Auxiliary Fund 3</th>
<th>Agency Fund 4</th>
<th>Scholarship Loan Fund 5</th>
<th>Loan Plant Fund 6</th>
<th>Plant Fund 7</th>
<th>Total</th>
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<td>1,348,881</td>
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<td>209,344</td>
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<td>8,660</td>
<td>17,198</td>
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<td>Educational &amp; General</td>
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<td>Instruction</td>
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<td>2,103,882</td>
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<td>1,401,039</td>
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<td>Agency Fund Expense</td>
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<td>271,804</td>
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<td>271,804</td>
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<td>2,666,389</td>
<td>3,220,300</td>
<td>271,804</td>
<td>2,103,882</td>
<td>8,441</td>
<td>1,401,039</td>
<td>24,008,941</td>
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<tr>
<td>Mandatory</td>
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<td>(120,870)</td>
<td>(122,000)</td>
<td>(4,458)</td>
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<td>100,412</td>
<td>64,364</td>
<td>(7,510)</td>
<td>(463,590)</td>
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<td>662,660</td>
<td>139,058</td>
<td>100,412</td>
<td>64,364</td>
<td>(7,510)</td>
<td>(463,590)</td>
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<td>386,497</td>
<td>794,460</td>
<td>175,979</td>
<td>1,124,102</td>
<td>58,414,500</td>
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<tr>
<td>First Natl Bk, Ames</td>
<td>131</td>
<td>Savings Acct</td>
<td>2.89%</td>
<td></td>
<td>6,307,721</td>
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<tr>
<td>Hawkeye Bk &amp; Trust</td>
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<td>Savings Acct</td>
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<td>Savings Acct</td>
<td>2.89%</td>
<td></td>
<td>51,693</td>
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<td>2.89%</td>
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<tr>
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## DETAIL OF LIABILITIES

**NOVEMBER 30, 1993**

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<th></th>
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<th>Restricted</th>
<th>Auxiliary</th>
<th>Agency</th>
<th>Scholarship</th>
<th>Loan</th>
<th>Plant</th>
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<tbody>
<tr>
<td></td>
<td>General</td>
<td>General</td>
<td>Fund 1</td>
<td>Fund 2</td>
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<td>Fund 4</td>
<td>Fund 5</td>
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<td>27,495</td>
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<tr>
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<td>10,336,726</td>
<td>35,561,731</td>
<td>105,385</td>
<td>(19,326)</td>
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<td>2,216,507</td>
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**SCHEDULE F**

**DES MOINES AREA COMMUNITY COLLEGE**

---
# DES MOINES AREA COMMUNITY COLLEGE

## BUDGET REPORT

### SUMMARY BY FUND (ALL FUNDS)

November 30, 1993

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<th>BOARD NO.</th>
<th>FUND AMOUNT</th>
<th>WORKING BUDGET</th>
<th>AMOUNT EXPENDED/ENCUMBERED</th>
<th>AMOUNT RECEIVED</th>
<th>WORKING BALANCE</th>
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**Total Revenue:** $72,905,237

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**Total Expenditures:** $73,591,021

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**Total**

$50,526,255
DMACC BUDGET STATUS NOVEMBER 30, 1993
(FUNDS 1 & 2)
DMACC Revenues and Expenditures
Year-to-Date Through November 30, 1993

- Fund 1 (Current General)
- Fund 2 (Restricted Current General)
- Fund 7 (Plant)

Dollars

- Current Year
- Prior Year