

Des Moines Area Community College

## Open SPACE @ DMACC

---

Board of Directors Meeting Minutes

---

12-18-1991

### **Board of Directors Meeting Minutes (December 18, 1991)**

DMACC

Follow this and additional works at: <https://openspace.dmacc.edu/boardminutes>

---

Special  
12-18-91

DES MOINES AREA COMMUNITY COLLEGE

Special Meeting  
December 18, 1991  
Building 1 - Room 30 - Ankeny Campus

A G E N D A

1. Call to order - 2 p.m.
2. Roll call.
3. Consideration of tentative agenda.
4. Public comments.
5. Consideration of resolution to borrow \$1.5 million from First National Bank, Ames, Iowa.
6. Adjournment.

NOTICE AND CALL OF PUBLIC MEETING

Governmental Body: Des Moines Area Community College (Merged Area XI)

Date of Meeting: December 18, 1991

Time of Meeting: 2:00 p.m.

Place of Meeting: Board Room, Ankeny, Iowa

PUBLIC NOTICE IS HEREBY GIVEN that the above governmental body will meet on the 18th day of December, 1991, at 2:00 o'clock P.M. at the Board Room, Ankeny, Iowa, in emergency session by electronic means. The tentative agenda for the meeting is as follows:

- Authorization of the making of warrants in an amount not to exceed \$1,500,000 for the payment of authorized salaries and other authorized expenditures.

This notice is given at the direction of the President pursuant to Iowa Code chapter 21 and the rules of the College.

Notice has been given by the following means:

Telephone, FAX, mail

---



---



---

*Heber M. Harris*  
 Secretary of the Board of Directors  
 Des Moines Area Community College  
 (Merged Area XI)

DES MOINES AREA COMMUNITY COLLEGE  
2006 South Ankeny Boulevard  
Ankeny, Iowa

SPECIAL MEETING  
DECEMBER 18, 1991

A special meeting of the Des Moines Area Community College Board of Directors was held in Building 1, Room 30, of the Ankeny Campus, on December 18, 1991, for the purpose of discussion of the Iowa Trust Education Fund, the freezing of assets in said fund, and the need to borrow funds for the payment of authorized salaries and other authorized expenditures. Board members Lloyd Courter, Dick Johnson, and Gerry Pecinovsky and legal counsel Ed Bittle of the Ahlers Law firm of Des Moines, Iowa, were in attendance via electronic means (conference call) due to other commitments and the time it would take to travel to the Ankeny Campus from their businesses.

Notice of said meeting was FAXED or phoned to all members twenty-four hours prior to the meeting and notice of the meeting was FAXED or mailed to media according to our normal mailing list. Notice of the meeting was posted as usual, outside the Board Room in Building 1, Ankeny Campus.

The meeting was called to order at 2:05 p.m. by Board President Sue Clouser.

ROLL CALL

Members Present: \*Electronically (Conference Call)  
Harold Belken  
DeVere Bendixen  
Sue Clouser  
\*Lloyd Courter  
\*Dick Johnson  
Eldon Leonard  
\*Gerry Pecinovsky  
Doug Shull  
Nancy Wolf

Others Present:  
Joseph A. Borgen, President  
Helen M. Harris, Board Secretary  
Don Zuck, Vice President, Operations & College Treasurer  
Darrell Roberts, Vice President, Business Services  
Don Kerr, Assistant to the President  
Ed Bittle, Attorney, Ahlers Law Firm

APPROVAL OF AGENDA

A motion to approve the tentative agenda as presented was made by N. Wolf, seconded by D. Shull.

APPROVAL OF RESO-  
LUTION TO BORROW  
NOT TO EXCEED  
\$1.5 MILLION FROM  
FIRST NATIONAL BANK,  
AMES

Discussion was held regarding the Iowa Trust Education Fund and the freezing of assets of which we have invested in this fund. DMACC has financial obligations which must be met by Friday, December 20, 1991 and the freezing of these funds necessitates borrowing monies to cover these obligations.

A motion was made by L. Courter, seconded by D. Shull, that the board approve the resolution authorizing the making of warrants in an amount not to exceed \$1,500,000 for the payment of authorized salaries and other authorized expenditures, and that this money be borrowed from the First National Bank, Ames, Iowa. Attachment #1.

Motion passed unanimously.

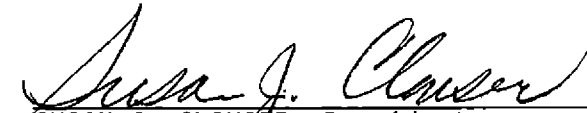
Repayment of these funds is to be made as quickly as possible, hopefully within a week.

A tape recording of this meeting was made, and is in the DMACC safety deposit box at Ankeny State Bank, Ankeny.

ADJOURNMENT

A motion for adjournment was made by E. Leonard, seconded by N. Wolf.

Motion passed unanimously and at 2:35 p.m., Board President Clouser adjourned the meeting.

  
\_\_\_\_\_  
SUSAN J. CLOUSER, President

  
\_\_\_\_\_  
HELEN M. HARRIS, Board Secretary

# AHLERS, COONEY, DORWEILER, HAYNIE, SMITH & ALLBEE, P.C.

ATTORNEYS AT LAW

100 COURT AVENUE SUITE 600  
DES MOINES, IOWA 50308-2231  
FAX 515 243 2149  
515 243 7611

PHILIP J. DORWEILER  
KENNETH H. HAYNIE  
H. RICHARD SMITH  
ROBERT G. ALLBEE  
JOHN F. MCKINNEY, JR.  
L. W. ROSEBROOK  
RICHARD G. SANTI  
EDGAR H. BITTLE  
MORRIS E. KNOPF  
RONALD L. SUTPHIN

TERRY L. MONSON  
LANCE A. COPPOCK  
DAVID H. LUGINBILL  
MARK W. BEERMAN  
EDWARD W. REMSBURG  
RANDALL H. STEFANI  
ELIZABETH GREGG KENNEDY  
PATRICIA J. MARTIN  
WADE R. HAUSER III  
WILLIAM J. NOTH

DAVID SWINTON  
PETER PASHLER  
IVAN T. WEBBER  
JANE B. McALLISTER  
R. MARK CORY  
STEVEN K. GAER  
RONALD L. PEELER  
ANDREW J. BRACKEN  
STEVEN L. SERCK  
JEFFREY M. LAMBERTI

MICHAEL J. EASON  
CAROLE A. TILLOTSON  
PATRICIA L. LETO  
MERLE WILNA FLEMING

OF COUNSEL  
PAUL F. AHLERS  
JAMES EVANS COONEY  
SERGE H. GARRISON

December 19, 1991



Darrell Roberts  
Des Moines Area Comm. College  
2006 South Ankeny Blvd.  
Ankeny, IA 50021

Dear Darrell:

We have reviewed proceedings and documentation for the sale and issuance of \$1,500,000 Anticipatory Warrants Series 1991 and the proceedings for the Board meeting at 2:00 p.m. held yesterday. I would like to review the circumstances which prompted the telephonic emergency board meeting so there is a record in your file. As we discussed Tuesday evening on the telephone, when I visited with counsel for the Bank at 5:00 p.m. Tuesday evening, he requested that the Board meet to approve a resolution authorizing the making of warrants in an amount not to exceed \$1,500,000 for the payment of authorized salaries and other authorized expenditures. We have discussed that you would give notice to all board members of a meeting at 2:00 p.m. on December 18 at the Board Room in Ankeny, Iowa, and that you would make arrangements for board members who could not be present personally to participate by electronic means, and that public access would be provided to the conversation. As we discussed, we suggest that notice be given pursuant to the normal procedures, and then in addition, telephone calls or facsimile copies of the Notice and Call of Public meeting be given. We understand this was done.

The fluid nature of this transaction was apparent Wednesday morning when legal counsel for the Bank advised the Bank that he recommended that the Bank purchase anticipatory warrants rather than stamp warrants. Thus, although we had prepared the proceedings for stamping warrants, including a draft opinion approving the procedure, at 9:00 o'clock Wednesday morning, we were faced with redrafting a complete new set of proceedings to issue anticipatory warrants. During the morning on Wednesday, we continued to negotiate back and forth with Mr. Nadler, attorney for the First National Bank in Ames. At all points, the Bank was very cooperative and made it clear that they wanted to make the

December 19, 1991

Page 2

deal work and that they would do everything they could to help the College. However, they did insist on a provision that they be repaid as soon as funds are available; they made it clear that they did not anticipate that the money would be loaned more than ninety days; they made it clear that they would agree to a parity warrant situation, but only upon their written consent; and we made it clear that we could issue subordinate warrants, parity warrants, or prepay without penalty. All those provisions were incorporated into the documents. At about 11:30 a.m., you and I visited, and you indicated that if the funds remained frozen, that the College might not be able to pay until August 1. I relayed that information to Mr. Nadler, and we made some adjustments in the provisions in Section 4 of the Resolution, which were the final changes that were made.

During that time, we experienced some problems in our computer word processing. Because of that, we were unable to have a draft resolution in front of the Board when they met. We apologize for that inconvenience.

We have furnished you with the Notice and Call of Public Meeting, which Helen Harris completed and signed.

We have also provided you with the Resolution authorizing the sale and the issuance of warrants in anticipation of state aid and other revenues of the general fund of the College for the fiscal year ending June 30, 1992, in an amount not to exceed \$1,500,000. The Certificate of the Treasurer had appended to it Schedule A, the projected general fund cash flow for the remainder of the fiscal year, the litigation summary, the adopted budget.

We also furnished you with the form of Warrant which you were taking around to be executed, the Authentication Certificate, the Authentication Order, and a Delivery Certificate.

We have furnished you with three copies of the proceedings and attachments: one for the College records, one for the Bank, and one for our file.

We have discussed the procedure and mechanism for issuing additional warrants on a parity with the approval of First National Bank, of issuing additional warrants and refunding these warrants, and of the procedures that will be necessary to issue warrants in July, 1992 if these warrants are outstanding. Please contact us if you have any questions or if we need to discuss these matters further.

At your direction, we have consulted with David Dirks, of Evensen-Dodge, the College's financial consultant. Mr. Dirks did advise us that taxable rate warrants with a one year maturity,



rated A-1, have been sold within the last few days at rates ranging from 4.15 to 4.60 per annum. We investigated the possibility of issuing anticipatory warrants at such a rate, but the emergency nature of the College's needs, and the inability to be certain that the College could comply with federal securities law disclosure requirements on such short notice, dictates the need to sell warrants to the First National Bank of Ames, on the terms and conditions set forth in the Resolution authorizing the making of such warrants and the purchase agreement with the Bank. After you left the office this morning, Mr. Nadler called to advise that the Bank could not sign the Purchase Agreement as drafted. We discussed changes and you have seen the revisions.

Because First National Bank of Ames has stated that it expects to be repaid within 90 days, and because the Bank does not anticipate making further advances on stamped warrants beyond that being committed in the Resolution, we should schedule a meeting before the end of the year with Mr. Dirks and appropriate College officials to discuss how future borrowing can be accomplished, if the funds remain frozen at the Iowa Trust Education.

Because these warrants are taxable, the College should issue a Form 1099-INT. If you have questions about the procedures for issuing that form, please let us know and we will provide further instructions.

Very truly yours,

AHLERS, COONEY, DORWEILER,  
HAYNIE, SMITH & ALLBEE, P.C.

By 

Edgar H. Bittle

EHB/lme

cc: Joe Borgen  
Helen Harris ✓

NOTICE AND CALL OF PUBLIC MEETING

Governmental Body: Des Moines Area Community College (Merged Area XI)  
Date of Meeting: December 18, 1991  
Time of Meeting: 2:00 p.m.  
Place of Meeting: Board Room, Ankeny, Iowa

PUBLIC NOTICE IS HEREBY GIVEN that the above governmental body will meet on the 18th day of December, 1991, at 2:00 o'clock P.M. at the Board Room, Ankeny, Iowa, in emergency session by electronic means. The tentative agenda for the meeting is as follows:

- Authorization of the making of warrants in an amount not to exceed \$1,500,000 for the payment of authorized salaries and other authorized expenditures.

This notice is given at the direction of the President pursuant to Iowa Code chapter 21 and the rules of the College.

Notice has been given by the following means:

FAX  
Telephone  
Mail

Helena M Harris  
Secretary of the Board of Directors  
Des Moines Area Community College  
(Merged Area XI)

original  
for Board  
Minutes  
Backup file

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 special session on the 18th day of December, 1991, at 2:00 o'clock P.M. by electronic means in the Board Room at the College in Ankeny, Iowa, by which all persons participating in meeting, and the public, could hear each other. Present were the following named Board Members:

Clouser, Bendixen, Courter, Johnson,  
Belken, Leonard, Pecinovsky, Shull and Wolf

Absent: None

The Treasurer reported that the proceeds of \$5 million anticipatory warrants dated July 1, 1991 were invested in Iowa Trust Education, and said funds have been frozen, pending audit and dissolution of the Iowa Trust Education. Until such audit has been completed, and until the funds are available, it is necessary for the College to make authorized payroll payments and other authorized payments. The Treasurer has been determining the cash flow needs of the College in these circumstances and has been negotiating with the First National Bank of Ames to purchase anticipatory warrants to provide funds to meet current payroll and expenses.

The Board found unanimously that it was impractical due to the circumstances to hold a meeting in person and that it is necessary to hold this meeting by electronic means pursuant to Iowa Code section 21.8. Further, the Board found unanimously that these circumstances constitute good cause to depart from twenty-four hour notice of this meeting and that as much notice as is reasonably possible has been given.

Board Member Courter introduced the following Resolution and moved its adoption. Board Member Shull seconded the motion. The roll was called and the vote was:

AYES: Clouser, Bendixen, Courter, Johnson,  
Belken, Leonard, Pecinovsky, Shull and Wolf

NAYS: None

Whereupon, the President declared the Resolution duly adopted as follows:

RESOLUTION AUTHORIZING THE SALE AND ISSUANCE  
OF WARRANTS IN ANTICIPATION OF STATE AID AND  
OTHER REVENUES OF THE GENERAL FUND OF THE  
COLLEGE FOR THE FISCAL YEAR ENDING JUNE 30,  
1992 IN AN AMOUNT NOT TO EXCEED \$1,500,000

WHEREAS, the Des Moines Area Community College (Merged Area XI), (the "College"), is a school corporation organized and existing pursuant to Iowa Code chapter 280A and is authorized pursuant to Iowa Code sections 74.1(2) to authorize and to issue warrants in anticipation of revenues of the General Fund of the College; and

WHEREAS, it is necessary for the College to authorize payment by warrants and the College anticipates that there will not be sufficient funds on hand to pay the legal obligations of the College; and

WHEREAS, invested funds of the College have been frozen by regulatory and court actions and are not available to make such payments; and

WHEREAS, the College did issue its anticipatory warrants dated July 1, 1991 (the "1991 Series Warrants") in the amount of \$5 million, and the proceeds of such anticipatory warrants have been invested and the invested moneys are not available to the College because of legal action freezing the accessibility of the proceeds in the investment account; and

WHEREAS, the College pledged to the payment of the 1991 Series Warrants the revenues of the General Fund of the College in the 1991-92 fiscal year, including all taxes and revenues which are required by law to be deposited in the general fund of the College for the 1991-92 fiscal year (the "Current General Fund Revenues") and any general fund revenues in the one month period ending July 31, 1992, including any earnings thereon and the unexpended proceeds of the Warrants and any other amounts in the general fund, or otherwise legally available to the College, to the extent necessary to pay the principal and interest on the 1991 Series Warrants as they become due; and

WHEREAS, at the time of issuance of the 1991 Series Warrants, the College reasonably expected that it would issue only \$5 million of tax exempt securities during 1991 calendar year, and to avoid federal arbitrage rebate penalties, and other possible adverse federal tax consequences, it is in the best interest of the College to pay interest on warrants being authorized by this Resolution at a taxable rate; and

WHEREAS, the College has duly adopted a budget in the 1991-92 fiscal year and it is estimated that \$ 16,584,544 will accrue to the general fund of the College during the 1991-92 fiscal year; and

WHEREAS, it is estimated that state aid and other state appropriated money will accrue during the fiscal year ending June 30, 1992 (the "Fiscal Year") as set forth in Schedule A attached to this Resolution;

WHEREAS, the estimated cash flow needs of the College for the period December 6, 1991 through January 10, 1992 are as follows:

Week Ended	In-flow	Salary	Payables	Total	Balance
December 6					0
December 13	400,000	0	500,000	500,000	( 100,000)
December 20	450,000	1,100,000	600,000	1,700,000	(1,350,000)
December 27	0	0	0	0	(1,350,000)
January 3	2,000,000	1,100,000	400,000	1,500,000	( 850,000)
January 10	100,000	0	500,000	500,000	(1,250,000)

WHEREAS, this Board of Directors finds it necessary to anticipate the receipt of revenue in the General Fund in order to make immediately available cash with which to carry out the purposes thereof:

WHEREAS, the College's depository bank, First National Bank of Ames, Iowa, has agreed to purchase Anticipatory Warrants in the amount of \$1,500,000 at the rate of 7 1/2% per annum;

NOW, THEREFORE, BE IT RESOLVED BY 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, AS FOLLOWS:

Section 1. Definitions. The following terms have the following meanings in this Resolution unless the text expressly or by necessary implication requires otherwise:

(a) "Anticipatory Warrant(s)" or "Warrant(s)" means \$1,500,000 Warrants authorized to be issued by this Resolution;

(b) "Fund" means the fund defined in Section 3 of this Resolution including the separate accounts thereof;

(c) "Issuer" and "College" means 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;

(d) "Paying Agent" means the Treasurer of the College, or successor as may be approved by Issuer and who will carry out the duties as Issuer's agent to provide for the payment of principal of and interest on the Warrants when due;

(e) "Rebate Fund" means the fund of that name established pursuant to the Tax Exemption Certificate;

(f) "Registrar" means the Treasurer of the College, or successor as may be approved by Issuer and who will carry out the duties with respect to maintaining a register of the owners of the Warrants.

Section 2. Authority to Issue Anticipatory Warrants. There is hereby authorized to be issued sold to the First National Bank of Ames, Iowa and to be issued Anticipatory Warrants Series December, 1991 (the "Warrants") of said College in the total amount of \$1,500,000 at a price of par, to be dated December 19, 1991. The Warrants shall mature and bear interest at the rate of seven and one-half percent (7 1/2%) and shall mature August 1, 1992.

Section 3. Security for Payment, Obligation of Paying Agent in Case of Default and Warrant Details.

The Warrants issued pursuant to this Resolution are subordinate to the lien and pledge of the 1991 Series Warrants.

As security for the payment of principal and interest on the Warrants the College pledges and dedicates state aid and other state appropriated moneys, ad valorem property tax receipts, and other general fund moneys of the College which are receivable, received or accrue to the general fund for the Fiscal Year (the Fund"). Both principal and interest thereon be paid solely from said Fund.

In the event the College fails to pay principal or interest of its Anticipatory Warrants when due, the Treasurer shall certify to the director of the department of revenue and finance, who, pursuant to Iowa Code section 74.9, shall withhold and directly apply, from any state appropriation to which the College is entitled, so much as is certified to Treasurer to the payment of the principal and interest on the Anticipatory Warrants of the College then due. The obligation of the director of revenue and finance to withhold and directly apply moneys from any state appropriation to which the College is entitled does not create any moral or legal obligation of the state to pay, when due, the principal and interest on the Anticipatory Warrants of the College.

Failure of the College to pay from the Fund when due principal and interest shall entitle Warrant holders to take such actions as are necessary to obtain a judgment against the College for the amount of its deficiency and payment shall be made from

the Fund by an order on the Treasurer in accordance with Iowa Code section 298.15. If the Fund is not sufficient, then, the board of directors of the College shall provide for the issuance of bonds pursuant to Iowa Code section 298.20 for raising the amount necessary to pay any judgment obtained for amounts owed pursuant to this Resolution, and the board of directors of the College shall provide for the assessment of an annual levy upon all the taxable property of the Merged Area sufficient to pay the principal and interest of such funding bonds. The board of directors of the College may include the cost of the judgment in the levy in accordance with Iowa Code section 298.16.

The Warrants shall bear interest as provided above, payable on August 1, 1992, both principal and interest payable in lawful money of the United States of America at the office of the Registrar. Interest on the Warrants shall be taxable.

Section 4. When moneys accruing in the Fund for the period covered by said Anticipatory Warrants are deemed sufficient to pay the Warrants, the Treasurer shall call and redeem such Warrants, paying accrued interest thereon to the date of redemption. Notice of call shall be given in writing to the First National Bank of Ames by personal service, certified or registered mail, and interest on Warrants shall cease three days from the date of call or upon the stated maturity date, whichever shall first occur.

Section 5. Execution, Authentication and Delivery of the Warrants. Upon the adoption of this Resolution, the President or Vice-President and Secretary shall execute and deliver the Warrants to the Registrar hereafter appointed who shall authenticate the Warrants and deliver the same to or upon order of the Purchaser. No Warrant shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless the Registrar shall duly endorse and execute on such Warrant a certificate of authentication substantially in the form of the Certificate herein set forth. Such Certificate upon any Warrant executed on behalf of the Issuer shall be conclusive evidence that the Warrant so authenticated has been duly issued under this resolution and that the holder thereof is entitled to the benefits of this resolution

Section 6. Form of Warrant. Warrants shall be printed in substantial compliance with standards proposed by the American Standards Institute substantially in the form as follows:

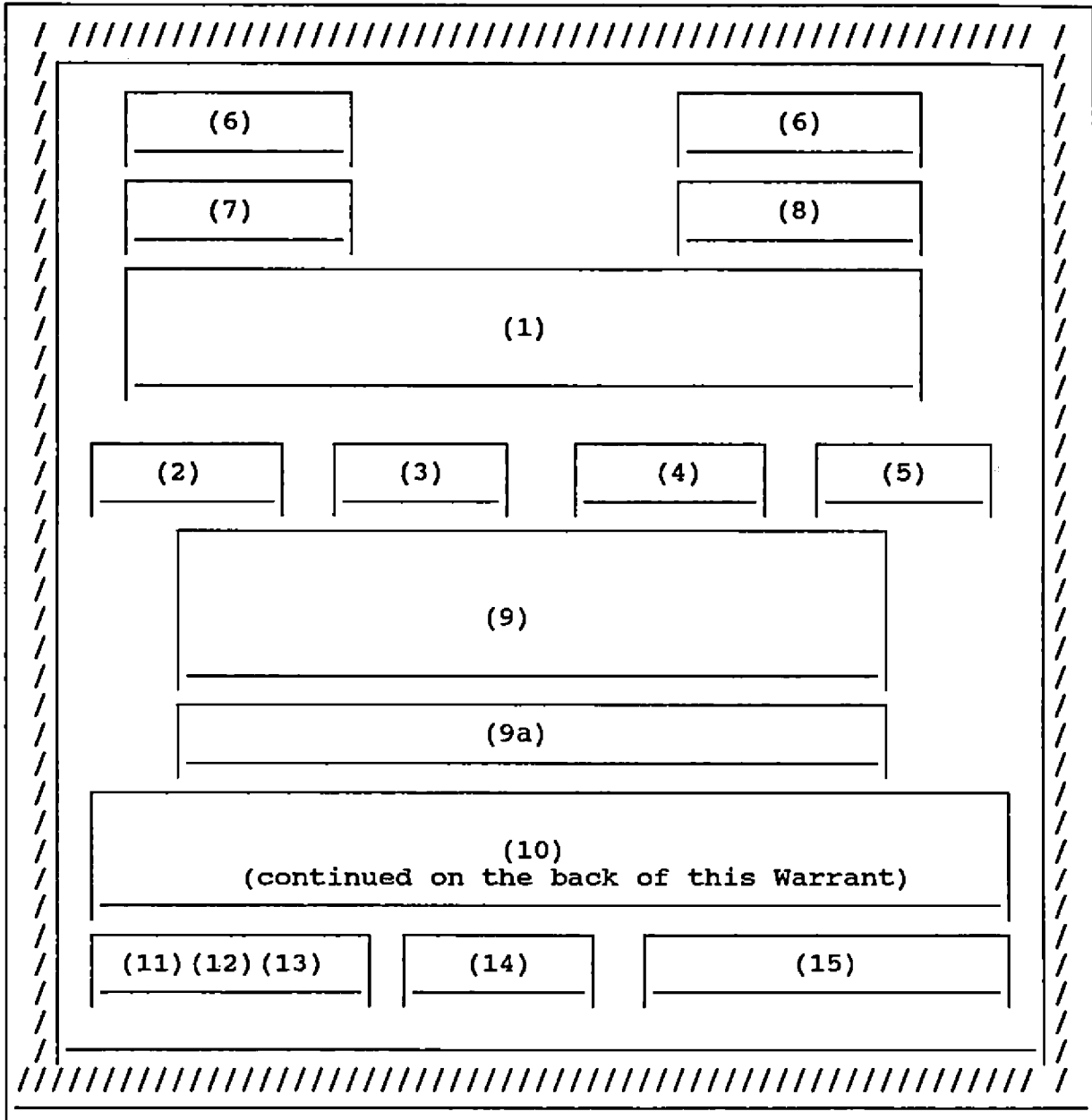


FIGURE 1

(Front)



<p>(10) (Continued)</p>	<p>(16)</p>	<p>(17)</p>	
-----------------------------	-------------	-------------	--

FIGURE 2

(Back)

The text of the Warrants to be located thereon at the item numbers shown shall be as follows:

Item 1, figure 1 = "STATE OF IOWA"  
"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  
"ANTICIPATORY WARRANT"  
"SERIES DECEMBER, 1991"

Item 2, figure 1 = Rate: \_\_\_\_\_  
Item 3, figure 1 = Maturity: \_\_\_\_\_  
Item 4, figure 1 = Warrant Date: \_\_\_\_\_  
Item 5, figure 1 = Cusip No.: \_\_\_\_\_  
Item 6, figure 1 = "Registered"  
Item 7, figure 1 = Warrant No. \_\_\_\_\_  
Item 8, figure 1 = Principal Amount: \$ \_\_\_\_\_

Item 9, figure 1 = The Des Moines Area Community College (Merged Area XI), a public school corporation organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Issuer"), for value received, promises to pay from the source and as hereinafter provided, on the maturity date indicated above, to the First National Bank of Ames

Item 9A, figure 1 = (Registration panel to be completed by Registrar or Printer with name of Registered Owner).

Item 10, figure 1 = or registered assigns, the principal sum of One Million Five Hundred Thousand Dollars in lawful money of the United States of America, on the maturity date shown above, only upon presentation and surrender hereof at the principal office of the Treasurer of the College, Paying Agent of this issue, or its successor, with interest on said sum from the date hereof until paid at the rate per annum specified above, payable on August 1, 1992.

Interest and principal shall be paid to the registered holder of the Warrant as shown on the records of ownership maintained by the Registrar as of the 15th day preceding such interest payment date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This Anticipatory Warrant is issued pursuant to the provisions of Iowa Code section 74.1(2) and a resolution of the Board of Directors of the Issuer in anticipation of and not in excess of revenue estimates for revenues of its general fund for the Fiscal Year ending June 30, 1992. As security for the payment of principal and interest on the Warrants the Issuer,

subject to the lien and pledge of security to the payment of its Anticipatory Warrants dated July 1, 1991, pledges and dedicates state aid and other state appropriated moneys, ad valorem property tax receipts, and other general fund moneys of the Issuer which are receivable, received or accrued to the general fund for the Fiscal Year.

The college may borrow additional money, enter into further notes and issue additional certificates which are at the time of their issuance on a parity and equality of rank with the Certificates with respect to the lien and claim of such additional certificates to revenues in the General Fund legally available to pay principal or interest coming due at any time under its Anticipatory Warrants Series December 1991.

It is hereby represented and certified that all acts, conditions and things requisite according to the laws and Constitution of the State of Iowa, to exist, to be had, to be done, or to be performed precedent to the lawful issuing of this Warrant have been existent, had, done and performed as required by law.

IN TESTIMONY WHEREOF, said Issuer by its Board of Directors, has caused this Warrant to be signed by the authorized signature of its President and attested by the authorized signature of its Secretary, and authenticated by the manual signature of an authorized representative of the Registrar.

Item 11, figure 1 = Date of Authentication.

Item 12, figure 1 = This is one of the Warrants described in the within mentioned Resolution, as registered by the Treasurer of the College.

TREASURER OF THE COLLEGE

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

Item 13, figure 1 = Registrar and Transfer Agent: Treasurer of the College  
Paying Agent: Treasurer of the College

Item 14, figure 1 = (No Seal)

Item 15, figure 1 = [Signature Block]

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

(Vice President's authorized signature)

By: \_\_\_\_\_  
Vice President, Board of Directors

ATTEST:

(Secretary's authorized signature)

By: \_\_\_\_\_  
Secretary, Board of Directors

Section 7. Registration of Warrants; Appointment of Registrar; Appointment of Paying Agent; Transfer; Ownership; Delivery; and Cancellation.

(a) Registration. The ownership of Warrants may be transferred only by the making of an entry upon the books kept for the registration and transfer of ownership of the Warrants, and in no other way. The Treasurer of the College, is hereby appointed as Warrant Registrar under the terms of this Resolution.

(b) Appointment of Paying Agent. The Treasurer of the College is hereby appointed as Paying Agent under the terms of this Resolution.

(c) Reserved.

(d) Ownership. As to any Warrant, the person in whose name the ownership of the same shall be registered on the Registration Books of the Registrar shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Warrants and the premium, if any, and interest thereon shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Warrant, including the interest thereon, to the extent of the sum or sums so paid.

(e) Cancellation. All Warrants which have been redeemed shall not be reissued but shall be cancelled by the Registrar. All Warrants which are cancelled by the

Registrar shall be destroyed and a certificate of the destruction thereof shall be furnished promptly to the Issuer; provided that if the Issuer shall so direct, the Registrar shall forward the cancelled Warrants to the Issuer.

(f) Non-Presentation of Warrants. In the event any payment check representing payment of principal or interest on the Warrants is returned to the Paying Agent or if any Warrant is not presented for payment of principal at the maturity or redemption date, if funds sufficient to pay such principal or interest on Warrants shall have been made available to the Paying Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or payment of such Warrants shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such Warrants who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Resolution or on, or with respect to, such interest or Warrants. The Paying Agent's obligation to hold such funds shall continue for a period equal to two years and six months following the date on which such interest or principal became due, whether at maturity, or at the date fixed for redemption thereof, or otherwise, at which time the Paying Agent, shall surrender any remaining funds so held to the Issuer, whereupon any claim under this Resolution by the Owners of such interest or Warrants of whatever nature shall be made upon the Issuer.

Section 8. Reissuance of Mutilated, Destroyed, Stolen or Lost Warrants. In case any outstanding Warrant shall become mutilated or be destroyed, stolen or lost, the Issuer shall at the request of Registrar authenticate and deliver a new Warrant of like tenor and amount as the Warrant so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Warrant to Registrar, upon surrender of such mutilated Warrant, or in lieu of and substitution for the Warrant destroyed, stolen or lost, upon filing with the Registrar evidence satisfactory to the Registrar and Issuer that such Warrant has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Registrar and Issuer with satisfactory indemnity and complying with such other reasonable regulations as the Issuer or its agent may prescribe and paying such expenses as the Issuer may incur in connection therewith.

Section 9. Record Date. Payments of principal and interest, otherwise than upon full redemption, made in respect of any Warrant, shall be made to the registered holder thereof or to their designated agent as the same appear on the books of the Registrar on the 15th day preceding the payment date. All such payments shall fully discharge the obligations of the Issuer in

respect of such Warrants to the extent of the payments so made. Payment of principal shall only be made upon surrender of the Warrant to the Paying Agent.

Section 10. Execution, Authentication and Delivery of the Warrants, and Application of Proceeds. Upon the adoption of this Resolution, the President and Secretary shall execute and deliver the Warrants to the Registrar, who shall authenticate the Warrants and deliver the same to or upon order of the Purchaser. No Warrant shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless the Registrar shall duly endorse and execute on such Warrant a certification of authentication substantially in the form of the Certificate herein set forth. Such Certificate upon any Warrant executed on behalf of the Issuer shall be conclusive evidence that the Warrant so authenticated has been duly issued under this Resolution and that the holder thereof is entitled to the benefit of this Resolution.

The proceeds derived from the sale and issuance of the Warrants shall be deposited in the Fund in a separate account of the College designated as the College's Warrant Series December 1991 Proceeds Fund to be used by the College when moneys in the general operating fund are insufficient to pay current operating expenses during the Fiscal Year. The College shall establish a Warrant Series December 1991 Debt Service Fund into which shall be deposited, in advance of August 1, 1992, an amount which with interest thereon will be sufficient to pay interest and principal on the Warrants when due.

Section 11. Right to Name Substitute Paying Agent or Registrar. Issuer reserves the right to name a substitute, successor Registrar or Paying Agent upon giving prompt written notice to each registered Warrantholder.

Section 12. Execution and Delivery. The Warrants hereby authorized shall be drawn, signed by the President of the Board of Directors, who shall record said Warrants, and attested by the Secretary of the Board of Directors, and said officials are hereby authorized and directed to execute the Warrants and when executed, they shall be delivered to the Registrar who is hereby directed to deliver them to the purchasers in accordance with the provisions of law, and credit the proceeds to the Fund as provided in Section 10 of this Resolution.

Section 13. Subordinate Warrants, Parity Obligations, Discharge and Satisfaction of Warrants. Nothing shall prohibit the College from issuing subordinate warrants for the Fiscal Year, provided such subordinate warrants shall not be paid as long as any obligation is outstanding pursuant to this Resolution.

Upon the written consent of First National Bank of Ames, the College may borrow additional money and issue additional anticipatory warrants which are at the time of their issuance on a parity and equality of rank with the Anticipatory Warrants Series December 1991 with respect to the lien and claim of such additional anticipatory warrants to revenues of the general fund.

The College may authorize the sale and issuance of, and may issue and sell, warrants for a fiscal year subsequent to the Fiscal Year prior to the discharge of the pledge and security interest under this Resolution provided the resolution authorizing such sale and issuance provides irrevocable instructions to deposit to the credit of the College in a restricted debt service trust fund, an amount sufficient to effect a discharge of the lien on the general fund as hereinafter provided.

The covenants, liens and pledges entered into, created or imposed pursuant to this Resolution shall be fully discharged and satisfied with respect to the Warrants in any one or more of the following ways:

(a) By paying the Warrants when they shall become due and payable; or

(b) By depositing in trust in the Warrant Series December 1991 Debt Service Fund which is for the payment of the Warrants and irrevocably appropriated exclusively to that purpose, an amount in cash, or deposited or invested and secured, as provided in Iowa Code chapter 453, in deposits or investments maturing no later than necessary to pay interest and principal payments when due under this Resolution, such deposits or investments to consist only of interest-bearing time deposits or certificates of deposit or notes, certificates, bonds, or other evidences of indebtedness which are obligations of or guaranteed by the United States of America or any of its agencies, the maturities and income of which shall be sufficient to retire at maturity all of the Warrants outstanding at the time, together with the interest thereon to maturity.

The provisions of this Section shall not be construed to require the Issuer to maintain a separate corporate trust account for the fund; but the fund shall be maintained in a separate bank account and designated as a restricted trust fund on the books and records of the Issuer.

Upon such payment or deposit of money or securities, or both, in the amount and manner provided by this Section, all liability of the Issuer with respect to the Warrants shall cease, determine and be completely discharged, and the holders thereof shall be entitled only to payment out of the money or securities so deposited.

The Treasurer is hereby authorized and directed to establish a separate bank account to be designated as a restricted trust fund on the books and records of the Issuer and shall deposit in trust at the time of closing an amount, the maturities and income of which shall be sufficient to retire at maturity all warrants of the Issuer outstanding at the time of closing together with the interest thereon to maturity.

Section 14. Additional Covenants, Representations and Warranties of the Issuer. The Issuer certifies and covenants with the purchasers and holders of the Warrants from time to time outstanding that the Issuer through its officers, (a) will make such further specific covenants, representations and assurances as may be necessary or advisable; (b) consult with Bond Counsel; (c) file such forms, statements and supporting documents as may be required and in a timely manner; and (d) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Issuer in such compliance.

Section 15. Successor Clause. The Issuer shall maintain its corporate existence, and in the event of reorganization of any kind, this Resolution and the obligations of the Issuer hereunder shall be binding upon any successor or assigns.

Section 16. Severability Clause. If any section, paragraph, clause or provision of this Resolution be held invalid, such invalidity shall not affect any of the remaining provisions hereof, and this Resolution shall become effective immediately upon its passage and approval.

Section 17. Repeal of Conflicting Resolutions. All resolutions and orders or parts of resolutions and orders in conflict herewith are hereby repealed.

PASSED AND APPROVED this 18<sup>th</sup> day of December, 1991.

DeVine O. Bensinger  
Vice President, Board of Directors

ATTEST:

Helen M Harris  
Secretary of the Board of Directors



CERTIFICATE

STATE OF IOWA )  
 ) SS:  
COUNTY OF POLK )

I, the Secretary of the Board of Directors of the Des Moines Area Community College (Merged Area XI) in the Counties of 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, certify that attached is a true and complete copy of the portion of the corporate records of this School District showing proceedings of the Board, and the same is a true and complete copy of the action taken by this Board with respect to the matter at the meeting held on the date indicated in the attachment, and remain in full force and effect, and have not been amended or rescinded in any way; that the meeting and all action were duly and publicly held in accordance with a notice of meeting and a 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 the agenda is attached) pursuant to the local rules of the Board and the provisions of Iowa Code chapter 21, that for the reasons stated in the minutse twenty-four hour notice of the meeting was impracticable but reasonable advance notice to the public and media was given prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named on the date thereof possessed their respective offices as indicated, that no board vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the School District or the right of the individuals named as officers to their respective positions.

WITNESS my hand hereto affixed this 12-19-91 day of December, 1991.

Helen M Harris  
Secretary, Des Moines Area  
Community College (Merged Area XI)


CERTIFICATE

STATE OF IOWA            )  
                              ) SS:  
COUNTY OF POLK         )

I, Don Zuck, Treasurer of the Board of Directors of the Des Moines Area Community College (Merged Area XI), do hereby certify that I am the duly qualified and acting Treasurer of the Board of Directors of the College, and I do hereby certify that the data attached hereto presents an accurate estimate of the budgetary expectations for the remaining fiscal year ending June 30, 1992; that these estimates were prepared using conservative and reasonable methods; that the projected possibility for any cash short fall, evidenced by this data, is a reasonable result of the College's normal cash flow requirements; and that, as of the date hereof, except for the freezings of funds in the College's account in Iowa Trust Education, no event which might affect a material change in this data is currently in progress, nor is such an event expected to occur in the immediate future.

I further certify that I have in my possession or have access to the complete corporate records of the College and of its Board and Officers; that I have carefully reviewed the adopted budget attached hereto; that the documents hereto attached are true, correct and complete copies of the adopted budget for the fiscal year ending June 30, 1992, the Affidavit of Publication, and the minutes of the meeting of the Board of Directors at which the budget was adopted.

I further certify that I have provided a copy of the most recent audit of the College to the First National Bank of Ames, Iowa.

  
\_\_\_\_\_  
Treasurer, Des Moines Area  
Community College (Merged Area XI)

DELIVERY CERTIFICATE

We, the undersigned, do hereby certify that we are the officers, respectively below indicated, 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 (the "College"); that in pursuance of the provisions of Iowa Code Chapter 74, there has been heretofore lawfully authorized and executed this day by us issued and delivered negotiable Anticipatory Warrants of the Des Moines Area Community College (Merged Area XI), in the aggregate amount of \$1,500,000, dated December 19, 1991, being executed with the facsimile signature of the President and the facsimile signature of the Secretary of the Board of said College.

The Warrants have been delivered to First National Bank of Ames, Iowa, and have been paid for in accordance with the terms of the Sale Agreement and at a price of \$1,500,000.

We further certify that no controversy, budget protest or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the College, or the titles of the officers to their respective positions, or the validity of the adopted budget or the Anticipatory Warrants, or the power and duty of the College to provide and apply adequate taxes in accordance with its adopted budget for the Fiscal Year.

We further certify that the Anticipatory Warrants are issued in anticipation of revenues of the general fund for the Fiscal Year; that due provision has been made for the collection of state aid and other state appropriated moneys, ad valorem property taxes and other general fund revenue to accrue to the general fund during the Fiscal Year and to satisfy the Warrants when matured; and that the proceedings authorizing the issuance, delivery and payment of the Anticipatory Warrants remain in full force and effect and have not been withdrawn, amended or rescinded.

IN WITNESS WHEREOF, we have hereunto affixed our hands at Ankeny, Iowa, this 19<sup>th</sup> day of December, 1991.

DES MOINES AREA COMMUNITY COLLEGE  
(MERGED AREA XI)

DeVere O Bendisen  
Vice President

Helen M Harris  
Secretary

I, the undersigned, the officer of the bank indicated by my signature hereto, do hereby certify that I am personally acquainted with the persons whose signatures, each known to me to be genuine, are signed to the foregoing certificate; and that I know that the persons aforesaid are the officers of the College named in the certificate, indicated respectively by the title appended to the respective signature and whose signatures appear on the Warrants mentioned in the certificate.

Dated at Ames, Iowa, the date last above written.

Robert L. Steffey  
Officer  
FIRST NATIONAL BANK  
AMES, IOWA 50010  
Bank's Name

AUTHENTICATION ORDER

The undersigned Secretary 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, (the "Issuer"), pursuant to a resolution of its Board of Directors authorizing the issuance and delivery of the Warrants, acting for and on behalf of the Issuer, hereby deliver to Treasurer of the College, \$1,500,000 aggregate principal amount of Issuer's General Obligation Anticipatory Warrants, dated December 19, 1991, in fully registered form, bearing interest, maturing and conforming to the specifications set forth in said Resolution (the Warrants).

Each Warrant has been executed on behalf of the Issuer with the facsimile signature of the Vice President of the Board and the facsimile signature of the Secretary of the Board. Said signatures are hereby ratified, affirmed and adopted.

The Registrar is hereby requested to authenticate the Warrants and to complete the records with respect to registration as provided in the Warrant Resolution and the instructions of the Original Purchaser as to designation of owners of the Warrants.

Upon such authentication, the Registrar is authorized to deliver the Warrants on behalf of Issuer to the Original Purchaser, First National Bank of Ames, upon receipt of payment therefor in immediately available funds of the agreed purchase price, subject to the receipt at closing of the opinion of bond counsel. Registrar shall deposit said monies to account of Issuer.

The acknowledgment of receipt of the Warrants by the Original Purchasers, or registered assigns, shall be evidenced by separate signed receipts or certificates.

Dated: 12-19-, 1991.

  
Secretary, Des Moines Area  
Community College (Merged Area XI)

I, the undersigned, being first duly sworn, certify that I am the duly elected, qualified, and acting 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; that as such Secretary I have in my possession or have access to the complete corporate records of the Des Moines Area Community College (Merged Area XI) and of its Board of Directors and officers; that I have carefully compared the transcript hereto attached with the aforesaid corporate records; that the transcript hereto attached is a true, correct and complete copy of all the corporate records in relation to the authorization and issuance of \$1,500,000 Anticipatory Warrants of said Issuer, dated December 19, 1991, and that the transcript hereto attached contains a true, correct and complete statement of all the measures adopted, and proceedings, acts and things had, done and performed, up to the present time, in relation to the authorization and issuance of the Warrants.

I further certify that the Board of Directors of the Des Moines Area Community College (Merged Area XI), State of Iowa, consists of a President and eight Board Members, and according to the records in my office, all members of the Board were duly and regularly elected to such office, and were, during all of the year 1991, and were the legally elected, constituted and acting Board of Directors of the Des Moines Area Community College (Merged Area XI), State of Iowa, at the time of adoption of the Resolution Authorizing the Issuance of Warrants.

I further certify that all meetings of the Board of Directors at which action was taken in connection with the Warrants were open to the public at all times in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Board and was duly given at least twenty-four hours prior to the commencement of the meeting by notification of the communications media having requested such notice and posted on a bulletin board or other prominent place designated for the purpose and easily accessible to the public at the principal office of the Board of Directors, all pursuant to the provisions and in accordance with the conditions of the local rules of the Board and Chapter 21, Code of Iowa.

WITNESS my hand at Ankeny, Iowa, this 19<sup>th</sup> day of December, 1991.

  
Secretary, Des Moines Area  
Community College (Merged Area XI)

CERTIFICATE  
OF  
AUTHENTICATION

I, Don Zuck, Treasurer of the Des Moines Area Community College (Merged Area XI), (the "Registrar"), hereby certify as follows:

1. The Registrar has taken all necessary corporate action to authorize authentication of the Warrants as hereinafter defined.

2. The General Obligation Anticipatory Warrants 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 (the "Issuer"), in the aggregate principal amount of \$1,500,000, dated December 19, 1991, and issued as fully registered Warrants (the "Warrants"), conforming to the specifications set forth in the Resolution Authorizing the Issuance of the Warrants, have been duly authenticated on behalf of the Registrar.

3. The Warrants have on this day been sold and delivered to or upon the order of the original Purchaser, First National Bank of Ames, and upon delivery of the Warrants the Issuer has received funds representing the agreed purchase price therefor in the amount of \$1,500,000 plus accrued interest from the date of the Warrants to the date of such delivery and payment.

4. Receipt is hereby acknowledged of copies of the documents as specified to be filed with the Registrar prior to authentication of the Warrants in the Resolution.

IN WITNESS WHEREOF, the Registrar aforesaid, has caused this document to be executed in its name by a duly authorized officer, this 19 day of December, 1991.

DES MOINES AREA COMMUNITY COLLEGE  
(MERGED AREA XI)

By

Don Zuck

Treas.

Title

(SEAL)

## PURCHASE AGREEMENT

Des Moines Area Community College (Merged Area XI)

\$1,500,000 ANTICIPATORY WARRANTS, SERIES DECEMBER 1991

Des Moines Area Community College (Merged Area XI) Anticipatory Warrants, in the principal amount of \$1,500,000 to mature on August 1, 1992, and bearing interest at the rate of 7.5% per annum.

Interest will be payable August 1, 1992.

The undersigned Vendee hereby agrees to purchase the above Anticipatory Warrants from the Issuer at a price of par at the rates as set out above. Payment is to be made upon delivery of the Anticipatory Warrants to the Vendee, together with an opinion approving the legality of the Anticipatory Warrants by the firm of Ahlers, Cooney, Dorweiler, Haynie, Smith & Allbee, P.C., Attorneys, Des Moines, Iowa.

The undersigned, for and on behalf of the Vendee hereby represents, certifies and agrees to purchase the Anticipatory Warrants on the following basis:

1. We understand that the Anticipatory Warrants are payable as to principal and interest from general fund revenues of the Issuer.
2. We understand that no offering statement, prospectus, offering circular or other comprehensive offering statement containing material information with respect to the Issuer and the Anticipatory Warrants is being issued and that, in due diligence, we have sought such advice as we have deemed necessary and have made our own inquiry and analysis with respect to the Issuer, the Anticipatory Warrants and the security thereof.
3. We acknowledge that we have been supplied with audited financial statements for the year ended June 30, 1991, and the estimate of the budgetary expectations for the remaining fiscal year ending June 30, 1992. That no other financial information has been provided to us. Based on this information, we have decided to purchase the \$1,500,000 Anticipatory Warrant, Series December 1991 for our own account. We have no intent to resell or otherwise dispose of all or any part of the Anticipatory Warrant purchased by us.
4. If we resell or otherwise dispose of all or any part of the Anticipatory Warrants purchased by us, we will prepare and have full responsibility for the preparation of an offering statement, prospectus or offering circular.



5. We understand that the Anticipatory Warrants (a) are not being registered under the Securities Act of 1933 and are not being registered or otherwise qualified for sale under the laws of Iowa or the "Blue Sky" laws and regulations of any other state, (b) will not be listed on any stock or other securities exchange, (c) will carry no rating from any rating service, and (d) will not be readily marketable. We agree not to offer, sell or transfer any of the Anticipatory Warrants or make any change in registration of any of the Anticipatory Warrants without having first obtained an opinion of counsel satisfactory to Issuer, stating that the sale or transaction which necessitates or prompts the transfer to change of registration may be made without violating the Iowa Uniform Securities Act or any other applicable law, rule or regulation.
6. We agree to purchase the Anticipatory Warrants by payment to the Issuer of 100% of the above-described principal amount in the Anticipatory Warrants.

Dated this 19th day of December, 1991.

FIRST NATIONAL BANK, AMES, IOWA

By 

Accepted on behalf of DES MOINES AREA COMMUNITY COLLEGE (MERGED AREA XI).

By 

Vice-President of the Board of Directors

ATTEST:

  
Secretary of the Board of Directors