



Date June 8, 2026

**RESOLUTION APPROVING AND AUTHORIZING A
LOAN AND DISBURSEMENT AGREEMENT BY AND
BETWEEN THE CITY OF DES MOINES AND THE IOWA
FINANCE AUTHORITY, AND AUTHORIZING AND
PROVIDING FOR THE REISSUANCE OF THE SEWER
REVENUE CAPITAL LOAN NOTE, SERIES 2022C (2026
LOAN FORGIVENESS – REISSUANCE OF 2022C SEWER
REVENUE CAPITAL LOAN NOTE)**

WHEREAS, the City of Des Moines (hereinafter the “Issuer”) previously issued its Sewer Revenue Capital Loan Note, Series 2022C, dated July 15, 2022, in the initial amount of \$7,035,000 (the “Original Loan”); and

WHEREAS, upon completion of the Project (as defined in the resolution (Roll Call #22-1092, dated June 27, 2022) authorizing issuance of the same (hereinafter the “Resolution”), and the issuance of a final amortization schedule reflecting actual disbursements of the loan, the final amount of the Original Loan was \$7,035,000; and

WHEREAS, the Iowa Finance Authority, as Original Purchaser and current holder of the Original Loan, has authorized a \$1,000,000 reduction in the principal amount of the Original Loan effective as of June 26, 2026, assuming compliance with the requirements of the Iowa Water Pollution Control Works Financing Program; and

WHEREAS, a substitute Loan and Disbursement Agreement (hereinafter the “Agreement”), a copy of which is attached hereto as Exhibit A, and a substitute Note, a copy of which is attached hereto as Exhibit B, have been prepared to reflect said loan forgiveness; and

WHEREAS, pursuant to IRS regulations, amendment of the Original Loan and execution of the Agreement constitutes a reissuance of the Note.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DES MOINES, IN THE COUNTIES OF POLK AND WARREN, STATE OF IOWA:

- Section 1. That the Resolution is hereby amended to reflect loan forgiveness in the form of an initiation fee credit and reduction to principal of the previously issued Sewer Revenue Capital Loan Notes, Series 2022C in the amount of \$1,035,175.00 resulting in a final loan amount of \$5,999,825 (outstanding principal amount of \$5,106,825.00) as of the date of reissuance on June 26, 2026.
- Section 2. That the substitute Loan and Disbursement Agreement in substantially the form attached to this Resolution as Exhibit A, and the substitute Note in substantially the form attached to this Resolution as Exhibit B are hereby



Date June 8, 2026

authorized to be executed and issued on behalf of the Issuer by the Mayor and attested by the City Clerk.

Section 3. That the Supplemental Tax Certificate regarding the uses of proceeds and the system is hereby approved. The Finance Director is directed to execute the same.

Section 4. Except as amended herein, all of the other terms and conditions of the Resolution are in all respects ratified, confirmed and approved and shall remain in full effect.

MOVED by _____ to adopt.

Second by _____.

FORM APPROVED:

Thomas G. Fisher Jr.

Thomas G. Fisher Jr.

Chief Deputy City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
BOESEN				
SIMONSON				
VOSS				
BARRON				
WESTERGAARD				
MANDELBAUM				
GATTO				
TOTAL				
MOTION CARRIED			APPROVED	
_____ Mayor				

CERTIFICATE

I, LAURA BAUMGARTNER, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

City Clerk

EXHIBIT A
[Form of LDA]

LOAN AND DISBURSEMENT AGREEMENT
\$5,106,825 SEWER REVENUE CAPITAL LOAN NOTE, SERIES 2026 (REISSUANCE OF
SEWER REVENUE CAPITAL LOAN NOTE, SERIES 2022C)

This Loan and Disbursement Agreement (the “Agreement”) is made and entered into as of June 26, 2026, by and between the City of Des Moines, Iowa (the “Participant”) and the Iowa Finance Authority, an agency and public instrumentality of the State of Iowa (the “Issuer”).

WHEREAS, the Issuer, in cooperation with the Iowa Department of Natural Resources (the “Department”), is authorized to undertake the creation, administration and financing of the Iowa Water Pollution Control Works Financing Program (the “Program”) established in Sections 16.131 through 16.135 and Sections 455B.291 through 455B.299 of the Code of Iowa, 2025 (the “Act”), including, among other things, the making of loans to Iowa municipalities for purposes of the Program; and

WHEREAS, the Participant has participated in the Program as a means of financing all or part of the construction of certain wastewater treatment facilities serving the Participant and its residents; and

WHEREAS, to assist in financing the Project (defined herein), the Issuer made a loan to the Participant in the amount of \$7,035,000 (the “Original Loan”) pursuant to a Loan and Disbursement Agreement dated as of July 15, 2022 between the Issuer and the Participant (the “Original Loan and Disbursement Agreement”); and

WHEREAS, pursuant to federal requirements applicable to the capitalization grants, the Issuer made a portion of such Original Loan to the Participant forgivable, pending satisfaction of Program requirements; and

WHEREAS, as the Participant has completed the Project and the Issuer has received a certificate of completion from the Participant, the Issuer has determined that a portion of the Original Loan shall be forgiven. The Issuer has provided written notification to the Participant of the applicable principal forgiveness; and

WHEREAS, in order to provide for the Project in light of the principal forgiveness, the Issuer desires to enter into this Loan and Disbursement Agreement with the Participant and amend the Loan (defined herein) to the Participant in the amount set forth in Section 2 hereof;

NOW, THEREFORE, the parties agree as follows:

Section 1. Definitions. In addition to other definitions set forth herein, the following terms as used in this Agreement shall, unless the context clearly requires otherwise, have the following meanings:

(a) “Notes” shall mean any State Revolving Fund Revenue Notes that were or in the future are issued by the Issuer for the purpose of providing moneys to finance the Loan to the Participant.

(b) “Code” shall mean the Internal Revenue Code of 1986, as amended, and all lawfully promulgated regulations thereunder.

(c) “Project” shall mean the particular construction activities approved by the Department and completed by the Participant with respect to its Wastewater Treatment System, as described in the Resolution.

(d) “Regulations” shall mean the administrative rules of the Department relating to the Program, set forth in Title 567, Chapter 92 of the Iowa Administrative Code, and the administrative rules of the Issuer relating to the Program set forth in Title 265, Chapter 26 of the Iowa Administrative Code, and the federal requirements described in Section 16 of this Agreement and set forth on Exhibit C attached hereto.

(e) “Resolution” shall mean collectively, (i) the resolution of the City Council of the Participant authorizing the issuance of the Original Loan adopted on June 27, 2022, and (ii) the resolution of the City Council of the Participant providing for the reissuance of the Original Loan and authorization and issuance of the Revenue Note (defined herein), adopted on June 8, 2026, approving and authorizing the execution of this Agreement and the reissuance of the Original Loan, each attached hereto as Exhibit B.

(f) “Wastewater Treatment System” shall mean the wastewater treatment system of the Participant, all facilities being used in conjunction therewith and all appurtenances and extensions thereto, including but not limited to the wastewater treatment system project which the Participant is financing under this Agreement.

Section 2. Loan; Purchase of Revenue Note. The Issuer agrees to amend the duly authorized and issued sewer revenue bond or capital loan note of the Participant (the “Revenue Note”) in order to amend the Loan to the Participant in the principal amount of \$5,106,825 (the “Loan”).

The Participant shall have used the proceeds of the Loan strictly to finance a portion of the costs of construction of the Project.

Section 3. Completion of Project. The Participant represents, warrants and covenants that it has completed the Project.

Section 4. Repayment of Loan; Issuance of Revenue Note. The Participant’s obligation to repay the Loan and interest thereon shall be evidenced by the Revenue Note in the principal amount of the Loan, complying in all material respects with the Regulations and being in substantially the form set forth in the Resolution, which Resolution is attached hereto as Exhibit B. The Revenue Note shall be delivered to the Issuer as the original purchaser and registered holder thereof at the closing of the Loan. The Revenue Note shall be accompanied by a no adverse effect legal opinion of bond counsel, in form satisfactory to the Issuer, to evidence the

legality, security position and tax-exempt status of interest on the Revenue Note. The parties agree that a payment of principal of or interest on the Revenue Note shall be deemed to be a payment of the same on the Loan and a payment of principal of or interest on the Loan shall be deemed to be a payment of the same on the Revenue Note. Unless otherwise agreed to in writing by the Issuer, all payments of principal and interest due under the Loan shall be made via automated clearinghouse transfer, from an account specified by the Participant.

The Revenue Note shall be dated the date of delivery to the Issuer, with interest and the Servicing Fee (together, the "Interest Rate" as set forth in Section 5 hereof) payable semiannually on June 1 and December 1 of each year (unless the resolution authorizing a previous series of outstanding bonds on a parity with the Revenue Note requires interest to be paid on other interest payment dates, in which case such other dates shall apply) from the date hereof as set forth on Exhibit A attached hereto and incorporated herein. Payments of principal, interest and the Servicing Fee shall continue until the Loan is paid in full.

The Revenue Note shall be subject to optional redemption by the Participant at a price of par plus accrued interest (i) on any date upon receipt of written consent by the Issuer, or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any such optional redemption of the Revenue Note by the Participant may be made from any funds regardless of source, in whole or from time to time in part, upon not less than thirty (30) days' notice of redemption by e-mail, facsimile or by certified or registered mail to the Issuer (or any other registered owner of the Revenue Note).

The Revenue Note and the interest thereon and any additional obligations as may be hereafter issued and outstanding from time to time under the conditions set forth in the Resolution and shall be payable solely and only from the Net Revenues (as defined in the Resolution) of the Wastewater Treatment System of the Participant, a sufficient portion of which has been and shall be ordered set aside and pledged for such purpose under the provisions of the Resolution. Neither this Agreement nor the Revenue Note is a general obligation of the Participant, and under no circumstance shall the Participant be in any manner liable by reason of the failure of the aforesaid Net Revenues to be sufficient to pay the Revenue Note and the interest thereon or to otherwise discharge the Participant's obligation hereunder.

Section 5. Interest Rate and Servicing Fees.

(a) The Participant agrees to pay a Loan servicing fee (the "Servicing Fee") to the Issuer in an amount equal to 0.25% per annum of the principal amount of the Loan outstanding. The Servicing Fee shall be paid as described in Section 4 and Section 5(b) hereof.

(b) The Loan shall bear interest at 1.75% per annum (the "Rate"). As described in Section 4, payments hereunder shall be calculated based on the Rate plus the Servicing Fee (such 2.00%, the "Interest Rate").

Section 6. Compliance with Applicable Laws; Performance Under Loan Agreement; Rates. The Participant covenants and agrees (i) to comply with all applicable State of Iowa and federal laws, rules and regulations (including but not limited to the Regulations), judicial

decisions, and executive orders in the performance of the Agreement and in the financing, operation, maintenance and use of the Project and the Wastewater Treatment System; (ii) to maintain its Wastewater Treatment System in good repair, working order and operating condition; (iii) to cooperate with the Issuer in the observance and performance of their respective duties, covenants, obligations and agreements under the Agreement; (iv) to comply with all terms and conditions of the Resolution; and (v) to establish, levy and collect rents, rates and other charges for the products and services provided by its Wastewater Treatment System, which rents, rates and other charges shall be at least sufficient (A) to meet the operation and maintenance expenses of such Wastewater Treatment System, (B) to produce and maintain Net Revenues at a level not less than 110% of the amount of principal and interest on the Revenue Note and any other obligations secured by a pledge of the Net Revenues falling due in the same year, (C) to comply with all covenants pertaining thereto contained in, and all other provisions of, any bond resolution, trust indenture or other security agreement, if any, relating to any bonds or other evidences of indebtedness issued or to be issued by the Participant, (D) to pay the debt service requirements on any bonds, notes or other evidences of indebtedness, whether now outstanding or incurred in the future, secured by such revenues or other receipts and issued to finance improvements to the Wastewater Treatment System and to make any other payments required by the laws of the State of Iowa, (E) to generate funds sufficient to fulfill the terms of all other contracts and agreements made by the Participant, including, without limitation, the Agreement and the Revenue Note and (F) to pay all other amounts payable from or constituting a lien or charge on the operating revenues of its Wastewater Treatment System.

Section 7. Exclusion of Interest from Gross Income. Unless otherwise agreed to by the Issuer in writing, the Participant covenants and agrees as follows:

(a) The Participant shall not take any action or omit to take any action which would result in a loss of the exclusion of the interest on the Notes from gross income for federal income taxation as that status is governed by Section 103(a) of the Code.

(b) The Participant shall not take any action or omit to take any action, which action or omission would cause its Revenue Note or the Notes (assuming solely for this purpose that the proceeds of the Notes loaned to the Participant represent all of the proceeds of the Notes) to be "private activity bonds" within the meaning of Section 141(a) of the Code. Accordingly, unless the Participant receives the prior written approval of the Issuer, the Participant shall not (A) permit any of the proceeds of the Notes loaned to the Participant or the Project financed with such proceeds to be used, either directly or indirectly, in any manner that would constitute "private business use" within the meaning of Section 141(b)(6) of the Code, taking into account for this purpose all such use by persons other than governmental units on an aggregate basis, (B) use, either directly or indirectly, any of the proceeds of the Notes loaned to the Participant to make or finance loans to persons other than governmental units (as such term is used in Section 141(c) of the Code) or (C) use, either directly or indirectly, any of the proceeds of the Notes loaned to the Participant to acquire any "non-governmental output property" within the meaning of Section 141(d)(2) of the Code.

(c) The Participant shall not directly or indirectly use or permit the use of any proceeds of the Notes (or amounts replaced with such proceeds) or any other funds or take any action or omit to take any action, which use or action or omission would (assuming solely for this purpose that the proceeds of the Notes loaned to the Participant represent all of the proceeds of the Notes) cause the Notes to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.

(d) The Participant shall not directly or indirectly use or permit the use of any proceeds of the Notes to pay the principal of or interest on any issue of State or local governmental obligations (“refinancing of indebtedness”) unless the Participant shall establish to the satisfaction of the Issuer that such refinancing of indebtedness will not adversely affect the exclusion from gross income of interest on the Notes for federal income tax purposes and the Participant delivers an opinion to such effect of bond counsel acceptable to the Issuer.

(e) The Participant shall not directly or indirectly use or permit the use of any proceeds of the Notes to reimburse the Participant for any portion of the cost of the Project unless such cost was paid or incurred by the Participant in anticipation of reimbursement from the proceeds of the Notes or other State or local governmental borrowing in accordance with the Code, published rulings of the Internal Revenue Service and the Regulations.

(f) The Participant shall not use the proceeds of the Notes (assuming solely for this purpose that the proceeds of the Notes loaned to the Participant represent all of the proceeds of the Notes) in any manner which would cause the Notes to be “federally guaranteed” within the meaning of Section 149(b) of the Code or “hedge bonds” within the meaning of Section 149(g) of the Code.

(g) The Participant shall comply with all provisions of the Code relating to the rebate of any profits from arbitrage attributable to the Participant, and shall indemnify and hold the Issuer harmless therefrom.

Section 8. Insurance; Audits; Disposal of Property. The Participant covenants and agrees (a) to maintain insurance on, or to self-insure, the insurable portions of the Wastewater Treatment System of a kind and in an amount which normally would be carried by private companies engaged in a similar type of business, (b) to keep proper books and accounts adapted to the Wastewater Treatment System, showing the complete and correct entry of all transactions relating thereto, and to cause said books and accounts to be audited or examined by an independent auditor or the State Auditor (i) at such times and for such periods as may be required by the federal Single Audit Act of 1984, OMB Circular A-133 or State law, and (ii) at such other times and for such other periods as may be requested at any time and from time to time by the Issuer (which requests may require an audit to be performed for a period that would not otherwise be required to be audited under State law), and (c) unless the Participant has received a waiver and consent from the Issuer, it shall not sell, lease or in any manner dispose of the Wastewater Treatment System, or any capital part thereof, including any and all extensions and additions which may be made thereto, until the Revenue Note shall have been paid in full or

otherwise discharged as provided in the Resolution; provided, however, that the Participant may dispose of any property which in the judgment of its governing body is no longer useful or profitable to use in connection with the operation of the Wastewater Treatment System or essential to the continued operation thereof.

Section 9. Maintenance of Documents; Access. The Participant agrees to maintain its project accounts in accordance with generally accepted accounting principles (“GAAP”) as issued by the Governmental Accounting Standards Board (“GASB”) pronouncements, including GASB Statement No. 34 relating to the reporting of infrastructure assets.

The Participant agrees to permit the Issuer or its duly authorized representative access to all files and documents relating to the Project for purposes of conducting audits and reviews in accordance with any of the Regulations.

Section 10. Continuing Disclosure. As a means of enabling the Issuer to comply with the “continuing disclosure” requirements set forth in Rule 15c2-12 (the “Rule”) of the Securities and Exchange Commission, the Participant agrees, during the term of the Loan, but only upon written notification from the Issuer to the Participant that this Section 10 applies to such Participant for a particular fiscal year, to provide the Issuer with (i) the comprehensive audit report of the Participant, prepared and certified by an independent auditor or the State Auditor, or unaudited financial information if the audit is not available, not later than 180 days after the end of each fiscal year for which this section applies and (ii) such other information and operating data as the Issuer may reasonably request from time to time with respect to the Wastewater Treatment System, the Project or the Participant.

The Participant hereby consents to the inclusion of all or any portion of the foregoing information and materials in a public filing made by the Issuer under the Rule. The Participant agrees to indemnify and hold harmless the Issuer, and its officers, directors, employees and agents from and against any and all claims, damages, losses, liabilities, reasonable costs and expenses whatsoever (including attorney fees) which such indemnified party may incur by reason of or in connection with the disclosure of information permitted under this Section; provided that no such indemnification shall be required for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or gross negligence of the Issuer in the disclosure of such information.

Section 11. Events of Default. If any one or more of the following events occur, it is hereby defined as and declared to constitute an “Event of Default” under this Agreement:

(a) Failure by the Participant to pay, or cause to be paid, any Loan repayment required to be paid under this Agreement when due, which failure shall continue for a period of fifteen (15) days.

(b) Failure by the Participant to make, or cause to be made, any required payments of principal, redemption premium, if any, and interest on any bonds, notes or other obligations of the Participant (other than the Loan and the Revenue Note), the

payment of which are secured by operating revenues of the Wastewater Treatment System.

(c) Failure by the Participant to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed under the Agreement or the Resolution, other than the obligation to make Loan repayments, which failure shall continue for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Participant by the Issuer, unless the Issuer shall agree in writing to an extension of such time prior to its expiration or the failure stated in such notice is correctable but cannot be corrected in the applicable period, in which case the Issuer may not unreasonably withhold its consent to an extension of such time up to one hundred twenty (120) days from the delivery of the written notice referred to above if corrective action is commenced by the Participant within the applicable period and diligently pursued until the Event of Default is corrected.

Section 12. Remedies on Default. Whenever an Event of Default shall have occurred and be continuing, the Issuer shall have the right to take any action authorized under the Regulations, the Revenue Note or this Agreement and to take whatever other action at law or equity may appear necessary or desirable to collect the amounts then due and thereafter to become due under the Agreement or to enforce the performance and observance of any duty, covenant, obligation or agreement of the Participant under the Agreement or the Resolution.

Section 13. Amendments. This Agreement may not be amended, supplemented or modified except by a writing executed by all of the parties hereto.

Section 14. Rule of Construction. This Agreement is executed pursuant to the provisions of Section 384.24A of the Act and shall be read and construed as conforming to all provisions and requirements of that statute.

In the event of any inconsistency or conflict between the terms and conditions of the Revenue Note and the Act, this Agreement or the Regulations, the parties acknowledge and agree that the terms of the Act, this Agreement and the Regulations, as the case may be, shall take precedence over any such terms of the Revenue Note and shall be controlling, and that the payment of principal and interest on the Loan shall at all times conform to the schedule set forth on Exhibit A, as adjusted, and the Regulations.

Section 15. Federal Requirements. The Participant agrees to comply with all applicable federal requirements including, but not limited to, those described on Exhibit C attached hereto.

Section 16. Application of Uniform Electronic Transactions Act. The Issuer and the Participant agree this Agreement and all documents related thereto and referenced herein may be entered into and provided for pursuant to and in accordance with Chapter 554D of the Act.

Section 17. Consent to Issuance. Issuer is the sole holder of the outstanding sewer revenue obligations of the Participant. As such holder, the Issuer hereby consents to the issuance of the Revenue Note as contemplated herein, and as a result of receipt with the construction loan

application of a financial pro forma from a municipal advisor confirming the sufficiency of the Net Revenues securing the payment of the outstanding sewer utility revenue obligations, waives only the requirement in the resolutions authorizing the outstanding sewer utility revenue obligations requiring the Participant to obtain a "parity certificate" as to the sufficiency of the Net Revenues securing the payment of the outstanding sewer utility revenue obligations. The Participant also hereby confirms compliance with the covenants of the loan and disbursement agreements with respect to the outstanding sewer utility revenue obligations.

IN WITNESS WHEREOF, we have hereunto affixed our signatures all as of the date first above written.

CITY OF DES MOINES, IOWA

By: _____
Mayor

Attest:

City Clerk

IN WITNESS WHEREOF, I have hereunto affixed my signature all as of the date first above written.

IOWA FINANCE AUTHORITY

By: _____
Its:

EXHIBIT A
DEBT SERVICE REPAYMENT SCHEDULE

EXHIBIT B

AUTHORIZATION/ISSUANCE RESOLUTIONS OF PARTICIPANT

EXHIBIT C

FEDERAL REQUIREMENTS

1. The Participant has complied with the federal Davis-Bacon and Related Acts, codified at 40 U.S.C. Sections 3140 through 3148.
2. The Project complied with the “American Iron and Steel” provisions of Section 436 of the Consolidated Appropriations Act of 2014 (P.L. 113-76), as amended (the “2014 Act”), and all iron and steel products used in the Project were produced in the United States in compliance with and within the meaning of the 2014 Act, as those provisions are further interpreted by applicable Environmental Protection Agency (“EPA”) guidance, except to the extent waivers to the American Iron and Steel requirements of the 2014 Act were granted by the EPA.
3. The Project complied with the provisions of the Bipartisan Infrastructure Law (“BIL”) (P.L. 117-58), also known as the Infrastructure Investment and Jobs Act (P.L. 117-58, div. G, title IX, Nov. 15, 2021, 135 Stat. 1294, as amended by P.L. 117-67, div. B, title II, §10254, Aug. 9, 2022, 136 Stat. 1502, and as further amended) (the “Infrastructure Investment and Jobs Act”), as an official physical sign displaying the official *Building a Better America* emblem and Issuer and Department logos was placed at the site of the construction of the Project in an easily visible location that could be directly linked to the work taking place, and was maintained in good condition throughout the construction period, all in compliance with the guidelines and design specifications for using the official Building A Better America emblem and corresponding logomark available at: <https://www.whitehouse.gov/wp-content/uploads/2022/08/Building-A-Better-America-Brand-Guide.pdf>.
4. Reserved.
5. The Participant complied with the Federal Single Audit Act (SAA) of 1984, as amended by the Federal Single Audit Act Amendments of 1996 (see 2 CFR 200 Subpart F) and had an audit of their use of federal financial assistance. The Participant agrees to provide the Authority with a copy of the SAA audit within 9 months of the audit period.

EXHIBIT B
[Form of Note]

4927-2256-5039-1\10387-332

UNITED STATES OF AMERICA
STATE OF IOWA
POLK AND WARREN COUNTIES
CITY OF DES MOINES
SEWER REVENUE CAPITAL LOAN NOTE, SERIES 2026
REISSUANCE OF SEWER REVENUE CAPITAL LOAN NOTE, SERIES 2022C

\$5,106,825.00

No. R-1

RATE	MATURITY DATE	NOTE DATE
1.75%	June 1, 2043	June 26, 2026

The City of Des Moines (the “City”), in Polk County and Warren County, State of Iowa, for value received, promises to pay from the source and as hereinafter provided, on the maturity date of this Note to

IOWA FINANCE AUTHORITY

or registered assigns, the principal sum of

FIVE MILLION ONE HUNDRED SIX THOUSAND EIGHT HUNDRED TWENTY-FIVE AND 00/100 DOLLARS

Interest at the rate specified above shall be payable semiannually on June 1 and December 1 of each year, commencing December 1, 2026, and principal shall be due and payable in installments in the amounts shown on the Principal Payment Schedule, attached hereto as Exhibit A, on June 1, 2027, and annually thereafter on June 1 in each year until the principal and interest are fully paid, except that the final installments of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2043. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

The Finance Director shall act as Registrar and Paying Agent and may be hereinafter referred to as the “Registrar” or the “Paying Agent.”

Payment of the principal of and interest on this Note and premium, if any, shall be payable at the office of the Paying Agent to the registered owners thereof appearing on the registration books of the City at the addresses shown on such registration books. All such payments, except full redemption, shall be made to the registered owners appearing on the registration books at the close of business on the fifteenth day of the month next preceding the payment date. Final payment of principal shall only be made upon surrender of this Note to the Paying Agent.

This Note is one of a series of Notes (the “Notes”) issued by the City to evidence its obligation under a certain Loan and Disbursement Agreement, dated the date hereof (the “Agreement”) entered into by the City for the purpose of providing funds to pay a portion of the cost of planning, designing and constructing improvements and extensions (the “Project”) to the Municipal Sanitary Sewer System of the City (the “Utility”), including costs associated with the Western Ingersoll Run Sewer project, and eligible water resource restoration projects.

The Notes are issued pursuant to and in strict compliance with the provisions of Sections 384.24A and 384.83 of the Code of Iowa, 2025, and all other laws amendatory thereof and supplemental thereto, and in conformity with a resolution of the City Council providing for the issuance and securing the payment of the Original Loan, as defined in the Agreement, together with the resolution dated June 8, 2026 approving and authorizing the reissuance of the Original Loan and authorizing and approving the Agreement (collectively, the “Resolution”), and reference is hereby made to the Resolution and the Agreement for a more complete statement as to the source of payment of the Notes and the rights of the owners of the Notes.

The Notes shall be subject to optional redemption by the City at a price of par plus accrued interest (i) on any date with the prior written consent of the Iowa Finance Authority, or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any optional redemption of the Notes by the City may be made from any funds regardless of source, in whole or from time to time in part, in inverse order of maturity upon not less than thirty (30) days’ notice of redemption by e-mail, facsimile, certified or registered mail to the Iowa Finance Authority (or any other registered owner of the Notes). The Notes are also subject to mandatory redemption as set forth in Section 4 of the Agreement.

The Notes are not general obligations of the City but, together with the City’s Sewer Revenue Capital Loan Notes, Series 2018D as amended, Sewer Revenue Capital Loan Notes Series 2018E, as amended, Sewer Revenue Capital Loan Notes Series 2020B, Sewer Revenue Capital Loan Notes, Series 2021C, Sewer Revenue Capital Loan Notes Series 2021D, and any additional obligations as may be hereafter issued and outstanding from time to time ranking on a parity therewith under the conditions set forth in the Resolution, are payable solely and only out of the future Net Revenues (as defined in the Resolution) of the Utility of the City, a sufficient portion of which has been ordered set aside and pledged for that purpose. This Note is not payable in any manner by taxation, and under no circumstances shall the City be in any manner liable by reason of the failure of the said Net Revenues to be sufficient for the payment of this Note and the interest thereon.

This Note is fully negotiable but shall be fully registered as to both principal and interest in the name of the owner on the books of the City in the office of the Registrar, after which no transfer shall be valid unless made on said books and then only upon presentation of this Note to the Registrar, together with either a written instrument of transfer satisfactory to the Registrar or the assignment form hereon completed and duly executed by the registered owner or the duly authorized attorney for such registered owner.

The City, the Registrar and the Paying Agent may deem and treat the registered owner hereof as the absolute owner for the purpose of receiving payment of or on account of principal hereof, premium, if any, and interest due hereon and for all other purposes, and the City, the Registrar and the Paying Agent shall not be affected by any notice to the contrary.

And It Is Hereby Certified, Recited and Declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the Notes have existed, have happened and have been performed in due time, form and manner, as required by law, and that the issuance of the Notes does not exceed or violate any constitutional or statutory limitation or provision.

IN TESTIMONY WHEREOF, the City of Des Moines, Iowa has caused this Note to be executed by its Mayor and attested by its City Clerk, all as of the Note Date.

CITY OF DES MOINES, IOWA

By _____
Mayor

Attest:

City Clerk

STATE OF IOWA
POLK COUNTY
CITY OF DES MOINES

SS: FINANCE DIRECTOR'S CERTIFICATE

The original issuance of the Notes, of which this Note is a part, was duly and properly recorded in my office as of the Note Date.

Finance Director

ABBREVIATIONS

The following abbreviations, when used in this Note, shall be construed as though they were written out in full according to applicable laws or regulations:

- | | | | | |
|---------|---|--|---------------------------------------|-------------|
| TEN COM | - | as tenants in common | UTMA | _____ |
| TEN ENT | - | as tenants by the entireties | | (Custodian) |
| JT TEN | - | as joint tenants with right of survivorship and not as tenants in common | As Custodian for | _____ |
| | | | | (Minor) |
| | | | under Uniform Transfers to Minors Act | _____ |
| | | | | (State) |

Additional abbreviations may also be used though not in the list above.

ASSIGNMENT

For valuable consideration, receipt of which is hereby acknowledged, the undersigned assigns this Note to

(Please print or type name and address of Assignee)

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

and does hereby irrevocably appoint _____, Attorney, to transfer this Note on the books kept for registration thereof with full power of substitution.

Dated: _____

Signature guaranteed:

NOTICE: The signature to this Assignment must correspond with the name of the registered owner as it appears on this Note in every particular, without alteration or enlargement or any change whatever.

EXHIBIT A
PRINCIPAL PAYMENT SCHEDULE

<u>Due</u> <u>June 1</u>	<u>Amount</u>
2027	261,825.00
2028	265,000.00
2029	270,000.00
2030	274,000.00
2031	279,000.00
2032	284,000.00
2033	289,000.00
2034	294,000.00
2035	299,000.00
2036	305,000.00
2037	310,000.00
2038	315,000.00
2039	321,000.00
2040	326,000.00
2041	332,000.00
2042	338,000.00
2043	344,000.00

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