



Roll Call Number

23-1636

Agenda Item Number

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Date November 20, 2023

RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AGREEMENT AND PROVIDING FOR THE ISSUANCE OF \$50,000,000 LIMITED LEVY GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2023C SECURED BY THE GENERAL FUND; APPROVAL OF THE TAX EXEMPTION CERTIFICATE

WHEREAS, the City of Des Moines, Iowa ("Issuer" or "City") is duly incorporated, organized and exists under and by virtue of the laws and Constitution of the State of Iowa; and

WHEREAS, the Issuer is in need of funds to pay costs of acquiring, equipping and improving office space downtown, including the Nationwide building (1200 Locust Street), and it is deemed necessary and advisable that Limited Levy General Obligation Capital Loan Notes, to the amount of not to exceed \$50,000,000 be authorized for said purpose(s); and

WHEREAS, the Loan Agreement will be payable from the General Fund and will not result in the scheduled annual payments of principal or interest due from the General Fund of the City in any future year with respect to all general fund loan agreements in force on the date of issuance to exceed ten percent (10%) of the last certified general fund budget amount; and

WHEREAS, pursuant to notice published as required by Section 384.24A of the Code of Iowa, this Council has held a public meeting upon the proposal to institute proceedings for the authorization of a loan agreement and issuance of Limited Levy General Obligation Capital Loan Notes for real property purposes in the aggregate principal amount of not to exceed \$50,000,000, and there being no petition filed requesting an election on the proposed issuance, the Council is therefore now authorized to proceed with the issuance of said Notes for such purpose(s); and

WHEREAS, JPMorgan Chase Bank, N.A. ("Lender") has agreed to advance funds to the City in accordance with the Loan Agreement and such action is considered to be in the best interests of the City and the residents thereof.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DES MOINES, STATE OF IOWA:

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

- "Advance" has the meaning set forth in Section 4 of this Resolution.
"Authorized Denominations" shall mean \$100,000, and integral multiples of \$5,000 in excess thereof.



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- "Closing" shall mean December 14, 2023, or such other date mutually agreed to by the City and Noteholders.
- "Code" means the Internal Revenue Code of 1986, as amended, and, where appropriate any statutory predecessor or any successor thereto.
- "Default Rate" shall mean the then-applicable interest rate on the Notes, plus 4.00% per annum.
- "Determination of Taxability" means and shall be deemed to have occurred on the first to occur of the following:
 - (i) on the date when the Issuer files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;
 - (ii) on the date when the Noteholder or any former Noteholder notifies the Issuer that it has received a written opinion by a nationally recognized firm of attorneys of substantial expertise on the subject of tax-exempt municipal finance to the effect that an Event of Taxability shall have occurred unless, within one hundred eighty (180) days after receipt by the Issuer of such notification from the Noteholder or any former Noteholder, the Issuer shall deliver to the Noteholder and any former Noteholder: (a) a ruling or determination letter issued to or on behalf of the Issuer by the Commissioner of the Internal Revenue Service or the Director of Tax-Exempt Bonds of the Tax-Exempt and Government Entities Division of the Internal Revenue Service (or any other government official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred, or (b) a status report regarding the Issuer's interaction with the Internal Revenue Service on said potential Event of Taxability (if such proceedings are not completed within said 180 day window);
 - (iii) on the date when the Issuer shall be advised in writing by the Commissioner of the Internal Revenue Service or the Director of Tax-Exempt Bonds of the Tax-Exempt and Government Entities Division of the Internal Revenue Service (or any other government official exercising the same or a substantially similar function from time to time, including an employee subordinate to one of these officers who has been authorized to provide such advice) that, based upon filings of the Issuer, or upon any review or audit of the

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Issuer or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(iv) on the date when the Issuer shall receive notice from the Noteholder or any former Noteholder that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of such Noteholder or such former Noteholder the interest on the Notes due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (iii) or (iv) hereunder unless the Issuer has been afforded the opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined; provided further, however, that upon demand from the Noteholder or former Noteholder, the Issuer shall promptly reimburse such Noteholder or former Noteholder for any payments, including any taxes, interest, penalties or other charges, such Noteholder (or former Noteholder) shall be obligated to make as a result of the Determination of Taxability.

- "Event of Default" has the meaning set forth in Loan Agreement.
- "Event of Taxability" means a (i) change in law or fact or the interpretation thereof, or the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the Issuer, or the failure to take any action by the Issuer, or the making by the Issuer of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of the Notes) which has the effect of causing interest paid or payable on the Notes to become includable, in whole or in part, in the gross income of the Noteholder or any former Noteholder for federal income tax purposes or (ii) the entry of any decree or judgment by a court of competent jurisdiction, or the taking of any official action by the Internal Revenue Service or the Department of the Treasury, which decree, judgment or action shall be final under applicable procedural law, in either case, which has the effect of causing interest paid or payable on the Notes to become includable, in whole or in part, in the gross income of the Noteholder or any former Noteholder for federal income tax purposes with respect to the Notes.
- "General Fund" shall mean the fund established to receive all moneys from taxes and other sources for City government purposes as provided in Section 384.3, Code of Iowa.
- "General Fund Levy" shall mean the taxes levied on all taxable property with the City pursuant to Section 384.1, Code of Iowa.

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- "Issuer" and "City" shall mean the City of Des Moines, State of Iowa.
- "Lender" shall mean JPMorgan Chase Bank, N.A., and its successors and assigns.
- "Loan Agreement" shall mean a Loan Agreement and Continuing Covenant Agreement dated December 14, 2023, between the Issuer and the Lender, in substantially the form attached to and approved by this Resolution, as the same may be amended, modified or supplemented from time to time in accordance with the terms thereof.
- "Maturity Date" means June 1, 2038.
- "Note Fund" shall mean the fund created in Section 3 of this Resolution.
- "Noteholder(s)" means the registered owner(s) of the Notes.
- "Notes" shall mean \$50,000,000 Limited Levy General Obligation Capital Loan Notes, Series 2023C (General Fund), authorized to be issued by this Resolution.
- "Paying Agent" shall mean the Finance Director, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein as Issuer's agent to provide for the payment of principal of and interest on the Notes as the same shall become due.
- "Project" shall mean the costs of acquiring, equipping and improving office space downtown, including the Nationwide building (1200 Locust Street).
- "Project Fund" shall mean the fund required to be established by this Resolution for the deposit of the proceeds of the Notes.
- "Rebate Fund" shall mean the fund so defined in and established pursuant to the Tax Exemption Certificate.
- "Registrar" shall mean the Finance Director of the City of Des Moines, Iowa, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein with respect to maintaining a register of the owners of the Notes. Unless otherwise specified, the Registrar shall also act as Transfer Agent for the Notes.
- "Reinvestment Premium" has the meaning set forth in Loan Agreement.

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- "Resolution" shall mean this resolution authorizing the Notes, as the same may be amended, modified or supplemented from time to time.
- "Schedule of Advances" means the Schedule of Advances attached to the Notes.
- "Tax Exemption Certificate" shall mean the Tax Exemption Certificate approved under the terms of this Resolution and to be executed by the Treasurer and delivered at the time of issuance and delivery of the Notes.
- "Taxable Date" means the date on which interest on the Notes is first includable in gross income of the Noteholder (including, without limitation, any previous Noteholder) thereof as a result of an Event of Taxability as such a date is established pursuant to a Determination of Taxability.
- "Taxable Equivalent Rate" shall mean 5.98% per annum.
- "Treasurer" shall mean the Finance Director or such other officer as shall succeed to the same duties and responsibilities with respect to the recording and payment of the Notes issued hereunder.

Section 2. Pledge of General Fund.

a) Allocation of General Fund. For the purpose of providing funds to pay the principal, premium, if any, and interest of the Notes hereinafter authorized to be issued, the following amounts levied in the General Fund for each future year on all of the taxable property in the City of Des Moines, State of Iowa, are hereby pledged:



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AMOUNT	FISCAL YEAR (JULY 1 TO JUNE 30) YEAR OF COLLECTION
\$708,254.72	2023/24
\$3,860,708.33	2024/25
\$4,188,540.50	2025/26
\$4,173,488.50	2026/27
\$4,154,844.00	2027/28
\$4,142,607.00	2028/29
\$4,126,298.50	2029/30
\$4,105,918.50	2030/31
\$4,086,467.00	2031/32
\$4,072,704.50	2032/33
\$4,049,152.00	2033/34
\$4,031,049.00	2034/35
\$6,712,916.50	2035/36
\$6,715,185.00	2036/37
\$15,089,760.00	2037/38

(NOTE: For example, the General Fund Levy to be made and certified against the taxable valuations of January 1, 2022 will be collected during the fiscal year commencing July 1, 2023.)

b) Resolution to be Filed With County Auditor. A certified copy of this Resolution shall be filed with the Auditors of Polk and Warren Counties, Iowa and each Auditor is hereby instructed in and for each of the years as provided, to administer the General Fund Levy hereby allocated and pledged in Section 2 of this Resolution, in like manner as other taxes are levied and assessed, and such allocation of taxes so levied in and for each of the years aforesaid be collected in like manner as other taxes of the City are collected, and when collected be used for the purpose of paying principal, premium, if any, and interest on said Notes issued in anticipation of the tax, and for no other purpose whatsoever.

c) Furthermore, the amounts pledged from the General Fund pursuant to Section 2(a) for each fiscal year shall be adjusted (either increase or decrease) by the amount, if any, as necessary to reflect the actual interest rate on the Notes or the outstanding principal amount of the Notes, in consultation with the Lender, and such adjustment to the amounts pledged from the General Fund will be made by supplemental resolution if the amount is in excess of the amounts set forth in Section 2(a).

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Section 3. Note Fund. The General Fund Levy shall be assessed and collected each year at the same time and in the same manner as, and in addition to, all other taxes in and for the City, and when collected, the allocations enumerated in Section 2(a) shall be converted into a special fund within the General Fund to be known as the "2023 GENERAL FUND CAPITAL LOAN NOTE FUND NO. 1" (the "Note Fund"), which is hereby pledged for and shall be used only for the payment of the principal of, premium, if any, and interest on the Notes hereinafter authorized to be issued.

Section 4. Application of Note Proceeds. Proceeds of the Notes shall be disbursed in installments to the City by making advances in accordance with the Loan Agreement (each an "Advance"). Proceeds shall be credited to the Project Fund and expended therefrom for the purposes of issuance. Any amounts on hand in the Project Fund shall be available for the payment of the principal of, premium, if any, or interest on the Notes at any time that other funds shall be insufficient for such purpose, in which event such funds shall be repaid to the Project Fund at the earliest opportunity. Any balance on hand in the Project Fund and not immediately required for its purposes may be invested not inconsistent with limitations provided by law or this Resolution.

Section 5. Investment of Note Fund Proceeds. All moneys held in the Note Fund, provided for by Section 3 of this Resolution shall be invested in investments permitted by Chapter 12B, Code of Iowa, as amended, or deposited in financial institutions which are members of the Federal Deposit Insurance Corporation and the deposits in which are insured thereby and all such deposits exceeding the maximum amount insured from time to time by FDIC or its equivalent successor in any one financial institution shall be continuously secured in compliance with Chapter 12C of the Code of Iowa, as amended, or otherwise by a valid pledge of direct obligations of the United States Government having an equivalent market value. All such interim investments shall mature before the date on which the moneys are required for payment of principal of, premium, if any, or interest on the Notes as herein provided.

Section 6. Note Details, Execution and Redemption.

a) Note Details. Limited Levy General Obligation Capital Loan Notes of the City in the amount of \$50,000,000, shall be issued to evidence the obligations of the Issuer under the Loan Agreement pursuant to the provisions of Section 384.24A of the Code of Iowa for the aforesaid purposes. The Notes shall be issued in one series, as a "draw down note," and shall be secured equally and ratably from the sources provided in Sections 2 and 3 of this Resolution. The Notes shall be designated "LIMITED LEVY GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2023C (GENERAL FUND)", be dated the date of delivery, and bear interest as outlined hereafter, said interest payable on June 1, 2024, and semiannually thereafter on the 1st day of June and December in each year and on the Maturity Date.

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Interest on the Notes shall be calculated on the outstanding principal amount of the Advances made by the Lender which may be reflected in the Schedule of Advances; provided that the failure to enter the date(s) and amount(s) on the Schedule of Advances shall not limit or otherwise affect the obligation of the City to pay any amount owing with respect to such Advance. The City's failure to satisfy the conditions precedent to each such Advance may result in a Reinvestment Premium being owed by the City to the Lender. Interest on the Notes shall be computed on the basis of a 360-day year of twelve 30-day months. From and after the occurrence of any Taxable Date, the Notes shall bear interest at a rate equal to the Taxable Equivalent Rate. Upon the occurrence and during the continuation of any Event of Default, the Notes shall bear interest at a rate equal to the Default Rate.

The Notes shall be executed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Clerk, and impressed or printed with the seal of the City and shall be fully registered as to both principal and interest as provided in this Resolution; principal, interest and premium, if any, shall be payable at the office of the Paying Agent by mailing of a check to the registered owner of the Notes. Notwithstanding the foregoing, so long as JPMorgan Chase Bank, N.A. is the registered owner of the Notes, principal, interest and premium, if any, on the Notes shall be paid by wire transfer and without presentment or surrender of the Notes. Principal, interest and premium, if any, on the Notes shall be payable in lawful money of the United States of America. A single Note, in the aggregate amount of \$50,000,000 and in physical form, shall be delivered to the Lender to evidence and secure the obligations of the City under the Loan Agreement.

b) Redemption.

i. Optional Redemption. The Notes may be called for optional redemption by the Issuer on June 1, 2033, or any date thereafter, from any funds regardless of source, in whole or from time to time in part. The terms of redemption shall be par, plus accrued interest to date of call. If less than all of the Notes are to be so optionally redeemed, the Registrar shall select the Notes to be redeemed on a *pro rata basis* and such principal payments shall be applied in inverse order of maturity.

Ten (10) days' written notice of optional redemption shall be given to the registered owner of the Notes. Failure to give written notice to any registered owner of the Notes or any defect therein shall not affect the validity of any proceedings for the redemption of the Notes. All Notes or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment.

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Written notice will be deemed completed upon transmission to the owner of record, including electronic transmission in accordance with the Loan Agreement.

ii. Mandatory Redemption. The Notes are subject to mandatory redemption in part prior to maturity without special notice to Noteholders, at a redemption price equal to the principal amount thereof, plus interest accrued to the redemption date, on June 1st in the years and in the principal amounts as follows:

Date	Amount	Date	Amount
June 1, 2025	\$1,805,000	June 1, 2033	\$2,475,000
June 1, 2026	\$1,880,000	June 1, 2034	\$2,570,000
June 1, 2027	\$1,955,000	June 1, 2035	\$2,675,000
June 1, 2028	\$2,030,000	June 1, 2036	\$5,485,000
June 1, 2029	\$2,115,000	June 1, 2037	\$5,750,000
June 1, 2030	\$2,200,000	June 1, 2038	\$14,400,000
June 1, 2031	\$2,285,000		
June 1, 2032	\$2,375,000		

Section 7. Registration of Notes; Appointment of Registrar; Transfer; Ownership; Delivery; and Cancellation.

a) Registration. The ownership of Notes may be transferred only by the making of an entry upon the books kept for the registration and transfer of ownership of the Notes, and in no other way. The Finance Director is hereby appointed as Registrar under the terms of this Resolution. Registrar shall maintain the books of the Issuer for the registration of ownership of the Notes for the payment of principal of, premium, if any, and interest on the Notes as provided in this Resolution. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code and Section 384.31 of the Code of Iowa, subject to the provisions for registration and transfer contained in the Notes, the Loan Agreement and in this Resolution.

b) Transfer. The ownership of any Note may be transferred only upon the Registration Books kept for the registration and transfer of Notes and only upon surrender thereof at the office of the Registrar together with an assignment duly executed by the holder or his duly authorized attorney in fact in such form as shall be satisfactory to the Registrar, along with the address and social security number or federal employer identification number of such transferee (or, if registration is to be made in the name of multiple individuals, of all such transferees). In the event that the address of the

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registered owner of a Note (other than a registered owner which is the nominee of the broker or dealer in question) is that of a broker or dealer, there must be disclosed on the Registration Books the information pertaining to the registered owner required above. Upon the transfer of any such Note, a new fully registered Note, of any denomination or denominations permitted by this Resolution in aggregate principal amount equal to the unmatured and unredeemed principal amount of such transferred fully registered Note, and bearing interest at the same rate and maturing on the same date or dates shall be delivered by the Registrar.

c) Registration of Transferred Notes. In all cases of the transfer of the Notes, the Registrar shall register, at the earliest practicable time, on the Registration Books, the Notes, in accordance with the provisions of this Resolution.

d) Ownership. As to any Note, 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 Notes 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 Note, including the interest thereon, to the extent of the sum or sums so paid.

e) Cancellation. All Notes which have been redeemed shall not be reissued but shall be cancelled by the Registrar. All Notes 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 Notes to the Issuer.

f) Non-Presentation of Notes. In the event any payment check, wire, or electronic transfer of funds representing payment of principal of, premium, if any, or interest on the Notes is returned to the Paying Agent or if any note is not presented for payment of principal at the Maturity Date or redemption date, if funds sufficient to pay such principal of or interest on Notes 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 Notes 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 Notes 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 Notes. 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, premium, if any, 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

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the Issuer, whereupon any claim under this Resolution by the owners of such interest or Notes of whatever nature shall be made upon the Issuer. Notwithstanding the foregoing, so long as JPMorgan Chase Bank, N.A. is the registered owner of the Notes, principal, interest and premium, if any, on the Notes shall be paid by wire transfer and without presentment or surrender of the Notes. Notwithstanding the last sentence, JPMorgan Chase Bank, N.A. will tender the physical Note to the Issuer upon payment in full of the principal of and interest on the Note on the Maturity Date or upon such earlier redemption.

g) Registration and Transfer Fees. The Registrar shall furnish, at the Issuer's expense, one note at Closing. The Registrar may furnish additional Notes in lesser denominations (in Authorized Denominations) to an owner who so requests.

Section 8. Reissuance of Mutilated, Destroyed, Stolen or Lost Notes. In case any outstanding Note shall become mutilated or be destroyed, stolen or lost, the Issuer shall at the request of Registrar authenticate and deliver a new Note of like tenor and amount as the Note so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Note to Registrar, upon surrender of such mutilated Note, or in lieu of and substitution for the Note destroyed, stolen or lost, upon filing with the Registrar evidence satisfactory to the Registrar and Issuer that such Note 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 Note, 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 of the month preceding the payment date. All such payments shall fully discharge the obligations of the Issuer in respect of such Notes to the extent of the payments so made. Upon receipt of the final payment of principal, the holder of the Note shall surrender the Note to the Paying Agent. Notwithstanding the foregoing, so long as JPMorgan Chase Bank, N.A. is the registered owner of the Notes, principal, interest and premium, if any, on the Notes shall be paid by wire transfer and without presentment or surrender of the Notes.

Section 10. Execution, Authentication and Delivery of the Notes. Upon the adoption of this Resolution, the Mayor and Clerk shall execute the Notes by their manual or facsimile signature and deliver the Notes to the Registrar, who shall authenticate the Notes and deliver the same to or upon order of the Lender. No Note 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 Note a Certificate of Authentication substantially in the form of the Certificate herein set forth. Such Certificate upon any Note executed on behalf of the Issuer shall be



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conclusive evidence that the Note so authenticated has been duly issued under this Resolution and that the holder thereof is entitled to the benefits of this Resolution.

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 noteholder.

Section 12. Form of Note. Notes shall be printed substantially in the form as follows:

"STATE OF IOWA"
"COUNTIES OF POLK AND WARREN"
"CITY OF DES MOINES"
"LIMITED LEVY GENERAL OBLIGATION CAPITAL LOAN NOTES"
"SERIES 2023C"
“(GENERAL FUND)”

Rate: 4.79%
Maturity Date: June 1, 2038
Note Date: December 14, 2023
"Registered"
Certificate No. 1
Principal Amount: \$50,000,000

The City of Des Moines, State of Iowa, a municipal 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, to

JPMORGAN CHASE BANK, N.A.
TAX I.D.: 13-4994650

or registered assigns, the aggregate principal amount equal to FIFTY MILLION DOLLARS (\$50,000,000) or the Principal Amount, whichever is less, in lawful money of the United States of America on the Maturity Date, subject to prior redemption as hereinafter provided, and with interest on the outstanding principal amount hereof as outlined hereafter, until paid at the rate per annum specified above, payable on June 1, 2024, and semiannually thereafter on the 1st day of June and December in each year and on the Maturity Date. From and after the occurrence of any Taxable Date, this Note shall bear interest at a rate equal to the Taxable Equivalent Rate (5.98% per annum). Upon the occurrence and during the continuation of any Event of Default, this Note shall bear interest at a rate equal to the Default Rate (the then-applicable interest rate, plus 4.00% per annum). Proceeds of this Note shall be disbursed to the Issuer in installments by making advances in accordance with the Loan Agreement (each an "Advance"); provided that the



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Issuer's failure to satisfy the conditions precedent to such advances may result in a Reinvestment Premium being owed by the Issuer to the Lender. The date and amount of each Advance may be entered by the Lender upon the Schedule of Advances attached hereto and each Advance shall bear interest from the date of such entry; provided that the failure to enter such amounts shall not limit otherwise affect the obligation of the City to pay amount owing with respect to such Advance. Interest on this Note shall be calculated on the outstanding principal amount of the Advances made by the Lender (the "Principal Amount").

Interest, premium, if any, and principal shall be paid by the Paying Agent to the registered owner of this Note as shown on the records of ownership maintained by the Registrar as of the 15th day of the month preceding such interest payment date. So long as JPMorgan Chase Bank, N.A. is the registered owner of this Note, principal, interest and premium, if any, on this Note shall be paid by wire transfer and without presentment or surrender of this Note. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This Note is issued pursuant to the provisions of Section 384.24A of the Code of Iowa, for the purpose of paying costs of acquiring, equipping and improving office space downtown, including the Nationwide building (1200 Locust Street), and in order to evidence the obligations of the Issuer under the Loan Agreement, and in conformity to the Resolution of the Issuer duly passed and approved on November 20, 2023 (the "Resolution"). For a complete statement of the funds from which and the conditions under which this Note is payable, and the general covenants and provisions pursuant to which this Note is issued and secured, reference is made to the above-described Loan Agreement and Resolution. Capitalized terms used but not otherwise defined herein have the meanings assigned to them in the Resolution.

Subject to Section 6(b) of the Resolution, this Note may be called for optional redemption by the Issuer and paid before maturity on June 1, 2033, or any date thereafter, from any funds regardless of source, in whole or from time to time in part. The terms of redemption shall be par, plus accrued interest to date of call.

Ten (10) days' written notice of optional redemption shall be given to the registered owner of the Note. Failure to give written notice to any registered owner of the Notes or any defect therein shall not affect the validity of any proceedings for the redemption of the Notes. All notes or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment. Written notice will be deemed completed upon transmission to the owner of record, including electronic transmission in accordance with the Loan Agreement.

This Note is subject to mandatory redemption in part prior to maturity without special notice to Noteholders, at a redemption price equal to the principal amount thereof, plus interest accrued to the redemption date, on June 1st in the years and in the principal amounts as follows:



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June 1, 2025	\$1,805,000	June 1, 2033	\$2,475,000
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June 1, 2027	\$1,955,000	June 1, 2035	\$2,675,000
June 1, 2028	\$2,030,000	June 1, 2036	\$5,485,000
June 1, 2029	\$2,115,000	June 1, 2037	\$5,750,000
June 1, 2030	\$2,200,000	June 1, 2038	\$14,400,000
June 1, 2031	\$2,285,000		
June 1, 2032	\$2,375,000		

Ownership of this Note may be transferred only by transfer upon the books kept for such purpose by the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Note at the office of the Registrar as designated below, together with an assignment duly executed by the owner hereof or his duly authorized attorney in the form as shall be satisfactory to the Registrar. The Issuer reserves the right to substitute the Registrar and Paying Agent but shall, however, promptly give notice to registered Noteholders of such change. All notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code and Section 384.31 of the Code of Iowa, subject to the provisions for registration and transfer contained in the Resolution.

And 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 issue of this Note, have been existent, had, done and performed as required by law; that provision has been made for the General Fund Levy. continuing on all the taxable property within the territory of the Issuer for the payment of the principal, premium, if any, and interest of this Note as the same will respectively become due; that an allocation of such General Fund has been irrevocably pledged for the prompt payment hereof, of principal, premium, if any, and interest; and the total indebtedness of the Issuer incurred pursuant to the Loan Agreement and evidenced by this Note, does not exceed the constitutional or statutory limitations.

IN TESTIMONY WHEREOF, the Issuer by its Council, has caused this Note to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, with the seal of the Issuer printed or impressed hereon, and to be authenticated by the manual signature of the Registrar

Date of authentication: December 14, 2023

This is the Note described in the within mentioned Resolution, as registered by the Registrar.



Roll Call Number

23-1636

Agenda Item Number

37

Date November 20, 2023

FINANCE DIRECTOR, CITY OF DES MOINES, STATE OF IOWA, as Registrar

By: _____

Finance Director

Registrar and Transfer Agent: Finance Director

Paying Agent: Finance Director

SEE REVERSE FOR CERTAIN DEFINITIONS

(Seal)
(Signature Block)

CITY OF DES MOINES, STATE OF IOWA

By: _____ (manual or facsimile signature)

Mayor

ATTEST:

By: _____ (manual or facsimile signature)

City Clerk

(Information Required for Registration)



Roll Call Number

23-1636

Agenda Item Number

37

Date November 20, 2023

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ (Social Security or Tax Identification No. _____) the within Note and does hereby irrevocably constitute and appoint _____ attorney in fact to transfer the said Note on the books kept for registration of the within Note, with full power of substitution in the premises.

Dated: _____

(Person(s) executing this Assignment sign(s) here)

SIGNATURE)
GUARANTEED) _____

IMPORTANT – READ CAREFULLY

The signature(s) to this Power must correspond with the name(s) as written upon the face of the certificate(s) or note(s) in every particular without alteration or enlargement or any change whatever. Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signature to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.

INFORMATION REQUIRED FOR REGISTRATION OF TRANSFER

Name of Transferee(s) _____

Address of Transferee(s) _____

Social Security or Tax Identification _____

Number of Transferee(s) _____

Transferee is a(n):

Individual* _____

Corporation _____

Partnership _____

Trust _____

*If the Note is to be registered in the names of multiple individual owners, the names of all such owners and one address and social security number must be provided.



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Sections 148(a) and (b) of the Code, as amended, and that throughout the term of the Notes it will comply with the requirements of statutes and regulations issued thereunder.

To the best knowledge and belief of the Issuer, there are no facts or circumstances that would materially change the foregoing statements or the conclusion that it is not expected that the proceeds of the Notes will be used in a manner that would cause the Notes to be arbitrage notes.

Section 16. Approval of Tax Exemption Certificate. Attached hereto is a form of Tax Exemption Certificate stating the Issuer's reasonable expectations as to the use of the proceeds of the Notes. The form of Tax Exemption Certificate is approved. The Issuer hereby agrees to comply with the provisions of the Tax Exemption Certificate and the provisions of the Tax Exemption Certificate are hereby incorporated by reference as part of this Resolution. The Finance Director is hereby directed to make and insert all calculations and determinations necessary to complete the Tax Exemption Certificate at issuance of the Notes to certify as to the reasonable expectations and covenants of the Issuer at that date.

Section 17. Additional Covenants, Representations and Warranties of the Issuer. The Issuer certifies and covenants with the Lender and holders of the Notes 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) comply with all representations, covenants and assurances contained in the Tax Exemption Certificate, which Tax Exemption Certificate shall constitute a part of the contract between the Issuer and the owners of the Notes; (c) consult with Bond Counsel (as defined in the Tax Exemption Certificate); (d) pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Notes; (e) file such forms, statements and supporting documents as may be required and in a timely manner; and (f) 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 18. Amendment of Resolution. This Resolution may not be amended without the prior written consent of the owners of the Notes.

Section 19. Tax-Exempt Notes. It is the intention of the City that the interest on the Notes be excludable from gross income for federal income tax purposes under section 103 of the Code.

Section 20. Repeal of Conflicting Resolutions or Ordinances. All ordinances and resolutions and parts of ordinances and resolutions in conflict herewith are hereby repealed.



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Section 21. 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.

MOVED by Gatto to adopt. Second by Boesen

FORM APPROVED:

Thomas G. Fisher Jr. Deputy City Attorney

02244489-6\10387-334

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, BOESEN, COLEMAN, GATTO, MANDELBAUM, VOSS, WESTERGAARD, and TOTAL (7 yeas).

I. 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.

J. M. Franklin Cowrie Mayor

Laura Baumgartner City Clerk