

SERIES 2009 SUPPLEMENTAL
MASTER INDENTURE OF TRUST

STATE OF IOWA,
Acting By and Through the Treasurer of the State of Iowa

TO

WELLS FARGO BANK, NATIONAL ASSOCIATION
As Trustee

Dated as of July 1, 2009

Supplemental to Master Indenture of Trust
dated as of July 1, 2009

\$380,120,000
IJOBS Program Special Obligation Bonds
Series 2009A

and

\$220,950,000
IJOBS Program Special Obligation Bonds
Taxable Series 2009B
(Build America Bonds - Direct Payment)

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SERIES 2009 SUPPLEMENTAL
MASTER INDENTURE OF TRUST

THIS SERIES 2009 SUPPLEMENTAL MASTER INDENTURE OF TRUST, dated as of July 1, 2009 (the "Series 2009 Supplemental Indenture"), between the State of Iowa (the "Issuer") acting by and through the Treasurer of the State of Iowa (the "Treasurer") and Wells Fargo Bank, National Association (the "Trustee"), a national banking association organized under the laws of the United States, as trustee, supplementing the Master Indenture of Trust, dated as of July 1, 2009 (as supplemented hereby and as otherwise from time to time supplemented and amended, the "Master Indenture"), between the Issuer and the Trustee.

WITNESSETH:

WHEREAS, pursuant to the Act, the State of Iowa authorized the Treasurer to issue and sell revenue bonds (the "Bonds") on behalf of the Issuer to provide funds for certain infrastructure projects of the Issuer and to fund certain other grant and loan programs of the Issuer (collectively, the "Projects"); and

WHEREAS, the Act creates and establishes in the office of the Treasurer the Revenue Bonds Capitals Fund and the Revenue Bonds Debt Service Fund as separate and distinct funds in the State treasury; and

WHEREAS, the Bonds are payable solely out of the amounts deposited in the Revenue Bonds Debt Service Fund and pledged by the Issuer to the payment thereof and the other funds and amounts pledged hereunder for the purpose of providing financing for the Projects; and

WHEREAS, pursuant to the Act, the Issuer and the Trustee have previously entered into the Master Indenture in order to provide a framework for the issuance by the Issuer of the Bonds and in order to provide for the pledge of Pledged Funds for the payment and securing of the Bonds; and

WHEREAS, in order to provide the financing necessary for the acquisition and construction of certain Projects for which proceeds of the Bonds have been duly appropriated, the Issuer will issue the IJOBS Program Special Obligation Bonds, Series 2009A (the "Series 2009A Bonds") and the IJOBS Program Special Obligation Bonds, Taxable Series 2009B (Build America Bonds - Direct Payment) (the "Series 2009B Bonds" and, together with the Series 2009A Bonds, the "Series 2009 Bonds") pursuant to this Series 2009 Supplemental Indenture and secured by the Master Indenture; and

WHEREAS, it is the intention of the Issuer that this Series 2009 Supplemental Indenture shall constitute a supplement to the Master Indenture in order to provide for the issuance of and security for the Series 2009 Bonds; and

WHEREAS, all acts and things necessary to make the Series 2009 Bonds created by this Series 2009 Supplemental Indenture, when executed by the Treasurer and authenticated and delivered by the Trustee as provided in the Master Indenture and this Series 2009 Supplemental Indenture, the valid, binding and legal limited special obligations of the Issuer and to constitute these presents, together with the Master Indenture, a valid indenture and agreement according to its terms and the terms of the Master Indenture, have been done and performed and the execution of this Series 2009 Supplemental Indenture and the issuance hereunder and under the Master Indenture of the Series 2009 Bonds have in all respects been duly authorized; and

WHEREAS, pursuant to Iowa Code Section 8.57(6)(e) as amended by S.F. 376, Section 26, there is a current annual standing appropriation of Gaming Revenues to the Revenue Bonds Debt Service Fund in the amount of \$55,000,000. If Gaming Revenues in any Fiscal Year are not sufficient to fulfill such appropriation to the Revenue Bonds Debt Service Fund, there is a current annual standing appropriation of Beer and Liquor Revenues to be deposited in the Revenue Bonds Debt Service Fund to make up the shortfall in Gaming Revenues appropriated to the Revenue Bonds Debt Service Fund; and

NOW, THEREFORE, THIS SERIES 2009 SUPPLEMENTAL INDENTURE WITNESSETH, that in order to declare the terms and conditions upon which the Series 2009 Bonds are executed, authenticated, issued and delivered, and in consideration of the premises and the acquisition and acceptance of the Series 2009 Bonds by the holders thereof, the Issuer covenants and agrees with the Trustee, for the benefit of the holders from time to time of the Series 2009 Bonds and the other Bonds issued under the Master Indenture as follows:

ARTICLE I
DEFINITION AND RULES OF INTERPRETATION

Section 1.01. Definitions. The terms used in this Series 2009 Supplemental Indenture and not otherwise defined herein shall, except as otherwise stated, have the meanings assigned to them in the Master Indenture. As used herein, the following words and phrases shall have the following meanings unless the context otherwise requires:

“Beneficial Owner” means the person recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such person’s subrogee.

“Cash Funded Reserve Requirement” has the definition given such term in Section 4.05 hereof.

“Extraordinary Event” means the modification, amendment or interpretation of Section 54AA or 6431 of the Code (as such Sections were added by Section 1531 of the American Recovery and Reinvestment Act, pertaining to “Build America Bonds”) in a manner pursuant to which the State’s Subsidy Payments from the United States Treasury are reduced or eliminated.

“Net Annual Debt Service” means, with respect to the Series 2009B Bonds, Annual Debt Service on the Series 2009B Bonds for a Fiscal Year less the Subsidy Payments expected to be received with respect to the interest paid on the Series 2009B Bonds for such Fiscal Year.

“Participant” means a broker-dealer bank or other financial institution from time to time for which DTC holds Series 2009A Bonds and/or Series 2009B Bonds.

“Registered Owner” means the owner of a Bond as set forth on the registration books of the Issuer as kept by the Registrar as provided in Section 2.09 of the Master Indenture.

“Restricted Yield” means 4.429%.

“Series Bond Reserve Fund Requirement” means, collectively, the Series 2009A Bond Reserve Fund Requirement and the Series 2009B Bond Reserve Fund Requirement.

“Series 2009 Bonds” means, collectively, the Series 2009A Bonds and the Series 2009B Bonds.

“Series 2009A Bond Reserve Fund Requirement” means (i) until July 1, 2027, an amount equal to \$32,111,318.76, which is the least of (a) the maximum amount of principal and interest coming due on the Series 2009A Bonds during any fiscal year, (b) 10% of the stated principal amount of the Series 2009A Bonds, or (c) 125% of the average annual principal and interest coming due on the Series 2009A Bonds, and (ii) after July 1, 2027 an amount equal to \$5,257,406.26.

“Series 2009B Bond Reserve Fund Requirement” means (i) until July 1, 2027, an amount equal to \$22,095,000.00, which is the least of (a) the maximum amount of Net Annual Debt Service for the Series 2009B Bonds, (b) 10% of the stated principal amount of the Series 2009B Bonds, or (c) 125% of average Net Annual Debt Service for the Series 2009B Bonds, (ii) after July 1, 2027, an amount equal to \$44,655,598.00, and (iii) after July 1, 2028, an amount equal to \$45,982,694.00.

“Series 2009A Bonds” means the Issuer’s \$380,120,000 IJOBS Program Special Obligation Bonds, Series 2009A.

“Series 2009B Bonds” means the Issuer’s \$220,950,000 IJOBS Program Special Obligation Bonds, Taxable Series 2009B (Build America Bonds –Direct Payment).

“Treasury Rate” means, as of any redemption date of the Series 2009B Bonds, the yield to maturity as of such redemption date of United States Treasury Securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15(H19) that has become publicly available seven Business Days prior to the redemption date (excluding inflation indexed securities) (or if such Statistical Release is no longer published, any publicly available source of similar data)) most nearly equal to the period from the redemption date to the maturity date of the Series 2009B Bonds to be redeemed; provided, however that if the period from the redemption date to such maturity is less than one year, the weekly average yield on actually traded United States Treasury Securities adjusted to a constant maturity of one year will be used.

Section 1.02. Rules of Interpretation. For all purposes of this Series 2009 Supplemental Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) "This Series 2009 Supplemental Indenture" means this instrument as originally executed and as it may from time to time be supplemented or amended pursuant to the applicable provisions hereof.

(b) All references in this instrument to designated "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and other subdivisions of this instrument as originally executed. The words "herein", "hereof", "hereunder" and "herewith" and other words of similar import refer to this Series 2009 Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision.

(c) The terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular.

(d) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles.

(e) The terms defined elsewhere in this Series 2009 Supplemental Indenture shall have the meanings therein prescribed for them.

(f) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(g) The headings used in this Series 2009 Supplemental Indenture are for convenience of reference only and shall not define or limit the provisions hereof.

(h) Whenever the term "principal office" is used herein, it shall mean the office designated as such by the applicable entity via a writing to the Trustee.

ARTICLE II
THE SERIES 2009 BONDS

Section 2.01. Authorization of the Series 2009 Bonds. There are hereby authorized pursuant to this Series 2009 Supplemental Indenture and the Master Indenture two series of Bonds to be known and designated as "State of Iowa, IJOBS Program Special Obligation Bonds, Series 2009A" (the "Series 2009A Bonds") and the "State of Iowa IJOBS Program Special Obligation Bonds, Taxable Series 2009B (Build America Bonds - Direct Payment) (the "Series 2009B Bonds" and, together with the Series 2009A Bonds, the "Series 2009 Bonds"). The Series 2009A Bonds shall be issued in the aggregate principal amount of \$380,120,000. The Series 2009B Bonds shall be issued in the aggregate principal amount of \$220,950,000. The Series 2009 Bonds shall be executed, endorsed, authenticated and delivered in accordance with the Master Indenture.

Section 2.02. Details of Series 2009 Bonds.

(a) The Series 2009A Bonds shall be dated July 22, 2009. The Series 2009A Bonds shall bear interest from July 22, 2009 payable semiannually on December 1 and June 1 of each year, beginning on December 1, 2009.

The Series 2009A Bonds shall bear interest at the respective rates per annum set forth below and shall mature on June 1 of each of the years set forth and in the principal amount set opposite each year in the following schedule:

(June 1) <u>Due</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2011	\$8,750,000	5.000%
2011	5,000,000	3.000%
2012	9,335,000	5.000%
2012	5,000,000	3.000%
2013	2,745,000	5.000%
2013	12,210,000	4.000%
2014	9,975,000	5.000%
2014	5,605,000	4.000%
2015	16,300,000	5.000%
2016	10,175,000	5.000%
2016	6,945,000	3.000%
2017	17,835,000	5.000%
2018	18,725,000	5.000%
2019	14,660,000	5.000%
2019	5,000,000	4.000%
2020	20,595,000	5.000%
2021	21,625,000	5.000%
2022	22,705,000	5.000%

2023	23,840,000	5.000%
2024	16,910,000	5.000%
2024	8,125,000	4.250%
2025	26,225,000	5.000%
2026	27,535,000	5.000%
2027	28,915,000	5.000%
2028	30,360,000	5.000%
2029	5,025,000	4.625%

(b) The Series 2009B Bonds shall be dated July 22, 2009. The Series 2009B Bonds shall bear interest from July 22, 2009 payable semiannually on December 1 and June 1 of each year, beginning on December 1, 2009.

The Series 2009B Bonds shall bear interest at 6.75% per annum and shall mature on June 1, 2034:

(c) Interest on the Series 2009 Bonds shall be computed on the basis of a 360-day year of twelve 30-day months.

(d) The Series 2009 Bonds shall be issuable as fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple thereof. The Series 2009 Bonds shall be numbered as determined by the Trustee. The Series 2009 Bonds shall be substantially in the form hereinafter set forth, with such appropriate variations, omissions and insertions as are permitted or required by this Series 2009 Supplemental Indenture, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

(e) The principal of, premium, if any, and interest on the Series 2009 Bonds shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. Principal of and premium, if any, on the Series 2009 Bonds shall be payable at the principal office of the Paying Agent, and payment of the interest on each Series 2009 Bond shall be made by the Paying Agent on each Interest Payment Date to the person appearing as the registered owner thereof as of the close of business on the Record Date preceding the Interest Payment Date by (i) check or draft mailed to such registered owner at his address as it appears on the registration books maintained by the Registrar or at such other address as is furnished in writing by such registered owner to the Registrar, regardless of the cancellation of any such Series 2009 Bonds upon any exchange or transfer thereof subsequent to the Record Date and prior to such Interest Payment Date, or (ii) in the case of any Series 2009 Bond in the denomination of \$1,000,000 or more, by wire transfer of funds to the registered owner upon the written request of the registered owner delivered to the Trustee. Payment of the principal of and premium, if any, on all

Series 2009 Bonds shall be made upon the presentation and surrender of such Series 2009 Bonds as the same shall become due and payable.

Section 2.03. Form of Series 2009 Bonds. The Series 2009 Bonds to be issued hereunder, and the certificate of authentication by the Trustee to be endorsed on all such Series 2009 Bonds, shall be substantially in the following form, with such variations, omissions and insertions as are permitted by this Series 2009 Supplemental Indenture or are required to conform the form of Series 2009 Bond to the other provisions of this Series 2009 Supplemental Indenture and the Master Indenture:

(FORM OF SERIES 2009A[B] BOND)

No. _____

\$ _____

UNITED STATES OF AMERICA
STATE OF IOWA
IJOBS PROGRAM SPECIAL OBLIGATION REVENUE BOND
[TAXABLE] SERIES 2009A[B]
[(Build America Bonds - Direct Payment)]

RATE

MATURITY

DATED DATE

CUSIP

July __, 2009

REGISTERED HOLDER: CEDE & CO.

PRINCIPAL AMOUNT:

The State of Iowa (the "Issuer"), for value received, promises to pay, but only from the sources referred to herein, to the registered holder set forth above, or registered assigns, on the maturity date set forth above, the principal amount set forth above and to pay interest on said sum, but only from the sources referred to herein, from the date hereof at the rate set forth above payable on December 1 and June 1 of each year commencing December 1, 2009. Principal of this Bond is payable at the principal office of Wells Fargo Bank, National Association, as Trustee, or its successor in trust (the "Trustee") under the Indenture referred to below, and the interest hereon shall be paid by check mailed to the person in whose name this Bond is registered at the close of business on the day which is the fifteenth day of the month next preceding the month in which the interest payment date occurs (the "Record Date") on the registration books of the Issuer to be kept by the Trustee, as Registrar, or its successor as registrar, at the address shown on the registration books or at such other address as is furnished in writing by such registered owner to the Trustee. The registered owner of any Bond in the denomination of \$1,000,000 or more may receive interest payments by wire transfer upon the written request of the registered owner delivered to the Trustee. Each payment will be made in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Interest on this Bond shall be computed on the basis of a 360-day year of twelve 30-day months.

This Bond is one of an authorized issue of IJOBS Program Special Obligation Bonds, [Taxable] Series 2009A[B (Build America Bond – Direct Payment)], in the aggregate principal amount of \$380,120,000 [220,950,000] (the "Series 2009A[B] Bonds"), issued for the purpose of providing funds for certain infrastructure projects of the Issuer and to fund certain other grant and loan programs of the Issuer (collectively, the "Projects"), funding a reserve fund, funding capitalized interest with respect to the Series 2009A Bonds and paying necessary expenses incidental to issuance of the Series 2009A Bonds. At the time of issuance of the Series 2009A[B] Bonds, the Issuer also issued its IJOBS Program Special Obligation Bonds Taxable Series 2009B[A] (Build America Bonds - Direct Payment) in the aggregate principal amount of \$220,950,000 [380,120,000] (the "Series 2009B[A] Bonds" and, together with the Series 2009A[B] Bonds, the "Series 2009 Bonds"). The Series 2009 Bonds are all issued under and are equally and ratably secured by and entitled to the protection of a Master Indenture of Trust dated as of July 1, 2009, as supplemented by a Series 2009 Supplemental Master Indenture of Trust dated as of July 1, 2009 (as so supplemented and as further supplemented and amended from time to time, the "Indenture"), duly executed and delivered by the Issuer to the Trustee. As provided by the Indenture, to secure performance of all covenants of the Issuer under the Indenture, the Issuer sells, assigns, pledges and grants a security interest to the Trustee in, the Trust Estate, including all rights, title and interest of the Issuer in and to the Revenue Bonds Debt Service Fund (except for the Revenue Bonds Unpledged Funds Account) established in the State treasury under Iowa Code Section 12.89 (2009) as enacted by Senate File 376, 83rd G.A., 1st Sess. (Iowa 2009) Section 3, and all funds deposited therein and any other sums of money and funds pledged in the Granting Clauses of the Indenture, and all moneys and securities and all other property of every kind and of every name and nature from time to time received and held by the Trustee under the Indenture for the benefit of the Bondholders. All income, revenues, issues, profits and other sums of money and Funds pledged in the Granting Clauses of the Indenture are herein referred to as the "Pledged Funds".

The Indenture provides that the Issuer may hereafter issue additional series of Bonds from time to time under certain terms and conditions contained in the Indenture and, if issued, such additional series of Bonds will rank pari passu with the Series 2009 Bonds and be equally and ratably secured by and entitled to the protection of the Indenture (the Series 2009 Bonds and any additional series of Bonds being herein referred to collectively as the "Bonds"). The Indenture is on file in the offices of the Treasurer and Trustee and reference is hereby made to the Indenture for a more complete description of the Pledged Funds pledged and assigned, the provisions with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer, the Trustee and the holders of the Bonds and the issuance of additional series of Bonds, and the terms upon which the Bonds are issued and secured.

The Series 2009A[B] Bonds are issued under the provisions of, and in full compliance with, the Constitution and the laws of the State, particularly Senate File 376, 83rd G.A., 1st Sess. (Iowa 2009).

THE SERIES 2009A [B] BONDS ARE LIMITED SPECIAL OBLIGATIONS OF THE STATE AND DO NOT CONSTITUTE A DEBT OR INDEBTEDNESS OF THE STATE, NOR OF ANY POLITICAL SUBDIVISION OF THE STATE OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OR A CHARGE AGAINST THE GENERAL CREDIT OR GENERAL FUND OF THE STATE. THE ISSUANCE AND SALE OF THE SERIES 2009A [B] BONDS DO NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OR A POLITICAL SUBDIVISION OF THE STATE TO APPLY MONEYS FROM OR TO LEVY OR PLEDGE ANY FORM OF TAXATION WHATSOEVER, OR TO CONTINUE THE APPROPRIATION OF FUNDS FOR THE PAYMENT OF THE BONDS. THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THE SERIES 2009A [B] BONDS ARE PAYABLE SOLELY FROM, AND SECURED BY A PLEDGE OF THE PLEDGED FUNDS.

The term "Business Day" shall mean a day of the year on which banks located in the city in which the principal corporate trust office of the Trustee is located are not required or authorized to remain closed and on which The New York Stock Exchange is not closed.

The Series 2009A[B] Bonds are issuable as fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple thereof. At the principal corporate trust office of the Trustee, in the manner and subject to the limitations, conditions and charges provided in the Indenture, Bonds may be exchanged for an equal aggregate principal amount of Series 2009A[B] Bonds of other authorized denominations.

The Series 2009A[B] Bonds are subject to redemption prior to their stated maturity at the option of the Issuer, in whole or in part, on any Business Day on or after June 1, 2019 at a price equal to 100% of the principal amount of the Bonds to be redeemed, plus interest accrued thereon to the date of redemption.

[The Series 2009B Bonds are also subject to mandatory redemption from sinking fund installments as provided in the Indenture.]

[The Series 2009B Bonds are subject to extraordinary optional redemption in the event an Extraordinary Event occurs, at a price equal to the greater of: (i) 100% of the principal amount to be redeemed; or (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Series 2009B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2009B Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus 100 basis points plus, in each case, interest accrued to the date of redemption of such Series 2009B Bonds.

An Extraordinary Event means the modification, amendment or interpretation of Section 54AA or 6431 of the Code (as such Sections were added by Section 1531 of the American

Recovery and Reinvestment Act, pertaining to “Build America Bonds”) in a manner pursuant to which the State’s Subsidy Payments from the United States Treasury are reduced or eliminated.

“Treasury Rate” means, as of any redemption date of the Series 2009B Bonds, the yield to maturity as of such redemption date of United States Treasury Securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15(H19) that has become publicly available seven Business Days prior to the redemption date (excluding inflation indexed securities) (or if such Statistical Release is no longer published, any publicly available source of similar data)) most nearly equal to the period from the redemption date to the maturity date of the Series 2009B Bonds to be redeemed; provided, however that if the period from the redemption date to such maturity is less than one year, the weekly average yield on actually traded United States Treasury Securities adjusted to a constant maturity of one year will be used.]

This Bond is transferable by the registered owner hereof on the books of the Issuer to be kept by the Trustee, in person or by his attorney duly authorized in writing upon surrender of this Bond for transfer at the principal corporate trust office of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney in fact, duly authorized in writing, and upon payment of the charges and subject to the conditions provided in the Indenture. Upon such transfer, a new Bond or Bonds of the same series, of authorized denomination or denominations, for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Issuer, the Trustee, and any transfer agent or co-registrar, may deem and treat the registered owner hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of, or on account of, principal hereof and premium, if any, and interest due hereon (subject to the provisions of the Indenture and this Bond regarding Record Dates) and for all other purposes, and neither the Issuer, the Trustee, or any transfer agent or co-registrar shall be affected by any notice to the contrary.

The owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the pledge, assignment or covenants made therein or to take any action with respect to an event of default under the Indenture or to institute, appear in or defend any suit, action or other proceeding at law or in equity with respect thereto, except as provided in the Indenture.

To the extent permitted by, and as provided in, the Indenture, modifications or amendments of the Indenture may be made with the consent of the owners of not less than two-thirds in aggregate principal amount of the Bonds then outstanding. The Indenture also contains provisions permitting the owners of certain percentages in aggregate principal amount of the Bonds at the time outstanding, as defined in the Indenture, on behalf of the owners of all Bonds, by written waiver, to waive certain past defaults under the Indenture and their consequences. The Indenture also contains provisions permitting the amendment thereof without the consent of the Bondholders in limited circumstances involving changes to cure defects and

ambiguities, to confer additional benefits and pledge additional property, to authorize the issuance of additional series of Bonds and other instances set forth in the Indenture.

Any term used in this Bond as a defined term but not defined in this Bond shall be as defined in the Indenture.

Neither the officials nor the employees of the Issuer nor any person executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

The Issuer hereby certifies, recites and declares that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the issuance of this Bond and the issue of which it forms a part, together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation.

This Bond is issued with the intent that the laws of the State will govern its construction.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed in its name by the manual or facsimile signature of the Treasurer of the State of Iowa, as of the Dated Date.

STATE OF IOWA,
Acting By and Through the Treasurer of
the State of Iowa

By _____ (facsimile) _____
Treasurer of the State of Iowa

(Form of the Certificate of Authentication)

This Bond is one of the Series 2009A[B] Bonds of the issue described in the within-mentioned Series 2009 Supplemental Indenture of Trust.

Date of Authentication: _____

WELLS FARGO BANK,
NATIONAL ASSOCIATION
as Trustee

By: _____
Authorized Officer

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, attorney in fact to transfer the said Bond on the books kept for registration of the within Bond, with full power of substitution in the premises.

Dated: _____.

(Signature of registered owner(s))

(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 bond(s) in every particular without alteration or enlargement or any change whatever. Signature guarantee should be made by a member or member organization of the New York Stock Exchange, members of other Exchanges having signatures on file with transfer agents or by a commercial bank or trust company.

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 certificate 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.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of
survivorship and not as tenants in
common

UNIF GIFT MIN ACT -Custodian.....
(Cust) (Minors)
under Uniform Gifts to Minors
Act.....
(State)

(End of Series 2009A[B] Bond Form)

Section 2.04. Delivery of Series 2009 Bonds. Upon the execution and delivery of this Series 2009 Supplemental Indenture, the Treasurer shall execute and deliver to the Trustee, and the Trustee shall authenticate, the Series 2009 Bonds and deliver them to the purchasers thereof as directed by the Treasurer as herein after in this Section provided.

Prior to the delivery by the Trustee of any of the Series 2009 Bonds, there shall be filed with the Trustee:

1. A request and authorization to the Trustee on behalf of the Issuer and signed by the Treasurer to authenticate and deliver the Series 2009 Bonds to the purchasers therein identified upon payment to the Trustee, but for the account of the Issuer, of a sum specified in such request and authorization. The proceeds of such payment shall be paid over to the Trustee and deposited in the various funds specified in, and pursuant to, Article IV hereof.

2. The unqualified approving opinion of Dorsey & Whitney LLP, Bond Counsel, that the Series 2009 Bonds are legally issued and that interest on the Series 2009A Bonds is excluded from gross income for federal income tax purposes under existing statutes, regulations, rulings and court decisions.

3. An executed copy of this Series 2009 Supplemental Indenture.

Section 2.05. Execution of Series 2009 Bonds; Status as Limited Special Obligations. The Series 2009 Bonds shall be executed on behalf of the Issuer with the manual or facsimile signature of the Treasurer. In case the Treasurer whose signature shall appear on the Series 2009 Bonds shall cease to be such officer before the delivery of the Series 2009 Bonds, such signature or facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery.

THE BONDS ARE LIMITED SPECIAL OBLIGATIONS OF THE STATE AND DO NOT CONSTITUTE A DEBT OR INDEBTEDNESS OF THE STATE, NOR OF ANY POLITICAL SUBDIVISION OF THE STATE OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OR A CHARGE AGAINST THE GENERAL CREDIT OR GENERAL FUND OF THE STATE. THE ISSUANCE AND SALE OF THE BONDS DO NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OR A POLITICAL SUBDIVISION OF THE STATE TO APPLY MONEYS FROM OR TO LEVY OR PLEDGE ANY FORM OF TAXATION WHATSOEVER TO, OR TO CONTINUE THE APPROPRIATION OF FUNDS FOR THE PAYMENT OF THE BONDS. THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THE BONDS ARE PAYABLE SOLELY FROM, AND SECURED BY A PLEDGE OF THE PLEDGED FUNDS.

Section 2.06. Book-Entry Bonds. The ownership of all Series 2009 Bonds shall be evidenced by one fully registered Series 2009 Bond for each series and maturity registered in the

name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). In the event the Treasurer determines that the continuation of the system of book-entry transfers through DTC (or a successor securities depository) is not in the best interests of the owners of beneficial interests in the Series 2009 Bonds (the "Beneficial Owners") or is burdensome to the Treasurer, the Treasurer will notify DTC and the Trustee, whereupon DTC will notify DTC participants of the availability through DTC of Bond certificates. In such event, the Treasurer shall execute and the Trustee shall transfer and exchange Series 2009 Bond certificates as requested by DTC of like principal amount and series, in denominations authorized in Section 2.02 hereof to the identifiable Beneficial Owners in replacement of such Beneficial Owners' beneficial interests in the Series 2009 Bonds.

ARTICLE III
REDEMPTION OF SERIES 2009 BONDS

Section 3.01. Optional Redemption.

(a) The Series 2009A Bonds shall be subject to redemption prior to their stated maturity at the option of the State, in whole or in part (and if in part, in denominations of \$5,000 or any integral multiple thereof), on any Business Day on or after June 1, 2019, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption.

(b) The Series 2009B Bonds shall be subject to redemption prior to their stated maturity at the option of the State, in whole or in part (and if in part, in denominations of \$5,000 or any integral multiple thereof), on any Business Day on or after June 1, 2019, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption.

Section 3.02. Extraordinary Optional Redemption of Series 2009B Bonds

The Series 2009B Bonds are subject to redemption prior to maturity at the option of the State, in whole or in part upon the occurrence of an Extraordinary Event, at a redemption price (the "Extraordinary Redemption Price") equal to the greater of:

- (a) 100% of the principal amount of such Series 2009B Bonds to be redeemed; or
- (b) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Series 2009B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2009B Bonds are to be redeemed, discounted to the date on which such Series 2009B Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus 100 basis points;

plus, in each case, accrued interest on such Series 2009B Bonds to be redeemed to the redemption date.

Section 3.03 Mandatory Redemption. The Series 2009B Bonds shall be subject to mandatory redemption from sinking fund payments, at a redemption price equal to the principal amount thereof, plus interest accrued to the date of redemption, without premium, on the dates and in the amounts as follows:

<u>(June 1)Date</u> 2029	<u>Principal Amount</u> \$26,850,000
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2030	33,920,000
2031	36,210,000
2032	38,655,000
2033	41,265,000
2034*	44,050,000

* Maturity

Section 3.04. Selection of Bonds for Redemption.

(a) The Series 2009A Bonds shall be redeemed only in denominations of \$5,000 or any integral multiple thereof. If less than all of the Series 2009A Bonds are to be redeemed, the State shall select the maturity or maturities of the Series 2009A Bonds to be redeemed and, if less than all of a specified maturity of the Series 2009A Bonds are to be redeemed, the Trustee shall select Series 2009A Bonds of such maturity by lot or in such other manner as the Trustee in its discretion deems fair.

(b) The Series 2009B Bonds shall be redeemed only in denominations of \$5,000 or any integral multiple thereof. If less than all of the Series 2009B Bonds shall be redeemed, the Series 2009B Bonds shall be redeemed in amounts that, as nearly as practicable, are in proportion to the principal amounts of Series 2009B Bonds owned by each Registered Owner, pursuant to the following formula: (principal amount of Series 2009B Bonds to be redeemed) x (principal amount of Series 2009B Bonds owned by Registered Owner)/(principal amount of Series 2009B Bonds outstanding). So long as DTC is the Registered Owner of the Series 2009B Bonds, subject to DTC's policies and procedures, if less than all of the Series 2009B Bonds shall be redeemed, the Series 2009B Bonds shall be redeemed in amounts that, as nearly as practicable, are in proportion to the principal amounts of Series 2009B Bonds owned by each Beneficial Owner, pursuant to the following formula: (principal amount of Series 2009B Bonds to be redeemed) x (principal amount of Series 2009B Bonds owned by Beneficial Owner)/(principal amount of Series 2009B Bonds Outstanding).

ARTICLE IV
PLEDGED FUNDS AND FUNDS

Section 4.01. Application of Series 2009 Bond Proceeds.

(a) The proceeds of the Series 2009A Bonds (par amount of \$380,120,000.00 plus net premium of \$28,317,959.25 less Underwriter's discount of \$2,057,336.42) shall be delivered and deposited as follows:

(i) The amount of \$48,350,622.83 shall be delivered to the Trustee and deposited as follows:

(A) For deposit in the Tax-Exempt Bonds Account of the Cost of Issuance Fund, the sum of \$481,017.55;

(B) For deposit in the Tax-Exempt Bonds Account of the Bond Reserve Fund, the sum of \$32,111,318.76; and

(C) For deposit in the Tax-Exempt Bonds Subaccount of the Capitalized Interest Account of the Bond Fund, the sum of \$15,758,286.52.

(ii) The balance of the proceeds received from the sale of the Series 2009A Bonds (\$358,030,000.00) shall be delivered to the Treasurer for deposit in the Revenue Bonds Capitals Fund.

(b) The proceeds of the Series 2009B Bonds (par amount of \$220,950,000 minus discount of \$1,290,348.00 less Underwriter's discount of \$2,019,522.73) shall be delivered and deposited as follows:

(i) The amount of \$30,670,129.27 shall be delivered to the Trustee and deposited as follows:

(A) For deposit in the Taxable Bonds Account of the Cost of Issuance Fund, the sum of \$254,290.36;

(B) For deposit in the Taxable Bonds Account of the Bond Reserve Fund, the sum of \$22,095,000.00; and

(C) For deposit in the Taxable Bonds Subaccount of the Capitalized Interest Account of the Bond Fund, the sum of \$8,320,838.91.

(ii) The balance of the proceeds received from the sale of the Series 2009B Bonds (\$186,970,000.00) shall be delivered to the Treasurer for deposit in the Revenue Bonds Capitals Fund.

Section 4.02. Disbursements from Cost of Issuance Fund. The Trustee shall make disbursements from the Cost of Issuance Fund in accordance with the Master Indenture. Upon receipt by the Trustee of a certificate from the Treasurer directing that any amounts remaining in the Cost of Issuance Fund from the deposit provided for in Section 4.01 hereof are to be transferred to the Revenue Bonds Capitals Fund, such amounts shall immediately be transferred by the Trustee to the Revenue Bonds Capitals Fund.

Section 4.03 Disbursements from Capitalized Interest Account

(a) On the Transfer Days immediately preceding December 1, 2009 and June 1, 2010, there shall be transferred from the Tax-Exempt Bonds Subaccount of the Capitalized Interest Account of the Bond Fund to the Tax-Exempt Bonds Account of the Bond Fund to be used to pay interest due on the Series 2009A Bonds on the next Interest Payment Date an amount equal to the interest payable on the Series 2009A Bonds on December 1, 2009 and June 1, 2010, respectively. Any amounts remaining in the Tax-Exempt Bonds Subaccount of the Capitalized Interest Account of the Bond Fund on or after June 1, 2010 shall be transferred to the Revenue Bonds Capitals Fund.

(b) On the Transfer Day immediately preceding December 1, 2009, there shall be transferred from the Taxable Bond Subaccount of the Capitalized Interest Account of the Bond Fund to the Taxable Bonds Account of the Bond Fund an amount equal to \$3,473,748.29 for payment of a portion of the interest due on the Series 2009B Bonds on December 1, 2009. On the Transfer Day immediately preceding June 1, 2010, there shall be transferred from the Taxable Bonds Subaccount of the Capitalized Interest Account of the Bond Fund to the Taxable Bonds Account of the Bond Fund an amount equal to \$4,847,090.62 for payment of a portion of the interest due on the Series 2009B Bonds on June 1, 2010. Any amounts remaining in the Taxable Bonds Subaccount of the Capitalized Interest Account of the Bond Fund on or after June 1, 2010, shall be transferred to the Revenue Bonds Capitals Fund.

Section 4.04. Scheduled Draws on the Bond Reserve Fund; Replenishment

(a) On December 1, 2009, unless the total amount of the Subsidy Payment for such date has been received by the Trustee, there shall be transferred from the Taxable Bonds Account of the Bond Reserve Fund an amount equal to the amount of such Subsidy Payment not received for payment of a portion of the interest due on the Series 2009B Bonds on December 1, 2009. On June 1, 2010, unless the total amount of the Subsidy Payment for such date has been received by the Trustee, there shall be transferred from the Taxable Bonds Account of the Bond Reserve Fund an amount equal to the amount of such Subsidy Payment not received for payment of a portion of the interest due on the Series 2009B Bonds on June 1, 2010.

(b) Notwithstanding the provisions of the Master Indenture to the contrary, any portion of the Subsidy Payments relating to the interest payable on the Series 2009B Bonds on December 1, 2009 and June 1, 2010 received after each such date shall be deposited in the Taxable Bonds Account of the Bond Reserve Fund.

(c) On July 1, 2027 there shall be transferred from the Tax-Exempt Bonds Account of the Bond Reserve Fund to the Tax-Exempt Bonds Account of the Bond Fund an amount which when subtracted from the amount on deposit in the Tax-Exempt Bonds Account of the Bond Reserve Fund will leave a balance therein equal to the Series 2009A Bond Reserve Fund Requirement after July 1, 2027.

(d) On July 1, 2028 all amounts on deposit in the Tax-Exempt Bonds Account of the Bond Reserve Fund shall be transferred to the Tax-Exempt Bonds Account of the Bond Fund

Section 4.05. Creation of Cash Funded Reserve Account; Deposits; Transfers; Investments. There is hereby established by the Treasurer and ordered created with the Trustee an account to be designated as the “Cash Funded Reserve Account,” which account shall be a separate and distinct account and not a part of the Bond Reserve Fund until the Transfer Date (hereinafter defined).

Beginning with the Fiscal Year commencing on July 1, 2010 and continuing for each subsequent Fiscal Year to and including the Fiscal Year commencing July 1, 2027, the Treasurer shall transfer moneys available in the Revenue Bonds Unpledged Funds Account of the Revenue Bonds Debt Service Fund to the Cash Funded Reserve Account during each such Fiscal Year until there has been accumulated in the Cash Funded Reserve Account the following required balances (each the “Cash Funded Reserve Requirement” as of the end of the corresponding Fiscal Year) as of the end of the following Fiscal Years:

<u>For the Fiscal Year Beginning July 1,</u>	<u>Required Balance at the end of the Fiscal Year</u>
2010	\$1,327,094
2011	2,654,188
2012	3,981,282
2013	5,308,376
2014	6,635,470
2015	7,962,564
2016	9,289,658
2017	10,616,752
2018	11,943,846
2019	13,270,940
2020	14,598,034
2021	15,925,128
2022	17,252,222
2023	18,579,316

2024	19,906,410
2025	21,233,504
2026	22,560,598
2027	1,327,096

Amounts on deposit in the Cash Funded Reserve Account on July 1, 2027 (the “Initial Transfer Date”) and July 1, 2028 (the “Last Transfer Date”) shall be transferred to the Taxable Bonds Account of the Bond Reserve Fund on such dates and deposited into a separate subaccount to be established and maintained by the Trustee therein to be designated as the “Cash Funded Subaccount.”

Prior to the Last Transfer Date amounts on deposit in the Cash Funded Reserve Account may be used to pay the principal of and interest on and the Debt Service Payments with respect to the Series 2009B Bonds when due but only to the extent that there are not sufficient amounts on deposit in the Taxable Bonds Account of the Bond Fund and the Taxable Bonds Account of the Bond Reserve Fund for such purpose.

Notwithstanding anything in the Master Indenture to the contrary, amounts on deposit in the Cash Funded Reserve Account and the Cash Funded Subaccount of the Taxable Bonds Account of the Bond Reserve Fund shall be invested at yields not to exceed the Restricted Yield.

The Trustee shall perform an Annual Valuation of amounts on deposit in the Cash Funded Reserve Account and shall provide a copy of each Annual Valuation to the Treasurer. If, upon the Annual Valuation or at any other time it is determined that the amount on deposit in the Cash Funded Reserve Account is less than the applicable Cash Funded Reserve Requirement, the Trustee shall notify the Treasurer of such deficiency. The Treasurer shall then transfer moneys from the Revenue Bonds Unpledged Funds Account as soon as moneys are available therein (whether in such Fiscal Year or in subsequent Fiscal Years) in amounts sufficient to bring the amount on deposit in the Cash Funded Reserve Account to equal the applicable Cash Funded Reserve Requirement.

All earnings on funds in the Cash Funded Reserve Account shall be deposited into the Cash Funded Reserve Account unless the Treasurer directs the Trustee to deposit such earnings in another fund; provided however, that if the amount on deposit in the Cash Funded Reserve Account is less than the applicable Cash Funded Reserve Requirement, such earnings shall be retained in the Cash Funded Reserve Account.

Section 4.06. Source of Payment of Series 2009 Bonds. The Series 2009 Bonds and all payments by the Issuer hereunder are limited and special obligations of the Issuer and are payable solely out of Pledged Funds as authorized by the Constitution and laws of the State, including particularly the Act, as provided herein and in the Master Indenture. The Series 2009 Bonds and the Issuer’s other obligations hereunder are solely and exclusively limited special obligations of the Issuer and do not constitute or create a general obligation of the Issuer or any political subdivision of the Issuer.

Section 4.07. Earnings on the Bond Reserve Fund and Capitalized Interest Account of the Bond Fund Notwithstanding any provision in the Master Indenture to the contrary, all earnings on the Bond Reserve Fund and the Capitalized Interest Account of the Bond Fund received on or before June 1, 2010 shall be deposited in the Revenue Bonds Capitals Fund.

ARTICLE V COVENANTS

Section 5.01. Payment of Principal and Interest. The Issuer covenants that it will promptly pay the principal of and interest on every Series 2009 Bond issued under this Series 2009 Supplemental Indenture at the place, on the dates and in the manner provided herein and in the Series 2009 Bonds according to the true intent and meaning thereof, provided that the principal and interest are payable by the Issuer solely from Pledged Funds, and nothing in the Series 2009 Bonds or this Series 2009 Supplemental Indenture shall be considered as assigning or pledging any other funds or assets of the Issuer other than the Pledged Funds.

Section 5.02. Performance of Covenants. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Series 2009 Supplemental Indenture, in any and every Series 2009 Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining hereto; that the Treasurer is duly authorized under the Constitution and laws of the State, including particularly the Act, to issue the Series 2009 Bonds authorized hereby and to execute this Series 2009 Supplemental Indenture; that all actions on its part for the issuance of the Series 2009 Bonds and the execution and delivery of this Series 2009 Supplemental Indenture have been duly and effectively taken, and that the Series 2009 Bonds in the hands of the owners thereof are and will be valid and enforceable obligations of the Issuer according to the terms thereof and hereof.

Section 5.03. Not To Adversely Affect Exempt Status Of Interest On The Series 2009A Bonds. The Issuer will not knowingly take any affirmative action or omit to take any action, which action or omission will adversely affect the exemption from federal income taxation of interest paid on the Series 2009A Bonds, and, in the event any such action or omission shall be brought to the attention of the Treasurer, it will, promptly upon having any such action or omission brought to its attention, take such reasonable actions based upon advise of counsel as may rescind or otherwise negate or cure such action or omission.

Section 5.04. Covenants with Respect to Series 2009B Bonds. The Issuer will take all actions required by law or applicable regulations as necessary to provide for the collection to the fullest extent possible of the Subsidy Payments and will not knowingly take action or omit to take any action, which action or omission will adversely affect the ability of the Issuer to collect to Subsidy Payments to the fullest extent possible. Such actions include but are not limited to (a) making an irrevocable election with respect to the Series 2009B Bonds to have Section 54AA and 6431 of the Code apply to the Series 2009B Bonds, and (b) filing or causing to be filed IRS Form 8038-CP or such other form required by the Internal Revenue Service on or prior to the date such form is required to be filed for each Interest Payment Date. In addition, the Treasurer shall designate the Trustee as the entity to receive Subsidy Payments with respect to the Series 2009B Bonds.

ARTICLE VI
MISCELLANEOUS

Section 6.01. Status of Master Indenture. Except insofar as herein otherwise expressly provided, all the provisions, definitions, terms and conditions of the Master Indenture, as supplemented by this Series 2009 Supplemental Indenture, shall be deemed to be incorporated in, and made a part of, this Series 2009 Supplemental Indenture; and the Master Indenture as supplemented by this Series 2009 Supplemental Indenture is in all respects ratified and confirmed; and the Master Indenture and this Series 2009 Supplemental Indenture shall be read, taken and construed as one and the same instrument. All references to "this Indenture" in the Master Indenture shall be to the Master Indenture as supplemented by this Series 2009 Supplemental Indenture.

Section 6.02. Successors and Assigns. All the covenants, stipulations, promises and agreements in this Series 2009 Supplemental Indenture made by or on behalf of the Issuer or the Trustee shall inure to the benefit of and shall bind their respective successors and assigns, whether so expressed or not.

Section 6.03. Limitation of Rights. With the exception of rights herein expressly conferred or as otherwise provided herein, nothing expressed or mentioned in or to be implied from this Series 2009 Supplemental Indenture or the Series 2009 Bonds is intended or shall be construed to give to any person or company other than the parties hereto, and the owners of the Series 2009 Bonds, any legal or equitable right, remedy or claim under or in respect to this Series 2009 Supplemental Indenture or any covenants, conditions and provisions herein contained; this Series 2009 Supplemental Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the owners of the Series 2009 Bonds as herein provided.

Section 6.04. Federal Subsidy Payments. .

(a) At least ninety-five (95) days prior to each Interest Payment Date with respect to the Series 2009B Bonds, the Trustee shall deliver to the Issuer by a delivery method that provides the Trustee with evidence of delivery (i) a completed Form 8038-CP, which is to be signed by an Authorized Officer of the Issuer, and (ii) a certification by an Authorized Officer of the Trustee stating that, to its knowledge, the Form 8038-CP is accurate and complete. The form and certification shall be sent to the attention of Treasurer, State of Iowa. The Issuer shall return such signed Form 8038-CP to the Trustee not later than ninety (90) days prior to each Interest Payment Date with respect to the Series 2009B Bonds, by a delivery method which provides the Issuer with evidence of delivery. The Issuer may hire an independent consultant to review the Form 8038-CP.

(b) Not more than ninety (90) and not less than forty-five (45) days prior to each Interest Payment Date for the Series 2009B Bonds, the Trustee shall file or cause to be filed by

registered or certified mail, return receipt requested, or via overnight delivery, a Form 8038-CP with the Internal Revenue Service Center, Ogden, Utah 84201, or any successor location specified by the Internal Revenue Service, or take such other or additional actions as may be required from time to time under the Code as are within its power and are requested by the Issuer and agreed to by the Trustee, to request the Subsidy Payment with respect to such Interest Payment Date. Upon completion and filing, the Trustee shall deliver a copy of such Form 8038-CP to the Issuer. The Issuer hereby authorizes and directs the Trustee to take all actions necessary to prepare and file the Form 8038-CP, or take such other or additional actions as may be required from time to time under the Code as are within its power and are requested by the Issuer and agreed to by the Trustee, to request the Subsidy Payment with respect to such Interest Payment Date. Failure by the Trustee to prepare or file the Form 8038-CP shall not affect any payment obligations of the Issuer or under the Indenture.

(c) The Form 8038-CP shall authorize the Subsidy Payment requested in accordance with subsection (a) above to be paid to the Trustee. Upon receipt of any Subsidy Payment, the Trustee shall promptly deposit such payment in the Taxable Bonds Account of the Bond Fund pursuant to Section 4.03 of the Master Indenture.

(d) The Trustee shall charge a fee based on a schedule it will establish from time to time for performing its responsibilities under this Section, which fee will be paid by the Issuer in accordance with the Trustee's fee schedule. The Trustee may also require reimbursement of any additional expenses incurred in connection with the filing required by clause (b) above.

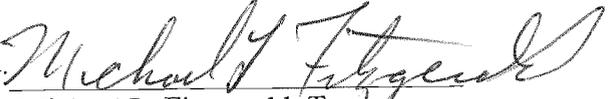
Section 6.05. Severability. If any provision of this Series 2009 Supplemental Indenture shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 6.06. Counterparts. This Series 2009 Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 6.07. Applicable Provisions of Law. This Series 2009 Supplemental Indenture shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, the Issuer has caused this Series 2009 Supplemental Indenture to be executed on its behalf by the Treasurer, all as of the day and year first above written.

STATE OF IOWA
Acting By and Through the Treasurer of
the State of Iowa

By: 
Michael L. Fitzgerald, Treasurer,
State of Iowa

IN WITNESS WHEREOF, the Trustee, to evidence its acceptance of the trusts created hereunder, has caused this Series 2009 Supplemental Indenture to be executed in its name by its duly authorized officer and its corporate seal to be hereunto affixed, all as of the day and year first above written.

WELLS FARGO BANK, NATIONAL
ASSOCIATION

as Trustee

By:



Carolynn R. Fisher, Assistant Vice President

(Seal)