

PLEDGE AND SECURITY AGREEMENT
(Letter of Credit or Insurance Policy)

THIS PLEDGE AND SECURITY AGREEMENT, dated as of the ___ day of _____, 20___, is from _____ of _____ (city/state), the depository institution identified in the signature to this Agreement (the “Pledging Bank”) to the Treasurer of the State of Iowa, on behalf of the State of Iowa and as agent for the depositors of all public funds from time to time deposited in the Pledging Bank (in all such capacities, the “Treasurer”).

RECITALS

A. Iowa Code chapter 12C and the administrative rules and regulations adopted by the Treasurer in furtherance thereof (collectively, the “Public Funds Law”) require under certain circumstances the securing of deposits of public funds in depositories through the depositories’ pledge of certain collateral, and establish rules and procedures for designating “approved custodians” to hold such collateral pledged by depositories.

B. To secure the public funds on deposit with the Pledging Bank, the Pledging Bank has agreed to execute and deliver this Agreement, and delivered to the Treasurer the Collateral (as defined below) pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the premises and in order to induce the Treasurer or one or more of the public units of the State of Iowa to deposit public funds with the Pledging Bank, the Pledging Bank hereby agrees with the Treasurer for the benefit of the Treasurer and one or more public units of the State of Iowa as follows:

Section 1. Defined Terms.

1(a) As used in this Agreement, the following terms will have the following meanings unless the context requires otherwise:

“Available Amount” shall, for any date of determination, mean the remaining amount available to be drawn under a Letter of Credit and the remaining amount available for payment to the Treasurer under an Insurance Policy.

“Business Day” shall mean every day other than Saturday, Sunday and any day which is a legal holiday under the laws of the State of Iowa or is a day on which the Treasurer’s office or banking institutions in Iowa are closed.

“Collateral” shall mean a Letter of Credit or Insurance Policy, which collateral the Treasurer deems acceptable, provided that the Treasurer’s acceptance of Collateral shall not prevent the Treasurer from requiring substitution of any such Collateral at a later time as a result of statutory

amendment or other changes or circumstances which, in the Treasurer's sole discretion, affect the valuation, marketability, liquidity, ownership or perfectability of such Collateral, or for any other reason the Treasurer deems appropriate.

“Custodian” shall mean the party serving as “Custodian” under the Other Agreements.

“Event of Default” shall have the meaning given to such term in Section 10.

“Excess Public Funds” shall, with respect to any Person and for any date of determination, have the meaning given to such term in 781 Iowa Admin. Code 13.2, as amended.

“Insurance Policy” shall mean a private insurance policy or bond in a form approved by the Treasurer, written by a company approved by the Superintendent of Banking of the State of Iowa.

“Letter of Credit” shall mean a letter of credit as defined in 781 Iowa Admin. Code 13.2, as amended, that is approved by the Treasurer.

“Lien” shall mean any security interest, mortgage, pledge, lien, charge, encumbrance, title retention agreement or analogous instrument or device, in, of or on any assets or properties of the Person referred to.

“Market Value” shall, for any date of determination, mean the Available Amount under a Letter of Credit or an Insurance Policy.

“Obligations” shall mean (a) the obligation of the Pledging Bank to repay all Uninsured Public Funds deposited with the Pledging Bank; (b) the obligation of the Pledging Bank to pay any assessment ordered by the Treasurer as required by the Public Funds Law; (c) any liability incurred by the Treasurer on account of the Pledging Bank's failure to pay a check, draft or warrant drawn by a public officer; and (d) all duties, obligations and liabilities of the Pledging Bank under this Agreement and under the Public Funds Law, in all of the foregoing cases whether due or to become due, and whether now existing or hereafter arising or incurred.

“Other Agreements” shall mean a Pledge and Security Agreement from the Pledging Bank to the Treasurer and a Master Custodial Agreement among the Treasurer, a Custodian and the Pledging Bank, both in form and substance satisfactory to the Treasurer, pursuant to which the Treasurer is granted a security interest in any Other Collateral.

“Other Collateral” shall mean securities delivered by the Pledging Bank to a Custodian to be held subject to a security interest in favor of the Treasurer, all pursuant to the Other Agreements.

“Person” shall mean any individual, corporation, partnership, limited partnership, limited liability company, joint venture, firm, association, trust, unincorporated organization, government or governmental agency or political subdivision or any other entity, whether acting in an individual, fiduciary or other capacity.

“Public Deposits” shall have the meaning given to such term in Iowa Code § 12C.1(2)(e), as amended.

“Public Unit” shall have the meaning given to such term in the 781 Iowa Admin. Code 13.2, as amended.

“Uninsured Public Funds” shall have the meaning given to such term in Iowa Code § 12C.1(2)(h), as amended.

1(b) Singular/Plural, Etc. Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, the singular, the plural and “or” has the inclusive meaning represented by the phrase “and/or.” The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The words “hereof,” “herein,” “hereunder,” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. References to Sections are references to Sections in this Pledge Agreement unless otherwise provided.

Section 2. Security for Obligations. As security for the payment and performance of all of the Obligations, the Pledging Bank hereby delivers to the Treasurer the Collateral and agrees that the Treasurer may draw upon any Letter of Credit or receive payments under any Insurance Policy from time to time as provided in this Agreement and the Letter of Credit or Insurance Policy. Such proceeds shall be the property of the Treasurer, subject to the obligation to refund excess amounts pursuant to Section 18.

Section 3. Required Market Value of Collateral. The Pledging Bank agrees to deposit and maintain with the Treasurer Collateral, the aggregate Market Value of which, together with the market value of any Other Collateral deposited with the Custodian, shall at all times equal or exceed the Excess Public Funds. Upon written notice from the Treasurer to the Pledging Bank that it is not in compliance with the requirements of this Section, the Pledging Bank shall immediately cause Collateral (which may include an increase in the Available Amount of the Letter of Credit or Insurance Policy) to be delivered to the Treasurer, or Other Collateral to be delivered to the Custodian, with an aggregate Market Value sufficient to comply with this Section. The Pledging Bank will deliver to the Treasurer only Letters of Credit or Insurance Policies that in all respects satisfy the definitions of those terms in this Agreement.

Section 4. Delivery of Collateral to Treasurer. Contemporaneously with the execution of this Agreement, the Pledging Bank shall deliver to the Treasurer an executed copy of this Agreement. Not later than the date on which the Pledging Bank accepts

Excess Public Funds, the Pledging Bank will (a) deposit Collateral with the Treasurer or Other Collateral with the Custodian sufficient to comply with Section 3, and (b) with respect to any Collateral, deliver to the Treasurer a completed certificate in the form of Exhibit A to this Agreement evidencing such compliance. The Treasurer is not required to accept Collateral that does not match the description provided on the certificate in the form of Exhibit A.

Section 5. Certain Representations Warranties and Covenants. The Pledging Bank makes the following representations, warranties and covenants:

5(a) The Pledging Bank has title to all Collateral, free of all Liens. No financing statement covering all or any part of the Collateral is on file in any public office.

5(b) The Pledging Bank is validly existing and in good standing, has the corporate power and authority and the legal right to execute and deliver, and to perform its obligations under, this Agreement, and has taken all necessary corporate action to authorize such execution, delivery and performance; this Agreement constitutes a legal, valid and binding obligation of the Pledging Bank enforceable in accordance with its terms; the execution, delivery and performance of this Agreement will not violate any provision of any law, statute, rule or regulation or any order, writ, judgment, injunction, decree, determination or award of any court, governmental agency or arbitrator presently in effect having applicability to the Pledging Bank.

5(c) The Pledging Bank shall deliver to the Treasurer contemporaneously herewith a copy of the resolutions passed by the Pledging Bank's board of directors or authorized committee approving the execution of this Agreement and any other agreements or documents executed in connection therewith. All such resolutions and agreements shall at all times be maintained by the Pledging Bank as official records of the Pledging Bank.

5(d) All certificates and instruments representing the Collateral are genuine. No item of Collateral is subject to any offset or similar right or claim of the issuer thereof.

5(e) The Pledging Bank shall not forgive, cancel, subordinate, compromise, modify, amend or extend the time for payment of, or waive any default under any Collateral, or consent to or acquiesce in any of the foregoing, without in each case the prior written consent of the Treasurer.

5(f) The Pledging Bank shall at all times be eligible to accept Public Deposits as required by Iowa Code §§ 12C.6A and 12C.23A(1).

5(g) All Public Deposits at the Pledging Bank shall at all times be insured by the Federal Deposit Insurance Corporation ("FDIC") up to the dollar limit provided by the FDIC to other depositors at other banks or savings institutions.

5(h) The Pledging Bank will not change its name, its type of charter or its charter location unless the Treasurer has been given at least 30 days prior written notice thereof and the Pledging Bank has executed and delivered to the Treasurer such instruments required or appropriate, in the sole discretion of the Treasurer, to provide adequate security for the payment and performance of the Obligations.

5(i) The Pledging Bank shall immediately notify the Treasurer in the event of any merger, takeover or acquisition that results in a change of control of the Pledging Bank, provided that any such event shall not alter or amend the duties of the Pledging Bank or its successors hereunder.

5(j) The Pledging Bank waives any defenses it may have with respect to any failure of this Agreement, or other actions of the Treasurer, to create or preserve an enforceable interest in the Collateral that is not subject to prior liens, claims or encumbrances of other parties.

Section 6. Further Assurances. The Pledging Bank agrees that at any time and from time to time, at the expense of the Pledging Bank, the Pledging Bank will promptly execute and deliver all further instruments and documents, and take all further action that may be necessary or that the Treasurer may reasonably request, in order to enable the Treasurer to exercise and enforce its rights and remedies hereunder with respect to any Collateral (but any failure to request or assure that the Pledging Bank execute and deliver such instruments or documents or to take such action shall not affect or impair the validity, sufficiency or enforceability of this Agreement or the Collateral, regardless of whether any such item was or was not executed and delivered or action taken in a similar context or on a prior occasion).

Section 7. Transfers and Other Liens. The Pledging Bank agrees that it will not (i) sell, assign (by operation of law or otherwise) or otherwise dispose of, or grant any option with respect to, any of the Collateral, or (ii) create or permit to exist any Lien upon or with respect to any of the Collateral.

Section 8. Attorney-in-Fact. As additional security for the Obligations, the Pledging Bank hereby irrevocably appoints the Treasurer as the Pledging Bank's attorney-in-fact, with full authority in the place and stead of such Pledging Bank and in the name of such Pledging Bank or otherwise, from time to time in the Treasurer's good-faith discretion, to take any action and to execute any instrument that the Treasurer may reasonably believe necessary or advisable to accomplish the purposes of this Agreement, in a manner consistent with the terms hereof, including, without limitation, to receive, indorse and collect all instruments made payable to the Pledging Bank representing any payment, dividend or other distribution in respect of the Collateral or any part thereof and to give full discharge for the same.

Section 9. Treasurer May Perform. If the Pledging Bank fails to perform any agreement contained herein, the Treasurer may itself perform, or cause performance of, such agreement, and the reasonable expenses of the Treasurer incurred in connection therewith shall be payable by the Pledging Bank under Section 12 hereof.

Section 10. Default. Each of the following occurrences shall constitute an Event of Default under this Agreement:

10(a) The Pledging Bank shall fail to observe or perform any covenant or agreement applicable to the Pledging Bank under this Agreement other than Section 3 hereof.

10(b) The Pledging Bank shall, within two (2) Business Days of receipt of written notice from the Treasurer, fail to comply with the requirements of Section 3 hereof.

10(c) Any representation or warranty made by the Pledging Bank in this Agreement, or any certificate or other document delivered by the Pledging Bank to the Treasurer shall prove to have been false or materially misleading when made.

10(d) The Treasurer receives notice from a Public Unit, or the Treasurer otherwise determines, that the Pledging Bank has failed to pay a check, draft or warrant drawn by a public officer.

10(e) The Treasurer determines that the Pledging Bank has acted contrary to, or otherwise breached a term or condition of, any agreement which it has entered into with a Public Unit or the Treasurer, or with any custodian acting under the Public Funds Law.

10(f) The Pledging Bank fails to pay an assessment ordered by the Treasurer as required by the Public Funds Law, or has otherwise violated the Public Funds Law, as determined by the Treasurer.

10(g) Any Public Deposits held at the Pledging Bank shall fail to be insured by the Federal Deposit Insurance Corporation up to the dollar limit provided by such depository insurer to depositors at other banks or savings institutions.

10(h) The Pledging Bank is closed, placed in receivership or subject to similar action by any state or federal regulatory agency.

10(i) The Pledging Bank fails to provide replacement Collateral or Other Collateral permitted by the Public Funds Law at least three Business Days prior to the expiration date or lapse date of any Letter of Credit or Insurance Policy delivered to the Treasurer under this Agreement.

Section 11. Remedies upon Default. If any Event of Default shall have occurred and be continuing:

11(a) The Treasurer may make draws on or claims under any Collateral, or exercise in respect of the Collateral any other rights and remedies provided for herein or otherwise available to it under applicable law (including, but not limited to, the Public Funds Law). The Pledging Bank hereby waives all requirements of law, if any, relating to the marshalling of assets which would be applicable in connection with the

enforcement by the Treasurer of its remedies hereunder, absent this waiver. The Treasurer may disclaim warranties of title and possession and the like.

11(b) The Treasurer may notify any Person obligated on any of the Collateral that the same has been assigned or transferred to the Treasurer and that the same should be performed as requested by, or paid directly to, the Treasurer or its agents, as the case may be. The Pledging Bank shall join in giving such notice, if the Treasurer so requests. The Treasurer may, in the Treasurer's name or in the Pledging Bank's name, demand, sue for, collect or receive any money or property at any time payable or receivable on account of, or securing, any such Collateral or grant any extension to, make any compromise or settlement with or otherwise agree to waive, modify, amend or change the obligation of any such Person, without affecting any Obligation of the Pledging Bank.

11(c) All cash proceeds received by or on behalf of the Treasurer in respect of any sale of, collection from, or other realization upon all or any part of the Collateral may, in the discretion of the Treasurer, be held by or on behalf of the Treasurer as collateral for, or then or at any time thereafter be applied in whole or in part by the Treasurer against, all or any part of the Obligations (including any expenses of the Treasurer payable pursuant to Section 12 hereof).

Section 12. Liability; Costs and Expenses; Indemnity.

12(a) The Treasurer shall not be liable for any error of judgment, or for any act done or step taken or omitted by it in good faith or for any mistakes of fact or law, or for anything which it may do or refrain from doing in connection herewith, except its own gross negligence or willful misconduct.

12(b) Subject to the exceptions stated in Section 12(a), the Treasurer shall be fully protected by each Pledging Bank in acting or relying upon any written notice, direction, request, waiver, consent, receipt or other paper or document which the Treasurer in good faith believes to be genuine and to have been signed or presented by the proper party or parties.

12(c) The Pledging Bank will pay or reimburse the Treasurer on demand for all out-of-pocket expenses (including in each case all filing and recording fees and taxes and all reasonable fees and expenses of counsel, including the reasonable value of the time of the Iowa Attorney General's Office, and of any experts and agents) incurred by the Treasurer in connection with the administration, continuance, amendment or enforcement of this Agreement, and all such costs and expenses shall be part of the Obligations. The Pledging Bank shall indemnify and hold the Treasurer harmless from and against any and all claims, losses and liabilities (including reasonable attorneys' fees, including the reasonable value of the time of the Iowa Attorney General's Office) arising out of or resulting from this Agreement (including enforcement of this Agreement) or the Treasurer's actions pursuant hereto, except claims, losses or liabilities resulting solely from the Treasurer's gross negligence or willful misconduct as determined by a final judgment of a court of competent jurisdiction. Any liability of the Pledging Bank to indemnify and hold the Treasurer harmless pursuant to the preceding sentence shall be

part of the Obligations. The obligations of the Pledging Bank under this Section shall survive any termination of this Agreement.

Section 13. Waivers and Amendments; Remedies. This Agreement may be waived, modified, amended, terminated or discharged only explicitly in a writing signed by the Treasurer. A waiver so signed shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any rights and remedies available to the Treasurer. All rights and remedies of the Treasurer shall be cumulative and may be exercised singly in any order or sequence, or concurrently, at the Treasurer's option, and the exercise or enforcement of any such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other.

Section 14. Notices. Any notice, request or demand to or upon the parties hereto must be given in writing. Notices may be sent by receipted hand delivery, by registered or certified mail, return receipt requested, postage prepaid, by Federal Express, courier or other similar and reliable carrier or by facsimile transmission (signed on behalf of the sender) and shall be addressed to the party to receive the same as follows or to such other addressee as may be hereafter designated in writing by the respective parties hereto:

To Treasurer: Treasurer, State of Iowa
 Attn: Pledging Desk
 Lucas State Office Building 1st Floor
 Des Moines, Iowa 50319
 Fax No.: (515) 281-6962
 pledgingdesk@tos.iowa.gov

To Pledging Bank: _____

 Attention: _____
 Fax No.: _____

Except as otherwise expressly provided herein, all notices, requests and demands to or upon a party hereto shall be in writing, shall be executed by an authorized representative of the party sending such notice, and shall be deemed to have been validly served, given or delivered (a) if sent by certified or registered mail against receipt, when delivered against receipt, (b) when received if sent by facsimile as provided herein to the address or telephone number provided herein or in the latest direction from any party, provided that they are confirmed by a written notice, deposited in the first-class mail on the date the transmission was sent, (c) within one day in the case of overnight hand delivery, courier or services such as Federal Express with guaranteed next day of delivery, or (d) if sent by any other method authorized under this Section, upon actual delivery.

Section 15. Pledging Bank Acknowledgments. The Pledging Bank hereby acknowledges that (a) the Pledging Bank has been advised by counsel in the negotiation, execution and delivery of this Agreement and, if applicable, the Other Agreements, (b) the Treasurer has no fiduciary relationship to the Pledging Bank, the relationship being solely that of debtor and creditor, and (c) no joint venture exists between the Pledging Bank and the Treasurer.

Section 16. Continuing Interest. This Agreement shall (a) remain in full force and effect until the Agreement shall terminate pursuant to Section 18 hereof, (b) be binding upon the Pledging Bank, its successors and assigns, and (c) inure, together with the rights and remedies of the Treasurer hereunder, to the benefit of, and be enforceable by, the Treasurer and its successors, transferees and assigns. Without limiting the generality of the foregoing clause (c), the Treasurer may assign or otherwise transfer all or any portion of its rights and obligations under this Agreement or the Collateral to any other Person to the extent and in the manner permitted by applicable law or regulations.

Section 17. Reduction of Collateral. The Pledging Bank may reduce the Market Value of the Collateral (by amending the Collateral to reduce the amounts payable thereunder or by substituting other Collateral with a lower Market Value) at any time upon delivery of the certificate in the form of Exhibit A hereto documenting the Pledging Bank's continuing compliance with Section 3 following such reduction.

Section 18. Termination of Agreement. A Pledging Bank may terminate this Agreement by delivering written notice to the Treasurer not less than thirty (30) days prior to the intended date of termination. Notwithstanding anything contained in this Section to the contrary, a Pledging Bank may not terminate this Agreement and the Pledge Agreement nor shall the Treasurer deliver to such Pledging Bank any Collateral unless and until (a) either (i) such time as (x) such Pledging Bank has returned all Public Deposits to the applicable Public Unit(s) in the amounts necessary to cause the Excess Public Funds for such Pledging Bank to equal zero at all times on and after the date of such termination, and (y) such Pledging Bank shall hold no time deposits or other accounts of Public Units that provide for penalties for early withdrawal or (ii) such time as such Pledging Bank has otherwise complied with the Public Funds Law, (b) the Pledging Bank has satisfied all other Obligations under this Agreement, and (c) no Event of Default is continuing under this Agreement. This Agreement may also be terminated upon the mutual written agreement of the Pledging Bank and the Treasurer. Immediately upon a Pledging Bank's satisfaction of the requirements for termination under this Section, the Treasurer shall deliver all of the remaining Collateral and any other property in its custody to such Pledging Bank at such location as such Pledging Bank shall specify in writing. Any reversion or return of the remaining Collateral upon termination of this Agreement and any instruments of transfer or termination shall be at the expense of the Pledging Bank and shall be without warranty by, or recourse against, the Treasurer. As used in this Section, "Pledging Bank" includes any assigns of Pledging Bank, or whoever else may be lawfully entitled to any part of the Collateral.

Section 19. Governing Law and Construction. THE VALIDITY, CONSTRUCTION AND ENFORCEABILITY OF THIS AGREEMENT SHALL BE

GOVERNED BY THE LAWS OF THE STATE OF IOWA; PROVIDED, HOWEVER, THAT NO EFFECT SHALL BE GIVEN TO CONFLICT OF LAWS PRINCIPLES OF THE STATE OF IOWA. Whenever possible, each provision of this Agreement and any other statement, instrument or transaction contemplated hereby or relating hereto shall be interpreted in such manner as to be effective and valid under such applicable law, but, if any provision of this Agreement or any other statement, instrument or transaction contemplated hereby or relating hereto shall be held to be prohibited or invalid under such applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement or any other statement, instrument or transaction contemplated hereby or relating hereto.

Section 20. Consent to Jurisdiction; Sovereign Immunity. IN THE EVENT ANY PROCEEDING OF A QUASI-JUDICIAL OR JUDICIAL NATURE IS COMMENCED IN CONNECTION WITH THIS AGREEMENT, THE EXCLUSIVE JURISDICTION FOR THE PROCEEDING SHALL BE THE POLK COUNTY DISTRICT COURT FOR THE STATE OF IOWA, DES MOINES, IOWA, OR THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF IOWA, CENTRAL DIVISION, DES MOINES, IOWA, AS APPROPRIATE, AND THE PLEDGING BANK CONSENTS TO THE JURISDICTION AND VENUE OF ANY SUCH COURT AND WAIVES ANY ARGUMENT THAT VENUE IN SUCH A FORUM IS NOT CONVENIENT AND ANY RIGHTS THE PLEDGING BANK MAY HAVE UNDER ANY FEDERAL OR STATE LAW ESTABLISHING JURISDICTION OR VENUE IN ANOTHER FORUM. IN THE EVENT THE PLEDGING BANK COMMENCES ANY ACTION IN ANOTHER JURISDICTION OR VENUE ON ANY BASIS ARISING DIRECTLY OR INDIRECTLY FROM THE RELATIONSHIP CREATED BY THIS AGREEMENT, THE TREASURER AT ITS OPTION SHALL BE ENTITLED TO HAVE THE CASE TRANSFERRED TO ONE OF THE JURISDICTIONS AND VENUES ABOVE-DESCRIBED, OR, IF SUCH TRANSFER CANNOT BE ACCOMPLISHED UNDER APPLICABLE LAW, TO HAVE SUCH CASE DISMISSED WITHOUT PREJUDICE. THE PLEDGING BANK WAIVES ANY AND ALL RIGHTS TO A JURY TRIAL IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THIS PROVISION SHALL NOT BE CONSTRUED AS WAIVING ANY IMMUNITY TO SUIT OR LIABILITY, INCLUDING, BUT NOT LIMITED TO, SOVEREIGN IMMUNITY IN STATE OR FEDERAL COURT, WHICH MAY BE AVAILABLE TO THE TREASURER.

Section 21. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

Section 22. General. All representations and warranties contained in this Agreement or in any other agreement between the Pledging Bank and the Treasurer shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations. The Pledging Bank waives notice of the acceptance of this Agreement by the Treasurer. Captions in this Agreement are for reference and

convenience only and shall not affect the interpretation or meaning of any provision of this Agreement.

Section 23. Compliance with Applicable Laws. The Pledging Bank and its employees, agents, officers, directors, approved contractors and subcontractors shall comply with all applicable federal, state, foreign, and local laws, rules, ordinances, codes, regulations and orders, including without limitation the Public Funds Law, when performing within the scope of this Agreement. The Pledging Bank represents and warrants that it has complied with all federal, state, foreign and local laws, including without limitation the Public Funds Law, applicable to the performance of its obligations under this Agreement.

Section 24. Use of Other Collateral. In the event that the Pledging Bank deposits Collateral under this Agreement and also uses Other Collateral permitted by the Public Funds Law, this Agreement shall govern the Collateral as defined herein, and the Other Collateral shall be governed by the Other Agreements.

Section 25. Subrogation of Pledging Bank; Appointment of Treasurer as Agent. In the event an assessment is paid by the Pledging Bank to the Treasurer pursuant to Section 12C.23A of the Iowa Code, or in the event that Collateral pledged by the Pledging Bank is liquidated pursuant to Section 12C.23A, subsection 3, paragraph “e” of the Iowa Code and the proceeds are used to pay the assessment, the Pledging Bank is subrogated to the claim of a public funds depositor to the extent the claim is paid from funds paid by the Pledging Bank or proceeds of Collateral pledged by the Pledging Bank are used to pay the assessment. The Pledging Bank hereby appoints the Treasurer as agent of the Pledging Bank to assert the claim on behalf of the Pledging Bank as subrogee. The Pledging Bank agrees that any amount recovered by the Treasurer by reason of such claim shall be deposited in the state sinking fund for public deposits in banks.

[Signature page follows]

IN WITNESS WHEREOF, the Pledging Bank has caused this Pledge Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

PLEDGING BANK:

Name of Pledging Bank

City/State

By _____

Title _____

3. REQUIRED COLLATERAL MARKET VALUE

	Amount
A. Total Public Funds Deposits as defined in Iowa Code Chapter 12C	
B. Capital of the Bank as defined in Iowa Code Chapter 12C	
C. Excess Public Funds (A minus B)	
D. Market Value of Collateral Before Addition, Withdrawal or Substitution	
E. Net Total Market Value of Collateral Added, Withdrawn or Substituted	
F. Market Value of Collateral After Addition, Withdrawal or Substitution	

REMINDER: COLLATERAL INCLUDES ANY SECURITIES HELD BY A CUSTODIAN UNDER THE OTHER AGREEMENTS IN ADDITION TO LETTERS OF CREDIT OR INSURANCE POLICIES HELD BY THE TREASURER.

4. CERTIFICATION BY PLEDGING BANK

The Pledging Bank and the undersigned hereby swears under oath or affirms, under penalty of perjury, that the information shown above is true and correct, and that the Market Value of Collateral After Addition, Withdrawal or Substitution (Line F above) equals or exceeds the Excess Public Funds (Line C above).

Authorized Signature: _____

Name and Title: _____

Date: _____

Mail or fax this form to the Custodian at [CONTACT INFO]. If a copy is faxed, an original must follow in the mail.

5. CERTIFICATION BY THE CUSTODIAN:

The Custodian has reviewed the information set forth in this Certificate and hereby states that the Certificate contains all of the information required pursuant to Section 5.2 of the Custodial Agreement.

The Custodian shall email this form to the Treasurer of State at pledgingdesk@tos.iowa.gov.

Signature: _____ Date: _____

Name and Title: _____