

MINUTES TO PROVIDE FOR THE  
ISSUANCE OF BONDS

439235-10

West Branch, Iowa

June 27, 2016

The City Council of the City of West Branch, Iowa, met on June 27, 2016, at 7:00 o'clock p.m., at the City Council Chambers, 110 N. Poplar Street, West Branch, Iowa.

The meeting was called to order by the Mayor, and the roll being called, the following named Council Members were present and absent:

Present: Colton Miller, Jordan Ellyson, Brian Pierce, Mary Beth Stevenson and Tim Shields

Absent: None

After due consideration and discussion, Council Member Pierce introduced the resolution hereinafter next set out and moved that the resolution be adopted, seconded by Council Member Shields. After due consideration, the Mayor put the question on the motion and the roll being called, the following named Council Members voted:

Ayes: Pierce, Shields, Stevenson, Miller, Ellyson

Nays: None

Whereupon, the Mayor declared the resolution duly adopted, as hereinafter set out.

**FILED**  
JOHNSON CO. IOWA

JUL 06 2016

  
COUNTY AUDITOR

RESOLUTION NO. 1484

Resolution authorizing and approving a certain Loan Agreement, providing for issuance of \$400,000 Taxable General Obligation Urban Renewal Bonds, Series 2016B, and providing for the levy of taxes to pay the same

WHEREAS, the City of West Branch (the "City"), in Cedar and Johnson Counties, State of Iowa has heretofore proposed to enter into a General Obligation Loan Agreement (the "Essential Purpose Loan Agreement") and to borrow money thereunder in a principal amount not to exceed \$500,000 for the purpose of paying the costs, to that extent, of constructing street, storm water drainage, sidewalk, water system and sanitary sewer system improvements and installing street signage and signalization, and has published notice of the proposed action and has held a hearing thereon on May 16, 2016; and

WHEREAS, the City has also heretofore proposed to enter into a General Obligation Loan Agreement (the "General Purpose Loan Agreement"), pursuant to the provisions of Section 384.24A of the Code of Iowa, and to borrow money thereunder in a principal amount not to exceed \$400,000 for the purpose of paying the costs, to that extent, of land acquisition and site preparation for economic development and in-fill redevelopment projects (the "Urban Renewal Project"), and in lieu of calling an election upon such proposal, has published notice of the proposed action and has held a hearing thereon, and as of May 16, 2016, no petition had been filed with the City asking that the question of entering into the General Purpose Loan Agreement be submitted to the registered voters of the City; and

WHEREAS, pursuant to the provisions of Section 384.24A of the Code of Iowa, the City also heretofore proposed to enter into a loan agreement (the "Park Project Loan Agreement") and to borrow money thereunder in an amount not exceeding \$4,000,000 to provide funds to pay the cost, to that extent, of undertaking the West Branch Park Improvements Project, including ball diamonds; volleyball courts; lighting improvements; playground equipment; concessions, restroom and shelter facilities; recreation trails; landscaping; parking lots; and the installation of related public infrastructure improvements, and pursuant to law and duly published notice, has held a successful election on said proposal on November 3, 2016; and

WHEREAS, pursuant to law and the successful election on the Park Project Loan Agreement, the City now intends to use a portion of its borrowing authority thereunder to enter into an initial loan agreement (the "Initial Park Project Loan Agreement") and to borrow money thereunder in a principal amount not to exceed \$500,000 to pay the cost, to that extent, of funding the initial costs of the West Branch Park Improvement; and

WHEREAS, the City retains the right to enter into the Park Project Loan Agreement, or derivatives thereof, and to thereby exercise its remaining authority to borrow up to \$3,500,000 thereunder in the future; and

WHEREAS, pursuant to Section 384.28 of the Code of Iowa, the City Council has combined the Essential Purpose Loan Agreement, the General Purpose Loan Agreement and the Initial Park Project Loan Agreement into a single loan agreement (the "Loan Agreement"); and

WHEREAS, it is necessary to divide the City's authority under the Loan Agreement into two separate series of bonds, General Obligation Corporate Purpose Bonds, Series 2016A (the "2016A Bonds") in the approximate principal amount of \$1,000,000, and Taxable General Obligation Urban Renewal Bonds, Series 2016B (the "2016B Bonds") in the approximate principal amount of \$400,000, each to be issued under its own respective loan agreement (respectively the "2016B Loan Agreement" and the "2016A Loan Agreement"); and

WHEREAS, a Preliminary Official Statement (the "P.O.S.") has been prepared to facilitate the sale of the 2016A Bonds and the 2016B Bonds, and the City Council has made provision for the approval of the P.O.S. and has authorized its use by Speer Financial, Inc. (the "Financial Advisor"); and

WHEREAS, pursuant to advertisement of sale, bids for the purchase of the 2016B Bonds to be issued in evidence of the City's obligation under the 2016B Loan Agreement were received and canvassed on behalf of the City and the substance of such bids noted in the minutes; and

WHEREAS, upon final consideration of all bids, the bid of UMB Bank, n.a., Kansas City, Missouri (the "Purchaser"), is the best, such bid proposing the lowest interest cost to the City for the 2016B Bonds;

WHEREAS, the Purchaser has executed a certain Official Bid Form/Sale Agreement with respect to the 2016B Loan Agreement and the 2016B Bonds, and the City has previously approved the Sale Agreement and has made provision for its execution and delivery; and

WHEREAS, it is now necessary to make final provision for the approval of the 2016B Loan Agreement and to authorize the issuance of the 2016B Bonds to provide for the payment of costs, to that extent, of undertaking the Urban Renewal Project;

NOW, THEREFORE, Be It Resolved by the City Council of the City of West Branch, as follows:

Section 1. The City shall enter into the 2016B Loan Agreement with the Purchaser, in substantially the form as has been placed on file with the City Council, providing for a loan to the City in the principal amount of \$400,000, for the purpose or purposes set forth in the preamble hereof.

The Mayor and City Clerk are hereby authorized and directed to sign the 2016B Loan Agreement on behalf of the City, and the Loan Agreement is hereby approved.

Section 2. The 2016B Bonds, in the aggregate principal amount of \$400,000, are hereby authorized to be issued in evidence of the City's obligation under the 2016B Loan Agreement. The 2016B Bonds shall be in the denomination of \$5,000 each, or any integral multiple thereof, shall be dated July 19, 2016, and shall mature on June 1 in each of the years, in the respective principal amounts, and bear interest at the respective rates, as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Date</u>	<u>Principal</u>	<u>Interest Rate</u>
2020	\$ 90,000	1.55%	2024	\$100,000	2.20%
2022	\$100,000	1.90%	2026	\$110,000	2.50%

Section 3. Bankers Trust Company, Des Moines, Iowa, is hereby designated as the Registrar and Paying Agent for the 2016B Bonds and may be hereinafter referred to as the “Registrar” or the “Paying Agent.” The City shall enter into an agreement (the “Registrar/Paying Agent Agreement”) with the Registrar, in substantially the form as has been placed on file with the City Council; the Mayor and City Clerk are hereby authorized and directed to sign the Registrar/Paying Agent Agreement on behalf of the City; and the Registrar/Paying Agent Agreement is hereby approved.

The City reserves the right to optionally prepay part or all of the principal of the 2016B Bonds maturing in the years 2024 and 2026, inclusive, prior to and in any order of maturity on June 1, 2022 or on any date thereafter upon terms of par and accrued interest. If less than all of the 2016B Bonds of any like maturity are to be redeemed, the particular part of those 2016B Bonds to be redeemed shall be selected by the Registrar by lot. The 2016B Bonds may be called in part in one or more units of \$5,000.

Principal of the Bonds maturing on June 1, 2020 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1, 2019, at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date, in the following principal amounts:

<u>Year</u>	<u>Principal Amount</u>
2019	\$45,000
2020	\$45,000 (Maturity)

Principal of the Bonds maturing on June 1, 2022 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1, 2021, at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date, in the following principal amounts:

<u>Year</u>	<u>Principal Amount</u>
2021	\$50,000
2022	\$50,000 (Maturity)

Principal of the Bonds maturing on June 1, 2024 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1, 2023, at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date, in the following principal amounts:

<u>Year</u>	<u>Principal Amount</u>
2023	\$50,000
2024	\$50,000 (Maturity)

Principal of the Bonds maturing on June 1, 2026 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1, 2025, at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date, in the following principal amounts:

<u>Year</u>	<u>Principal Amount</u>
2025	\$55,000
2026	\$55,000 (Maturity)

If less than the entire principal amount of any 2016B Bond in a denomination of more than \$5,000 is to be redeemed, the Registrar will issue and deliver to the registered owner thereof, upon surrender of such original 2016B Bond, a new 2016B Bond or 2016B Bonds, in any authorized denomination, in a total aggregate principal amount equal to the unredeemed balance of the original 2016B Bond. Notice of such redemption as aforesaid identifying the 2016B Bond or 2016B Bonds (or portion thereof) to be redeemed shall be sent by electronic means or mailed by certified mail to the registered owners thereof at the addresses shown on the City's registration books not less than 30 days prior to such redemption date. All of such bonds as to which the City reserves and exercises the right of redemption and as to which notice as aforesaid shall have been given and for the redemption of which funds are duly provided, shall cease to bear interest on the redemption date. All of such 2016B Bonds as to which the City reserves and exercises the right of redemption and as to which notice as aforesaid shall have been given and for the redemption of which funds are duly provided, shall cease to bear interest on the redemption date.

Accrued interest on the 2016B Bonds shall be payable semiannually on the first day of June and December in each year, commencing June 1, 2017. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months. Payment of interest on the 2016B Bonds shall be made to the registered owners appearing on the registration books of the City at the close of business on the fifteenth day of the month next preceding the interest payment date and shall be paid to the registered owners at the addresses shown on such registration books. Principal of the 2016B Bonds shall be payable in lawful money of the United States of America to the registered owners or their legal representatives upon presentation and surrender of the 2016B Bond or 2016B Bonds at the office of the Paying Agent.

The 2016B Bonds shall be executed on behalf of the City with the official manual or facsimile signature of the Mayor and attested with the official manual or facsimile signature of the City Clerk, and shall be fully registered 2016B Bonds without interest coupons. In case any officer whose signature or the facsimile of whose signature appears on the 2016B Bonds shall cease to be such officer before the delivery of the 2016B Bonds, such signature or such facsimile

signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The 2016B Bonds shall be fully registered as to principal and interest in the names of the owners on the registration books of the City kept by the Registrar, and after such registration payment of the principal thereof and interest thereon shall be made to the registered owners, their legal representatives or assigns. Each 2016B Bond shall be transferable only upon the registration books of the City upon presentation to the Registrar, together with either a written instrument of transfer satisfactory to the Registrar or the assignment form thereon completed and duly executed by the registered owner or the duly authorized attorney for such registered owner.

The record and identity of the owners of the 2016B Bonds shall be kept confidential as provided by Section 22.7 of the Code of Iowa.

The 2016B Bonds shall not be valid or become obligatory for any purpose until the Certificate of Authentication thereon shall have been signed by the Registrar.

Section 4. Notwithstanding anything above to the contrary, the 2016B Bonds shall be issued initially as Depository Bonds, with one fully registered 2016B Bond for each maturity date, in principal amounts equal to the amount of principal maturing on each such date, and registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). On original issue, the 2016B Bonds shall be deposited with DTC for the purpose of maintaining a book-entry system for recording the ownership interests of its participants and the transfer of those interests among its participants (the "Participants"). In the event that DTC determines not to continue to act as securities depository for the 2016B Bonds or the City determines not to continue the book-entry system for recording ownership interests in the 2016B Bonds with DTC, the City will discontinue the book-entry system with DTC. If the City does not select another qualified securities depository to replace DTC (or a successor depository) in order to continue a book-entry system, the City will register and deliver replacement bonds in the form of fully registered certificates, in authorized denominations of \$5,000 or integral multiples of \$5,000, in accordance with instructions from Cede & Co., as nominee for DTC. In the event that the City identifies a qualified securities depository to replace DTC, the City will register and deliver replacement bonds, fully registered in the name of such depository, or its nominee, in the denominations as set forth above, as reduced from time to time prior to maturity in connection with redemptions or retirements by call or payment, and in such event, such depository will then maintain the book-entry system for recording ownership interests in the 2016B Bonds.

Ownership interests in the 2016B Bonds may be purchased by or through Participants. Such Participants and the persons for whom they acquire interests in the 2016B Bonds as nominees will not receive certificated 2016B Bonds, but each such Participant will receive a credit balance in the records of DTC in the amount of such Participant's interest in the 2016B Bonds, which will be confirmed in accordance with DTC's standard procedures. Each such person for which a Participant has an interest in the 2016B Bonds, as nominee, may desire to make arrangements with such Participant to have all notices of redemption or other

communications of the City to DTC, which may affect such person, forwarded in writing by such Participant and to have notification made of all interest payments.

The City will have no responsibility or obligation to such Participants or the persons for whom they act as nominees with respect to payment to or providing of notice for such Participants or the persons for whom they act as nominees.

As used herein, the term "Beneficial Owner" shall hereinafter be deemed to include the person for whom the Participant acquires an interest in the 2016B Bonds.

DTC will receive payments from the City, to be remitted by DTC to the Participants for subsequent disbursement to the Beneficial Owners. The ownership interest of each Beneficial Owner in the 2016B Bonds will be recorded on the records of the Participants whose ownership interest will be recorded on a computerized book-entry system kept by DTC.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the City to DTC, and DTC shall forward (or cause to be forwarded) the notices to the Participants so that the Participants can forward the same to the Beneficial Owners.

Beneficial Owners will receive written confirmations of their purchases from the Participants acting on behalf of the Beneficial Owners detailing the terms of the 2016B Bonds acquired. Transfers of ownership interests in the 2016B Bonds will be accomplished by book entries made by DTC and the Participants who act on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in the 2016B Bonds, except as specifically provided herein. Interest and principal will be paid when due by the City to DTC, then paid by DTC to the Participants and thereafter paid by the Participants to the Beneficial Owners.

Section 5. The 2016B Bonds shall be in substantially the following form:

(Form of Bond)

UNITED STATES OF AMERICA  
STATE OF IOWA  
CEDAR AND JOHNSON COUNTIES  
CITY OF WEST BRANCH

TAXABLE GENERAL OBLIGATION URBAN RENEWAL BOND, SERIES 2016B

No. \_\_\_\_\_ \$ \_\_\_\_\_

RATE	MATURITY DATE	BOND DATE	CUSIP
_____ %	June 1, _____	July 19, 2016	_____

The City of West Branch (the "City"), in Cedar and Johnson Counties, State of Iowa, for value received, promises to pay on the maturity date of this Bond to

Cede & Co.  
New York, New York

or registered assigns, the principal sum of

THOUSAND DOLLARS

in lawful money of the United States of America upon presentation and surrender of this Bond at the office of Bankers Trust Company, Des Moines, Iowa (hereinafter referred to as the "Bond Registrar" or the "Paying Agent"), with interest on said sum, until paid, at the rate per annum specified above from the date of this Bond, or from the most recent interest payment date on which interest has been paid, on June 1 and December 1 of each year, commencing June 1, 2017, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto. Interest on this Bond is payable to the registered owner appearing on the registration books of the City at the close of business on the fifteenth day of the month next preceding the interest payment date and shall be paid to the registered owner at the address shown on such registration books. Interest will be calculated on the basis of a 360-day year comprised of twelve 30-day months.

This Bond shall not be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Bond Registrar.

This Bond is one of a series of General Obligation Urban Renewal Bonds, Series 2016B (the "Bonds") issued by the City to evidence its obligation under a certain 2016B Loan Agreement, dated as of July 19, 2016 (the "2016B Loan Agreement"), entered into by the City for the purposes of paying the costs, to that extent, of land acquisition and site preparation for economic development and in-fill redevelopment projects.

The Bonds are issued pursuant to and in strict compliance with the provisions of Chapters 76 and 384 of the Code of Iowa, 2015, and all other laws amendatory thereof and supplemental thereto, and in conformity with a resolution of the City Council adopted on June 27, 2016, approving the 2016B Loan Agreement and providing for the issuance and securing the payment of the Bonds (the "Resolution"), and reference is hereby made to the Resolution and the 2016B Loan Agreement for a more complete statement as to the source of payment of the Bonds and the rights of the owners of the Bonds.

The City reserves the right to optionally prepay part or all of the principal of the Bonds maturing in the years 2024 and 2026, inclusive, prior to and in any order of maturity on June 1, 2022 or on any date thereafter upon terms of par and accrued interest. Principal of the Bonds maturing on June 1 in each of the years 2020, 2022, 2024 and 2026 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1 in each of the years 2019, 2021, 2023 and 2025, respectively, in accordance with the mandatory redemption schedules set forth in the Resolution at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date.

If less than all of the Bonds of any like maturity are to be redeemed, the particular part of those Bonds to be redeemed shall be selected by the Registrar by lot. The Bonds may be called in part in one or more units of \$5,000. If less than the entire principal amount of any Bond in a denomination of more than \$5,000 is to be redeemed, the Registrar will issue and deliver to the registered owner thereof, upon surrender of such original Bond, a new Bond or Bonds, in any authorized denomination, in a total aggregate principal amount equal to the unredeemed balance of the original Bond. Notice of such redemption as aforesaid identifying the Bond or Bonds (or portion thereof) to be redeemed shall be sent by electronic means or mailed by certified mail to the registered owners thereof at the addresses shown on the City's registration books not less than 30 days prior to such redemption date. All of such bonds as to which the City reserves and exercises the right of redemption and as to which notice as aforesaid shall have been given and for the redemption of which funds are duly provided, shall cease to bear interest on the redemption date. All of such Bonds as to which the City reserves and exercises the right of redemption and as to which notice as aforesaid shall have been given and for the redemption of which funds are duly provided, shall cease to bear interest on the redemption date.

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

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

And It Is Hereby Certified and Recited that all acts, conditions and things required by the laws and Constitution of the State of Iowa, to exist, to be had, to be done or to be performed precedent to and in the issue of this Bond were and have been properly existent, had, done and performed in regular and due form and time; that provision has been made for the levy of a sufficient continuing annual tax on all the taxable property within the City for the payment of the principal of and interest on this Bond as the same will respectively become due; and that the total indebtedness of the City, including this Bond, does not exceed any constitutional or statutory limitations.

IN TESTIMONY WHEREOF, the City of West Branch, Iowa, by its City Council, has caused this Bond to be executed with the duly authorized facsimile signature of its Mayor and attested with the duly authorized facsimile signature of its City Clerk, all as of July 19, 2016.

CITY OF WEST BRANCH, IOWA

By: (DO NOT SIGN)  
Mayor

Attest:

(DO NOT SIGN)  
City Clerk

Registration Date: (Registration Date)

BOND REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned resolution.

BANKERS TRUST COMPANY  
Des Moines, Iowa  
Registrar

By: (Signature)  
Authorized Officer

ABBREVIATIONS

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

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

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

ASSIGNMENT

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

\_\_\_\_\_  
(Please print or type name and address of Assignee)

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

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

Dated: \_\_\_\_\_

Signature guaranteed:

\_\_\_\_\_  
\_\_\_\_\_

(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 signatures to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.)

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

Section 6. The 2016B Bonds shall be executed as herein provided as soon after the adoption of this resolution as may be possible and thereupon they shall be delivered to the Bond Registrar for registration, authentication and delivery to or on behalf of the Purchaser, as determined by the City Council, upon receipt of the proceeds (the "Loan Proceeds") from the sale of the 2016B Bonds, \$400,000, (such amount representing the par amount of the 2016B Bonds), and all action heretofore taken in connection with the sale and award of the 2016B Bonds is hereby ratified and confirmed in all respects.

The proceeds (the "Loan Proceeds") to be received under the 2016B Loan Agreement shall be used to pay the costs of the Urban Renewal Project, and costs of issuance of the 2016B Bonds. Any Loan Proceeds remaining after the full payment of such costs shall be deposited in the Debt Service Fund and used to pay principal of and interest on the 2016B Bonds as the same become due. The City shall keep a detailed and segregated accounting of the expenditure of, and investment earnings on, the Loan Proceeds to ensure compliance with the requirements of the Internal Revenue Code, as hereinafter defined.

Section 7. For the purpose of providing for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on the 2016B Bonds as the same become due, there is hereby ordered levied the following direct annual tax for collection in each of the following fiscal years:

For collection in the fiscal year beginning July 1, 2017,  
sufficient to produce the net annual sum of \$8,245;

For collection in the fiscal year beginning July 1, 2018,  
sufficient to produce the net annual sum of \$53,245;

For collection in the fiscal year beginning July 1, 2019,  
sufficient to produce the net annual sum of \$52,548;

For collection in the fiscal year beginning July 1, 2020,  
sufficient to produce the net annual sum of \$56,850;

For collection in the fiscal year beginning July 1, 2021,  
sufficient to produce the net annual sum of \$55,900;

For collection in the fiscal year beginning July 1, 2022,  
sufficient to produce the net annual sum of \$54,950;

For collection in the fiscal year beginning July 1, 2023;  
sufficient to produce the net annual sum of \$53,850;

For collection in the fiscal year beginning July 1, 2024,  
sufficient to produce the net annual sum of \$57,750; and

For collection in the fiscal year beginning July 1, 2025,  
sufficient to produce the net annual sum of \$56,375.

Section 8. A certified copy of this resolution shall be filed with the County Auditors of Cedar County and Johnson County, and the Auditors are hereby instructed to enter for collection and assess the tax hereby authorized. When annually entering such taxes for

collection, the County Auditors shall include the same as a part of the tax levy for Debt Service Fund purposes of the City and when collected, the proceeds of the taxes shall be converted into the Debt Service Fund of the City and set aside therein as a special account to be used solely and only for the payment of the principal of and interest on the 2016B Bonds hereby authorized and for no other purpose whatsoever. Any amount received by the City as accrued interest on the 2016B Bonds shall be deposited into such special account and used to pay interest due on the 2016B Bonds on the first interest payment date.

Pursuant to the provisions of Section 76.4 of the Code of Iowa, each year while the 2016B Bonds remain outstanding and unpaid, any funds of the City which may lawfully be applied for such purpose, including incremental property tax revenues, may be appropriated, budgeted and, if received, used for the payment of the principal of and interest on the 2016B Bonds as the same become due, and if so appropriated, the taxes for any given fiscal year as provided for in Section 7 of this Resolution, shall be reduced by the amount of such alternate funds as have been appropriated for said purpose and evidenced in the City's budget. The City Council hereby declares and reaffirms its intention to use incremental property tax revenues, pursuant to Sections 403.9, 403.12 and 403.19 of the Code of Iowa for the payment of principal of and interest on the 2016B Bonds. The Urban Renewal Project, as set forth in the preamble hereof, is hereby reaffirmed as an urban renewal project of the City undertaken pursuant to the urban renewal plan for the West Branch Urban Renewal Area and the provisions of Chapter 403 of the Code of Iowa.

Section 9. The interest or principal and both of them falling due in any year or years shall, if necessary, be paid promptly from current funds on hand in advance of taxes levied and when the taxes shall have been collected, reimbursement shall be made to such current funds in the sum thus advanced.

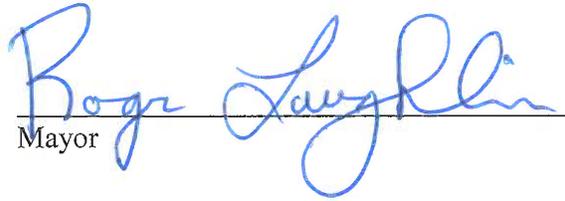
Section 10. The Securities and Exchange Commission (the "SEC") has promulgated certain amendments to Rule 15c2-12 under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) (the "Rule") that make it unlawful for an underwriter to participate in the primary offering of municipal securities in a principal amount of \$1,000,000 or more unless, before submitting a bid or entering into a purchase contract for the bonds, an underwriter has reasonably determined that the issuer or an obligated person has undertaken in writing for the benefit of the bondholders to provide certain disclosure information to prescribed information repositories on a continuing basis or unless and to the extent the offering is exempt from the requirements of the Rule.

Section 11. On the date of issuance and delivery of the 2016B Bonds, the City will execute and deliver a Continuing Disclosure Certificate pursuant to which the City will undertake to comply with the Rule. The City covenants and agrees that it will comply with and carry out the provisions of the Continuing Disclosure Certificate. Any and all of the officers of the City are hereby authorized and directed to take any and all actions as may be necessary to comply with the Rule and the Continuing Disclosure Certificate.

Section 12. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 13. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved June 27, 2016.

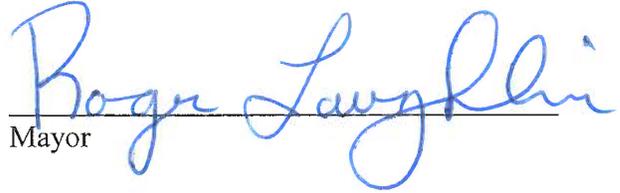
  
\_\_\_\_\_  
Mayor

Attest:

  
\_\_\_\_\_  
City Clerk

••••

On motion and vote, the meeting adjourned.

  
\_\_\_\_\_  
Mayor

Attest:



City Clerk

**ATTESTATION CERTIFICATE**

STATE OF IOWA  
COUNTIES OF CEDAR AND JOHNSON           SS:  
CITY OF WEST BRANCH

I, the undersigned, City Clerk of the City of West Branch, do hereby certify that attached hereto is a true and correct copy of the proceedings of the Council of the City relating to the authorizing of the redemption of outstanding bonds and the issuance of \$400,000 Taxable General Obligation Urban Renewal Bonds, Series 2016B, and that the transcript hereto attached contains a true, correct and complete statement of all the measures adopted and proceedings, acts and things had, done and performed up to the present time in relation to the sale, issuance and disposition of such bonds.

I further certify that no appeal has been taken to the District Court from the decision of the City Council to issue such bonds or to levy taxes to pay the principal thereof and interest thereon.

WITNESS MY HAND this 28<sup>th</sup> day of June, 2016.

  
\_\_\_\_\_  
City Clerk

**(Please attach a copy of the bid of the successful bidder.)**

**SPEER FINANCIAL, INC.**

**OFFICIAL BID FORM**

City of West Branch  
110 N Poplar Street  
West Branch, IA 52358-0218

June 22, 2016  
Speer Financial, Inc.  
Facsimile: (319) 291-8628

Council Members:

For the \$400,000\* Taxable General Obligation Urban Renewal Bonds, Series 2016B (the "Taxable Bonds"), of the City of West Branch, Cedar and Johnson Counties, Iowa (the "City"), as described in the annexed Official Terms of Offering, which is expressly made a part of this bid, we will pay you \$ 397,640.00 (no less than \$396,800) bearing interest as follows (each rate a multiple of 1/8 or 1/100 of 1%).

**AMOUNTS\* AND MATURITIES - JUNE 1**

\$46,000 .....2019	<u>1.55</u> %	\$50,000 .....2022	<u>1.90</u> %	\$50,000 .....2024	<u>2.20</u> %
45,000 .....2020	<u>1.55</u> %	50,000 .....2023	<u>2.20</u> %	55,000 .....2025	<u>2.50</u> %
50,000 .....2021	<u>1.90</u> %			55,000 .....2026	<u>2.50</u> %

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

Maturities: 19-20 Term Maturity 2020 Maturities: 23-24 Term Maturity 2024  
Maturities: 21-22 Term Maturity 2022 Maturities: 25-26 Term Maturity 2026  
Maturities: \_\_\_\_\_ Term Maturity \_\_\_\_\_

\*Subject to principal adjustment in accordance with the Official Terms of Offering.

The Taxable Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Dorsey & Whitney LLP, Des Moines, Iowa. The City will pay for the legal opinion. The Purchaser agrees to apply for CUSIP numbers and pay the fee charged by the CUSIP Service Bureau and will accept the Taxable Bonds with the CUSIP numbers as entered on the Taxable Bonds.

No good faith deposit is required.

Account Manager Information

Underwriter/Bank: UMB Bank  
Address: 1010 Grand  
Authorized Rep: Kristin Kozio  
City: ILC State/Zip: MO 64106  
Direct Phone: (816) 894-6072  
FAX Number: (816) 894-4325  
E-Mail Address: \_\_\_\_\_

Bidders Option Insurance

We have purchased insurance from:
<b>Name of Insurer</b> (Please fill in)
Premium: _____
Maturities: (Check One)
<input type="checkbox"/> _____ Years
<input checked="" type="checkbox"/> All

The foregoing bid was accepted and the Taxable Bonds sold by resolution of the City on June 22, 2016.

ATTEST:

[Signature]  
City Clerk

CITY OF WEST BRANCH  
CEDAR AND JOHNSON COUNTIES, IOWA  
[Signature]  
Mayor

**NOT PART OF THE BID**  
(Calculation of true interest cost)

Gross Interest	\$ <u>86,858.17</u>
Less Premium/Plus Discount	\$ <u>2,360.00</u>
True Interest Cost	\$ <u>84,498.17</u>
True Interest Rate	<u>2.271572</u> %
TOTAL BOND YEARS	2,606.67
AVERAGE LIFE	6,517 Years

**COUNTY FILING CERTIFICATE**

STATE OF IOWA

SS:

COUNTY OF CEDAR

I, the undersigned, County Auditor of Cedar County, in the State of Iowa, do hereby certify that on the 5<sup>th</sup> day of July, 2016, the City Clerk of the City of West Branch, Iowa, filed in my office a certified copy of a resolution of such City shown to have been adopted by the Council and approved by the Mayor thereof on June 27, 2016, entitled: "Resolution authorizing and approving a certain Loan Agreement, providing for issuance of \$400,000 Taxable General Obligation Urban Renewal Bonds, Series 2016B, and providing for the levy of taxes to pay the same," and that I have duly placed the copy of the resolution on file in my records.

I further certify that the taxes provided for in that resolution will in due time, manner and season be entered on the State and County tax lists of this County for collection in the fiscal year beginning July 1, 2017, and subsequent years as provided in the resolution.

WITNESS MY HAND this 5<sup>th</sup> day of July, 2016.

  
\_\_\_\_\_  
County Auditor

**COUNTY FILING CERTIFICATE**

STATE OF IOWA

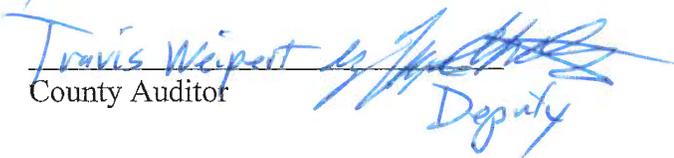
SS:

COUNTY OF JOHNSON

I, the undersigned, County Auditor of Johnson County, in the State of Iowa, do hereby certify that on the 6th day of July, 2016, the City Clerk of the City of West Branch, Iowa, filed in my office a certified copy of a resolution of such City shown to have been adopted by the Council and approved by the Mayor thereof on June 27, 2016, entitled: "Resolution authorizing and approving a certain Loan Agreement, providing for issuance of \$400,000 Taxable General Obligation Urban Renewal Bonds, Series 2016B, and providing for the levy of taxes to pay the same," and that I have duly placed the copy of the resolution on file in my records.

I further certify that the taxes provided for in that resolution will in due time, manner and season be entered on the State and County tax lists of this County for collection in the fiscal year beginning July 1, 2017, and subsequent years as provided in the resolution.

WITNESS MY HAND this 6th day of July, 2016.

  
County Auditor Deputy

June 24, 2016

**Via Email**

Matt Muckler  
City Administrator/City Hall  
West Branch, Iowa

Re: \$400,000 Taxable General Obligation Urban Renewal Bonds, Series 2016B  
Our File No. 439235-10

Dear Matt:

We have prepared and attach the necessary proceedings to be used at the June 27<sup>th</sup> City Council meeting to adopt the resolution (the "Resolution") providing for the issuance of Taxable General Obligation Urban Renewal Bonds, Series 2016B.

The proceedings attached include the following items:

1. Minutes for the adoption of the Resolution, with the actual Resolution following. The form of Bond, Authentication Certificate and Assignment set out in the Resolution should not be completed or executed.
2. Attestation Certificate with respect to the validity of the transcript.
3. County Filing Certificates relating to the filing of certified copies of this Resolution in the County Auditors' offices. After it is adopted, a certified copy of the Resolution must be filed with the Cedar County Auditor and the Johnson County Auditor. Extra copies of the Resolution should be printed for this purpose.

Beginning in the 2017-2018 fiscal year, the County Auditor will have a mandatory duty to make a levy of taxes to pay principal of and interest on the 2016B Bonds unless the City's budget each year affirmatively shows that the tax should not be levied because other funds will be applied to the payment of the 2016B Bonds for that budget year. To the extent the City determines that property tax levies will be needed for payment in any year, the tax levy amounts needed must be certified for that year in the City's budget as part of the Debt Service Fund, and the funds derived from sources other than taxes must be shown on the appropriate budget document.

As these proceedings are completed, please return one fully executed copy to our office.

Also attached is a 2016B Loan Agreement for execution by the City Clerk and the Mayor. Please print three copies of the 2016B Loan Agreement for execution. After they have been signed please return all of these copies to us so that we can have them signed on behalf of the UMB Bank, n.a., after which we will furnish you with a signed original.

Page 2

We are also sending a Continuing Disclosure Certification. Please print three copies for execution. Please retain one executed copy for the City's records and return two copies to us.

Finally, we are attaching a Registrar and Paying Agent Agreement for the City Clerk and the Mayor to sign. Please print three copies for execution, after which all three executed copies should be returned to us so that we may forward them to Bankers Trust for signature. We will provide you with a fully executed copy of the Agreement at the time of closing.

If you have any questions, please contact Emily Hammond or me.

Best regards,

John P. Danos

Attachments

cc: Maggie Burger  
Charlotte Nielsen  
Diana VanVleet

LOAN AGREEMENT

This Loan Agreement is entered into as of July 19, 2016, by and between the City of West Branch, Iowa (the "City"), and UMB Bank, n.a., Kansas City, Missouri (the "Purchaser"). The parties agree as follows:

1. The Purchaser shall loan to the City the sum of \$400,000, and the City's obligation to repay hereunder shall be evidenced by the issuance of Taxable General Obligation Urban Renewal Bonds, Series 2016B in the aggregate principal amount of \$400,000 (the "Bonds").

2. The City has adopted a resolution on June 27, 2016 (the "Resolution") authorizing and approving this Loan Agreement and providing for the issuance of the Bonds and the levy of taxes to pay the principal of and interest on the Bonds for the purpose or purposes set forth in the Resolution. The Resolution is incorporated herein by reference, and the parties agree to abide by the terms and provisions of the Resolution. In and by the Resolution, provision has been made for the levy of a sufficient continuing annual tax on all the taxable property within the City for the payment of the principal of and interest on the Bonds as the same will respectively become due.

3. The Bonds, in substantially the form set forth in the Resolution, shall be executed and delivered to or on behalf of the Purchaser to evidence the City's obligation to repay the amounts payable hereunder. The Bonds shall be dated July 19, 2016, shall be in denominations of \$5,000 or integral multiples thereof, shall bear interest, shall be payable as to principal on the dates and in the amounts, shall be subject to prepayment prior to maturity and shall contain such other terms and provisions as provided in the Bonds and the Resolution.

4. This Loan Agreement is executed pursuant to the provisions of Section 384.24A of the Code of Iowa and shall be read and construed as conforming to all provisions and requirements of the statute.

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

CITY OF WEST BRANCH, IOWA

By Roger Laughlin  
Mayor

Attest:

Matt Muel  
City Clerk

UMB BANK, n.a.  
Kansas City, Missouri

By \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name and Title)

## **PAYING AGENT AND REGISTRAR AND TRANSFER AGENT AGREEMENT**

This Agreement is entered into as of the date hereof between **BANKERS TRUST COMPANY**, Des Moines, Iowa (the “Agent”) and the **CITY OF WEST BRANCH, IOWA** (the “Issuer”).

1. **Definition of Terms**—The terms “item,” “receipt,” “transfer,” “turnaround,” “process,” “business day,” and other terms used throughout this Agreement shall be deemed to have the meanings provided in the regulations promulgated pursuant to the Securities Exchange Act of 1934 and the Code of Iowa as amended and in effect from time to time.

2. **Issuance Resolution Incorporated By Reference**—The Agent agrees to act on behalf of the Issuer pursuant to the terms of this Agreement and pursuant to the Issuer’s resolution (the “Resolution”) authorizing and providing for the issuance of \$400,000 Taxable General Obligation Urban Renewal Bonds, Series 2016B, dated July 19, 2016 (the “Bonds”). The Resolution and the terms thereof are hereby incorporated by reference and the provisions of this Agreement are to be construed to be consistent with the Resolution. In the event of inconsistent language between the Resolution and this Agreement, the terms of the Resolution shall prevail.

3. **Registrar Function**—The Agent shall maintain records of the identity of the owners of the Bonds in order to carry out its function as Registrar and upon request of the Issuer shall from time to time deliver to the Issuer records, documents and other writings made or accumulated in the performance of its duties as Registrar. In such capacity the Agent is authorized at any time upon the surrender for cancellation of the Bonds to register new Bonds for the principal amount of Bonds so cancelled and to redeliver such new Bonds.

4. **Transfer Agent Function/Charges**—The Agent is hereby directed to record and authenticate Bonds signed by or bearing the facsimile signatures of the officers of the Issuer authorized to sign Bonds in such names and in such amounts as the Issuer may direct.

The Agent shall make transfers from time to time upon the records of the Issuer of any outstanding Bonds and of Bonds issued in exchange therefor signed by the officers of the Issuer upon surrender thereof for transfer properly endorsed and upon reasonable assurance that such endorsements are genuine and effective in accordance with Section 554.8401, Code of Iowa. 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 signatures to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.

The Issuer and the Agent may also require payment by the person requesting an exchange or transfer of the Bonds of a service charge and a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto, except in the case of the issuance of a Bond for the unredeemed portion of a Bond surrendered for redemption.

Upon request for cancellation of such Bonds the Agent shall record and authenticate new Bonds duly signed and deliver such Bonds to or upon the order of the person entitled thereto.

5. **Paying Agent Function**—The Agent is hereby authorized and shall make payments of principal and interest to the registered owners of the Bonds as follows:

(a) If payment is by check, at least three business days prior to each payment date and if payment is by wire transfer, at least one business day prior to each payment date, the Issuer will deposit with the Agent in such amount as is required to make such payment.

(b) On each payment date the Agent will pay the interest and principal due prior to the maturity date without surrender of the Bond. For final payment of principal and interest, the Agent, upon presentation and surrender of the matured or called Bond, will pay principal and interest to each registered owner of the Bonds as of the record date by mailing a check or wiring funds to each such owner. In any case where the date of maturity of interest on or principal of the Bond or the date fixed for redemption of any Bond shall be a Saturday or Sunday or a legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest or principal may be made on the succeeding business day with the same force and effect as if made on the date of maturity or the day fixed for redemption. Provided, however, that payment of principal shall be made not later than the second business day after receipt of the matured Bond.

(c) When the Agent shall receive notice from the Issuer of its option to redeem Bonds prior to maturity, the Agent shall select the Bonds to be redeemed and give notice of the redemption thereof, all in accordance with the terms of the Bonds and the Resolution.

6. **Form of Records**—The records of the Agent shall be in such form as to be in compliance with standards issued from time to time by the Municipal Securities Rule Making Board of the United States and any other securities industries standard and the requirements of the Internal Revenue Code of 1986 and Chapter 76 of the Code of Iowa.

7. **Confidentiality of Records**—The Agent's records in connection with the Bonds shall remain confidential records entitled to protection and confidentiality pursuant to Section 22.7, Code of Iowa. The Agent agrees that its use of the records will be limited to the purposes of this Agreement and that the Agent will make no private use or permit any private access thereto.

8. **Reliance Upon Certain Certifications and Representations**—The Agent may rely conclusively and act, without further investigation, upon any list, instruction, certification, authorization, certificate, or other instrument or paper suitably guaranteed and believed by it in good faith and due diligence in performing its functions to be genuine and to have been signed, countersigned, or executed by a duly authorized person or persons or upon the instruction of any authorized officer of the Issuer or upon the advice of the Issuer's counsel; and may register any Bond or may refuse to register any such Bond if in good faith the Agent deems such refusal

necessary in order to avoid any liability on the part of either the Issuer or the Agent, and the Issuer agrees to indemnify and hold harmless the Agent from and against any and all losses, costs, claims, and liability for so relying or acting or refusing to act.

9. **Rules and Regulations Governing Registration**—The Agent shall comply at all times with such rules, regulations and requirements as may govern the registration, transfer and payment of registered Bond including without limitation Chapter 76 and Sections 554.8101 et seq., Code of Iowa, and standards issued from time to time by the Municipal Securities Rule Making Board of the United States and any other securities industries standard and the requirements of the Internal Revenue Code of 1986.

10. **Signature of Officers**—In case any of the officers of the Issuer whose manual or facsimile signature appears on any Bond or other record delivered to the Agent shall cease to be such officer prior to the registration, processing, or transfer thereof, the Agent may nevertheless process such documents as though the person signing the same or whose facsimile signature appears thereon had not ceased to be such officer unless written instruction of the Issuer to the contrary is received.

11. **Record Date**—For purposes of determining the registered owners of the Bonds the record date shall be deemed to be the fifteenth day of the month preceding the date on which payment of principal, premium, if any, or interest is payable to the registered owners of the Bonds (“Payment Date”) whether such payment is due to optional redemption, operation of a sinking fund, or for any other reason.

12. **Three Days Turnaround**—The Agent agrees that it will turnaround within three business days of receipt all items received in proper form for transfer, process or other action pursuant to the terms of this Agreement.

13. **Destruction of Cancelled Bonds**—The Agent will promptly cancel and destroy all Bonds which have been spoiled, surrendered to it for transfer, or with respect to which principal, premium, if any, and interest owing on such Bonds has been paid, and will provide the Issuer with a Certificate of Destruction certifying as to the destruction of such cancelled Bonds.

14. **Payment of Unclaimed Amounts**—In the event any payment check representing payment of interest or principal on the Bonds is returned to the Agent or is not presented for payment or if any Bond is not presented for payment of principal or premium at the maturity or redemption date, if funds sufficient to pay such interest or principal shall have been made available to the Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or principal payment of such Bonds shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such Bonds who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on its part under the Resolution or on, or with respect to, such interest or principal. The Agent’s obligation to hold such funds shall continue until the expiration of the escheat period in accordance with applicable laws, at which time the Agent shall surrender any remaining funds so held in accordance with the applicable escheat laws.

15. **No Obligation to Invest**—The Agent will have no obligation to invest any funds in its possession.

16. **Compensation of the Agent**—The Issuer will pay the Agent reasonable compensation for its services based upon the schedule of fees attached or such other schedule of fees as may be agreed upon from time to time between the Agent and the Issuer. The Agent's compensation may include the amount of any attorney fees incurred by it under Section 17 hereof.

17. **Bond Counsel**—When the Agent deems it necessary or reasonable it may apply to Bond Counsel for the Issuer or such other law firm or attorney approved by the Issuer for instructions or advice.

18. **Termination of Agreement**—This Agreement may be terminated by either party by giving the other party at least 90 days advance written notice. At termination of the Agreement, the Agent shall deliver to the Issuer any and all records, documents or other writings made or accumulated in the performance of its duties under this Agreement and shall refund the unearned balance, if any, of fees paid in advance by the Issuer.

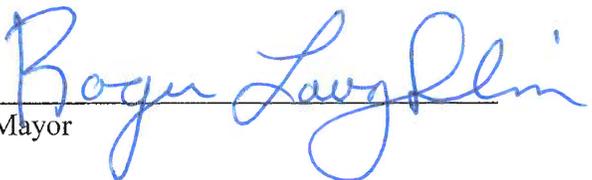
19. **Examination of Records**—The Issuer or its duly authorized agents may examine all records relating to the Bonds at the principal office of the Agent at reasonable times as agreed upon with the Agent and such records shall be subject to audit from time to time at the request of the Issuer or the Agent. The Agent, on request, will furnish the Issuer with a list of the names, addresses, and other information concerning the owners of the Bonds or any of them.

20. **Filing of Form 1099-INT.** To the extent it is determined by the Agent or Bond Counsel for the Issuer that reports are required to be filed, the Agent agrees to comply with the provisions of the Internal Revenue Code with respect to the filing with the Internal Revenue Service and furnishing to recipients of interest on the Bonds copies of Form 1099-INT, or its substitute, annually.

21. **Obligations, Rights and Privileges of the Agent**—The Agent shall have, with regard to the particular functions it performs, the same obligation to the owner or owners of the Bonds and shall have the same rights and privileges the Issuer has in regard to those functions.

Dated as of July 19, 2016.

**CITY OF WEST BRANCH, IOWA**

By   
Mayor

Attest:

  
City Clerk

**BANKERS TRUST COMPANY  
AGENT**

By \_\_\_\_\_  
Trust Officer



**PAYING AGENT, BOND REGISTRAR AND  
TRANSFER AGENT FEE SCHEDULE**

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**ADMINISTRATION FEE**

- Book Entry Bonds \$250 initial/\$500 annual
- Registered/Private Placement Bonds \$500 initial/\$1,000 annual

\*Initial Fees paid at Closing

\*Annual Fees paid at Interest/Principal Dates

**ADDITIONAL SERVICES**

- Dissemination Agent \$1,000 annual
- Placement of CDs or Sinking Funds \$500 per set up/outside BTC
- Optional or Partial Redemption \$300
- Mandatory Redemption \$100
- Early Termination/Full Call \$500
- Tax credit bond filing \$500 annual
- Disbursement Agent \$5,000 initial/\$3,000 annual
- Disbursement Agent wires/check \$10 per wire or check
- Paying Costs of Issuance \$500 one-time fee

**CHANGES IN FEE SCHEDULE**

Bankers Trust reserves the right to renegotiate this fee schedule.

*Reasonable charges will be made for additional services or reports not contemplated at the time of execution of the Agreement or not covered specifically elsewhere in this schedule. Extraordinary out-of-pocket expenses will be charged at cost. However, this does not include ordinary out-of-pocket expenses such as normal postage and supplies, which are included in the annual fees quoted above.*

**Effective September 1, 2015**