

# **IOWA PUBLIC AGENCY INVESTMENT TRUST (IPAIT)**

A comprehensive cash management service for Iowa Cities, Counties, and City Utilities



## **INFORMATION STATEMENT**

**February 1, 2019**

This booklet provides detailed information about the  
Iowa Public Agency Investment Trust.  
Please read it carefully and retain it for future reference.

Sponsored by the  
Iowa Association of Municipal Utilities  
Iowa State Association of Counties  
Iowa League of Cities

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No person or entity has been authorized to give any information or to make any representations other than those contained in this Information Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by IPAIT, its Trustees, the Investment Adviser, the Administrator, the Custodian, or any agent of IPAIT or the Trustees.

## **IOWA PUBLIC AGENCY INVESTMENT TRUST (IPAIT)**

The Iowa Public Agency Investment Trust ("IPAIT" or "Trust") is a professionally managed common law trust created with the objective of providing Iowa cities, counties, city utilities, and other eligible participants (the "Participants") with a convenient method for investing their funds in a manner that focuses on safety of principal and liquidity for operating funds, while maximizing current income consistent with those parameters.

IPAIT has been established under Iowa law pursuant to Iowa Code Chapter 28E and Sections 331.555 and 384.21, which authorize Iowa cities, counties, city utilities, and other eligible participants to jointly invest monies pursuant to a joint investment agreement. IPAIT was established by adoption of a Joint Powers Agreement and Declaration of Trust establishing the Iowa Public Agency Investment Trust as of October 1, 1987 and amended as of August 1, 1988, May 1, 1993, September 1 2005, and September 1, 2017 (the "Declaration"). Iowa Code permits judicial districts and rural water districts to participate in a joint investment agreement, and such entities are authorized to participate in IPAIT upon the approval of the Board of Trustees. A city, city utility, or county which is, respectively, a member of the Iowa League of Cities, the Iowa Association of Municipal Utilities, or the Iowa State Association of Counties (the "Sponsoring Associations") or other eligible participants can become a Participant in IPAIT by submitting an application and a certified copy of the form of authorizing resolution contained therein to Iowa Public Agency Investment Trust, c/o Miles Capital, 1415 28th Street, Suite 200, West Des Moines, Iowa 50266. (See "Instructions and Application Form").

IPAIT is an S&P Global Ratings ("S&P") rated money market fund pursuant to the requirements of Iowa Code 12B.10.

This Information Statement provides detailed information about IPAIT and its investment and operating policies. Please read it carefully and retain it for future reference. Additional information, a copy of the Declaration of Trust, and further assistance regarding becoming a Participant in IPAIT may be obtained by calling the IPAIT toll free number, (800) 872-4024, or by contacting Iowa Public Agency Investment Trust, c/o Miles Capital, 1415 28th Street, Suite 200, West Des Moines, Iowa 50266. This Information Statement is qualified in its entirety by reference to the text of the Declaration of Trust.

### **RATING**

IPAIT is voluntarily rated as a money market fund by S&P as a result of the requirements of Iowa Code 12B.10 stating that a joint investment trust that invests public funds either obtain a rating in one of the two highest rating classifications by a least one of the standard rating services specified under Iowa law (a "Rating Agency"), or register as an investment company under the Investment Company Act of 1940. IPAIT holds a AAAM rating, the highest rating in the classification, although there is no guarantee that this or any rating will be maintained.

### **CASH MANAGEMENT**

IPAIT issues Trust Units in which Participants may invest, referred to as the Diversified Portfolio ("Portfolio").

There are no minimum or maximum investments or limitations on redemptions for the Portfolio. Participants may invest any funds in their custody in the Portfolio. The Portfolio is operated according to investment and accounting standards which conform to the requirements of Statement No. 79 of the Governmental Accounting Standards Board for certain external investment pools and pool participants and S&P's requirements for money market funds. Only funds of Participants may be invested in IPAIT.

**DIVERSIFIED PORTFOLIO** - The Diversified Portfolio is a professionally managed portfolio of U.S. government and federal agency securities, collateralized certificates of deposit of Iowa financial institutions, certificates of deposit and deposits insured under FDIC and permitted by Iowa Code Section 12B10(7), and collateralized perfected repurchase agreements as more fully described below. As required:

- all securities have final maturities of no greater than 397 days, and
- the Portfolio maintains a maximum average dollar weighted maturity of 60 days or less, and
- the Portfolio maintains a weighted average life of 120 days or less.

## **AUTHORIZED INVESTMENTS**

The objective of IPAIT is to provide Participants with safety of principal, daily liquidity and the highest possible investment yield consistent with those requirements.

Subject to the specific investment restrictions of the Portfolio described herein, assets of IPAIT will only be invested in securities specifically permitted for Participants under Iowa law, as it now or in the future may exist, including the following types of securities and instruments ("Permitted Investments").

- (1) Securities issued or guaranteed as to payment of principal and interest by the U.S. Government. These include, for example, Treasury bills, bonds and notes which are direct obligations of the U.S. Government ("U.S. Government Securities").
- (2) Obligations issued or guaranteed as to payment of principal and interest by agencies or instrumentalities of the U.S. Government ("Federal Agency Securities"). Such agencies and instrumentalities include, for example, Federal Intermediate Credit Banks, Federal Home Loan Banks, the Federal National Mortgage Association, the Federal Home Loan Mortgage Company, and the Farmers Home Administration. Such securities will include those supported by the full faith and credit of the United States Treasury or the right of the agency or instrumentality to borrow from the Treasury, as well as those supported only by the credit of the issuing agency or instrumentality.
- (3) Collateralized perfected repurchase agreements secured by securities in the immediately foregoing categories. A repurchase agreement involves the sale of such securities to IPAIT with the concurrent agreement of the seller to repurchase them at a specified time and price to yield an agreed upon rate of interest. The securities collateralizing the agreement are held in custody and are regularly verified by the IPAIT Custodian for the benefit of IPAIT and are maintained daily in an amount equal to at least 102 percent of the value of the repurchase agreement. The collateral is delivered to the custodian (or to an independent triparty custodian) in order to perfect the security interest IPAIT holds in the securities.
- (4) Certificates of deposit ("CDs") and other evidences of deposit at federally insured Iowa depository institutions approved and secured pursuant to chapter 12C, or FDIC insured deposits or certificates of deposit invested pursuant to Iowa Code Section 12B10(7).
- (5) Shares of a "government only" open-end management investment company registered with the Federal Securities and Exchange Commission under the Federal Investment Company Act of 1940, 15 U.S.C. § 80a-1, and operated in accordance with 17 C.F.R. § 270.2a-7.

Every Permitted Investment shall be purchased on a delivery versus payment ("DVP") basis. No other settlement procedure is allowed. All of IPAIT's portfolio holdings at any time are available on request and the portfolio holdings at the end of month are posted on its website.

**CURRENT INCOME** - Because of the participation of many Iowa municipalities, counties, city utilities and other Iowa governmental entities in IPAIT and the large pool of funds resulting therefrom, IPAIT can purchase securities in larger denominations, thereby improving yields and reducing transaction costs. IPAIT's size and experience will also permit the selection of securities maturing at various times which can enhance average portfolio yields. These strategies, implemented by a full-time professional portfolio manager, will maximize the current income earned by IPAIT.

## **RISK AND MANAGEMENT OF RISK**

While investments by IPAIT will be confined to the highest quality securities and instruments with varying maturities, the complete elimination of risk is not possible. It is possible that large redemptions of Trust Units in the Portfolio could necessitate the sale of some Portfolio investments prior to maturity at current market prices. If market values have declined, a reduction in Unit value could result at the time of redemption.

## MANAGEMENT POLICIES AND PROCEDURES

Following are the fundamental management policies and procedures for IPAIT. All investments are maintained in an IPAIT custodial account at U.S. Bank National Association, segregated for the Diversified Portfolio on behalf of IPAIT Participants.

- (1) IPAIT investment procedures require that each purchase or sale of a security be handled on a DVP basis. Funds for the purchase of an investment shall not be released to the seller until the security is delivered to the IPAIT Custodian. Conversely a sold security shall not be released to the buyer until funds for the purchase price of the security have been received by the IPAIT Custodian.
- (2) IPAIT investment procedures prohibit "free delivery" transactions. The Custodian shall never release assets from the IPAIT custodial accounts for purchases or sales of securities until the securities or funds are delivered. Prohibiting "free delivery" settlements precludes movement of IPAIT program investments or funds to a third party anywhere.
- (3) Any material deviation (greater than +/-0.25 percent) from the amortized cost of investments shall be promptly reported by the Investment Adviser to the Board of Trustees. If such deviation exceeds +/-0.25 percent, the Investment Adviser will consider what action, if any, should be initiated to reasonably eliminate or reduce material dilution or other unfair results to Participants. Such action may include redemption of Trust Units in kind, selling portfolio securities prior to maturity, withholding distributions or utilizing a net asset value per Trust Unit based upon available market quotations.
- (4) The frequent trading of securities, including day trading for the purpose of realizing short-term gains, the purchase and sale of futures and options to buy or sell authorized investments, reverse repurchase agreements and other similar speculative or derivative transactions are expressly prohibited.
- (5) IPAIT may not make any investment other than Permitted Investments authorized by the provisions of the law applicable to the investment of funds by the Participants, as such laws may be amended from time to time.
- (6) IPAIT may not purchase any Permitted Investment for the Diversified Portfolio which has a maturity date more than 397 days.
- (7) IPAIT may not purchase any Permitted Investment if the effect of such purchase by IPAIT would be to make the average dollar weighted maturity of the Diversified Portfolio greater than sixty (60) days; provided, however, that in making such determination, the maturity of a Permitted Investment shall be determined as set forth under 6 above.
- (8) IPAIT may not purchase any Permitted Investment if the effect of such purchase by IPAIT would be to make the average dollar weighted life of the Diversified Portfolio greater than one hundred twenty (120) days; provided, however, that in making such determination, the maturity of a Permitted Investment shall be determined as set forth under 6 above.
- (9) IPAIT may not borrow money or incur indebtedness whether or not the proceeds thereof are intended to be used to purchase Permitted Investments;
- (10) IPAIT may not make loans, provided that IPAIT may make Permitted Investments.

The restrictions set forth above are fundamental to the operation and activities of IPAIT and may not be changed without the affirmative approval, in writing, of a majority of the Participants entitled to vote, except that such restrictions may be changed by the Trustees so as to make them more restrictive when necessary to conform the investment program and activities of IPAIT to the laws of the State of Iowa and the United States of America as they may from time to time be amended.

IPAIT may invest in Certificates of Deposit ("CDs") and other evidences of deposit at federally insured Iowa depository institutions approved and secured pursuant to chapter 12C, or FDIC insured deposits or certificates of deposit invested pursuant to Iowa Code Section 12B10(7). The Trust's Investment Adviser provides a financial assessment of each nonrated IPAIT depository to the IPAIT Board of Trustees comparing that Depository's financial ratios to those of other Iowa and regional financial institutions whose securities are rated in the highest rating category for short-term debt obligations. Pursuant to this credit analysis, each IPAIT depository's Certificates of Deposit are

deemed to be First Tier securities and as such they present minimal credit risk of default based upon the credit analysis. The IPAIT Board of Trustees has directed IPAIT's Investment Adviser to monitor the credit quality of all IPAIT depositories on an ongoing basis and to advise the Board of any deterioration of credit quality of any IPAIT depository relative to rated institutions. The State of Iowa maintains a sinking fund for public deposits to protect against the potential loss of funds by a public body with funds on deposit in an Iowa financial institution. The State of Iowa also has assessment procedures authorized to assess all Iowa depositories holding public funds for any losses experienced by an Iowa public body in excess of the State sinking fund in the event of an Iowa depository failure. There is no assurance that the State of Iowa's sinking fund for public deposits will be sufficient in case of bank failure.

In addition to the fundamental restrictions and procedures set forth above, as a condition of providing services to IPAIT, IPAIT presently requires that the IPAIT Custodian, the Investment Adviser, and the Administrator maintain fidelity and errors and omissions insurance coverage for IPAIT's benefit for all services provided to IPAIT.

### **MATURITY OF IPAIT INVESTMENTS**

The Portfolio strictly adheres to Iowa law and S&P Criteria for money market mutual funds, developed to minimize risk that the value of investments in a portfolio might vary. IPAIT's investment policy as set forth herein presently limits portfolio investments to the following:

1. The remaining maturity of any individual investment may not exceed more than 397 days from the date of purchase.
2. The maximum dollar weighted average maturity of all IPAIT investments may not exceed 60 days;
3. Investments are monitored daily by its Iowa-based Investment Adviser to assure that the value of each IPAIT investment does not materially deviate in value from its amortized cost.

### **MAINTENANCE OF LIQUIDITY**

Investments will generally be confined to securities maturing at various times within 397 days from the date of purchase as previously described. Because of their relatively short maturities, high quality, and minimal price fluctuations, ready markets will exist for liquidating all securities in which IPAIT will invest.

As a general policy, the Portfolio will hold investments until they mature. However, in an effort to increase yields, IPAIT may sell securities and realize capital gains when there are perceived disparities between maturities for various categories of investments. Summaries of all securities trades are regularly provided to the Board of Trustees by the Investment Adviser for review.

### **INVESTING IN IPAIT PORTFOLIO UNITS**

To become a Participant in IPAIT, the public body must adopt the Form A resolution included in the Instructions and Application Form attached hereto, or otherwise provided by IPAIT. The resolution authorizes the public body to become a Participant, adopts the Declaration, and designates officials of the public body authorized to execute transactions with IPAIT. Following adoption of the resolution, the public body must complete and forward to the IPAIT Administrator, the investment trust application Form B along with the Form A and Form A Certificate. (See "Instructions and Application Form".)

Investments may be made at the net asset value per Unit next determined after an investment order has been received. The net asset value of Portfolio Units is determined once daily at the close of the New York Stock Exchange (currently 3:00 p.m., Central Standard Time).

**IPASONLINE** - IPASonline is an internet-based participant accounting system available to IPAIT participants. IPASonline allows authorized officials to view balances, initiate transactions, view historical transactions and balances, access daily confirmations and monthly statements, view daily rates, and view account information. The system allows two different levels of authorized users, users that can view and initiate transactions and those that can view only. IPASonline also initiates an electronic notification to participants when confirmations and statements are available online through the system. The IPASonline system is an added medium of communication with the IPAIT participants in addition to the toll-free phone line.

**INVESTMENTS BY BANK FUNDS TRANSFER** - A Participant may authorize transfers to its IPAIT account(s) by means of the Automated Clearinghouse System ("ACH"), from the Participant's local bank to IPAIT. The Participant may also have its local bank wire federal funds directly to the Custodian.

A Participant has the ability to invest in the Diversified Portfolio by the following methods:

- (1) An authorized official for the Participant may use IPASonline or telephone IPAIT at (800) 872-4024 and furnish the Participant's name, the name of the authorized official initiating the transaction, the customer identification number of the authorized official, the IPAIT account number and the amount being invested. A request for the IPAIT investment to be transferred by ACH, which will begin earning income effective the next business day, must be made by 3:00 p.m.
- (2) To make an investment by wire transfer and begin earning income effective the same business day, an authorized official may use IPASonline or telephone an IPAIT representative by 10:00 a.m., furnishing the information described above. The Participant must also instruct its local financial institution to wire funds to the IPAIT Custodian for receipt no later than 10:00 am. Please contact your IPAIT representative at (800) 872-4024 for wire instructions. Failure to properly wire the funds following the authorization for investment may result in failure of the investment or expenses incurred due to overdraft charges.
- (3) A Participant may invest in the Diversified Portfolio Units by issuing and mailing a check or other bank draft to U.S. Bank Institutional Trust & Custody, BC-MN-H5AM, 800 Nicollet Mall, Minneapolis, MN 55402. Until the check has cleared, the investment will not be completed or accepted, and no income will be earned or accrue.

**INCOME DISTRIBUTIONS** - Net income for the Diversified Portfolio of IPAIT is declared each business day for Participants of record immediately before 3:00 p.m. Central Standard Time. Income distributions are accrued to Participants' accounts daily and reinvested in additional Units monthly for compounded interest. Total distributions for each month are credited to Participants' accounts the first business day of the following month. Distributions are automatically reinvested in Portfolio Trust Units unless cash payment has been requested. Cash payments, if requested, will be made monthly. If a Participant redeems the entire amount in its account during the month, income distributions accrued to the account from the beginning of the month through the date of redemption are paid into the account at that time, so a complete liquidation can be facilitated.

#### **REDEEMING IPAIT PORTFOLIO UNITS**

**PORTFOLIO WITHDRAWALS** - Units may be redeemed on any day on which the New York Stock Exchange is open for trading and which is not a federal holiday or a holiday officially observed by commercial banks in Iowa. Units will be redeemed at the net asset value next determined after a withdrawal request in good order is received by the Administrator.

Proceeds from the redemption of Units will be transmitted to the Participant's local financial institution by means of the ACH system or by the Federal Reserve wire system. No charge will be made for the ACH transfer of the Participant's funds; however, local financial institutions may reserve the right to charge for an incoming wire transfer. Proceeds can also be liquidated through IPASonline or paid by check to the registered Participant and mailed to the Participant's address of record.

Proceeds from the redemption of Units, which have been paid for by check, may not be transmitted to the Participant's financial institution by wire for up to a maximum of seven days after the Bank has been informed that the Participant's check has cleared, but in no event for more than 15 days after the Units have been issued and outstanding. A Participant has the ability to redeem Units from either Portfolio by the following methods:

- (1) An Authorized Official may redeem all or a portion of its Units by using IPASonline or telephoning (800) 872-4024 and furnishing the Participant's name, name of the authorized Official initiating the transaction, the customer identification number of the authorized official, the IPAIT account number, and the amount to be redeemed, and the Participant's account number to which the funds are to be transferred. A request for the redemption proceeds to be transferred by the Automated Clearing House System (ACH) the next business day, must be made by 3:00 p.m. Proceeds may be directed through the Vendor Pay program directly to an authorized vendor (following the authorizing certificate and procedure described herein).
- (2) To redeem all or a portion of its Units by IPASonline or wire transfer to be sent the same day, an IPAIT

representative must be notified or IPASonline instructions sent by 10:00 a.m. by a Participant's Authorized Official. The Participant must instruct the IPAIT representative to wire funds to its local financial institution. The Participant must provide the wiring instructions, including the local financial institution name, the customer identification number, location, account number, and name and telephone number of a contact person at that financial institution.

(3) A Participant may redeem all or a portion of its Trust Units by instructing the Administrator by letter mailed to the following address: Iowa Public Agency Investment Trust, 1415 28th Street, Suite 200, West Des Moines, Iowa 50266. This redemption request must be in good order, indicating the dollar amount or number of Trust Units to be redeemed, the method of redemption (i.e., ACH, check or wire) and signed by an Authorized Official of the public body.

#### **VALUING IPAIT PORTFOLIO TRUST UNITS**

The net asset value of Units is determined once each day, as of the close of the New York Stock Exchange (currently 3:00 p.m. Central Standard Time). Except for federal holidays, such other holidays that are officially observed by commercial banks in Iowa, and days on which no investments in or redemption of Units occur, the Administrator will compute the Portfolio's net asset value on each day the New York Stock Exchange is open for trading or when there is a sufficient volume of trading which might materially affect the net asset value of Portfolio securities. The net asset value of each Unit is computed by adding the value of all securities and other assets (including income receivable), subtracting liabilities (including accrued expenses) attributable to each Portfolio and dividing by the number of Units of each Portfolio outstanding.

The Administrator will compute the net asset value of Units for the Portfolio by using the amortized cost method for valuing securities. Under the amortized cost method, a security is initially valued at cost on the date of purchase and, thereafter, any discount or premium is amortized to maturity, using the constant interest method, regardless of fluctuating interest rates or the market value of the security. However, the Investment Adviser will establish procedures to stabilize the net asset value of Units at \$1.00 per Unit. These procedures include a review by the Investment Adviser as to the extent of the deviation of net asset value based upon available market quotations from the Portfolio's \$1.00 amortized cost per Unit. If such deviation exceeds +/- \$.0025, the Investment Adviser will consider what action, if any, should be initiated to reasonably eliminate or reduce material dilution or other unfair results to Participants. Such action may include redemption of Units in kind, selling portfolio securities prior to maturity, withholding distributions or utilizing a net asset value per Unit based upon available market quotations.

If, and only if, the Trustees, with the advice of the Investment Adviser, shall determine that the amortized cost method of determining the net asset value of Units no longer represents a fair method of valuation, the Trustees may either permit such net asset value to fluctuate or may reflect the fair value thereof in the number of Units allocated to each Participant.

**PORTFOLIO MANAGEMENT** - Subject to policies set by the Trustees, the Investment Adviser is authorized to determine, consistent with the IPAIT Investment objectives and policies, which securities will be purchased, sold and held by IPAIT. Most securities will be purchased on a principal basis directly from the issuer, from banks, underwriters, or market makers and, thus, will not involve payment of a brokerage commission. Such purchases may include a discount, concession or mark-up retained by an underwriter or dealer. The Investment Adviser is authorized to select the brokers or dealers that will execute the purchases and sales of securities and is directed to use its best efforts to obtain the best available price and most favorable execution on brokerage transactions. Some of the transactions may be directed to brokers or dealers who furnish special research and statistical information or services rendered in the execution of orders.

**CALCULATING YIELD** - The yield on Trust Units (a 7-calendar-day historical yield) is calculated by first dividing the average daily net income per Trust Unit for that 7-day period by the average daily net asset value per Unit for the same period. This number is then annualized by multiplying the result times 365.



## **EXPENSES OF IPAIT**

The Investment Adviser is paid an annual fee accrued daily and paid monthly based upon average daily net assets for the Portfolio of .09 percent for assets up to \$150,000,000, .07 percent for assets greater than \$150,000,000 and less than \$250,000,000 and .055 percent for assets greater than \$250,000,000.

The Administrator is paid an annual fee accrued daily and paid monthly based upon average daily net assets for the Portfolio of .10 percent for assets up to \$150,000,000, .09 percent for assets greater than \$150,000,000 and less than \$250,000,000 and .075 percent for assets greater than \$250,000,000.

The Marketer is paid a monthly program support and development fee computed at an annual rate equal to .06 percent of the average daily assets of the Portfolio.

Pursuant to the Trust's Plan of Distribution there is a fee computed at the annual rate of 0.075 percent of the average daily net assets of the Portfolio that is paid to the Sponsoring Associations based upon Participants attributable to each Sponsoring Association pro rata share of the IPAIT average daily net assets. This fee is paid for marketing and administrative services provided by the Sponsoring Associations to IPAIT, including clerical and administrative services in connection with meetings of the Board of Trustees, evaluation of performance of service providers, review of compliance with investment policies, providing the Board of Trustees various reports thereon, maintaining Trust records and providing marketing services. No specific expenses are paid from this fee.

The Custodian is paid an annual fee based upon average daily net assets for the Portfolio of 0.0033 percent , a flat annual account maintenance charge, and transaction processing fees. Custodial fees are accrued daily and paid monthly.

IPAIT also pays other fees and expenses incurred directly by IPAIT and its Trustees in connection with the discharge of their duties. These expenses include initial and ongoing legal and accounting fees, auditing fees, out-of-pocket expenses of Trustees and the cost of printing, mailing and other services performed independently by IPAIT. Such fees and expenses are accrued daily in an amount determined by the Board of Trustees.

From time to time, the Trust's Investment Adviser, Administrator, Marketer, Custodian and Sponsors may reduce their fees to the extent they deem appropriate to enhance the Portfolio's net yield. This fee reduction policy is voluntary and temporary and may be revised or terminated by these service providers and sponsors at any time without notice.

These fees and operating expenses are subject to adjustment and renegotiation as determined by the Board of Trustees and the terms of the contracts with the service providers and sponsors.

## **TRUSTEES AND OFFICERS**

The Board of Trustees has full and complete control over the business and assets of IPAIT, subject to the rights of IPAIT Participants as provided in the Declaration of Trust. Each Participant will be entitled to vote that number of Units it owns of record the Portfolio as of the record date. The Board of Trustees is currently comprised of nine persons who are representative of the three types of Iowa public agencies (and the Sponsoring Associations – ILC, IAMU, and ISAC) that have historically participated in IPAIT with each group having three representatives. The qualifications for the Trustees require that the person be an "official" and employee with an Iowa public agency. To the extent that a vacancy occurs, the Board of Trustees will seek and nominate persons to fill the vacancy with a person associated with the group meeting the qualifications for the vacancy. In no event will more than 50% of the Trustees be appointed, rather than elected by the shareholders. Each Trustee serves a three-year term and three Trustees are reappointed or elected each year (one each from group). A Participant meeting is held every year for the election of Trustees, which election includes the three Trustee seats with expiring terms as well as any appointments by the Board of new Trustees.

In addition, the Executive Directors of the Iowa Association of Municipal Utilities, the Iowa League of Cities, and the Iowa State Association of Counties serve as ex officio nonvoting members of the Board of Trustees and, pursuant to the Bylaws, may from time to time serve as secretary and treasurer for the Board. The names, affiliations and positions of the Board members are set forth below:

<b>NAME</b>	<b>AFFILIATION</b>	<b>POSITION</b>
Craig Anderson	Plymouth County Board of Supervisors	Chair, Trustee
Greg Fritz	CEO, NIMECA	Vice Chair, Trustee
Michelle Weidner	CFO, City of Waterloo	Second Vice Chair, Trustee
Jerry Gowey	Director, Finance & Administrative Services, Muscatine Power and Water	Trustee
Brent Hinson	Washington City Administrator	Trustee
Randy Jacobsma	Sioux County Treasurer	Trustee
Steven Pick	General Manager, Spencer Municipal Utilities	Trustee
Tim Stiles	Finance Director, City of West Des Moines	Trustee
Jarret Heil	Marshal County Treasurer	Trustee
Alan Kemp	Executive Director, ILC	Secretary Ex Officio Trustee
Troy DeJoode	Executive Director, IAMU	Asst. Secretary, Ex Officio Trustee
William Peterson	Executive Director, ISAC	Treasurer, Ex Off. Trustee
David Miles	Miles Capital	Chief Executive Officer
Amy Mitchell	Miles Capital	Chief Financial Officer
Gwen Gosselink	Miles Capital	Chief Compliance Officer

The current Board is made up mainly of Trustees with direct responsibility for the financial matters of their respective city, county or municipal utility. Elected public officials and Trustees with general management or administrative responsibilities comprise the rest of the Board.

Ex Officio Trustees have no voting power in connection with any actions that the Trustees may take on behalf of IPAIT. In their capacity as Trustees, the Trustees function on behalf of the Participants, as the agents and fiduciaries of the Participants, to implement and administer the Declaration, as an agreement among the Participants. The officers of IPAIT are the Chair, Vice Chair, Second Vice Chair, Chief Executive Officer, Secretary, Assistant Secretary, Treasurer, Chief Financial Officer and Chief Compliance Officer, All officers except the Chief Executive Officer, Chief Financial Officer and the Chief Compliance Officer serve on an Executive Committee. The Executive Committee may exercise all of the authority of the Board of Trustees, except that the Executive Committee cannot create a new Portfolio or a series of units or change investment policies. The Executive Committee serves as the Audit Committee, with the inclusion of a trustee designated as the financial expert, who may be an additional member of the Audit Committee.

If, at any time after election to the Board of Trustees, a Trustee is associated with a city utility, county or city which ceases to be a Participant, such Trustee must resign.

No Trustee (whether voting or nonvoting) of IPAIT will receive any compensation from IPAIT, the Administrator, Investment Adviser or Custodian for his or her services. IPAIT will reimburse the Trustees for their reasonable expenses incurred on behalf of IPAIT.

IPAIT refers to the Trustees in their capacity collectively as Trustees and not individually or personally. All persons dealing with IPAIT must look solely to IPAIT assets for the enforcement of claims against IPAIT. The Trustees, officers and Participants do not assume any liability for obligations entered into on behalf of IPAIT.

The Joint Powers Agreement and Declaration of Trust shall not create any right, title, privilege or entitlement in any person, corporation or other legal entity except a Participant and a Person that has a direct and written contract with IPAIT. The terms and conditions of the Declaration of Trust are not intended to and shall not be construed to create any cause of action, legal or equitable, in any Person against the Participants, Trustees, officers, employees, Sponsoring Associations or agents of IPAIT, except as is provided by specific language in the Declaration or by specific language in written agreements or contracts entered into by the Trustees in implementing IPAIT. It is not intended and the terms of the Declaration shall not be construed so that any breach thereof by Participants, Trustees, officers, employees or agents of IPAIT creates an action at common law, tort, contract or otherwise. A Trustee is not personally liable for a claim based upon an act or omission of the Trustee performed in the discharge of the Trustee's duties, except for acts or omissions which involve intentional misconduct or knowing violation of the law or for a transaction from which the Trustee derives an improper personal benefit. The Trustees are responsible for the management of IPAIT, the conduct of its affairs, and the management and distribution of IPAIT assets. Consistent with their responsibility, the Trustees have appointed an Investment Adviser, an Administrator and Custodian and

have assigned to them such duties as the Trustees have deemed appropriate with regard to the investment, administration, record keeping and custody of monies and investments of IPAIT.

### **THE INVESTMENT ADVISER**

Miles Capital, Inc., 1415 28th Street, Suite 200, West Des Moines, Iowa 50266, an Investment Adviser registered under the Investment Advisers Act of 1940, serves as the IPAIT Investment Adviser, pursuant to an Investment Adviser Agreement. Miles Capital was organized in 1982. Since 1982, the firm's principal business has been providing continuous investment management to pension and profit-sharing plans, insurance companies, public agencies, banks, endowments and charitable institutions, individuals and others. Miles Capital was initially organized as Investor's Management Group, Ltd in 1982. In 2006 it changed its name to WB Capital, and as of December 31, 2009, it changed its name to Miles Capital, Inc. As of December 31, 2016, Miles Capital had approximately \$4.5 billion in equity, fixed income and money market assets under management. The day-to-day management of the IPAIT portfolio is performed by Miles Capital's fixed income management team.

The Investment Adviser furnishes IPAIT with advice with respect to IPAIT operations and the investment of its assets subject to and in conformance with the Declaration of Trust and the policies adopted by the Board of Trustees. The IPAIT agreement with the Investment Adviser is reviewed and approved annually, is not assignable, and may be terminated on 60 days written notice by either party without penalty. A discussion regarding the basis for the Board of Trustees approving the Advisor Agreement with the Investment Advisor can be found in IPAIT'S semi-annual report.

### **THE ADMINISTRATOR**

Miles Capital also serves as the IPAIT Administrator, pursuant to an Administrator Agreement. The Administrator supervises all aspects of IPAIT's operations, other than those managed by IPAIT's Investment Adviser pursuant to the Investment Adviser Agreement (discussed above); acts in conformity with the Declaration of Trust and policies adopted by the Board of Trustees; determines and allocates the income of IPAIT; provides daily account services to Participants; provides all participant transaction confirmations and monthly account summaries; records all telephone calls with participants to confirm transaction details; facilitates and processes all movement of monies between IPAIT and the Participant's accounts at the Participant's local financial institutions; verifies that each transaction is initiated by an authorized representative of the Participant and, utilizing bank and trust procedures, follows procedures that assures that all IPAIT or Participant funds be moved only within a "closed system" between the Participant's preauthorized local account and the Participant's IPAIT account (except those funds which are directed by Participant to be sent to vendors under the Vendor Pay program) and assure that all monies received from or on behalf of Participants are fully collected and available; provides administrative personnel and equipment to IPAIT; determines the net asset value of IPAIT on a daily basis; and performs all related administrative services for IPAIT. The IPAIT Administrator Agreement is approved annually, is not assignable, and may be terminated on 60 days written notice by either party without penalty.

### **THE CUSTODIAN**

U.S. Bank National Association, 800 Nicollet Mall, Minneapolis, MN 55402, acts as Custodian for IPAIT pursuant to a Custodian Agreement. The Custodian will hold in a separate account all investment instruments and monies, including cash received for each Portfolio. All IPAIT security transactions are handled on the basis of delivery versus payment of the custodian or its nominee or nominees. IPAIT's agreement with the Custodian is not assignable and is cancellable on 60 days notice by either party without penalty.

### **THE MARKETER**

PMA Securities, Inc. and its affiliate PMA Financial Network, Inc. 2135 Citygate Lane, 7<sup>th</sup> Floor, Naperville, IL 60563, acts as the Marketer and Fixed Term Automated Program Services Provider for IPAIT pursuant to a Marketing and Fixed Term Automated Program Agreement. The Marketer markets the IPAIT program to eligible Participants and potential participants, provides experience and resources to the IPAIT program as well as provides program support and development. IPAIT's agreement with the Marketer is approved annually, is not assignable, and is cancellable on 60 days notice by either party without penalty.

### **SPONSORSHIP FEE AGREEMENT**

The Trust has adopted a Sponsorship Fee Agreement (“Agreement”) which permits the Trust to pay certain distribution related expenses for the sale and distribution of its Units. Because the fees are paid out of the Trust assets on an ongoing basis, over time these fees will increase the costs of your investment and may cost you more than paying other types of sales charges. Under the Agreement, the Trust pays the Sponsoring Associations a fee at the annual rate of .075 percent of average annual net assets for providing to the Trust marketing assistance and various administrative services, including clerical and administrative services in connection with meetings of the Board of Trustees, evaluation of performance of service providers, review of compliance with investment policies, providing the Board of Trustees various reports thereon, and providing marketing assistance. The Sponsoring Associations were instrumental in the establishment of the Trust which was and is intended to assist Iowa public agencies in cash management thereby lessening the burdens of government. The Executive Directors of the Sponsoring Associations serve as officers and members of the Executive Committee of IPAIT. No specific fund expenses are paid from the Agreement. The Agreement is approved annually by the Trustees only after careful consideration of whether there is a reasonable likelihood that the Agreement will benefit the Trust and the Participants.

## **TAXES**

IPAIT and each of its participants are exempt from income taxes pursuant to Section 115 of the Internal Revenue Code.

## **REPORTS TO PARTICIPANTS**

Participants receive a daily confirmation of all transactions processed. Participants will receive a monthly statement summarizing all activity on each account opened with IPAIT. This statement will include a list of all investments currently held by IPAIT for the Participant. In addition, Participants will be provided monthly performance information illustrating historical investment performance and yield. IPAIT will issue unaudited semi-annual reports which will include a list of securities owned by IPAIT and complete financial statements. It will also issue an annual report containing a financial report audited by the IPAIT independent registered public accounting firm, KPMG LLP.

## **DECLARATION OF TRUST**

IPAIT was established as of October 1, 1987, as a common law trust under the laws of the State of Iowa by the adoption and execution of a Joint Powers Agreement and Declaration of Trust by the Maquoketa Municipal Electric Utility, Buchanan County, and the City of Fairfield. Additional Iowa cities, counties, city utilities and the other eligible participants (including 28E organizations) may become Participants in the manner described in this Information Statement. The Joint Powers Agreement and Declaration of Trust was amended on August 1, 1988 and May 1, 1993, and restated as of September 1, 2005 and further amended as of September 1, 2017.

Each potential Participant is given a copy of the Declaration before it becomes a Participant. The summary of the Declaration given herein is qualified in its entirety by reference to the full text of the Declaration.

**DESCRIPTION OF TRUST UNITS** - The Declaration authorizes an unlimited number of full and fractional Trust Units which may be issued in series. All Trust Units of each series participate equally in the allocation of distributions and have equal liquidation and other rights pertaining to that series. The Trust Units have no conversion, exchange or preemptive rights.

Because IPAIT is registered under the 40 Act, the Board of Trustees has determined that each Participant shall have the right to vote on a one vote per Unit basis. Election of Trustees requires as to each Trustee, the affirmative vote of a plurality voting at the meeting. This means that the director nominee with the most affirmative votes for a particular slot is elected for that slot. If submitted to Participants, the ratification of the selection of IPAIT’s auditors requires the affirmative vote of a majority of the outstanding Units voting at the meeting. If submitted to Participants, the approval of the Advisor Agreement requires the approval of a majority of the outstanding Units voting at the meeting. If submitted to Participants the approval of the Rule 12b-1 Plan also requires the approval of a majority of the outstanding Units voting at the meeting. Further, if submitted to Participants, the approval of a change in the fundamental investment policy also requires the approval of a majority of the outstanding Units voting at the meeting. At such meetings of Participants a quorum is based on the total number Units outstanding held by Participants that are represented in person or by proxy. A quorum requires a majority of the Units of the Diversified Portfolio to be present, in person or by proxy.

**PARTICIPANT LIABILITY** - The Declaration provides that Participants will not be subject to any liability whatsoever in tort, contract or otherwise to any other person or persons in connection with IPAIT property or the affairs of IPAIT. Any Participant made a party to any suit or proceedings to assert or enforce any such liability shall not on account thereof be held to any personal liability.

**TERMINATION OF THE DECLARATION OF TRUST** - IPAIT may be terminated by the affirmative vote of a majority of Participants entitled to vote at any meeting of Participants or by an instrument in writing, without a meeting, signed by a majority of the Trustees and consented to by not less than a majority of the Participants entitled to vote.

**AMENDMENT OF THE DECLARATION OF TRUST** - The Declaration may be amended at any meeting of Participants or by an instrument or instruments in writing, by the affirmative vote or signed approval of a majority of the Participants. The Trustees, from time to time, by a two-thirds vote of the Trustees and after 15 days prior written notice to the Participants, may amend the Declaration without the vote or consent of the Participants, to the extent they deem necessary to conform the Declaration to the requirements of applicable laws or regulations, or any interpretation thereof by a court or other governmental agency; but the Trustees shall not be liable for failing to do so.

**WITHDRAWAL** - A Participant may withdraw from IPAIT at any time by notifying the Trustees as specified in the Declaration.

**DEFINITIONS** - Unless otherwise expressly defined herein, words that are capitalized in this Information Statement have the meaning defined in the Joint Powers Agreement and Declaration of Trust.

#### **INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

KPMG LLP, 2500 Ruan Center, Des Moines, Iowa 50309, serves as the IPAIT Independent Registered Public Accounting Firm.

#### **DOCUMENT COPIES**

Copies of the Joint Powers Agreement and Declaration of Trust, the Administrator Agreement, the Investment Adviser Agreement, the Marketing and Fixed Term Automated Program Agreement and the Custodian Agreement can be obtained from Miles Capital, 1415 28th Street, Suite 200, West Des Moines, Iowa 50266.

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**IOWA PUBLIC AGENCY INVESTMENT TRUST (IPAIT)  
RESOLUTION**

**FORM A**

Date \_\_\_\_\_

A RESOLUTION AUTHORIZING THE APPROVAL OF AND PARTICIPATION IN A JOINT POWERS AGREEMENT AND DECLARATION OF TRUST FOR THE IOWA PUBLIC AGENCY INVESTMENT TRUST, AUTHORIZING INVESTMENTS THROUGH THE FIXED TERM AUTOMATED INVESTMENT PROGRAM OF IPAIT AND AUTHORIZING IPAIT TO DESIGNATE AND NAME DEPOSITORY.

WHEREAS, Iowa Code section 28E.1 permits political subdivisions to make efficient use of their powers by enabling them to provide joint services with other Public Agencies and to cooperate in other ways of mutual advantage, and to exercise and enjoy jointly any powers, privileges or authority exercised or capable of being exercised by one Public Agency of this state or private agencies for the joint or cooperative action; and

WHEREAS, Iowa Code sections 331.555 and 384.21 empowers Cities, City Utilities, and Counties to invest their monies pursuant to a joint investment agreement; and

WHEREAS, the City of Fairfield, the Maquoketa Municipal Utility, and Buchanan County are political subdivisions organized and existing under and by virtue of the laws and Constitution of the State of Iowa and have approved the Joint Powers Agreement and Declaration of Trust and thereby they have established the Iowa Public Agency Investment Trust as of October 1, 1987, and amended as of May 1, 1993; and

WHEREAS, this Governing Body desires to adopt and enter into the Joint Powers Agreement and Declaration of Trust, and it is in the best interest of this Governing Body to participate in the Iowa Public Agency Investment Trust for the purpose of joint investment of monies with other cities, city utilities and counties to enhance investment earnings to each; and

WHEREAS, this Governing Body deems it to be advisable for this Public Agency to make use, from time to time, of the Fixed Term Automated Investment Program available to Participants of IPAIT;

NOW, THEREFORE, BE IT RESOLVED:

Section 1. The Joint Powers Agreement and Declaration of Trust is approved and adopted. This Public Agency joins with the other public agencies in accordance with the Joint Powers Agreement and Declaration of Trust, as amended, (the "Declaration of Trust") which is incorporated herein by reference with the same effect as if it had been set out in this resolution by becoming a Participant of IPAIT. The Joint Powers Agreement and Declaration of Trust is filed in the minutes of the meeting at which this Resolution is adopted. The authorized officials of this Public Agency are directed and authorized to take such actions and execute documents as may be deemed necessary and appropriate to effect the entry of this Public Agency into the Declaration of Trust and adoption thereof by this Public Agency and to carry out the intent and purpose of this Resolution.

Section 2. This Public Agency is authorized to invest its available monies from time to time and to withdraw such monies from time to time in accordance with the provisions of the Declaration of Trust and the Fixed Term Automated Investment Program of IPAIT.

Payment for any investments made within the Fixed Term Automated Investment Program is authorized from the Public Agency's specified IPAIT Account. Interest and principal payments must be credited to the Public Agency's designated Trust Account. The Custodian will hold investments in the name of IPAIT for the account of the Public Agency.

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The following officers and officials of this Public Agency and their respective successors in office each are designated as "Authorized Officials" with full power and authority to effectuate the investment and withdrawal of monies with this Public Agency from time to time in accordance with the Joint Powers Agreement and Declaration of Trust.

_____	_____
Printed Name	Title
_____	_____
Printed Name	Title
_____	_____
Printed Name	Title

IPAIT must be advised of any changes in Authorized Officials in accordance with procedures established by IPAIT.

Section 3. The Trustees of IPAIT are designated as having official custody of this Public Agency's monies which are invested in accordance with the Joint Powers Agreement and Declaration of Trust and any monies invested in accordance with the Trust's Fixed Term Automated Investment Program.

Section 4. IPAIT is authorized to designate and name depositories, to execute documents, and to take actions as may be necessary to purchase and make payment, sell, secure, or take payment of principal and interest. Certificates of deposit must be purchased only from financial institutions designated by IPAIT which are approved depositories as prescribed by Iowa Code chapters 12B and 12C.

Section 5. Authorization is given for members and officials of this Public Agency to serve as Trustees of IPAIT from time to time if selected as such pursuant to the provisions of the Declaration of Trust.

Section 6. Unless otherwise expressly defined, words that are capitalized in the Resolution have meanings defined in the Joint Powers Agreement and Declaration of Trust.

Passed and approved this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Name of Public Agency

\_\_\_\_\_  
Signature of Presiding Officer

ATTEST:

\_\_\_\_\_  
Clerk/Secretary

NOTE: Please mail one original copy of this form and the certification and a completed application Form B to the following address:

Miles Capital  
1415 28<sup>th</sup> Street, Suite 200  
West Des Moines, Iowa 50266-1461

This form may be photocopied.

**IOWA PUBLIC AGENCY INVESTMENT TRUST**

**FORM A CERTIFICATE**

STATE OF IOWA            )  
  ) SS:  
COUNTY OF                )

I, the undersigned of \_\_\_\_\_, State of Iowa, do certify that  
*(Name of Public Agency)*  
attached is a complete copy of the portion of the records of the Governing Body of the named Public Agency, and the same is a complete copy of the action taken by the Governing Body of the Public Agency with respect to this matter at the meeting held on this date; these proceedings remain in full force and effect and have not been amended or rescinded in any way; that this meeting and all action was publicly held in accordance with notice of public meeting and tentative agenda, a copy of which was timely served on each member of the Governing Body of the Public Agency and posted on a bulletin board or other prominent place easily accessible to the public clearly designated for that purpose, at the principal office of the Governing Body and in accordance with the provisions of Iowa Code chapter 21, with at least 24 hours advance notice to the public and media as required by law and with members of the public present in attendance.

I further certify that the individuals named therein were on this date lawfully possessed of their respective offices as indicated, that no vacancy existed except as may be stated in proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the Public Agency or the right of the individuals named herein as officers to their respective positions.

WITNESS my hand hereto affixed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

By \_\_\_\_\_  
*(Clerk/Secretary for Public Agency)*

Subscribed and sworn to before me on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

By \_\_\_\_\_  
*(Notary Public)*



**IOWA PUBLIC AGENCY INVESTMENT TRUST  
APPLICATION FORM**

**FORM B**

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**I. BASIC INFORMATION**

Name of Public Agency: \_\_\_\_\_

(Check one)  City     City Utility     County     28E Organization     Other: \_\_\_\_\_

(Check all appropriate box (es) Member of:            ILC             IAMU             ISAC

Federal Identification Number \_\_\_\_\_

Contact Person and Title \_\_\_\_\_

Address \_\_\_\_\_

Telephone Number (\_\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

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IF INITIAL INVESTMENT IS ENCLOSED, PLEASE INDICATE AMOUNT \$ \_\_\_\_\_  
(Payable to Iowa Public Agency Investment Trust)

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**II. NEW ACCOUNT INFORMATION**

Authorization is hereby given to Miles Capital, as IPAIT Administrator, to open the following Iowa Public Agency Investment Trust Account(s).

Name to appear on IPAIT Account (e.g. General Fund, etc.)\* \_\_\_\_\_

Name and Address of Local Depository for funds transfer \_\_\_\_\_

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

Local Depository Account Number \_\_\_\_\_

checking             savings   
(For your protection, only one depository account may be accessed per IPAIT account)

Depository's ABA Routing Number \_\_\_\_\_  
(This number can be obtained from bottom of blank check or by calling your depository)

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**III. DEPOSIT/WITHDRAWAL INFORMATION AND AUTHORIZATION**

Authorization is given to Miles Capital, as the IPAIT Administrator, to honor any request believed to be authentic for investment to or withdrawal from IPAIT. Monies will be transferred only upon telephone, written or personal notice from an Authorized Official of the Public Agency. Upon notification, the Administrator will initiate debit and credit entries to the local depository account(s) indicated and the local depository(ies) are authorized to debit and credit the same to such account(s). Transfer must be made by Automated Clearinghouse Transfer (ACH), if available, unless otherwise directed by the Public Agency. There is no direct charge for ACH transfers.

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**IV. INFORMATION STATEMENT AND DECLARATION OF TRUST**

It is hereby certified that the Public Agency has received a copy of the Information Statement of IPAIT and a copy of the Joint Powers Agreement and Declaration of Trust and agrees to be bound by the terms of such documents.

**V. EFFECTIVENESS OF APPLICATION FORM**

The information, certifications and authorizations set forth on this application shall remain in full force and effect until the IPAIT Administrator receives written notification of a change.

**VI. AUTHORIZED SIGNATURES**

The following are Authorized Officials (as designated in Resolution - Form A) of this Public Agency to effectuate the investment and withdrawal of monies of this Public Agency from time to time in accordance with the Joint Powers Agreement and Declaration of Trust.

Name of Public Agency \_\_\_\_\_

\_\_\_\_\_  
Printed Name / Official Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name / Official Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name / Official Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name / Official Title

\_\_\_\_\_  
Signature

**VII. APPLICATION SIGNATURE**

Application is hereby made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Signature \_\_\_\_\_

This application form must be signed by an official authorized by Resolution to Transact business with IPAIT. (See Resolution Form A for Authorized Officials)

Mail this form along with **FORM A** to:

MILES CAPITAL  
1415 28<sup>th</sup> Street, Suite 200  
West Des Moines, Iowa 50266-1461

This form may be photocopied

*\*For Additional IPAIT Accounts, Use Space Provided On Supplemental Form B.*

IOWA PUBLIC AGENCY INVESTMENT TRUST  
SUPPLEMENTAL B APPLICATION FORM

Complete the following information for each additional IPAIT account to be opened.

Name of Public Agency \_\_\_\_\_

Name to appear on IPAIT Account (e.g. General Fund, etc.) \_\_\_\_\_

Name and Address of Local Depository for funds transfer \_\_\_\_\_

Local Depository Account Number \_\_\_\_\_ checking  savings   
(For your protection, only one depository account may be accessed per IPAIT account)

Depository's ABA Routing Number \_\_\_\_\_  
(This number can be obtained from bottom of blank check or by calling depository)

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Name to appear on IPAIT Account (e.g. General Fund, etc.) \_\_\_\_\_

Name and Address of Local Depository for funds transfer \_\_\_\_\_

Local Depository Account Number \_\_\_\_\_ checking  savings   
(For your protection, only one depository account may be accessed per IPAIT account)

Depository's ABA Routing Number \_\_\_\_\_  
(This number can be obtained from bottom of blank check or by calling depository)

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Name to appear on IPAIT Account (e.g. General Fund, etc.) \_\_\_\_\_

Name and Address of Local Depository for funds transfer \_\_\_\_\_

Local Depository Account Number \_\_\_\_\_ checking  savings   
(For your protection, only one depository account may be accessed per IPAIT account)

Depository's ABA Routing Number \_\_\_\_\_  
(This number can be obtained from bottom of blank check or by calling depository)

\_\_\_\_\_  
Signature of Authorized Official

\_\_\_\_\_  
Signature of Authorized Official

\*Two signatures required

**Mail this completed form to:**  
**Iowa Public Agency Investment Trust**  
**IPAIT Administrator**  
**1415 28th Street, Suite 200**  
**West Des Moines, IA 50266-1461**

**If you have questions, call an IPAIT**  
**Administrator at 800-872-4024.**

**Iowa Public Agency Investment Trust**

Consent for Electronic Notification of Statements

IPAIT is pleased to offer the convenience of viewing transaction activity statements through IPASonline™. An email containing a link to IPASonline™ will be sent to the email address(es) below when your daily and monthly transaction activity statements are processed and become available on the Internet. The email(s) will be sent instead of the printed statement.

**Statement notification should be sent to:**

_____	_____
<b>Name of Entity</b>	<b>Phone</b>
<b>1</b>	<b>4</b>
_____	_____
Email Address	Email Address
<b>2</b>	<b>5</b>
_____	_____
Email Address	Email Address
<b>3</b>	<b>6</b>
_____	_____
Email Address	Email Address

I authorize IPAIT to send an email notification of daily and monthly transaction activity statements to the email address(es) listed above.

**By:** \_\_\_\_\_  
Authorized Signature

Date \_\_\_\_\_

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Official Title

## **INSTRUCTIONS FOR MAKING INVESTMENTS**

### **A. TO MAKE AN INVESTMENT BY AUTOMATED CLEARINGHOUSE TRANSFER (ACH) DEBIT:**

1. Call 1-800-872-4024 prior to 3:00 p.m. and an IPAIT representative will answer - "Iowa Public Agency Trust."
2. Say: "This is (city, city utility, county) of \_\_\_\_\_ (name) \_\_\_\_\_, my user id is \_\_\_\_\_, with an ACH investment, in the amount of \$\_\_\_\_\_ to be invested in fund #\_\_\_\_. My local financial institution is \_\_\_\_\_, and the local checking/savings account number is \_\_\_\_\_."
3. The IPAIT representative will repeat the information given and acknowledge that the investment is accepted.

NOTE: Notice must be received prior to 3:00 p.m. to begin earning interest the next business day.

### **B. TO MAKE AN INVESTMENT BY WIRING MONIES:**

1. Call 1-800-872-4024 prior to 10:00 a.m. and an IPAIT representative will answer - "Iowa Public Agency Trust."
2. Say: "This is (city, city utility, county) of \_\_\_\_\_ (name) \_\_\_\_\_, my user id is \_\_\_\_\_, with a wire investment in the amount of \$\_\_\_\_\_ to be invested in fund #\_\_\_\_. This will be coming from (Financial Institution name and account number) \_\_\_\_\_."
3. The IPAIT representative will repeat the information given and acknowledge the investment.
4. Instruct your local Financial Institution to wire the monies to IPAIT. Please contact your IPAIT administrator at 1-800-872-4024 for wire instructions.

NOTE: To be credited the same day, THE PARTICIPANT MUST CALL BEFORE 10:00 a.m. and THE LOCAL FINANCIAL INSTITUTION MUST DEPOSIT MONIES WITH the Federal Reserve wire system no later than 10:00 a.m.

### **C. TO MAKE AN INVESTMENT BY CHECK OR BANK DRAFT:**

(This option is available but not recommended since the IPAIT Account is not posted the same day that the check is received.)

Please call 1-800-872-4024 and an IPAIT representative will assist you.

## **INSTRUCTIONS FOR MAKING REDEMPTIONS**

### **A. TO MAKE A REDEMPTION BY AUTOMATED CLEARINGHOUSE TRANSFER (ACH) CREDIT:**

1. Call 1-800-872-4024 prior to 3:00 p.m. and an IPAIT representative will answer - "Iowa Public Agency Trust."
2. Say: "This is (city, city utility, county) of \_\_\_\_\_ (name) \_\_\_\_\_, my user id is \_\_\_\_\_, with an ACH redemption request, in the amount of \$\_\_\_\_\_ to be withdrawn from fund #\_\_\_\_. My local financial institution is \_\_\_\_\_, and the local checking/savings account number is \_\_\_\_\_."
3. The IPAIT representative will repeat the information given and acknowledge the redemption.

NOTE: Notice must be received prior to 3:00 p.m. for monies to be on deposit in your local FINANCIAL INSTITUTION the next business day.

### **B. TO MAKE REDEMPTIONS BY WIRING MONIES: (Monies transferred same day)**

1. Call 1-800-872-4024 prior to 10:00 a.m. and an IPAIT representative will answer - "Iowa Public Agency Trust."
2. Say: "This is (city, city utility, county) of \_\_\_\_\_ (name) \_\_\_\_\_, my user id is \_\_\_\_\_, with a wire redemption request, in the amount of \$\_\_\_\_\_ to be withdrawn from fund #\_\_\_\_."
3. Provide instructions for wiring, including local financial institution, location, account number, and name and telephone number of a contact person at that financial institution.
4. The IPAIT representative will repeat the information given and acknowledge the redemption.

NOTE: Notice must be received prior to 10:00 a.m. for transfers to be made the same day.

### **C. TO RECEIVE A CHECK BY MAIL:**

(This option is available but not recommended since the IPAIT Account is posted the same day the check is written)

Please call 1-800-872-4024 and an IPAIT representative will assist you.

Remember: All transactions can be initiated up to 30 days in advance of settlement and may be modified up to trade date of the transaction.

**VENDOR PAY CORPORATE ORIGINATION (ACH)  
AND SECURITY PROCEDURES CERTIFICATE**

This Certificate is delivered by the \_\_\_\_\_ (the "Participant") to Miles Capital, Ltd. (the "Administrator"), as Administrator of the Iowa Public Agency Investment Trust ("IPAIT") in accordance with an agreement between IPAIT and Administrator dated January 1, 2004, as part of the Vendor Pay Program ("Program").

AUTHORIZED PERSONS

All Authorized persons of the Participant shall be Authorized Officials of the Participant as defined in the current Authorized User Form of the Participant. All of the Authorized Persons shall be authorized to perform duties, provide confirmations to the Administrator with respect thereto, or to issue Certificates of the Participant as and to the extent outlined in this Certificate.

TYPES OF VENDOR AUTHORIZATION AND ENTRIES AUTHORIZED

The Participant may submit the following types of Vendor Authorizations and Entries pursuant to and in accordance with this Certificate:

1. Payroll deposits to specified Participant employee accounts;
2. Deposits of retiree insurance payments to one or more specified accounts;
3. Transfers between specified Participant accounts;
4. Repetitive payments to specified accounts of Vendors;
5. Payments to the Participant from authorized individual and corporate accounts; and
6. Payments from the Participant to authorized individual and corporate accounts.

Participant agrees that IPAIT is not required to offer any or all of such Vendor Authorization and Entries. All such Vendor Authorization and Entries shall be initiated and conveyed to the Administrator in accordance with this Certificate. Participant recognizes that use of the Vendor Pay Program is not within a "closed system" and consents to the transfer of Participant's funds to an authorized Vendor Account in accordance with the terms of this Certificate.

SECURITY PROCEDURES

The Security Procedures to be utilized in Vendor Authorizations and transmitting Entries to the Administrator and for verifying such Vendor Authorizations and Entries upon receipt by the Administrator shall consist of the following:

1. All Vendor Authorizations and Entries shall be initiated only for the purposes authorized in this Certificate.
2. All Vendor Authorizations shall identify the Vendor, two points of contact for Vendor (including but not limited to, phone number, email address and mailing address), and the Receiving Depository Financial Institution information. Participant shall obtain authorization from Vendor to participate in the Program. All Vendor Authorizations shall be initiated and conveyed to the Administrator by means of a "dual control" authorization form or personal computer or computer network operated by the Participant that requires separate actions, input or confirmation by two different Authorized Persons or their designees. Administrator will generate a negative response communication to the Vendor to reaffirm Vendor's desire to participate within the Program.

3. All Entries shall identify the Vendor and the account number(s) to be credited or debited as a result thereof, and the particular amount(s) to be so credited or debited. All entries shall be initiated and conveyed to the Administrator by an Authorized Person.. Administrator will generate a negative response communication to the Vendor to reaffirm Vendor's desire to receive payment through the Program. On Settlement Date, Administrator will confirm the Entry with the authorized Vendor. Administrator shall provide all Entry information for each Vendor to Participant in an electronic format.

4. Authorization. The Administrator shall obtain the authorization of any individual or entity ("Vendor") before initiating any Entry to and authorized Vendor's account. The Administrator warrants that each Entry submitted has been authorized in writing by Vendor and Participant and that each Vendor has received a copy of such authorization.

5. Record Retention. The Administrator will retain the original or a copy of each authorization for such period of time as may be required by the rules of the National Automated Clearing House Association (the "Rules") or applicable law.

6. Format and Medium. All Entries initiated by the Participant will be prepared and submitted in mutually agreed upon medium and in format specified by Administrator. Administrator reserves the right to reject or refuse to execute individual Entries or any files or tapes containing Entries not prepared in accordance herewith; however, Administrator shall not be responsible for detecting or reporting any error in data supplied by the Participant.

7. Delivery of Entries. On each Banking Day, the Participant will deliver all Entries to Administrator prior to 2:00 P.M., Iowa time, or such other daily cutoff time that may be established by Administrator from time to time. The Administrator agrees to provide the Participant with not less than thirty (30) days written notice of any change to the daily cutoff time being implemented by the Administrator. The Participant agrees that any Entry received by Administrator after its daily cutoff time may be processed on the next Banking Day.

8. Changes in Authorized Persons, Vendor Authorizations, Entries or Security Procedures. The Participant agrees deletions from or additions to the lists of Authorized Persons, Vendor Authorizations or Entries, or changes in the authority of such Authorized Persons, or changes in the Security Procedures delivered to the Administrator must be in writing. Until the Administrator has received a written change authorization with respect to such Authorized Persons, Vendor Authorizations, Entries or Security Procedures and has had a reasonable time to act thereon, the Administrator may continue to act pursuant to the designations and instructions previously specified; provided, however, that for purposes of this Section, the "reasonable time" permitted shall be no longer than that reasonably required under the circumstances to inform an appropriate officer of the Administrator of the changes in Authorized Persons, Vendor Authorizations, Entries or Security Procedures, and in no event longer than two Banking Days after Administrator's receipt of such new changes.

9. Rejected Entries. Administrator has the right to reject any Vendor Authorization or Entry because such Vendor Authorization or Entry does not meet the criteria for processing as set forth in the Rules or by Administrator. Upon notification from the ACH or any Receiving Depository Financial Institution that any Entry (or group of Entries) initiated by the Participant has been rejected, or upon rejection by Administrator, Administrator will promptly notify the Participant (by no later than the next Banking Day) and each rejected Entry will be returned, charged or credited back to Participant's account and confirmation of the action will be sent to the Participant. The Administrator does not assume any other responsibility with respect to such rejected Entry, and the Participant is responsible for remaking and resubmitting such Entry or otherwise handling the payments or charges with the Vendor(s). Notwithstanding the foregoing, Administrator may in its sole discretion remake and resubmit any rejected Entry but shall have no obligation to do so. If Administrator remakes and resubmits any rejected Entry, it shall provide notification to the Participant by no later than the next Banking Day and confirmation of the action taken on the next periodic account statement.

10. Returns, Reversals, Adjustments and Notifications of Change.

a. Returns. Administrator agrees to give the Participant notice of returned Entries by no later than the next Banking Day. The Participant shall be responsible for remaking and



resubmitting any Debit Entries returned due to not sufficient or uncollected funds. Where the Participant requests, and Administrator is capable, Administrator will automatically redeposit Debit Entries returned due to not sufficient or uncollected funds. Neither the Participant nor Administrator shall knowingly resubmit Debit Entries returned due to stop payment, revocation or termination of a Vendor's authorization. The Participant shall be responsible for collecting any such funds due to it by other means. Administrator may debit Participant's Account for all funds that the Participant has received for Entries that are subsequently returned.

- b. Reversals. The Participant or Administrator may initiate reversing Entries as permitted by the Rules in the event that previously originated data is erroneous or duplicated.
- c. Adjustments. Administrator shall give the Participant prompt notice of adjustment Entries received by Administrator.
- d. Notifications of Change. Administrator shall promptly notify the Participant of all Notifications of Change received by Administrator from any Receiving Depository Financial Institution relating to any Entries transmitted to Administrator by the Participant.

11. Provisional Payment. The Participant acknowledges and agrees that, pursuant to the Rules, payment of any electronic Credit Entry by a Receiving Depository Financial Institution to a Vendor is provisional until receipt of final settlement by such Receiving Depository Financial Institution for that Entry. The Participant agrees that, if such settlement is not consummated, (a) such Receiving Depository Financial Institution shall be entitled to a refund from such Vendor, and (b) the Participant shall not be deemed to have paid the amount of such Entry.

12. Notices of Varying Transfer Amounts and Changes in Billing Date. Where Vendor is a Consumer and has authorized the Participant to initiate Debit Entries and either the amount or the billing date changes from the next proceeding Debit Entry, the Participant must notify Vendor in writing of the change in accordance with the Rules.

This Certificate is dated this \_\_\_\_\_ day of \_\_\_\_\_, 201\_.

PARTICIPANT

By: \_\_\_\_\_

By: \_\_\_\_\_

MILES CAPITAL, INC., as Administrator to Iowa Public Agency Investment Trust

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date \_\_\_\_\_

**IOWA PUBLIC AGENCY INVESTMENT TRUST  
Vendor Pay Vendor Setup Form**

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**I. Participant Information**

Name of Public Agency: \_\_\_\_\_

Contact Person and Title: \_\_\_\_\_

Address: \_\_\_\_\_

Email Address: \_\_\_\_\_

Telephone Number: ( \_\_\_\_\_ ) \_\_\_\_\_ Fax Number: ( \_\_\_\_\_ ) \_\_\_\_\_

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**II. Vendor Information**

Authorization is hereby given to Miles Capital, as IPAIT Administrator, to electronically send payment(s) to the following Vendor.

Vendor Name: \_\_\_\_\_

Vendor Address: \_\_\_\_\_

Vendor Contact #1: \_\_\_\_\_

Vendor Contact #2: \_\_\_\_\_

Vendor Phone # 1:( \_\_\_\_\_ ) \_\_\_\_\_ Vendor Phone # 2:( \_\_\_\_\_ ) \_\_\_\_\_

Vendor Email Address: \_\_\_\_\_

Vendor Email Address CC: \_\_\_\_\_

Vendor Depository Name: \_\_\_\_\_

Vendor Depository Address: \_\_\_\_\_

Vendor Depository Account Number \_\_\_\_\_ Checking  Savings

Depository's ABA Routing Number \_\_\_\_\_

Participant Account/Identification Number with Vendor \_\_\_\_\_

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**III. Public Agency Authorization** (Two signatures are required).

Signature of Authorized Official: \_\_\_\_\_

Signature of Authorized Official: \_\_\_\_\_

**Vendor Pay becomes effective upon verification of approval of both Participant and Vendor**

<p><b>Mail this completed form to:</b> Iowa Public Agency Investment Trust IPAIT Administrator 1415 28<sup>th</sup> Street, Suite 200 West Des Moines, IA 50266-1461</p>	<p><b>If you have questions, call an IPAIT Administrator at 800-872-4024.</b></p> <p><b>This form may be photocopied.</b></p>
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