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ELEVENTH SUPPLEMENTAL INDENTURE

IOWA POWER AND LIGHT COMPANY

TO

HARRIS TRUST AND SAVINGS BANK

AND

R. H. LONG

TRUSTEES

For deed of Release see mtg Rec 139-322 filed Jan 5, 1984

For deed of Release see mtg Rec 142-205 filed Jan 19, 1985

DATED AS OF DECEMBER 1, 1971

CREATING AN ISSUE OF FIRST MORTGAGE BONDS, 7 5/8% SERIES DUE 2001

SUPPLEMENTAL TO INDENTURE OF MORTGAGE AND DEED OF TRUST DATED AS OF AUGUST 1, 1943

THIS ELEVENTH SUPPLEMENTAL INDENTURE, dated as of the 1st day of December, 1971, between IOWA POWER AND LIGHT COMPANY, a corporation duly organized and existing under and by virtue of the laws of the State of Iowa (hereinafter called the "Company"), party of the first part, and HARRIS TRUST AND SAVINGS BANK, a corporation duly organized and existing under and by virtue of the laws of the State of Illinois, having its principal place of business in the City of Chicago, State of Illinois (hereinafter called the "Trustee"), and R. H. LONG of Chicago, Illinois, as Trustees under the Indenture hereinafter mentioned, parties of the second part:

WITNESSETH:

WHEREAS, the Company has heretofore executed and delivered to the Trustee and to Harold Eckhart, as Trustees, an Indenture of Mortgage and Deed of Trust (hereinafter called the "Indenture"), dated as of August 1, 1943, to secure the Company's First Mortgage Bonds, unlimited in aggregate principal amount except as therein otherwise provided, and, at various dates thereafter, ten Supplemental Indentures (hereinafter referred to as the "First Supplemental Indenture," the "Second Supplemental Indenture," etc., as the case may be) creating various series of bonds issued under the Indenture, of which series there have been issued and are now outstanding $98,429,000 in aggregate principal amount; and

WHEREAS, effective June 26, 1961, R. H. Long became and is now the duly appointed and acting Individual Trustee under the Indenture (the Trustee and R. H. Long, Individual Trustee, being hereinafter called the "Trustees"); and

WHEREAS, the Company desires in and by this Eleventh Supplemental Indenture to create an eleventh series of bonds to be issued under the Indenture, to designate or otherwise distinguish such series, to specify the particulars necessary to describe and define the same, and to specify such other provisions and agreements in respect thereof as are in the Indenture provided or permitted; and

Whereas, the Company also desires in and by this Eleventh Supplemental Indenture to record the description of, and confirm unto the Trustees, certain property acquired after the execution and delivery of the Tenth Supplemental Indenture and now subject to the lien of the Indenture by virtue of the provisions of the Indenture conveying to the Trustees property acquired after its execution and delivery; and

Whereas, all the conditions and requirements necessary to make this Eleventh Supplemental Indenture, when duly executed and delivered, a valid, binding and legal instrument in accordance with its terms and for the purposes herein expressed, have been done, performed and fulfilled, and the execution and delivery of this Eleventh Supplemental Indenture in the form and with the terms hereof have been in all respects duly authorized;

Now, Therefore, in consideration of the premises and in further consideration of the sum of One Dollar in lawful money of the United States of America paid to the Company by the Trustees at or before the execution and delivery of this Eleventh Supplemental Indenture, the receipt whereof is hereby acknowledged, and of other good and valuable considerations, it is agreed by and between the Company and the Trustees as follows:

Description of Property Acquired After Execution and Delivery of the Tenth Supplemental Indenture

First. The Company records below the description of, and hereby confirms unto the Trustees, the following described real property in the State of Iowa, which property has been acquired by the Company after the execution and delivery of the Tenth Supplemental Indenture and which, since the respective dates of acquisition thereof, has been and is now subject to the lien of the Indenture in all respects as if originally described therein.

MAHASKA COUNTY

Oskaloosa Propane Plant

The North 180 feet of the following described property: Commencing 463 feet North of the Southeast corner of the Southeast Quarter (SE¼) of the Southeast Quarter (SE¼) of Section 11, Township 75 North, Range 16 West of the 5th P.M., Mahaska County, Iowa, thence North 736 feet, thence West 75 feet, thence North 120 feet, thence West 433.25 feet, thence South 857 feet, thence East 508.25 feet to point of beginning.

MARION COUNTY

Knoxville Work Center

Lots 5 and 6 in Block 1 in Northwest Knoxville, also known as Jones & Hanks Addition to the City of Knoxville, Iowa, except right-of-way of the C.B. & Q. R.R. Co., subject to applicable city zoning regulations.

PAGE COUNTY

Clarinda Work Center

Lot 22 and the North 136.7 feet of Lot 21 of the Irregular Survey of the Northwest Quarter (NW¼) of the Northwest Quarter (NW¼) of Section 32, Township 69 North, Range 36 West of the 5th P.M. in Clarinda, Page County, Iowa.

Coin Substation

One Square Acre of land located in the Northwest corner (exclusive of easement for road purposes but contiguous thereto) of the Southwest Quarter (SW¼) of Section 5, Township 67 North, Range 38 West of the 5th P.M. in Page County, Iowa.

POLK COUNTY

Southeast 5th and Watrous Gas Regulator Site

The North 30 feet of the West 25 feet of Lot 28, Morningside, an Official Plat, now in and forming a part of the City of Des Moines, Polk County, Iowa.

Alleman Substation

Part of Southwest Quarter (SW¼) of Section 23, Township 81 North, Range 24 West of the 5th P.M., Polk County, Iowa, described as beginning at South Quarter (S¼) corner of said Section 23, thence North along quarter section line 1162.8 feet, thence West at right angles 78 feet to point of beginning, said point being on West right-of-way fence of present existing highway, thence continuing West 200.0 feet, thence North 100.0 feet, thence East 200.0 feet, thence South 100.0 feet parallel to quarter section line to point of beginning.

East 17th and Washington Substation Addition

Lot 1 in East Capital Park, also a strip of ground 7 feet in width lying East of and adjacent to Lot 1 in East Capital Park, said 7 foot strip of ground being a part of the West One-half (W½) of the North and South alley lying between East 17th Street and East 17th Street Court, vacated by Ordinance 6330 passed January 4, 1961, all now included in and forming a part of the City of Des Moines, County of Polk, State of Iowa.

Southeast 26th and Market Gas Regulator Site

The South 7 feet of the North 24 feet of Lots 128 and 129 in Morrison's Addition to the City of Des Moines, Polk County, Iowa.

161 KV Transmission Line Right-of-Way

Lots 2, 5, 6 and 7 in Block 19, Central Place, now included in and forming a part of the City of Des Moines, Polk County, Iowa.

345 KV Transmission Line Right-of-Way

The South 194 feet of Lots 10 and 11, Beaver Farms, excepting the West 17 feet thereof used for roadway, all in Polk County, Iowa, being an official plat, Polk County, Iowa.

POTTAWATTAMIE COUNTY

Substation 702 Addition

The East 20 feet of Lot 7 and all of Lots 8, 9, 10, 11 and 12, all in Block 3, Fleming and Davis Addition in Council Bluffs, Iowa.

Substation 705

A part of the Northwest Quarter (NW¼) of the Southeast Quarter (SE¼) of Section 3, Township 74 North, Range 44 West of the 5th P.M., Pottawattamie County, Iowa, in the City of Council Bluffs, which is more particularly described as follows: Beginning at the Northwest corner of the said Northwest Quarter (NW¼) of the Southeast Quarter (SE¼) of Section 3, Township 74 North, Range 44 West, thence along the North line of said Northwest Quarter (NW¼) of the Southeast Quarter (SE¼) of Section 3, S88° 23′ 25″ E, 200.00 feet, thence S00° 39′ 35″ W, 330.00 feet, thence N88° 23′ 25″ W, 200.00 feet, thence along the West line of said Northwest Quarter (NW¼) of the Southeast Quarter (SE¼) of Section 3, N00° 39′ 35″ E, 330.00 feet to the point of beginning. Said tract contains 1.3772 acres, more or less, exclusive of perpetual easement to the City of Council Bluffs for public roadway. Said tract is also subject to easement 33.0 feet in width across the Southwest corner for a 6″ products pipeline of the National Cooperative Refinery Association. The West line of the Northwest Quarter (NW¼) of said Section 3, Township 74 North, Range 44 West is assumed to bear North-South.

WARREN COUNTY

Southwest 9th Street Substation

Commencing at the Southwest corner of the Southeast Quarter (SE¼) of the Northeast Quarter (NE¼) of the Southwest Quarter (SW¼) of Section 4, Township 77 North, Range 24 West of the 5th P.M., Warren County, Iowa, thence North 240 feet, thence East 390 feet, thence South 110 feet, thence East 230 feet to the West right-of-way line of Northwest 29th Street (also known as Southwest 9th Street), thence South along said right-of-way line 130 feet to the South line of said Southeast Quarter (SE¼) of the Northeast Quarter (NE¼) of the Southwest Quarter (SW¼), thence West 620 feet to the point of beginning.

Second. The Company also hereby confirms unto the Trustees all other property of every kind, character and description (other than Excepted Property as defined in the Indenture), acquired or constructed by the Company after the execution and delivery of the Tenth Supplemental Indenture (except such part of such properties as has been disposed of by the Company in accordance with the provisions of the Indenture), including, without limiting the generality of the foregoing, all transmission lines, pipe lines, additions to electric generating plants and to gas works, substations and electric and gas distribution systems and facilities of the Company, including those now under construction; also all franchises, privileges, permits, licenses, easements and rights-of-way; all of said property being now subject to the lien of the Indenture in all respects as if originally described therein; together with all and singular the easements, hereditaments and appurtenances belonging or in any wise appertaining to the property above described or referred to, and all the estate, title, claims and demands whatsoever, as well in law as in equity, of the Company in and to the same and any and every part and parcel thereof; and all and singular the rents, issues, profits, tolls and other income thereof; excepting always Excepted Property as defined in the Indenture.

ARTICLE I.

First Mortgage Bonds, 7⅝% Series Due 2001

Section 1. There is hereby created an eleventh series of bonds to be issued under and secured by the Indenture to be designated, distinguished and known as "First Mortgage Bonds, 7⅝% Series Due 2001" of the Company (herein called "Bonds of Eleventh Series"). Bonds of Eleventh Series may be issued without limitation as to aggregate principal amount except as provided in the Indenture and in this Eleventh Supplemental Indenture. Bonds of Eleventh Series shall be registered bonds without coupons and shall be dated as of the interest payment date next preceding the authentication thereof by the Trustee (except that (i) if any Bond of Eleventh Series shall be authenticated before June 1, 1972, it shall be dated as of December 1, 1971, unless (iii) below is applicable, (ii) if the Company shall at the time of the authentication of a Bond of Eleventh Series be in default in the payment of interest upon the Bonds of Eleventh Series, such Bond of Eleventh Series shall be dated as of the date of the beginning of the period for which such interest is so in default, and (iii) so long as there is no existing default in the payment of interest on the Bonds of Eleventh Series, if any Bond of Eleventh Series shall be authenticated after the close of business on any record date, as hereinafter defined, with respect to any interest payment date (June 1 or December 1, as the case may be) and on or prior to such interest payment date, it shall be dated as of such interest payment date).

The registered owner of any Bond of Eleventh Series dated as of an interest payment date as provided in (iii) above shall, if the Company has defaulted in the payment of interest due on such interest payment date and such default shall be continuing, be entitled to exchange such Bond of Eleventh Series for a Bond or Bonds of Eleventh Series of the same aggregate principal amount dated as of the interest payment date next preceding the interest payment date first mentioned in this sentence. If the Trustee shall have knowledge at any time that any registered owner of a Bond of Eleventh Series shall be entitled by the provision of the next preceding sentence to exchange such Bond of Eleventh Series, the Trustee shall within thirty days mail to such owner at the address of such owner appearing upon the registry book of the Company a notice informing such owner that such owner has such right of exchange.

All bonds of Eleventh Series shall mature December 1, 2001; the principal of and interest on the Bonds of Eleventh Series shall be payable in lawful money of the United States of America; the place where such principal shall be payable shall be the principal office of the Trustee in the City of Chicago, State of Illinois (or at the principal office of any successor in trust), and the place where such interest shall be payable shall be the office or agency of the Company in said City of Chicago, State of Illinois; the rate of interest shall be 7⅝% per annum, payable semi-annually on the first days of June and December; and the terms of redemption shall be as referred to in Section 2 of this Article I.

So long as there is no existing default in the payment of interest on the Bonds of Eleventh Series, the person in whose name any Bond of Eleventh Series is registered at the close of business on any record date with respect to any interest payment date shall be entitled to receive the interest payable on such interest payment date notwithstanding any transfer or exchange of such Bond of Eleventh Series subsequent to the record date and on or prior to such interest payment date, except as and to the extent the Company shall default in the payment of the interest due on such interest payment date, in which case such defaulted interest shall be paid to the person in whose name such Bond of Eleventh Series is registered on the date of payment of such defaulted interest.

As used in this Section 1, the term "default in the payment of interest" means failure to pay interest on the applicable interest payment date disregarding any period of grace permitted by Section 2 of Article IX of the Indenture.

The term "record date" as used herein with respect to any interest payment date shall mean the last business day which is more than 10 calendar days prior to such interest payment date. The term "business day" as used herein shall mean any day other than a Saturday or a Sunday or a day on which the offices of the Trustee in the City of Chicago, Illinois, are closed pursuant to authorization of law.

SECTION 2. The Bonds of Eleventh Series shall be redeemable prior to maturity, either at the option of the Company in whole at any time or in part from time to time (subject, however, to the provisions of the fourth paragraph of this Section 2) or through the operation of the Sinking Fund provided for in Article III hereof in part on December 1, 1973, and on each December 1 thereafter to and including December 1, 2000, on notice given in the manner and with the effect provided in Article IV of the Indenture and as in this Section 2 provided.

The redemption prices of Bonds of Eleventh Series redeemed at the option of the Company shall be the following percentages of the principal amount thereof:

IF REDEEMED DURING TWELVE MONTHS' PERIOD BEGINNING

December 1	Percentage	December 1	Percentage	December 1	Percentage
1971	.. 108.13%	1976	.. 106.73%	1981	.. 105.33%
1972	.. 107.85%	1977	.. 106.45%	1982	.. 105.05%
1973	.. 107.57%	1978	.. 106.17%	1983	.. 104.77%
1974	.. 107.29%	1979	.. 105.89%	1984	.. 104.49%
1975	.. 107.01%	1980	.. 105.61%	1985	.. 104.21%

1986 .. 103.93%	1991 .. 102.53%	1996 .. 101.13%
1987 .. 103.65%	1992 .. 102.25%	1997 .. 100.85%
1988 .. 103.37%	1993 .. 101.97%	1998 .. 100.57%
1989 .. 103.09%	1994 .. 101.69%	1999 .. 100.29%
1990 .. 102.81%	1995 .. 101.41%	2000 .... 100%

in each case plus accrued interest to the redemption date.

The redemption prices of Bonds of Eleventh Series redeemed for the Sinking Fund provided for in Article III hereof shall be the following percentages of the principal amount thereof:

IF REDEEMED ON

December 1	Percentage	December 1	Percentage	December 1	Percentage
1973 ..	100.50%	1983 ..	100.44%	1992 ..	100.29%
1974 ..	100.50%	1984 ..	100.43%	1993 ..	100.27%
1975 ..	100.50%	1985 ..	100.42%	1994 ..	100.25%
1976 ..	100.50%	1986 ..	100.40%	1995 ..	100.22%
1977 ..	100.50%	1987 ..	100.39%	1996 ..	100.19%
1978 ..	100.49%	1988 ..	100.37%	1997 ..	100.16%
1979 ..	100.48%	1989 ..	100.36%	1998 ..	100.12%
1980 ..	100.47%	1990 ..	100.34%	1999 ..	100.09%
1981 ..	100.46%	1991 ..	100.32%	2000	100%
1982 ..	100.45%				

in each case plus accrued interest to the redemption date.

Prior to December 1, 1976, none of the Bonds of Eleventh Series may be redeemed at the option of the Company through a refunding, directly or indirectly, by or in anticipation of the incurring of any debt which has an interest cost to the Company of less than 7.67% per annum. The term "interest cost to the Company" shall mean the annual percentage yield to stated maturity of the debt at the net price to the Company therefor, determined by reference to a standard table of bond yields, with straight-line interpolation if necessary. The "net price to the Company" shall be determined after allowing for all discounts, commissions, finder's fees or negotiator's fees, standby or commitment charges and any other compensation received or receivable directly from the Company by underwriters, investment bankers or other financing agents or purchasers. Prior to each redemption at the option of the Company of any Bonds of Eleventh Series prior to December 1, 1976, the Company will deliver to the Trustee an officers' certificate showing compliance with the provisions of this paragraph.

In case the Company shall at any time elect to redeem all or any part of the Bonds of Eleventh Series, it shall give notice to the effect that it has elected to redeem all or a part thereof, as the case may be, on a date therein designated, specifying in case of redemption of a part of the Bonds of Eleventh Series the distinctive numbers of the bonds to be redeemed, and in every case stating in substance that on said date there will become and be due and payable upon each bond so to be redeemed, at the principal office of the Trustee in the City of Chicago, State of Illinois, the redemption price thereof (or portion thereof in the case of partial redemption of a bond) hereinbefore in this Section 2 specified for bonds redeemed at the option of the Company, and that on and after such date interest thereon will cease to accrue.

Such notice, in case of redemption of Bonds of Eleventh Series at the option of the Company, shall be given by mail by the Company, postage prepaid, at least thirty and not more than forty-five days prior to such date of redemption, to the registered owners of all Bonds of Eleventh Series to be so redeemed, at their respective addresses appearing on the register thereof. Any notice which is mailed as herein provided shall be conclusively presumed to have been properly and sufficiently given on the date of such mailing, whether or not the holder receives the notice. In any case, failure to give due notice by mail, or any defect in the notice, to the registered owner of any Bond of Eleventh Series designated for redemption as a whole or in part, shall not affect the validity of the proceedings for the redemption of any other bond.

Notice of redemption of bonds redeemed through the operation of the Sinking Fund shall be given as provided in Section 3 of Article III hereof.

SECTION 3. Bonds of Eleventh Series shall be registered bonds without coupons. Bonds of Eleventh Series may be issued in the denomination of $1,000, numbered consecutively from "R-M-1" upward, or in any multiple thereof, numbered consecutively from "R-U-1" upward and also in the denomination of $5,000, numbered consecutively from "R-V-1" upward and $10,000, numbered consecutively from "R-X-1" upward.

The form of Bonds of Eleventh Series shall be substantially as follows (any of the provisions of such Bonds may be set forth on the reverse side thereof):

[FORM OF BOND OF ELEVENTH SERIES]

IOWA POWER AND LIGHT COMPANY

FIRST MORTGAGE BOND, 7⅝% SERIES DUE 2001

Due December 1, 2001

$.......... No...........

IOWA POWER AND LIGHT COMPANY (hereinafter called the "Company"), a corporation of the State of Iowa, for value received, hereby promises to pay to........................ ....or registered assigns, on December 1, 2001, at the principal office of the Trustee hereinafter named, in the City of Chicago, State of Illinois, or at the principal office of any successor in trust, the sum of ....Dollars in lawful money of the United States of America, and to pay interest thereon from the date hereof at the rate of 7⅝% per annum, in like lawful money, payable semi-annually at the office or agency of the Company in the City of Chicago, State of Illinois, on June 1 and December 1 in each year until the Company's obligation with respect to the payment of such principal sum shall be discharged as provided in the indentures hereinafter mentioned, provided that, so long as there is no existing default in the payment of interest and except for the payment of defaulted interest, the interest payable on any June 1 or December 1 will be paid to the person in whose name this bond was registered at the close of business on the record date (the last business day which is more than 10 calendar days prior to such June 1 or December 1).

This bond is one, of the series hereinafter specified, of the bonds of the Company (herein called the "bonds") known as its "First Mortgage Bonds", issued and to be issued in one or more series under, and all equally and ratably secured by, an Indenture of Mortgage and Deed of Trust dated as of August 1, 1943, duly executed by the Company to Harris Trust and Savings Bank (herein called the "Trustee") and Harold Eckhart (R. H. Long, successor Individual Trustee), Trustees, to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security, the terms and conditions upon which the bonds are, and are to be, issued and secured, and the rights of the bearers or registered owners of the bonds and of the Trustees in respect of such security. As provided in said Indenture, said bonds may be for various principal sums and are issuable in series, which may mature at different times, may bear interest at different rates and may otherwise vary as therein provided; and this bond is one of a series entitled "First Mortgage Bonds, 7⅝% Series due 2001", created by the Eleventh Supplemental Indenture dated as of December 1, 1971, as provided for in said Indenture.

To the extent permitted by said Indenture, modifications or alterations of said Indenture or of any indenture supplemental thereto and of the rights and obligations of the Company and of the bearers or registered owners of the bonds and coupons may be made, and compliance with said Indenture or any such supplemental indenture may be waived, with the consent of the Company, by an affirmative vote of the bearers or registered owners of not less than sixty-six and two-thirds per cent (66⅔%) in principal amount of the bonds entitled to vote at a meeting of bondholders called and held as provided in said Indenture and by an affirmative vote of not less than sixty-six and two-thirds per cent (66⅔%) in principal amount of the bonds entitled to vote of each series affected by such modification or alteration or waiver in case one or more, but less than all, of the series of bonds then outstanding under said Indenture are so affected; provided, however, that no such modification or alteration or waiver shall be made which will (a) affect the terms of payment of the principal of, or interest or premium on, this bond, or the right of any bondholder to institute suit for the enforcement of any such payment on or after the respective due dates expressed in this bond, or (b) otherwise than as permitted by said Indenture, permit the creation by the Company of any mortgage lien ranking prior to or on a parity with the lien of said Indenture or of any indenture supplemental thereto, with respect to any property covered thereby, or give to any bond or bonds secured by said Indenture any preference over any other bond or bonds so secured, or deprive any bondholder of the security afforded by the lien of said Indenture, or (c) reduce the percentage in principal amount of the bonds required to authorize or consent to any such modification or alteration or waiver; all as more fully provided in said Indenture.

The First Mortgage Bonds, 7⅝% Series due 2001, may be redeemed at the option of the Company in whole at any time, or in part from time to time, at the following percentages of the principal amount thereof:

IF REDEEMED DURING TWELVE MONTHS' PERIOD BEGINNING

December 1	Percentage	December 1	Percentage	December 1	Percentage
1971	108.13%	1981	105.33%	1991	102.53%
1972	107.85%	1982	105.05%	1992	102.25%
1973	107.57%	1983	104.77%	1993	101.97%
1974	107.29%	1984	104.49%	1994	101.69%
1975	107.01%	1985	104.21%	1995	101.41%
1976	106.73%	1986	103.93%	1996	101.13%
1977	106.45%	1987	103.65%	1997	100.85%
1978	106.17%	1988	103.37%	1998	100.57%
1979	105.89%	1989	103.09%	1999	100.29%
1980	105.61%	1990	102.81%	2000	100%

in each case plus accrued interest to the date of redemption; provided, however, that prior to December 1, 1976, none of the First Mortgage Bonds, 7⅝% Series due 2001, may be redeemed at the option of the Company through a refunding, directly or indirectly, by or in anticipation of the incurring of any debt which has an interest cost to the Company (as defined in the Eleventh Supplemental Indenture) of less than 7.67% per annum.

The First Mortgage Bonds, 7⅝% Series due 2001, are entitled to the benefit of a sinking fund, the terms and provisions of which are set forth in said Eleventh Supplemental Indenture, and, as provided therein, are subject to redemption through the operation of said sinking fund in part from time to time on December 1, 1973, and on each December 1 thereafter to and including December 1, 2000, at the following percentages of the principal amount thereof:

IF REDEEMED ON

December 1	Percentage	December 1	Percentage	December 1	Percentage
1973	100.50%	1978	100.49%	1983	100.44%
1974	100.50%	1979	100.48%	1984	100.43%
1975	100.50%	1980	100.47%	1985	100.42%
1976	100.50%	1981	100.46%	1986	100.40%
1977	100.50%	1982	100.45%	1987	100.39%

1988 .. 100.37%	1993 .. 100.27%	1997 .. 100.16%
1989 .. 100.36%	1994 .. 100.25%	1998 .. 100.12%
1990 .. 100.34%	1995 .. 100.22%	1999 .. 100.09%
1991 .. 100.32%	1996 .. 100.19%	2000 .... 100%
1992 .. 100.29%		

in each case plus accrued interest to the date of redemption.

Notice of any redemption of bonds to be redeemed at the option of the Company shall be given by mail by the Company, postage prepaid, at least thirty and not more than forty-five days prior to the redemption date, to the holders of all such bonds to be redeemed at the addresses that shall appear on the register thereof, and notice of any redemption of such bonds to be redeemed through the operation of the sinking fund shall be similarly given by mail by the Trustee at least fifteen and not more than thirty days prior to the redemption date; all subject to the conditions set forth and as more fully provided in said Indenture and in said Eleventh Supplemental Indenture. Said Indenture and said Eleventh Supplemental Indenture provide, among other things, that notice of redemption having been duly given, the bonds called for redemption shall become due and payable upon the redemption date and, if the redemption price shall have been duly deposited with the Trustee, interest thereon shall cease to accrue on and after the redemption date, and that whenever the redemption price thereof shall have been duly deposited with the Trustee and notice of redemption shall have been duly given or provision therefor made as provided in said Indenture, such bonds shall no longer be entitled to any lien or benefit of said Indenture.

In the event that any bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise or at the date fixed for the redemption thereof, and the Company shall have on deposit with the Trustee in trust for the purpose, on the date when such bond is so due, funds sufficient to pay the principal of such bond (and premium, if any), together with all interest due thereon to the date of maturity of such bond or to the date fixed for the redemption thereof, for the use and benefit of the registered owner thereof, then all liability of the Company to the registered owner of said bond for the payment of the principal thereof and interest thereon (and premium, if any) shall forthwith cease, determine and be completely discharged and such registered owner shall no longer be entitled to any lien or benefit of said Indenture.

In case an event of default as defined in said Indenture shall occur, the principal of this bond may become or be declared due and payable in the manner, with the effect, and subject to the conditions provided in said Indenture.

This bond is transferable by the registered owner hereof in person, or by attorney duly authorized in writing, at the principal office of the Trustee in the City of Chicago, State of Illinois, upon surrender and cancellation of this bond as provided in said Eleventh Supplemental Indenture, and upon any such transfer a new registered bond without coupons of the same series for the same aggregate principal amount will be issued to the transferee in exchange herefor, and the bonds of this series may, at the option of the registered owner and upon surrender at said office of the Trustee, be exchanged for registered bonds without coupons of this series of the same aggregate principal amount of other authorized denominations, all without charge (except for any stamp tax or other governmental charge).

No recourse shall be had for the payment of the principal of, or the interest on, this bond, or for any claim based hereon or otherwise in respect hereof or of said Indenture or any indenture supplemental thereto, against any incorporator, or against any stockholder, director or officer, past, present or future, of the Company, as such, or of any predecessor or successor corporation, either directly or through the Company or any such predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitution, statute or otherwise, of such incorporators, stockholders, directors or officers being waived and released by every owner hereof by the acceptance of this bond and as part of the consideration for the issue hereof, and being likewise waived and released by the terms of said Indenture.

This bond shall not be valid or become obligatory for any purpose, unless and until the certificate endorsed hereon shall have been executed by the Trustee or its successor in trust under said Indenture.

In Witness Whereof, Iowa Power and Light Company has caused this bond to be signed in its name by the manual or facsimile signature of its President or one of its Vice Presidents and its corporate seal to be impressed or imprinted hereon, and attested by the manual or facsimile signature of its Secretary, or one of its Assistant Secretaries.

Dated: Iowa Power and Light Company,

By ....

President.

Attest:

....

Secretary.

The form of Trustee's certificate to be endorsed on all Bonds of Eleventh Series shall be substantially as follows:

[FORM OF TRUSTEE'S CERTIFICATE]

This bond is one of the bonds of the series designated therein and described in the within-mentioned Indenture and Eleventh Supplemental Indenture.

Harris Trust and Savings Bank,

as Trustee,

By ....

Authorized Officer.

SECTION 4. Bonds of Eleventh Series shall be exchangeable at the option of the registered owners thereof and upon surrender thereof at the principal office of the Trustee in the City of Chicago, State of Illinois, for Bonds of Eleventh Series of the same aggregate principal amount but of different authorized denomination or denominations. Such exchanges and any transfer will be made without service charge (except for any stamp tax or other governmental charge).

Every bond so surrendered for transfer shall be accompanied by a proper transfer power duly executed by the registered owner or by duly authorized attorney transferring such bond to the Company, and the signature to such transfer power shall be guaranteed to the satisfaction of the Trustee. All bonds so surrendered shall be forthwith cancelled and delivered to or upon the order of the Company.

All bonds executed, authenticated and delivered in exchange for bonds so surrendered shall be valid obligations of the Company, evidencing the same debt as the bonds surrendered, and shall be secured by the same lien and be entitled to the same benefits and protection as the bonds in exchange for which they are executed, authenticated and delivered.

The Company shall not be required to make any such exchange or any transfer either (1) during a period of fifteen days next preceding any interest payment date, but only if there is an existing default in the payment of interest on the Bonds of Eleventh Series or (2) after the bond so presented for exchange or transfer, or any portion thereof, has been drawn for redemption, but may do so at its option.

SECTION 5. Pending the preparation of definitive Bonds of Eleventh Series the Company may from time to time execute, and, upon its written order, the Trustee shall authenticate and deliver, in lieu of such definitive bonds and subject to the same provisions, limitations and conditions, one or more temporary printed, lithographed or typewritten bonds, in registered form, of any denomination specified in the written order of the Company for the authentication and delivery thereof and with such omissions, insertions and variations as may be determined by the Board of Directors of the Company. Such temporary bonds shall be substantially of the tenor of the bonds to be issued as hereinbefore recited, but such temporary bonds may, in lieu of the statement of the specific redemption prices required to be set forth in Bonds of Eleventh Series in definitive form, include a reference to this Eleventh Supplemental Indenture for a statement of such redemption prices.

If any such temporary Bonds of Eleventh Series shall at any time be so authenticated and delivered in lieu of definitive bonds, the Company shall without unreasonable delay at its own expense prepare, execute and deliver to the Trustee and thereupon, upon the presentation and surrender of temporary bonds, the Trustee shall authenticate and deliver in exchange therefor, without charge to the holder, definitive bonds of the same series for the same principal sum in the aggregate as the temporary bonds surrendered. All temporary bonds so surrendered shall be forthwith cancelled by the Trustee and delivered to or upon the order of the Company. Until exchanged for definitive bonds the temporary bonds shall in all respects be entitled to the lien and security of the Indenture and all supplemental indentures.

Section 6. Definitive Bonds of Eleventh Series may be in the form of fully engraved bonds or bonds printed or lithographed with steel engraved borders.

ARTICLE II.

Issue of Bonds of Eleventh Series.

Bonds of Eleventh Series may be executed, authenticated and delivered from time to time as permitted by the provisions of Article III of the Indenture.

ARTICLE III.

Sinking Fund for Bonds of Eleventh Series.

Section 1. The Company covenants and agrees that, subject to the provisions of this Article III, it will retire through a Sinking Fund on December 1, 1973, and on each December 1 thereafter to and including December 1, 2000 (such dates being hereinafter referred to respectively as the "Sinking Fund dates"), so long as any Bonds of Eleventh Series are outstanding, a principal amount of Bonds of Eleventh Series equal to one per cent (1%) of the sum of (a) the principal amount of Bonds of Eleventh Series outstanding under the Indenture on the next preceding October 1, (b) the principal amount of Bonds of Eleventh Series redeemed through the operation of the Sinking Fund prior to said October 1 and (c) the principal amount of Bonds of Eleventh Series redeemed at the option of the Company or delivered uncancelled by it to the Trustee and in either case used by the Company to satisfy in whole or in part, as hereinafter provided, its obligation in respect of the Sinking Fund prior to said October 1. In computing the amount of Bonds of Eleventh Series to be retired on any Sinking Fund date, any excess over the nearest multiple of $1,000 shall be disregarded.

The principal amount of Bonds of Eleventh Series required to be retired by the Company on any Sinking Fund date shall, at the option of the Company, be reduced by:

(1) An amount equal to the principal amount of Bonds of Eleventh Series theretofore redeemed at the option of the Company and not theretofore bonded which the Company elects to use for such purpose; provided that the Company shall have delivered to the Trustee not less than forty days prior to such Sinking Fund date an officers' certificate notifying the Trustee of such election, stating the principal amount of Bonds of Eleventh Series so to be used and that they have not theretofore been bonded;

(2) An amount equal to the principal amount of Bonds of Eleventh Series not theretofore bonded which shall be delivered uncancelled by the Company to the Trustee for the Sinking Fund not less than forty days prior to such Sinking Fund date, together with an officers' certificate stating that such bonds were theretofore sold or otherwise disposed of by the Company for a consideration and reacquired by the Company; provided that all bonds so delivered shall be accompanied by duly executed instruments of transfer; and/or

(3) To the extent of one-half of the principal amount of Bonds of Eleventh Series to be retired on such Sinking Fund date, an amount (disregarding any excess over a multiple of $1,000) equal to sixty per cent (60%) of the cost or fair value, whichever is less, of net property additions not theretofore bonded which the Company elects to certify to the Trustee for such purpose, but only if the Company shall deliver to the Trustee not less than forty days prior to such Sinking Fund date certificates, instruments and opinions of the kind prescribed in, and setting forth the facts with respect to such net property additions specified in, subdivisions (b), (c), (d), (f), (g)(1), (2) and (5), and (h)(1) and (3), of subdivision 3 of Section 3 of Article III of the Indenture. In case such net property additions shall be subject to a prior lien there shall be deducted from the amount thereof an amount equal to one hundred sixty-six and two-thirds per cent (166⅔%) of the principal amount of the then outstanding prior lien bonds secured by such prior lien and not theretofore deducted in connection with any application for the authentication and delivery of bonds, or for the withdrawal of cash, or for the reduction of cash, or for the release of property, under any provision of the Indenture.

Section 2. The Company covenants and agrees to notify the Trustee in writing not less than forty days prior to each Sinking Fund date of the principal amount of Bonds of Eleventh Series required to be retired on such date under the provisions of Section 1 of this Article III (after giving effect to the reductions permitted by subdivisions (1), (2) and (3) of said Section 1) and to pay to the Trustee at least three business days prior to such Sinking Fund date a sum in cash equal to the applicable Sinking Fund redemption price of such bonds.

SECTION 3. All cash deposits with the Trustee for the Sinking Fund, as aforesaid, shall be held in trust for Bonds of Eleventh Series and shall be applied by the Trustee to the redemption of outstanding Bonds of Eleventh Series on the December 1 immediately following such deposit in the manner herein and in the Indenture provided. Such bonds shall be called for redemption by the Trustee at the then applicable Sinking Fund redemption price.

The Trustee, after receiving the notice provided for in Section 2 of this Article III, shall give notice of the redemption of bonds for the Sinking Fund by mailing such notice, postage prepaid, at least fifteen and not more than thirty days prior to the date of such redemption, to the holders of all bonds so to be redeemed, at the addresses that shall appear on the register thereof. Any notice which is mailed as herein provided shall be conclusively presumed to have been properly and sufficiently given on the date of such mailing, whether or not the holder receives the notice. In any case, failure to give due notice by mail, or any defect in the notice, to the registered owners of any Bonds of Eleventh Series designated for redemption as a whole or in part shall not affect the validity of the proceedings for the redemption of any other bond. Such notice shall state that the bonds specified therein by distinctive numbers, or specified portions thereof in case of partial redemption of bonds, are to be redeemed for the Sinking Fund at the principal office of the Trustee, in the City of Chicago, Illinois, or at the principal office of any successor in trust, and shall specify the date on which they shall become due and payable and the redemption price thereof and that on and after such date interest thereon will cease to accrue.

Notice of redemption having been given as aforesaid, the Bonds of Eleventh Series so called, or the specified portions thereof, shall, on the date designated in such notice, become due and payable at said office at the then current Sinking Fund redemption price, and upon presentation and surrender thereof accompanied by duly executed assignments or transfer powers, such bonds or the specified portions thereof shall be paid and redeemed out of the funds held by the Trustee in the Sinking Fund as aforesaid, at said redemption price, and on and after said redemption date interest on said bonds shall cease to accrue.

Section 4. All bonds delivered uncancelled to the Trustee for the purpose of the Sinking Fund or redeemed as above provided with moneys in the Sinking Fund, shall be forthwith cancelled by the Trustee, and shall be delivered to or upon the written order of the Company; and all such bonds, and all bonds redeemed at the option of the Company and all net property additions used to reduce the amount of bonds to be retired through the Sinking Fund as provided in Section 1 of this Article III, shall thereafter, for all purposes of the Indenture and this Eleventh Supplemental Indenture, be deemed to have been bonded, but only so long as any Bonds of Eleventh Series remain outstanding, and when no bonds of such series remain outstanding such bonds so delivered to the Trustee for the Sinking Fund, or redeemed with moneys in the Sinking Fund, or redeemed at the option of the Company and used to reduce the amount of bonds to be retired through the Sinking Fund and all net property additions so used, as provided in Section 1 of this Article III, shall cease to be bonded.

ARTICLE IV.

Replacement Fund.

Section 1. For the purpose of this Article IV, the definitions contained in and the methods of computation prescribed by this Section 1 shall be applied, unless the context otherwise requires:

(a) The "amount of the electric property account" of the Company at any date shall be the original cost (estimated if necessary) of depreciable electric and heat property in service (as shown by the Company's property accounts) subject to the Indenture. The "amount of the gas property account" of the Company at any date shall be the original cost (estimated if necessary) of depreciable gas property in service (as shown by the Company's property accounts) subject to the Indenture. Depreciable common plant subject to the Indenture shall be allocated between the electric and gas accounts on an equitable basis.

(b) The "average amount of the electric property account for the period covered by the replacement certificate" shall be deemed to be the average of the amounts of the electric property account at the date of such replacement certificate and at the date of the next preceding replacement certificate filed hereunder (or in the case of the period covered by the first replacement certificate, at January 1, 1971). The "average amount of the gas property account for the period covered by the replacement certificate" shall be deemed to be the average of the amounts of the gas property account at the date of such replacement certificate and at the date of the next preceding replacement certificate filed hereunder (or in the case of the period covered by the first replacement certificate, at January 1, 1971).

(c) The "replacement requirement for the period covered by the replacement certificate" shall be deemed to be an amount equal to the sum of:

(i) two and one-half per cent (2.5%) of the average amount of the electric property account for the period covered by the replacement certificate, if such replacement certificate covers a period of one year, and a proportionately greater or lesser amount if such replacement certificate covers a period of more or less than one year; and

(ii) two per cent (2%) of the average amount of the gas property account for the period covered by the replacement certificate, if such replacement certificate covers a period of one year, and a proportionately greater or lesser amount if such replacement certificate covers a period of more or less than one year.

(d) The "cumulative replacement requirement" shall be the sum of the replacement requirements for all periods covered by replacement certificates filed hereunder, including the replacement certificate then being filed.

SECTION 2. The Company covenants and agrees that so long as any of the Bonds of Eleventh Series are outstanding it will deliver to the Trustee a replacement certificate (1) within four months after the close of the calendar year 1971 covering the period from January 1, 1971, through December 31, 1971, and (2) within four months after the close of each calendar year thereafter covering the period from the date of the next preceding replacement certificate filed hereunder to the end of such calendar year. The Company may, in addition, at its election, at any time file a replacement certificate for the period specified therein, which shall cover the period from the date of the next preceding replacement certificate filed hereunder to a date within four months prior to the date when filed. Each replacement certificate filed hereunder shall be dated the last day of the period covered thereby, shall be signed by the President or a Vice President or the Treasurer of the Company and shall show the following:

(a) The average amount of the electric property account for the period covered by the replacement certificate, and the average amount of the gas property account for the period covered by the replacement certificate.

(b) The replacement requirement for the period covered by the replacement certificate, and the cumulative replacement requirement.

(c) The lesser of the cost or fair value (both of which shall be stated) of property additions (whether or not theretofore bonded) from December 31, 1970, through the date of such replacement certificate, in renewal or replacement of, in substitution for or in lieu of any property retirements (including property retirements consisting of property additions not theretofore bonded) made subsequent to December 31, 1970, showing separately the cost or fair value, whichever shall be less, of such property additions not included in item (c) of any previous replacement certificate filed hereunder. For this purpose any property additions (whether or not theretofore bonded) shall be deemed to be in substitution for or in lieu of such property retirements to the extent that the cost or fair value, whichever shall be less, of such property additions does not exceed the amount of such property retirements (determined at the amounts specified in the definition of "property retirements" in Article I of the Indenture) irrespective of the kind or character of the property additions. The fair value of property additions for the purpose of this item (c) shall be taken at the date of the replacement certificate filed hereunder in which such property additions were included in item (c) for the first time. If any property additions made the basis of the credit under this item (c) are subject to any prior lien, then the amount of such credit otherwise available to the Company shall be reduced by an amount equal to one hundred sixty-six and two-thirds per cent (166⅔%) of the principal amount of the then outstanding prior lien bonds secured by such prior lien and not theretofore deducted in connection with any application for the authentication and delivery of bonds, or for the withdrawal of cash, or for the reduction of cash, or for the release of property, under any provision of the Indenture. Property additions shall not be considered to be bonded by reason of their utilization under this item (c).

(d) The aggregate of (1) the amount of any net property additions not theretofore bonded which the Company in such replacement certificate elects to make the basis of a credit under this Article IV, and (2) the amount of net property additions utilized under item (d) of all previous replacement certificates filed hereunder but only so far as the net property additions so utilized have not ceased to be bonded as permitted by Section 5 of this Article IV at the date of the replacement certificate then being filed. The amount of net property additions utilized under item (d) of a replacement certificate, filed hereunder, for the first time shall be separately stated. The fair value of property additions shall be determined for the purpose of their inclusion in net property additions under this item (d) as of the date of the replacement certificate, filed hereunder, in which they are included in item (d) for the first time. In any such case, if any property additions made the basis of a credit under this item (d) are subject to any prior lien, then the amount of such credit otherwise available to the Company shall be reduced by an amount equal to one hundred sixty-six and two-thirds per cent (166⅔%) of the principal amount of the then outstanding prior lien bonds secured by such prior lien and not theretofore deducted in connection with any application for the authentication and delivery of bonds, or for the withdrawal of cash, or for the reduction of cash, or for the release of property, under any provision of the Indenture. Subject to the provisions of the last paragraph of this Section 2, to the extent that net property additions are utilized under this item (d), they shall be deemed to have been bonded for all purposes of the Indenture; and to the extent that prior lien bonds are deducted under this item (d), they shall be deemed to have been deducted, for all purposes of the Indenture, in connection with an application for the withdrawal or reduction of cash.

(e) The aggregate of (1) one hundred per cent (100%) of the principal amount of prior lien bonds which shall have theretofore been deducted in connection with any application for the authentication and delivery of bonds, or for the release of property, or for the withdrawal of cash, or for the reduction of cash, under any provision of the Indenture (or, in the case of prior lien bonds, one hundred sixty-six and two-thirds per cent (166⅔%) of the principal amount whereof has theretofore been deducted in connection with the reduction or withdrawal of cash under any provision of the Indenture, then an amount equal to one hundred sixty-six and two-thirds per cent (166⅔%) of the principal amount of such prior lien bonds), which after such deduction and prior to or simultaneously with the filing of such replacement certificate shall have been deposited with the Trustee or paid or redeemed or reduced or ascertained by final judicial determination to be invalid, which the Company in such replacement certificate elects to make the basis of a credit under this Article IV and which shall not theretofore have been bonded, and (2) the aggregate amount of credit based on prior lien bonds utilized under item (e) of all previous replacement certificates filed hereunder, but only so far as the prior lien bonds so utilized have not ceased to be bonded as permitted by Section 5 of this Article IV at the date of the replacement certificate then being filed. The amount of prior lien bonds utilized under item (e) of a replacement certificate for the first time shall be separately stated. Subject to the provisions of the last paragraph of this Section 2, to the extent that prior lien bonds are utilized under this item (e) they shall be deemed to have been bonded for all purposes of the Indenture.

(f) The aggregate of (1) the principal amount of bonds theretofore authenticated and delivered under any provision of the Indenture, which after such delivery and prior to or simultaneously with the filing of such replacement certificate shall have been or be surrendered for conversion (if convertible) except into other bonds, or paid or redeemed or otherwise surrendered to the Trustee and cancelled (otherwise than upon exchange of bonds of one denomination for bonds of another denomination or of coupon bonds for registered bonds or of registered bonds for coupon bonds or upon transfer of registered bonds or in lieu of lost, mutilated, stolen or destroyed bonds), which the Company in such replacement certificate elects to make the basis of a credit under this Article IV and which shall not theretofore have been bonded, and (2) the principal amount of bonds utilized under item (f) of all previous replacement certificates filed hereunder, but only so far as the bonds so utilized have not ceased to be bonded as permitted by Section 5 of this Article IV at the date of the replacement certificate then being filed. The amount of bonds utilized under item (f) of a replacement certificate for the first time shall be separately stated. Subject to the provisions of the last paragraph of this Section 2, to the extent that bonds are utilized under this item (f) they shall be deemed to have been bonded for all purposes of the Indenture.

(g) The amount, if any, of cash previously deposited by the Company with the Trustee pursuant to Section 3 of this Article IV or previously (but after December 31, 1970) or concurrently so deposited pursuant to Section 3 of Article IV of the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth or Tenth Supplemental Indenture and not subsequently withdrawn pursuant to subdivision (a) of Section 4 of this Article IV, or pursuant to subdivision (a) of Section 4 of Article IV of the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth or Tenth Supplemental Indenture.

(h) The amount, if any (hereinafter sometimes referred to as the "Item (h) Credit"), by which the aggregate of the foregoing items (c), (d), (e), (f) and (g) exceeds the cumulative replacement requirement.

(i) The amount, if any (hereinafter sometimes referred to as the "Item (i) Deficit"), by which the aggregate of the amounts of the foregoing items (c), (d), (e), (f) and (g) fails to equal the cumulative replacement requirement.

Each replacement certificate shall be accompanied by the officers' certificate, engineer's certificate and independent engineer's certificate, opinion of counsel, instruments of conveyance and transfer and other documents described in Article III of the Indenture to the extent that they are pertinent to establish the facts set forth in the replacement certificate, except that, subject to the provisions of Section 8 of Article XVII of the Indenture, the Company may incorporate by reference any such certificates, opinions, instruments or documents previously or concurrently filed with the Trustee under this Article IV or under Article IV of the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth or Tenth Supplemental Indenture.

Notwithstanding any provision elsewhere set forth herein, or in the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth or Tenth Supplemental Indenture or in the Indenture:

(1) for purposes of a replacement certificate filed hereunder, property additions purchased, constructed, or otherwise acquired and prior lien bonds and bonds acquired by the Company shall not be deemed to be bonded, and the utilization thereof under items (c), (d), (e) or (f) of such replacement certificate shall not be limited or precluded, by reason of the utilization, subsequent to December 31, 1970, of such property additions, prior lien bonds or bonds under items (c), (d), (e) or (f) of a maintenance certificate filed in compliance with the provisions of Article IV of either the First or the Second Supplemental Indenture or under items (c), (d), (e) or (f) of a replacement certificate filed in compliance with the provisions of Article IV of either the Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth or Tenth Supplemental Indenture; and

(2) for the purposes of a maintenance certificate filed in compliance with the provisions of Article IV of either the First or the Second Supplemental Indenture or of a replacement certificate filed in compliance with the provisions of Article IV of either the Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth or Tenth Supplemental Indenture, property additions, prior lien bonds and bonds shall not become bonded, and the utilization thereof under items (c), (d), (e) or (f) of such maintenance certificate or such replacement certificate shall not be limited or precluded, by reason of the utilization of such property additions, prior lien bonds or bonds under items (c), (d), (e) or (f) of a replacement certificate filed hereunder.

Section 3. In case any replacement certificate shows an Item (i) Deficit, the Company covenants that it will, concurrently with the filing of such certificate, deposit with the Trustee an amount in cash equal to the amount of such deficit.

Section 4. Any cash deposited with the Trustee under this Article IV shall be held by the Trustee as further security for the bonds, but may be withdrawn by the Company as follows:

(a) Any such cash may at any time be withdrawn by the Company in an amount equal to the Item (h) Credit stated in the last filed replacement certificate, upon filing with the Trustee an officers' certificate requesting such withdrawal and stating that such withdrawal is made against the utilization of such Item (h) Credit.

(b) Any such cash may be also withdrawn by the Company upon compliance with the provisions of subdivisions (b) and (c) of Section 1 of Article VIII of the Indenture.

The Company shall also have the right at all times and from time to time to direct the Trustee to apply any moneys deposited with it under this Article IV toward the purchase or redemption of bonds and/or prior lien bonds in the manner provided in Section 2 of Article VIII of the Indenture.

Any moneys deposited with the Trustee under this Article IV which shall not have been withdrawn by the Company or applied by the Trustee at the direction of the Company to the purchase or redemption of bonds or prior lien bonds within two years from the date of deposit thereof shall be applied by the Trustee, if in excess of $50,000, toward the purchase or redemption of bonds or prior lien bonds in the manner provided in Section 2 of Article VIII of the Indenture, except that the Company shall not be required to provide the Trustee with any amount by which the price at which such bonds or prior lien bonds are purchased or redeemed exceeds the principal amount thereof and shall not be entitled to receive from the Trustee the amount by which said price is less than said principal amount.

Section 5. Any net property additions, bonds or prior lien bonds which have become bonded by being included under item (d), (e) or (f) of any replacement certificate filed with the Trustee under this Article IV may subsequently cease to be so bonded on utilizing the Item (h) Credit, if any, stated in the last-filed replacement certificate hereunder but only in an amount not exceeding (1) in the case of such net property additions, the cost or then fair value thereof to the Company, whichever is greater, and (2) in the case of bonds or prior lien bonds, the amount with respect thereto included under item (e) or (f) at the time of the utilization thereof in any replacement certificate filed hereunder; and thereupon any prior lien bonds deducted under item (d) in respect of such net property additions shall no longer be deemed to have been deducted for the purposes of any subsequent application under the Indenture for the authentication and delivery of bonds or for the release of property or for the withdrawal of cash or for the reduction of cash. Such changes shall become effective upon the filing with the Trustee of an officers' certificate stating that the bonded net property additions, bonds or prior lien bonds referred to therein are to cease to be bonded upon the utilization of an amount, specified therein and determined as aforesaid, of the Item (h) Credit stated in the last-filed replacement certificate hereunder, and describing any bonded net property additions included therein and stating their cost and then fair value to the Company and describing any prior lien bonds theretofore deducted in respect of such net property additions.

Whenever any Item (h) Credit, or any part thereof, has been utilized as hereinbefore in this Article IV stated, such Item (h) Credit shall be diminished to the extent so utilized for all future purposes.

Section 6. Whenever all Bonds of Eleventh Series are paid or redeemed, the Company shall be entitled to any remaining moneys received by the Trustee and then held undisposed of under the provisions of this Article IV, and all property additions, bonds and prior lien bonds, which have become bonded by being included in any replacement certificate filed under this Article IV, shall thereupon cease to be bonded; and, for the purposes of any subsequent application for authentication and delivery of bonds or for the release of property or for the withdrawal of cash or for the reduction of cash under any of the provisions of the Indenture, prior lien bonds which shall have been deducted under item (d) of Section 2 of this Article IV shall no longer be deemed to have been deducted as provided in said item (d).

ARTICLE V.

Covenant With Respect to Dividends.

Section 1. The Company covenants that, after the date of delivery of this Eleventh Supplemental Indenture and so long as any Bonds of Eleventh Series are outstanding, it will not declare or pay any dividend or make any other distribution on, or purchase or redeem any shares of, any class of its capital stock at any time outstanding, if after giving effect to such dividend, distribution, purchase or redemption, the Company's earned surplus, determined and adjusted as hereinafter provided, would be exhausted.

For the purposes of this Section 1, the Company's earned surplus shall mean earned surplus of the Company determined in accordance with sound accounting practice; provided, however, that if, for any calendar year or part thereof elapsed after December 31, 1970, to the close of the calendar month next preceding the determination of earned surplus, the amounts charged or provided on the books of the Company for depreciation of the mortgaged property for the period from December 31, 1970, to the close of such calendar month are less than the cumulative replacement requirement (determined as provided in Section 1 of Article IV of this Eleventh Supplemental Indenture and as though a replacement certificate were being filed as of the close of such calendar month) for the period from December 31, 1970, to the close of such calendar month, there shall be deducted in determining earned surplus for the purposes of this Section 1 an amount equal to the difference between the amounts so charged or provided on the books of the Company for depreciation and the amount of the cumulative replacement requirement determined as hereinabove provided.

SECTION 2. The Company covenants that it will, so long as any Bonds of Eleventh Series are outstanding, file with the Trustee within four months after the close of the fiscal year concluding December 31, 1971, an earned surplus account for the fiscal year beginning January 1, 1971, and within four months after the close of each fiscal year beginning after December 31, 1971, an earned surplus account for such fiscal year. Each account so filed shall be certified by independent accountants to have been prepared in accordance with the provisions of this Article V.

ARTICLE VI.

ADDITIONAL COVENANT.

The Company covenants that after the date of delivery of this Eleventh Supplemental Indenture and so long as any Bonds of Eleventh Series are outstanding it will not, in any case wherein the provisions of subdivision 3(e) of Section 3 of Article III of the Indenture are applicable, issue any additional bonds unless the accountants' certificate required by said subdivision 3(e) shall show, in addition to the matters required to be shown by the provisions of said subdivision 3(e), that after deduction from the net earnings of the Company available for interest and for depreciation for the period specified in said subdivision 3(e) (calculated as prescribed by said subdivision) of the amount which would be shown as the replacement requirement for such period in a replacement certificate if prepared for such period pursuant to the provisions of Section 1 of Article IV of this Eleventh Supplemental Indenture, such net earnings are equal to at least two times the amount of the aggregate annual interest charges on the bonds and indebtedness specified in subparagraphs (i), (ii) and (iii) of said subdivision 3(e).

ARTICLE VII.

The Trustees.

The Trustees shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Eleventh Supplemental Indenture or the due execution hereof by the Company, or for or in respect of the recitals and statements contained herein, all of which recitals and statements are made solely by the Company.

Except as herein otherwise provided, no duties, responsibilities or liabilities are assumed, or shall be construed to be assumed, by the Trustees by reason of this Eleventh Supplemental Indenture other than as set forth in the Indenture; and this Eleventh Supplemental Indenture is executed and accepted on behalf of the Trustees, subject to all the terms and conditions set forth in the Indenture, as fully to all intents as if the same were herein set forth at length.

ARTICLE VIII.

Miscellaneous Provisions.

Except insofar as herein otherwise expressly provided, all the provisions, terms and conditions of the Indenture shall be deemed to be incorporated in, and made a part of this Eleventh Supplemental Indenture; and the Indenture as supplemented by the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth and this Eleventh Supplemental Indenture is in all respects ratified and confirmed; and the Indenture and said Supplemental Indentures shall be read, taken and construed as one and the same instrument.

Nothing in this Eleventh Supplemental Indenture is intended, or shall be construed, to give to any person or corporation, other than the parties hereto and the holders of bonds issued and to be issued under and secured by the Indenture, any legal or equitable right, remedy or claim under or in respect of this Eleventh Supplemental Indenture, or under any convenant, condition or provision herein contained, all the covenants, conditions and provisions of this Eleventh Supplemental Indenture being intended to be, and being, for the sole and exclusive benefit of the parties hereto and of the holders of bonds issued and to be issued under the Indenture and secured thereby.

All covenants, promises and agreements in this Eleventh Supplemental Indenture contained by or on behalf of the Company shall bind its successors and assigns whether so expressed or not.

The term "date of delivery of this Eleventh Supplemental Indenture," wherever used in this Eleventh Supplemental Indenture, shall mean the close of business on November 30, 1971.

This Eleventh Supplemental Indenture may be executed in any number of counterparts, and each of such counterparts when so executed shall be deemed to be an original; but all such counterparts shall together constitute but one and the same instrument.

In Witness Whereof, Iowa Power and Light Company has caused this Eleventh Supplemental Indenture to be executed by its President or one of its Vice Presidents and its corporate seal to be hereunto affixed, duly attested by its Secretary or one of its Assistant Secretaries, and Harris Trust and Savings Bank has caused the same to be executed by one of its Vice Presidents and its corporate seal to be hereunto affixed, duly attested by one of its Assistant Secretaries, and R. H. Long has hereunto affixed his signature and seal, as of the day and year first above written.

IOWA POWER AND LIGHT COMPANY,

By ....D H Swanson........
D. H. SWANSON
PRESIDENT

Attest:

........Guy G Gilchrist........
GUY G. GILCHRIST
SECRETARY

[CORPORATE SEAL]

Signed, sealed, acknowledged and delivered by IOWA POWER AND LIGHT COMPANY in the presence of:

........Ralph Mowen........
RALPH MOWEN

........J Paul Glahn........
J. PAUL GLAHN

HARRIS TRUST AND SAVINGS BANK, TRUSTEE,

By ....W. H. Spitler........
W. H. SPITLER
VICE PRESIDENT

Attest:

........R S Stam........
R. S. STAM
ASSISTANT SECRETARY

[CORPORATE SEAL]

........R H Long........ (Seal)
R. H. LONG, INDIVIDUAL TRUSTEE

Signed, sealed, acknowledged and delivered by HARRIS TRUST AND SAVINGS BANK and R. H. LONG in the presence of:

........L D Lewis........
L. D. LEWIS

........R K Juergens, Jr........
R. K. JUERGENS, JR.

STATE OF IOWA } ss.
COUNTY OF POLK }

On this 1st day of December, A.D. 1971, before me, a Notary Public in and for said County, personally appeared D. H. Swanson and Guy G. Gilchrist, to me personally known, who being by me duly sworn did say that they are, respectively, President of IOWA POWER AND LIGHT COMPANY, an Iowa corporation, and Secretary of said corporation; that the seal affixed to the foregoing instrument is the seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and the said D. H. Swanson and Guy G. Gilchrist each acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by each of them and by it voluntarily executed.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year aforesaid.

[NOTARIAL SEAL]

M. L. Blecher
M. L. BLECHER
Notary Public in and for said County.

My commission expires July 4, 1972.

STATE OF ILLINOIS }
COUNTY OF COOK } ss.

On this 1st day of December, A.D. 1971, before me, a Notary Public in and for said County, personally appeared W. H. Spitler and R. S. Stam, to me personally known, who being by me duly sworn did say that they are, respectively, a Vice President of HARRIS TRUST AND SAVINGS BANK, an Illinois corporation, and an Assistant Secretary of said corporation; that the seal affixed to the foregoing instrument is the seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and the said W. H. Spitler and R. S. Stam each acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by each of them and by it voluntarily executed.

Further, on such day, before me personally appeared R. H. LONG, to me personally known to be the identical person named in and who executed the foregoing instrument as Individual Trustee, who, being by me duly sworn, acknowledged that he executed said instrument as his free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year aforesaid.

[NOTARIAL SEAL]

J. M. Moennich

J. M. MOENNICH
Notary Public in and for said County.

My commission expires September 2, 1975.