

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Issuance of Duplicate Hospital Revenue Bond and Coupons, Series 1978
Date: April 8, 2002

Recommended Action:

Adopt A Resolution authorizing issuance of a duplicate hospital revenue bond and coupons, series 1978 (State University of Iowa).

Executive Summary:

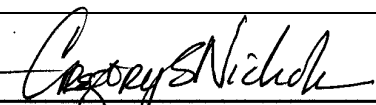
Mahlon Kaloupek of Maroa, Illinois, holder of a Hospital Revenue Bond, Series 1978, which matured on September 1, 2001, has requested that the Board issue a duplicate bond in the principal amount of \$5,000 with duplicate interest coupons attached in the aggregate amount of \$610.00.

The Board's bond counsel, Ahlers Law Firm, has advised the Board Office that the Board must adopt a resolution, as detailed above, authorizing the issuance of the duplicate bond.

Background and Analysis:

Original Bond	The original bond, which has been lost, stolen, or destroyed (including interest coupons), was issued as a municipal bearer bond (no owner identification.)
Indemnity Bond	Mr. Kaloupek has provided an indemnity bond from the RLI Insurance Company of Peoria, Illinois, indemnifying the Board in the event that the original bond or any coupons are presented for payment.
Methods of Issuance	<p>The possibility of lost bonds should be mitigated in the future.</p> <p>The original bond was issued as a bearer security, which means that there is no identification as to the owner. Municipal bearer bonds have not been issued since 1982.</p> <p>The Board issued registered bonds, whose owners are registered with the issuer or its agent, until 1995.</p> <p>Since that time, the Board has issued bonds only in book entry form, which is a method of electronically recording and transferring ownership.</p> <p>Book entry bonds eliminate the need for physical certificates and the possibility that they or the coupons can be lost.</p>


Joan Racki

Approved: 
Gregory S. Nichols