

AIRCRAFT LISTING AND SALE PROCEEDS AGREEMENT

This Aircraft Listing and Sale Proceeds Agreement ("Agreement") is entered into as of February 17, 2014 by and between Iowa State University Foundation, an Iowa nonprofit corporation ("Foundation"), and Iowa State University of Science and Technology ("ISU").

RECITALS

- A. The Foundation is a private nonprofit organization dedicated to securing and stewarding private gifts and grants that benefit Iowa State University.
- B. The Foundation has entered into an exclusive Aircraft Acquisition Agreement with Elliott Aviation Aircraft Sales, Inc. (the "Aircraft Acquisition Agreement") and a Used Aircraft Purchase Agreement with PIC Flight Services, Inc. (the "Aircraft Purchase Agreement") by which the Foundation is purchasing a used Raytheon Aircraft Company King Air B300 Aircraft, Serial #FL-354 (the "New Aircraft") for transfer from PIC Flight Services, Inc. directly to ISU as the Foundation's designated title assignee under the Aircraft Purchase Agreement.
- C. The Foundation is acquiring the New Aircraft to provide ISU with air travel resources that may be more effectively used to further the mission of Iowa State University. The New Aircraft will provide ISU personnel with safer, more efficient, more convenient and more effective air travel than has been possible using ISU's currently owned Beach Craft King B-200 aircraft (the "Old Aircraft") which is older, smaller, slower and less fuel efficient than the New Aircraft.
- D. The Foundation has entered into the Aircraft Acquisition Agreement and the Aircraft Purchase Agreement, and is entering into this Agreement, pursuant to the Foundation's intent to provide all funds required to acquire the New Aircraft for ISU after considering the sale or trade-in value of the Old Aircraft, and consistent with this intent the Aircraft Acquisition Agreement contemplated provided that the Old Aircraft may be used as "trade-in consideration" in order to provide a portion of the consideration required to acquire the New Aircraft.
- E. It is now contemplated that the Aircraft Purchase Agreement transaction will close and ISU will obtain title to the New Aircraft on or about February 17, 2014, but the New Aircraft will not be operational for ISU until on or about May 1, 2014 date due to the need to complete certain refurbishing and other work before the New Aircraft is placed in active service by ISU.
- F. ISU desires to retain ownership and operation of the Old Aircraft until the New Aircraft is ready to be placed in active service by ISU.
- G. The Foundation and ISU therefore desire to enter into this Agreement to document the manner in which the Old Aircraft may be listed for sale and sold pursuant to a transaction by which all net sale proceeds will be remitted to the Foundation in order to provide the Foundation with the value of the Old Aircraft which will in turn decrease the net cost to the Foundation of acquiring the new Aircraft and gifting it to ISU.

AGREEMENT

NOW, THEREFORE, the parties agree as follows:

1. Refurbishment of the New Aircraft. Pursuant to the terms of this Agreement by which the Foundation's acquisition and refurbishment costs and expenses will be reduced by the Foundation's receipt of the net proceeds from the sale of the Old Aircraft, the Foundation agrees to pay for reasonable New Aircraft refurbishment costs and expenses incurred by ISU after ISU becomes the owner of the New Aircraft on or about February 17, 2014 in order to prepare the New Aircraft to be placed into service by ISU on or about May 1, 2014.
2. Broker Agreement. ISU authorizes the Foundation to act as ISU's agent in order to enter into an agreement with a broker to list the Old Aircraft for sale, and it is contemplated that any such broker agreement will be entered into around the time that the New Aircraft is placed into active service by ISU. It is agreed and understood that any such broker agreement will provide that any purchase offer or purchase agreement for the sale of the Old Aircraft will:
 - a. need to be approved by and signed by ISU as the owner of the Old Aircraft, and
 - b. specify that the net sale proceeds from the sale of the Old Aircraft will be disbursed by the closing escrow agent to the Foundation in order to offset the funds expended by the Foundation to acquire and refurbish the New Aircraft.
3. Title to and Control of Old Aircraft Until its Sale. Title to and control over the operations of the Old Aircraft will remain with ISU at all times until such time as ISU transfers title to a purchaser. At no time will the Foundation take title to, become responsible for or control the operations of the Old Aircraft.
4. Sale Authority. ISU, as the owner of the Old Aircraft, will be entitled to use its sole discretion with respect to deciding whether or not to accept any offers made for the Old Aircraft and whether or not to sign any purchase agreement tendered by a prospective purchaser; provided, however, that any such purchase agreement will provide that all net seller proceeds are to be disbursed to the Foundation pursuant to the terms of this Agreement.
5. Operating and Sale Costs and Expenses. ISU will continue to employ pilots to operate the Old Aircraft, will continue to maintain insurance on the Old Aircraft and will continue to pay for all the operation costs of the Old Aircraft through the time that title to the Old Aircraft is transferred from ISU to a purchaser; provided, however, that the Foundation and ISU may mutually agree that certain sale expenses may be paid for by the Foundation.

Examples of sale expenses that the parties may agree may be paid for by the Foundation may include the costs of re-positioning the Old Aircraft for a pre-purchase inspection, the costs associated with a test flight for a prospective purchaser, reasonable costs associated with repairing any deficiencies noted by a purchaser's pre-purchase inspection of the Old Aircraft, and other miscellaneous sale costs and expenses incurred in the normal course of listing and selling the Old Aircraft. The Foundation will not have any obligation to pay for any such sale expenses until and unless the Foundation has been provided with documentation regarding the sales expenses and the Foundation agrees to pay for them after reviewing the related documentation.

Any such sale expenses that the Foundation agrees to pay may either be paid directly by the Foundation, by the Foundation reimbursing ISU for sale expenses initially paid for by ISU, or through mutually agreed upon disbursements from the closing escrow account as shown on the closing statement for the sale and transfer of title of the Old Aircraft from ISU to the purchaser of the Old Aircraft. In this regard, it is agreed that ISU will allow the Foundation to review the closing statement for the sale of the Old Aircraft in order to ensure that the Foundation and ISU have mutually agreed on the manner in which all sales expenses have been or are paid for and the amount and manner in which all net sale proceeds will be disbursed by the closing escrow agent to the Foundation.

6. Governing Law, Jurisdiction and Venue. This Agreement is governed by the laws of the State of Iowa and jurisdiction and venue for any legal proceeding that may be initiated with respect to the provisions of this Agreement is limited to the Iowa District Court sitting in Story County, Iowa.

7. Miscellaneous

- a. Term and Termination. Unless earlier terminated, the term of this Agreement will commence as of the date of this Agreement and will continue until the earlier of (i) the date ISU has transferred title to the Old Aircraft to a purchaser and the Foundation has received the net sale proceeds from the sale of the Old Aircraft; or (ii) August 31, 2014. The term of this Agreement may also be mutually terminated at any time.
- b. Entire Agreement. This Agreement contains all of the agreements and understandings between the Foundation and ISU with respect to the subject matter contained, and no representations, covenants, agreements, or commitments have been made to or relied upon by either of the parties, which are not specifically set forth in this Agreement. This Agreement may not be amended, modified, supplemented, or altered, except by an instrument in writing executed by both the Foundation and ISU.
- c. Notices. All notices and other communications desired or required to be given hereunder must be in writing and must be sent by either personal delivery or registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the University, to: Iowa State University
Attention: Senior Vice President for Business
and Finance

1350 Beardshear Hall
Ames, Iowa 50011

With a copy to: University Counsel
3550 Beardshear Hall
Ames, IA 50311-2045

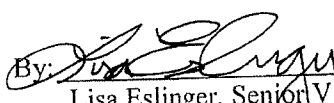
If to the Foundation, to: Iowa State University Foundation
Attention: Senior Vice President of
Finance and Operations
2505 University Boulevard
Ames, IA 50011-1510

or to such other person or at such other address as either party hereto may be designated by written notice to the other.

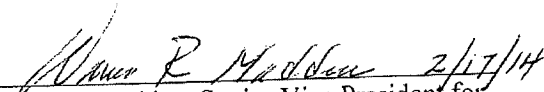
- d. Compliance with Laws. The Foundation and ISU agree to comply with all applicable federal, state, and local laws, and compliance with law (within the opinion of legal counsel) will not constitute a breach of this Agreement.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the date first above written.

IOWA STATE UNIVERSITY FOUNDATION

By:  2/17/14
Lisa Eslinger, Senior Vice President of
Finance and Operations

IOWA STATE UNIVERSITY OF SCIENCE
AND TECHNOLOGY

By:  2/17/14
Warren Madden, Senior Vice President for
Business and Finance

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Purchase of Cirrus Aircraft Model SR22

\$470,000 + 1978 Piper PA 28-161

Retail price of plane as equipped with remaining engine overhaul is \$539,153. Comparable planes range from \$524,000 to \$529,000 (see attachment). The existing 1978 Piper PA 28-161 based upon its current condition, including interior and paint is valued at \$24,715. The combination of the cash purchase price of \$470,000 plus the actual cash value of the traded Piper PA 28-161 is \$494,715. This is \$44,438 less than market value of \$539,153 or 8% saving below the estimated market price.