LIEN OF INDENTURE

This **LIEN OF INDENTURE** dated as of the 29th day of December, 1995, between **IES UTILITIES INC.**, formerly Iowa Electric Light and Power Company, an Iowa corporation, under an Indenture of Mortgage and Deed of Trust dated as of August 1, 1940 and an Indenture of Mortgage and Deed of Trust dated as of September 1, 1993, and **THE FIRST NATIONAL BANK OF CHICAGO**, a national banking association organized under the laws of the United States of America, as Trustee under each such Indenture.

WITNESSETH:

WHEREAS, the Company has executed and delivered its Indenture of Mortgage and Deed of Trust, dated as of August 1, 1940, and Supplemental Indentures thereto, and its Indenture of Mortgage and Deed of Trust dated as of September 1, 1993, and Supplemental Indentures thereto (hereinafter called the "Indentures"), to the Trustee to secure the securities of the Company, issuable in series under the Indentures; and

WHEREAS, it becomes necessary and desirable to the Company and the Trustee to assign, convey, mortgage, pledge, transfer, and set over unto the Trustee, additional property of the Company; and in order that property owned by the Company may be subjected to the direct lien of the Indentures; and

WHEREAS, it is necessary for the security of the securities issued under the Indentures in accordance with the terms of the Indentures that this Lien be filed for registration as a mortgage on real estate acquired by deed as recorded in the office of the County Recorder in and for the following named Counties in the State of Iowa on the dates set forth below and in the Book and at the page indicated:

	COUNTY	DATE OF FILING	RECORD BOOK	PAGE
(a)	Lee	March 10, 1995	B3	95S-15
(b)	Marshall	March 20, 1995	9504433	
(c)	Marshall	March 20, 1995	9504434	
(d)	Buena Vista	April 25, 1995	60	842
(e)	Lee	May 2, 1995	B7	95S-30
(f)	Appanoose	May 15, 1995	131	440
(g)	Buchanan	July 10, 1995	1995RO1725	
(h)	Guthrie	July 19, 1995	424	1001
(i)	Linn	August 1, 1995	3212	382
(j)	Dallas	April 3, 1995	784	1000
(k)	Delaware	March 30, 1995	54	160
(l)	Marion	May 23, 1995	47	109
(m)	Linn	July 20, 1995	3208	40

FILE No. 193-2215
RECORDING FEE $ 26.00
TRANSFER FEE $

FILED FOR RECORD THE 14 DAY OF February, 19 96 AT 11:02 O'CLOCK A M. BOOK 39 PAGE 317

STATE OF IOWA, DELAWARE COUNTY
Deborah L. Peyton, Recorder
TLM CM 31

NOW, THEREFORE, in order to further secure the payment of the principal of and interest on all securities at any time issued and outstanding under the Indentures and to secure the performance and observance of all the covenants and conditions of said securities and contained in the Indentures, the Company and the Trustee have executed and delivered this Lien, and by these presents:

IES Utilities Inc., in order to fully preserve and protect the security of the securityholders and all securities at any time outstanding under, and as provided in, the Indentures and the rights of the Trustee and to maintain this hereby grant, bargain, sell, release, convey, assign, transfer, mortgage, pledge, set over, warrant and confirm unto the Trustee the following described property:

(k) Delaware County, filed 03-30-95, Book 54, Page 160

The East two hundred (200) feet of Lot Four (4) of West Commercial Subdivision Part of the Northwest Quarter (NW¼) of the Northeast Quarter (NE¼) of Section Thirty-One (31), Township Eighty-Nine North (89N), Range Five West (R5W) of the Fifth Principal Meridian, City of Manchester, Delaware County, Iowa, according to the plat recorded in Book 6 Plats, Page 113.

g:dds

IN WITNESS WHEREOF, IES UTILITIES INC., has caused this LIEN to be signed in its corporate name by its President or a Vice President & its corporate seal to be hereunto affixed and attested by its Secretary or an Assistant Secretary, and THE FIRST NATIONAL BANK OF CHICAGO, in token of its acceptance of the trustee created hereunder, has caused this LIEN to be signed in its corporate name by one of its Vice Presidents or Assistant Vice Presidents and its corporate seal to be hereunto affixed and attested by one of its Trust Officers.

IES UTILITIES INC. CORPORATE SEAL IOWA

IES UTILITIES INC.

By _____
Blake O. Fisher, Jr.
President, Chief Operating Officer &
Chief Financial Officer

Attest: _____
Stephen W. Southwick, Secretary

On this 29th day of December, A.D., 1995, before me, a Notary Public, in and for said county, personally appeared BLAKE O. FISHER, JR. and STEPHEN W. SOUTHWICK to me personally known, who being by me duly sworn did say that said persons are the President, Chief Operating Officer & Chief Financial Officer and Secretary, respectively, of IES UTILITIES INC., that the seal affixed to said instrument was signed and sealed on behalf of the said corporation by authority of its Board of Directors and the said BLAKE O. FISHER, JR. and STEPHEN W. SOUTHWICK acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

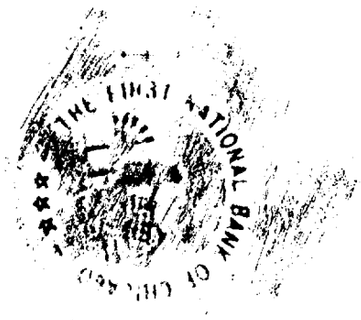
WITNESS my hand and notarial seal this 29th day of December, 1995.

MARCIA K YOUNG — IOWA — NOTARIAL SEAL

_____
Notary Public in and for the
State of Iowa
Marcia K. Young

My commission expires: 2-27-98

g:dds



THE FIRST NATIONAL BANK OF CHICAGO

By _____
Vice President
John R. Prendiville

Attest:

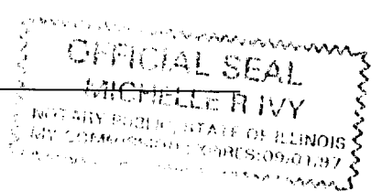
_____
Georgia F. Tsirbas
Assistant Vice President

On this 1st day of February A.D., 1996, before me, a Notary Public, in and for said county, personally appeared John R. Prendiville and Georgia F. Tsirbas, to me personally known, who being by me duly sworn did say that said persons are Vice President & Assistant Vice President, respectively, of **THE FIRST NATIONAL BANK OF CHICAGO**, that the seal affixed to said instrument is the seal of said corporation and that said instrument was signed and sealed on behalf of the said corporation by authority of its Board of Directors and the said John R. Prendiville and Georgia F. Tsirbas acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

WITNESS my hand and notarial seal this 1st day of February, 1996.

_____
Notary Public

My commission expires: _____



g:dds

193-2215
DELAWARE COUNTY IOWA
FILED

'96 FEB 14 AM 11 02

BOOK 39 PAGE 317
DEBORAH L. PEYTON
DELAWARE CO. RECORDER
$26.00

IES Utilities, Inc.

To

The First National Bank

INDEXED IN
CHATTEL MTG. INDEX ✓

IES Utilities Inc. Env.
P.O. Box 351
Cedar Rapids, IA