

On this the 19 day of October, 1940, the Commissioners' Court of Titus County, Texas, convened in regular meeting at a Regular Term thereof, with the following members of said Court present, to-wit:

C. T. Neugent,	County Judge,
T. L. Garrett,	Commissioner Precinct No. 1,
W. J. Cody,	Commissioner Precinct No. 2,
Ernest Brown,	Commissioner Precinct No. 3,
G. C. Lunsford,	Commissioner Precinct No. 4,
A. B. Gilpin,	County Clerk and Ex-Officio Clerk, Commissioners' Court,

constituting the entire Court, at which time the Judge presented for consideration an order. Commissioner Garrett made a motion that the order be passed. The motion was seconded by Commissioner Cody, and the motion was carried by the following vote:

AYES: Commissioners Garrett, Cody, Brown and Lunsford.

NOES: None.

The Judge announced that the order had been passed.

The order is as follows:

AN ORDER

BY THE COMMISSIONERS' COURT OF TITUS COUNTY AUTHORIZING THE  
ISSUANCE OF TITUS COUNTY GENERAL REFUNDING BONDS, SERIES 1940.

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IN THE AMOUNT OF FIFTY NINE THOUSAND TWO HUNDRED FIFTY (\$59,250.00) DOLLARS, BEARING FOUR AND ONE HALF (4 1/2%) PER CENT INTEREST, PROVIDING FOR THE EXCHANGE IN LIEU THEREOF OF CERTAIN WARRANTS OF THE COUNTY, INTEREST COUPONS AND ACCRUED INTEREST ON SAID WARRANTS, OUTSTANDING AS LEGAL INDEBTEDNESS ON MAY 21, 1931, and LEVYING A TAX TO PAY THE PRINCIPAL AND INTEREST OF SAID BONDS.

WHEREAS, on May 21, 1931, the date Chapter 163, Acts of the Regular Session of the Forty-Second Legislature became effective, there was outstanding certain legal indebtedness of said County chargeable against its General fund, represented by interest-bearing time warrants theretofore issued by said County, described as follows:

(a) Titus County, Texas, General Funding Warrants, dated March 10, 1928, originally issued in the amount of Thirty Thousand (\$30,000.00) Dollars, bearing six (6%) per cent interest, interest payable April 10th and October 10th of each year, of the denomination of One Thousand (\$1,000.00) Dollars each, numbered from One (1) to Thirty (30), both inclusive, now outstanding in the amount of Twenty Four Thousand (\$24,000.00) Dollars, represented by Warrants Numbers Seven (7) to Thirty (30), both inclusive, maturing serially as follows:

WARRANTS NUMBERS	MATURITY DATES	AMOUNTS
7 to 9, both incl.	April 10, 1936,	\$ 3,000.00
10 to 12, " "	April 10, 1937,	3,000.00
13 to 15, " "	April 10, 1938,	3,000.00
16 to 18, " "	April 10, 1939,	3,000.00
19 to 21, " "	April 10, 1940,	3,000.00
22 to 24, " "	April 10, 1941,	3,000.00
25 to 27, " "	April 10, 1942,	3,000.00
28 to 30, " "	April 10, 1943,	3,000.00
Total - - - - -	- - - - -	\$ 24,000.00

(Validated by Judgment of the United States District Court for the Eastern District of Texas, Texarkana Division, entered on May 28, 1940, in the cause styled "Russell Investment Company, Plaintiff, James, Stayart & Davis, Inc., and Mrs. Mary W. Simms, Individually and as Administratrix of the Estate of James H. Simms, Deceased, and A. L. Simms, and Dirk William Wink, all Intervenor Plaintiffs Vs. Titus County, Texas, et al, No. 20 Civil").

(b) Titus County, Texas, Funding Warrants, Series 1928-A, dated December 15, 1928, originally issued in the amount of Twenty Five Thousand Eight Hundred Forty (\$25,840.00) Dollars, bearing six (6%) per cent interest, interest payable April 10th and October 10th of each year, of the denomination of One Thousand (\$1,000.00) Dollars each, except Number One (1) for Eight Hundred Forty (\$840.00) Dollars, numbered from One (1) to Twenty Six (26), both inclusive, now outstanding in the amount of Twenty Five Thousand (\$25,000.00) Dollars, represented by Warrants Numbers Two (2) to Twenty Six (26), both inclusive, maturing serially as follows:

WARRANTS NUMBERS	MATURITY DATES	AMOUNTS
2 to 4, both incl.,	April 10, 1944,	\$ 3,000.00
5 to 7, " "	April 10, 1945,	3,000.00
8 to 10, " "	April 10, 1946,	3,000.00
11 to 13, " "	April 10, 1947,	3,000.00
14 to 16, " "	April 10, 1948,	3,000.00
17 to 19, " "	April 10, 1949,	3,000.00
20 to 22, " "	April 10, 1950,	3,000.00
23 to 26, " "	April 10, 1951,	4,000.00
Total - - - - -	- - - - -	\$25,000.00

(Validated by Judgment of the United States District Court for the Eastern District of Texas, Texarkana Division, entered on January 16, 1939, in the cause styled "Katherine Phillips Brosseau et al, Plaintiff, vs. Titus County, et al, Defendants, No. 394 at law").

; and

WHEREAS, all of said interest-bearing time warrants were issued in all particulars in accordance with law, including Article 2368, Revised Civil Statutes of Texas, 1925; and

WHEREAS, said indebtedness constitutes legal, outstanding and unpaid obligations of Titus County, Texas; and

WHEREAS, certain interest coupons detached from said warrants are also outstanding and certain interest has accrued on said warrants described as follows, to-wit:

INTEREST COUPONS

(a) Issue dated March 10, 1928;

WHEN DUE	AMOUNT	FROM WT. NO.
4/10/36	\$ 720.00	7 to 30
10/10/36	630.00	10 to 30
3/10/37	630.00	10 to 30
10/10/37	540.00	13 to 30
4/10/38	540.00	13 to 30
10/10/38	450.00	16 to 30
4/10/39	450.00	16 to 30
10/10/39	360.00	19 to 30
4/10/40	360.00	19 to 30

(b) Issue dated December 16, 1928;

WHEN DUE	AMOUNT	FROM WT. NOS.
4/10/37	\$ 90.00	24 to 26
10/10/37	90.00	24 to 26
4/10/38	90.00	24 to 26
10/10/38	90.00	24 to 26
4/10/39	750.00	2 to 26
10/10/39	750.00	2 to 26
4/10/40	750.00	2 to 26

Total Interest Coupons - - - - - \$ 7,250.00;

(c) Accrued interest on past due principal and on past due interest

coupons - - - - - \$ 2,960.00;

; and

WHEREAS, the indebtedness of the County for said items of accrued interest is represented by a certificate by the County Judge, County Clerk and County Treasurer; and

WHEREAS, said indebtedness is recapitulated as follows:

(a) Interest-bearing time warrants - - - - -	\$ 49,000.00;
(b) Interest coupons - - - - -	7,290.00;
(c) Accrued Interest (represented by Certificate of Indebtedness signed by the County Judge, County Clerk and County Treasurer) - - - - -	2,960.00;

Total - - - - - \$ 59,250.00;

; and

WHEREAS, all of said original indebtedness was created upon the condition that it should be a charge upon the general revenues of the County and has at all times been a charge upon the general revenues of said County; and

WHEREAS, all of said indebtedness was outstanding (and is now outstanding) on May 21, 1931, the effective date of Chapter 163, Acts of the Regular Session of the Forty Second Legislature; and

WHEREAS, it is deemed to be to the best interest of the County to convert said Fifty Nine Thousand Two Hundred Fifty (\$59,250.00) Dollars of indebtedness into Refunding Bonds, which may be retired throughout a series of years without undue burden on the County; and

WHEREAS, after levying the tax to pay the principal and interest of said bonds, and after making provision for all other fixed charges against the County, sufficient taxing power will remain to pay the operating expenses of the County, chargeable to said fund;

BE IT ORDERED, ADJUDGED AND DECREED BY THE COMMISSIONERS' COURT OF TITUS COUNTY, TEXAS:

1. That the bonds of the County to be called "Titus County General Refunding Bonds, Series 1940", be issued under and by virtue of Chapter 163, Acts of the Regular Session of the Forty Second Legislature, effective May 21, 1931, and by virtue of the Constitution and Laws of the State of Texas, in the amount of Fifty Nine Thousand Two Hundred Fifty (\$59,250.00) Dollars, for the purpose of refunding, cancelling and in lieu of the evidences of certain outstanding indebtedness of the County, chargeable against its General Fund, existing on May 21, 1931, represented by interest-bearing time warrants, coupons and accrued interest hereinabove referred to.

2. That said bonds shall be numbered consecutively from One (1) to Sixty Three (63), both inclusive, shall be of the denomination of One Thousand (\$1,000.00) Dollars each, except Number One (1) for Eight Hundred Seventy Five (\$875.00) Dollars, Number Two (2) for Seven Hundred (\$700.00) Dollars, Number Seven (7) for Six Hundred Seventy-Five (\$675.00) Dollars, and Numbers Four (4), Eight (8), Seventeen (17), Twenty-One (21), Twenty Five (25) and Twenty Nine (29) for Five Hundred (\$500.00) Dollars each, and shall become due and payable as follows:

BONDS NUMBERS	MATURITY DATES	AMOUNTS
1 to 3, both incl.,	April 10, 1942,	\$ 2,575.00
4 to 6, " "	April 10, 1943,	2,500.00
7 to 10, " "	April 10, 1944,	3,175.00
11 to 13, " "	April 10, 1945,	3,000.00
14 to 16, " "	April 10, 1946,	3,000.00
17 to 20, " "	April 10, 1947,	3,500.00
21 to 24, " "	April 10, 1948,	3,500.00
25 to 28, " "	April 10, 1949,	3,500.00
29 to 32, " "	April 10, 1950,	3,500.00
33 to 36, " "	April 10, 1951,	4,000.00
37 to 40, " "	April 10, 1952,	4,000.00
41 to 44, " "	April 10, 1953,	4,000.00
45 to 48, " "	April 10, 1954,	5,000.00
49 to 53, " "	April 10, 1955,	5,000.00
54 to 58, " "	April 10, 1956,	5,000.00
59 to 63, " "	April 10, 1957,	5,000.00

That the maturities fixed for said issue are such that the burden of taxation to support the same is approximately uniform throughout the term of such issue, to the extent that the

financial condition of the County will permit and the Court adjudges such to be a fact.

3. Said bonds shall be dated the 28th day of May, 1940.

4. Said bonds shall bear interest from their date at the rate of four and one-half (4½%) per cent per annum, payable April 10, 1941, and semi-annually thereafter on October 10th and April 10th of each year, until fully paid.

5. That the principal and interest on said bonds shall be payable in lawful money of the United States of America upon presentation and surrender of bond or proper coupon at the office of the County Treasurer, Mount Pleasant, Texas.

6. In each of said bonds the County shall reserve the option of calling said bond for redemption at any time prior to maturity at par plus accrued interest by giving thirty days notice in writing to the place of payment. If any such bond is called for redemption in said manner and if funds have been placed in the place of payment, and it shall not be presented for payment, it shall not thereafter bear interest.

7. That each of said bonds shall be signed by the County Judge, countersigned by the County Clerk and registered by the County Treasurer, and the corporate seal of the Commissioners' Court shall be impressed upon each of them.

8. That the fac-simile signatures of the County Judge and County Clerk may be lithographed or printed upon the coupons attached to said bonds, and shall have the same effect as if they had been signed by them.

9. The form of said bonds shall be substantially as follows:

NO. \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
COUNTY OF TITUS  
GENERAL REFUNDING BOND  
SERIES 1940

The County of Titus, State of Texas, duly organized under the laws of the State of Texas, for value received, hereby promises to pay to the bearer hereof on the 10th day of April, 19\_\_\_, the sum of

\_\_\_\_\_ DOLLARS

in lawful money of the United States of America, with interest thereon from date hereof at the rate of four and one-half (4½%) per cent per annum, interest payable April 10, 1941, and semi-annually thereafter on the 10th day of October and the 10th day of April of each year, principal and interest payable upon presentation and surrender of bond or proper coupon at the office of the County Treasurer, Mount Pleasant, Texas, and the County of Titus is hereby held and firmly bound, and its faith and credit and all taxable property in said County are hereby pledged for the prompt payment of the principal of this bond at maturity and the interest thereon as it accrues.

This bond is one of a series of Sixty Three (63) bonds, numbered from One (1) to Sixty Three (63), both inclusive, of the denomination of One Thousand (\$1,000.00) Dollars each, except Number One (1) for Eight Hundred Seventy Five (\$875.00) Dollars; Number Two (2) for Seven Hundred (\$700.00) Dollars; Number Seven (7) for Six Hundred Seventy Five (\$675.00) Dollars, and Numbers Four (4), Eight (8), Seventeen (17), Twenty One (21), Twenty Five (25) and Twenty Nine (29) for Five Hundred (\$500.00) Dollars each, aggregating Fifty Nine Thousand Two Hundred Fifty (\$59,250.00) Dollars, issued for the purpose of refunding, cancelling and in lieu of the evidences of certain legally issued and outstanding indebtedness of the County of Titus, Texas, in like amount, against the General Fund of said County, existing on May 21, 1931, represented by interest-bearing time warrants, interest coupons and accrued interest, which original items of indebtedness are being

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duly cancelled by the proper authorities simultaneously with the issuance of this bond and of the series of which it is a part.

The County reserves the right to redeem this bond prior to maturity at any time while it is outstanding, at its par value plus accrued interest, provided thirty days notice of intention to redeem said bond is given to the place of payment; and provided at the time said call is made funds are placed in the place of payment sufficient to pay this bond and accrued interest thereon to date fixed for payment. If, upon the happening of the above conditions, this bond is not presented for redemption, it shall not thereafter bear interest.

In addition to all other rights the holder or holders of this bond and of the series of which it is a part is and are subrogated to all of the rights held by the holders of the original debts refunded in this issue of bonds.

This issue of bonds was expressly authorized by an order passed by the Commissioners' Court of Titus County, Texas, duly recorded in the minutes of said Commissioners' Court in conformity with the provisions of Chapter 163, Acts of the Regular Session of the Forty Second Legislature.

The date of this bond in conformity with the order above referred to is the 28th day of May, 1940.

AND IT IS HEREBY CERTIFIED AND RECITED that the issuance of this bond, and the series of which it is a part, is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of this series of bonds, and of this bond, have been properly done and performed and have happened in regular and due time, form and manner as required by law; that due provision has been made for levying and collecting annually by taxation an amount sufficient to pay the interest on these bonds as it falls due and to provide a sinking fund for the final redemption of said bonds at maturity; and that the issue of bonds of which this is one, together with all other indebtedness of said County is within every debt and other limit prescribed by the Constitution and laws of said State.

IN WITNESS WHEREOF, Titus County by its Commissioners' Court has caused the seal of its Court to be affixed hereto, and this bond to be signed by its County Judge, countersigned by its County Clerk and registered by its County Treasurer, and the interest coupons hereto attached to be executed by the printed or lithographed fac-simile signatures of the County Judge and the County Clerk as of the date last above written.

County Judge, Titus County, Texas.

COUNTERSIGNED:

County Clerk, Titus County, Texas.

REGISTERED:

County Treasurer, Titus County, Texas.

10. The form of coupon shall be substantially as follows:

NO. \_\_\_\_\_ \$ \_\_\_\_\_

ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 19\_\_\_\_

Titus County, Texas, will pay to bearer at the office of the County Treasurer, Mount Pleasant, Texas, the sum of \_\_\_\_\_ (\$ \_\_\_\_\_) Dollars, in lawful money of the United States of America, being \_\_\_\_\_ months' interest on Titus County General Refunding Bond, Series 1940, dated May 28, 1940, No. \_\_\_\_\_.

County Clerk

County Judge.

11. That substantially the following certificate shall be printed on the back of each of said bonds:

COMPTROLLER'S OFFICE     ()  
STATE OF TEXAS

I HEREBY CERTIFY that there is on file and of record in my office a certificate of the Attorney General of the State of Texas, to the effect that this bond has been examined by him as required by law, and that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding obligation of said Titus County, Texas, and said bond has this day been registered by me.

WITNESS MY HAND and seal of my office, at Austin, Texas, this the \_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts of the  
State of Texas.

12. The Comptroller shall not register said bonds except as and when there shall be surrendered to him said original items of indebtedness aggregating in amounts the respective amounts of the bonds then to be registered. The holder or holders of said original indebtedness shall be entitled to the accrued interest of the refunding bonds as compensation for not drawing interest on the original indebtedness beyond the date calculated in this ordinance.

13. The Comptroller is authorized to accept from C. N. Burt & Company, Inc., Dallas, Texas, or order, the original items of indebtedness, and is authorized to deliver to the said Company, or order, said refunding bonds as and when issued, in accordance with written instructions to be given by the County Judge of said County.

14. It is further ordered by the Commissioners' Court of Titus County that to pay the interest on said bonds and to create a sinking fund sufficient to discharge them as they mature, a tax of Six (.06¢) Cents on the One Hundred (\$100.00) Dollars' assessed valuation of all taxable property in Titus County, is hereby levied for the year 1941, out of the Constitutional Twenty-five (25¢) Cents General Fund Tax of said County, and said tax shall be assessed and collected, and there shall be calculated each year, while any of said bonds or interest thereon are outstanding and unpaid, what rate of tax is necessary to provide current interest and the required amount of the principal for such year, or a proportionate part thereof, and a tax at such rate within the rate permitted by the Constitution, shall be levied, assessed and collected during each of said years, and said tax is hereby levied and is ordered to be assessed and collected, and the taxes levied shall be applied to said purpose and to no other purpose.

15. All taxes in process of collection for the benefit of the issue of interest-bearing time warrants refunded in this bond issue and all moneys in the sinking funds of said warrant issues are hereby appropriated to the interest and sinking fund of this bond issue. The County Judge, County Clerk and County Treasurer are directed to take such steps as are necessary to transfer said funds to the interest and sinking fund for this bond issue.

16. The sum of \$3,634.53 is hereby appropriated out of available funds to pay the interest accruing on said refunding bonds April 10, 1941, and October 10, 1941. The County Judge, County Clerk and County Treasurer are hereby authorized and instructed to transfer said sum to the interest and sinking fund provided for this issue to be used for no other purpose than to pay the interest accruing on April 10, 1941, and October 10, 1941.

17. It is further ordered that the County Judge shall be and he is hereby authorized to take and have charge of all necessary records pending investigation and approval by the Attorney General and shall have control of said bonds during said time. After the record has been approved the County Judge is authorized to leave the bonds in the office of the Comptroller pending the

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exchange for the original indebtedness and pending their registration, which may be at one time or in installments.

18. IT IS FURTHER ADJUDGED AND DECREED that all things required by law to be done in the issuance of said original indebtedness refunded herein have happened and been performed in due time, form and manner, as required by law; that the County received full and lawful value for all of said indebtedness refunded hereby; that all acts heretofore performed by the Commissioners' Court and by the several County Officials in reference thereto are hereby expressly validated, and said original indebtedness is hereby validated; that all acts required by law and all things required by law to have happened in reference to this issue of Refunding Bonds have happened and been performed in due time, form and manner as required by law; that this finding is made for the benefit of the prospective holders of said bonds and for the benefit of the Attorney General of Texas.

PASSED AND APPROVED this the 19 day of October, 1940.

C. T. Neugent  
County Judge, Titus County, Texas.

ATTEST: A. B. Gilpin  
County Clerk, Titus County, Texas.

THE STATE OF TEXAS |  
COUNTY OF TITUS |

We, the undersigned, County Judge, County Clerk and County Treasurer, respectively, of Titus County, Texas, do hereby certify:

(a) That this certificate is in reference to Titus County General Refunding Bonds, Series 1940, \$59,250.00, 4 1/2%;

(b) That none of the original indebtedness being refunded has ever been redeemed with money in the sinking fund accumulated from taxation; that there are no sinking funds available for the retirement of any of said original indebtedness.

EXECUTED this the 22 day of October, 1940.

C. T. Neugent  
County Judge.

A. B. Gilpin  
County Clerk.

D. C. Morgan  
County Treasurer.

(SEAL)

The above minutes read and approved.

\_\_\_\_\_  
County Judge.

ATTEST: \_\_\_\_\_  
A. B. Gilpin,  
County Clerk.