

TEXAS TECHNOLOGICAL COLLEGE
LUBBOCK, TEXAS
MINUTES OF BOARD OF DIRECTORS MEETINGS
1966 - 1967
VOLUME I

MINUTES OF
BOARD OF DIRECTORS MEETING
NOVEMBER 1, 1966

Lubbock, Texas
November 1, 1966

M36. The Board of Directors of Texas Technological College met in a special meeting in the Blue Room of the Student Union, Texas Tech Campus, Lubbock, Texas, on November 1, 1966, at 2:00 P. M. The following Directors and College Officials were present: Chairman Furr, Vice Chairman Cash, Mr. Allen, Mr. Allison, Mr. Hinn, Mr. Martin, Mr. McLaughlin, Dr. Tannery, President Murray, and Secretary Wells.

M37. Upon motion made by Mr. Martin, seconded by Dr. Tannery, the Board by a unanimous vote accepted the bid of First National City Bank, New York, New York and Associates for the purchase of the State of Texas Constitutional Tax Bonds - Texas Technological College, Series 1966-A, in the aggregate principal amount of \$3,500,000.00 at par and accrued interest to date of delivery plus a premium of \$24,818.50 (weighted average interest cost 3.89666545 per cent). A copy of a memorandum from Mr. M. L. Pennington, Vice President for Business Affairs is attached and made a part of the Minutes. Attachment No. 1A.

M38. Upon motion made by Mr. Martin, seconded by Dr. Tannery, the Board by a unanimous vote adopted a Resolution AUTHORIZING THE ISSUANCE OF ITS COLLEGES OF THE STATE OF TEXAS CONSTITUTIONAL TAX BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF \$3,500,00, BEARING INTEREST HEREINAFTER SET FORTH AND MATURING AS HEREINAFTER PRESCRIBED, TO PROVIDE FUNDS FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING AND INITIALLY EQUIPPING BUILDINGS AND OTHER PERMANENT IMPROVEMENTS AT TEXAS TECHNOLOGICAL COLLEGE, PRESCRIBING THE FORM OF THE BONDS, PLEDGING TO THE PAYMENT OF THE INTEREST AND PRINCIPAL THEREOF THAT PART OF THE MONEY ALLOCATED TO SUCH INSTITUTION FROM THE CONTINUING TAX LEVIED BY THE CONSTITUTION UNDER ARTICLE VII, SECTION 17, AS AMENDED, PROVIDING FOR THE EXECUTION AND DELIVERY OF SAID BONDS AND PRESCRIBING THE DUTIES OF THE OFFICERS OF SAID BOARD AND OF THE STATE IN REFERENCE THERETO, AND MAKING CERTAIN COVENANTS WITH RESPECT TO SECURING PAYMENT OF SAID BONDS AND INTEREST; authorized the Chairman and Secretary of the Board to sign the Bond Resolution and all other papers required to complete the sale and delivery of the bonds. A copy of the certificate for the Bond Resolution is attached and made a part of the Minutes. Attachment No. 2. A copy of the Bond Resolution is attached and made a part of the Minutes. Attachment No. 3. A copy of the Certificate of Award is attached and made a part of the Minutes. Attachment No. 4.

M39. Upon motion made by Mr. Martin, seconded by Dr. Tannery, the Board by a unanimous vote authorized the Chairman of the Board and/or the Secretary of the Board and/or the Vice President for Business Affairs to prepare, execute, and deliver any and all resolutions, any and all other documents necessary to complete the sale and delivery of the bonds; to accept the proceeds from the sale of the bonds for and upon behalf of the College; authorized the Vice President for Business Affairs to sign any and all papers necessary to place the proceeds from the sale on deposit with a depository bank; and authorized the Vice President for Business Affairs to sign any and all papers necessary to withdraw or transfer the funds as required for financing the building program.

The following items, in addition to those included in Item No. M38 above, are attached and made a part of the Minutes. (1) The Notice of Special Meeting; Attachment No. 1. (2) Certificate for the benefit of the Attorney General of the State of Texas; Attachment No. 5.

M40. Upon motion made by Mr. Allen, seconded by Mr. Hinn, the Board by a unanimous vote awarded the American Bank Note Company, Chicago, Illinois, the contract for printing the Constitutional Tax Bonds for Texas Technological College; authorized the Vice President for Business Affairs to approve any and all financial arrangements necessary for the printing and delivery of the bonds; and selected the Republic National Bank of Dallas, Texas, as paying agent; the First National City Bank of New York City, New York, and the First National Bank of Chicago, Chicago, Illinois, as the Co-Paying Agents.

M41. The Board adjourned until the next regular meeting on Saturday, December 3, 1966, to be held on the campus of Texas Technological College.


J. Roy Wells
Secretary

JRW:a
November 1, 1966

Attachments:

1. Notice of Special Meeting; Item No. M39.
- 1A. Memorandum from Mr. M. L. Pennington concerning the bids. Item No. M37.
2. Certificate for Bond Resolution; Item No. M38.
3. Bond Resolution, Texas Constitutional Tax Bonds, \$3,500,000.00; Item No. M38.
4. Certificate of Award; Item No. M38.
5. Certificate for the benefit of the Attorney General of Texas; Item No. M39.

I, J. Roy Wells, the duly appointed and qualified Secretary of the Board of Directors, hereby certify that the above and the foregoing is a true and correct copy of the Minutes of the Texas Technological College Board of Directors Meeting on November 1, 1966.


J. Roy Wells
Secretary

(COLLEGE SEAL)

November 1, 1966

NOTICE OF SPECIAL MEETING

TO THE MEMBERS OF THE BOARD OF DIRECTORS
OF TEXAS TECHNOLOGICAL COLLEGE:

NOTICE is hereby given that there will be a special meeting of the Board of Directors of Texas Technological College at Student Union, Blue Room, Texas Technological College, Lubbock, Texas, on November 1, 1966, at 2:00 P.M., for the transaction of such business as may properly come before the Board, including among other items the consideration of a resolution providing for the issuance and sale of Colleges of the State of Texas Constitutional Tax Bonds, Series 1966-A, Texas Technological College, \$3,500,000, and taking such other action within the premises and deemed appropriate, all pursuant to Article VII, Section 17, as amended, of the Constitution of Texas.

DATED this the 26th day of October, 1966.

/s/ Roy Furr
Chairman, Board of Directors of
Texas Technological College

THE STATE OF TEXAS :
COUNTY OF LUBBOCK :
October 26, 1966

I, the undersigned, duly appointed and acting Secretary of the Board of Directors of Texas Technological College, do hereby certify that a copy of the foregoing notice was addressed to each member of the Board of Directors of Texas Technological College and deposited in the United States Mail not less than five days before November 1, 1966, the date of the Special Meeting called by such notice.

/s/ J. Roy Wells
Secretary, Board of Directors of
Texas Technological College

(SEAL)

MEMORANDUM
From
OFFICE OF THE VICE PRESIDENT
FOR BUSINESS AFFAIRS

TO: Mr. J. Roy Wells

DATE: November 2, 1966

The bidding on the Constitutional Building Amendment Bonds yesterday went as follows:

1. First National City Bank, New York, N. Y., and Associates, premium	\$ 78,461.92
2. Rauscher Pierce, premium	50,345.75
3. Blythe and Company, premium	42,045.89
4. Halsey, Stewart & Company, premium	27,662.50
5. First Boston Corporation, premium	14,373.50

The bonds were offered at 4 percent so the premium was the determining factor. The weighted average annual interest cost for Texas Tech is 3.89265 and the average interest rate for all the bonds, \$11,065,000, was 3.89666545 percent.

The Texas institutions participating in the First National of New York group were:

First National, Dallas
Mercantile National, Dallas
Merrill-Lynch
Republic National, Dallas
Texas National, Houston
Texas Bank & Trust Company, Dallas

The others were from out of state.

/s/ M. L. Pennington
M. L. Pennington
Vice President for
Business Affairs

C O P Y

CERTIFICATE FOR BOND RESOLUTION

THE STATE OF TEXAS :
COUNTY OF LUBBOCK :
TEXAS TECHNOLOGICAL COLLEGE :

We, the undersigned officers of the Board of Directors of said College, hereby certify as follows:

1. The Board of Directors of said College convened in SPECIAL MEETING ON THE 1ST DAY OF NOVEMBER, 1966, at the regular designated meeting place, and the roll was called of the duly constituted officers and members of said Board, to-wit:

Roy Furr, Chairman
Herbert Allen
Harold Hinn
Retha R. Martin
J. Edd McLaughlin

Alvin R. Allison
C. A. Cash
Dr. Fladger Tannery
J. Roy Wells,
Secretary

and all of said persons were present, except the following absentees: None, thus constituting a quorum. Whereupon, among other business, the following was transacted at said Meeting: a written

RESOLUTION AUTHORIZING THE ISSUANCE OF BONDS

was duly introduced for the consideration of said Board and read in full. It was then duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES: All members of said Board shown present
above voted "Aye."

NOES: None.

2. That a true, full and correct copy of the aforesaid Resolution adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that said Resolution has been duly recorded in said Board's minutes of said Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said Board's minutes of said Meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of said Board as indicated therein; and that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the aforesaid Meeting, and that said Resolution would be introduced and considered for adoption at said Meeting, and each of said officers and members consented, in advance, to the holding of said Meeting for such purpose.

SIGNED AND SEALED the 1st day of November, 1966.

/s/ J. Roy Wells
Secretary

/s/ Roy Furr
Chairman

(SEAL)

RESOLUTION

BY THE BOARD OF DIRECTORS OF TEXAS TECHNOLOGICAL COLLEGE AUTHORIZING THE ISSUANCE OF ITS COLLEGES OF THE STATE OF TEXAS CONSTITUTIONAL TAX BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF \$3,500,000, BEARING INTEREST HEREINAFTER SET FORTH AND MATURING AS HEREINAFTER PRESCRIBED, TO PROVIDE FUNDS FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING AND INITIALLY EQUIPPING BUILDINGS AND OTHER PERMANENT IMPROVEMENTS AT TEXAS TECHNOLOGICAL COLLEGE, PRESCRIBING THE FORM OF THE BONDS, PLEDGING TO THE PAYMENT OF THE INTEREST AND PRINCIPAL THEREOF THAT PART OF THE MONEY ALLOCATED TO SUCH INSTITUTION FROM THE CONTINUING TAX LEVIED BY THE CONSTITUTION UNDER ARTICLE VII, SECTION 17, AS AMENDED, PROVIDING FOR THE EXECUTION AND DELIVERY OF SAID BONDS AND PRESCRIBING THE DUTIES OF THE OFFICERS OF SAID BOARD AND OF THE STATE IN REFERENCE THERETO, AND MAKING CERTAIN COVENANTS WITH RESPECT TO SECURING PAYMENT OF SAID BONDS AND INTEREST.

WHEREAS, Section 17 of Article VII of the Constitution of Texas adopted on the 23rd day of August, 1947, in addition to all other taxes permitted by the Constitution of Texas, levied a continuing ad valorem tax on all of the taxable property of the State at the rate of Five (5¢) Cents on the \$100.00 valuation to create a special fund for the purpose of acquiring, constructing and initially equipping buildings or other permanent improvements at the institutions of higher learning designated therein; and

WHEREAS, such provision of the Constitution authorized the governing boards of the institutions therein designated to issue bonds and notes payable from such fund therein created, and pursuant to such authorization the governing boards of such institutions issued and sold bonds and notes; and

WHEREAS, all such bonds and notes have been paid in full and are no longer outstanding; and

WHEREAS, Section 17 of Article VII of the Constitution of Texas was amended as a whole by an amendment thereto adopted at the general election on November 6, 1956, which became operative and effective January 1, 1958; and

WHEREAS, Section 17 of Article VII of the Constitution, as amended in 1956 ("the 1956 Amendment"), levied and thus renewed a continuing ad valorem tax on all of the taxable property in the State at the rate of Five (5¢) Cents on the \$100.00 valuation for the purpose of

creating a special fund for acquiring, constructing and initially equipping buildings or other permanent improvements at the institutions of higher learning designated in the said amendment; and

WHEREAS, such amended provision of the Constitution again authorized the governing boards of the institutions therein designated to issue bonds and notes payable from such fund therein created, and pursuant to such authorization the designated governing board issued and sold bonds and notes; and

WHEREAS, there remain outstanding bonds in the aggregate principal amount of \$8,920,000 payable from the respective allocated shares of the tax, and notes in the aggregate principal amount of \$7,382,500 payable from such respective allocated shares of said tax after the bonds issued by each said governing board have been fully paid or full provision shall have been made by accumulating in the appropriate Interest and Sinking Fund established for bonds of each said board, sufficient money to pay all of said bonds, together with the interest payable on such bonds to ultimate maturity; and

WHEREAS, there will be sufficient monies available in accordance with the tax levied by the 1956 Amendment and as allocated to pay the principal of and interest on said outstanding bonds and notes in accordance with their terms; and

WHEREAS, by adoption at the general election held in the State of Texas on November 2, 1965, Section 17 of Article VII of the Constitution of Texas was again amended as a whole (hereinafter sometimes called the "Constitutional Provision"); and

WHEREAS, the Constitutional Provision is self-enacting and has continued an ad valorem tax on all of the taxable property in the State of Texas at an increased rate of Ten (10¢) Cents on the \$100.00 valuation, and authorizes the proceeds of the tax to be pledged to pay the principal of and interest on the bonds issued pursuant thereto; and

WHEREAS, such tax levy became effective as of January 1, 1966, and will remain effective for taxes which will become due and payable in each year for a twelve year period beginning January 1, 1966, and for each successive ten year period thereafter; and

WHEREAS, the Constitutional Provision provides for an allocation of proceeds of such tax for the twelve year period commencing January 1, 1966, among the seventeen designated state supported institutions of higher learning (hereinafter sometimes called "Eligible Institutions") and has authorized the governing board of each of the Eligible Institutions to pledge any part of the fund allocated to it to pay the principal of and interest on bonds; and

WHEREAS, the Constitutional Provision requires the Comptroller of Public Accounts of the State of Texas to make the allocation of the funds to the Eligible Institutions to be raised by such tax for the twelve year period beginning January 1, 1966, 85% of such funds to be allocated on June 1, 1966; and 15% to be allocated on June 1, 1972; and

WHEREAS, the Constitutional Provision requires that the Comptroller of Public Accounts of the State of Texas make the June 1, 1966 allocation (85%) based on the following determinations:

"(1) Ninety per cent (90%) of the funds allocated on June 1, 1966, shall be allocated to state institutions based on projected enrollment increases published by the Coordinating Board, Texas College and University System for fall 1966 to fall 1978;

"(2) Ten per cent (10%) of the funds allocated on June 1, 1966 shall be allocated to certain of the eligible state institutions based on the number of additional square feet needed in education and general facilities by such eligible state institution to meet the average square feet per full time equivalent student of all state senior institutions (currently numbering twenty-two);"

and

WHEREAS, such determinations have been made by the Coordinating Board; and

WHEREAS, the Comptroller has made the June 1, 1966 allocation as required by the Constitutional Provision; and

WHEREAS, of the total funds thus allocated on June 1, 1966, for the twelve year period, Texas Technological College is to receive 13.41922%, and

WHEREAS, the assessed valuation of property in the State of Texas (less homestead exemptions) subject to such levy in accordance with the approved tax rolls of 1965 was \$15,483,656,424, which valuation, together with the Comptroller's official estimates of valuations for each year of the twelve year period beginning January 1, 1966, and the figures representing the June 1, 1966 allocation among the Eligible Institutions afford a basis for estimating the amount of money to be received by Texas Technological College under such tax levy for each of the years of the said twelve year period; and it has been officially estimated that Texas Technological College will receive therefrom a total of \$16,483,381 during such period; and

WHEREAS, the Board of Directors of Texas Technological College authorized the issuance and sold its Colleges of the State of Texas Constitutional Tax Bonds, Series 1966 - Texas Technological College (hereinafter called the "Series 1966 Bonds"), dated September 1, 1966, and being numbered and maturing as follows:

<u>BONDS NUMBERS</u>	<u>MATURITY DATES</u>	<u>AMOUNTS</u>
1 thru 12	September 1, 1968	\$ 60,000
13 " 40	September 1, 1969	140,000
41 " 70	September 1, 1970	150,000
71 " 103	September 1, 1971	165,000
104 " 139	September 1, 1972	180,000
140 " 177	September 1, 1973	190,000
178 " 218	September 1, 1974	205,000
219 " 262	September 1, 1975	220,000
263 " 300	September 1, 1976	190,000

WHEREAS, the interest on and the principal of the Series 1966 Bonds are payable from the funds allocated to Texas Technological College as aforesaid; and

WHEREAS, in the resolution authorizing the Series 1966 Bonds, the Board of Directors, subject to the conditions and limitations set forth in such resolution, reserved the right and power to issue in one or more series pursuant to the Constitutional Provision additional bonds on a parity with the Series 1966 Bonds, secured by and payable from the same allocated funds; and

WHEREAS, it has been and is hereby determined to be to the best interest of Texas Technological College that \$3,500,000 in aggregate principal amount of bonds payable from its allocated fund be issued at this time and that action necessary for the issuance thereof be taken by this Board;

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TEXAS TECHNOLOGICAL COLLEGE:

1. The Bonds. That in order to provide funds for the purpose of acquiring, constructing and initially equipping buildings and other permanent improvements at Texas Technological College, Bonds are hereby authorized to be issued known as "Colleges of the State of Texas Constitutional Tax Bonds, Series 1966-A - Texas Technological College" in the aggregate principal amount of Three Million Five Hundred Thousand Dollars (\$3,500,000), in the denomination of \$5,000 each and numbered from One (1) to Seven Hundred (700), both inclusive, (hereinafter referred to as the "Bonds"). The Bonds are issued as Additional Bonds as permitted in the resolution authorizing the Series 1966 Bonds and shall be in all respects on a parity with the Series 1966 Bonds.

2. Bonds of Issue on Parity. That no one of said Bonds shall be entitled to priority over any other Bond of this issue in the application of the money in the allocated fund which has been pledged to the payment of the principal of and interest on the Bonds, irrespective of the fact that some of the Bonds may be delivered prior to the delivery of other Bonds, it being the intent of this Resolution that all Bonds of this issue shall rank equally.

3. Date of Bonds; Maturity Schedule. That the Bonds shall be dated September 1, 1966, and shall become due and payable on September 1 in each of the years and in the amounts as follows:

<u>YEARS</u>	<u>AMOUNTS</u>
1968	\$ 135,000
1969	325,000
1970	355,000
1971	385,000
1972	415,000
1973	445,000
1974	480,000
1975	515,000
1976	445,000

4. That as to said bonds scheduled to mature on or after September 1, 1973, the Board of Directors reserves the right and option to redeem such bonds prior to their scheduled maturities, in whole or in part, on September 1, 1972, or on any interest payment date thereafter at par and accrued interest to date fixed for redemption, plus a premium of 2% of the principal amount so called for redemption. Notice of redemption is to be published in a financial publication published in the English language in the City of New York, New York, at least once, not less than thirty (30) days before the date fixed for such payment, and thirty (30) days' notice in writing is to be given to the Banks of Payment before the date so fixed for such redemption. Prior to the date fixed for redemption, funds shall be placed in the Banks of Payment sufficient to pay the bonds called, the accrued interest and the premium thereon. Upon the happening of the above conditions said bonds thus called shall not thereafter bear interest.

5. Interest Rates. That the Bonds shall bear interest at the rate of 4% per annum, payable March 1, 1967, and semi-annually thereafter on each September 1 and March 1.

6. Banks of Payment. That the principal of and the interest on the Bonds shall be payable, without exchange or collection charges to the owner or holder thereof, at Republic National Bank of Dallas, Dallas, Texas, (hereinafter called "Principal Bank of Payment"), or, at the option of the holder, at First National City Bank, New York, New York, or, The First National Bank of Chicago, Chicago, Illinois, (herein collectively called "Banks of Payment") in lawful money of the United States of America upon surrender of proper Bond or coupon.

7. Execution of Bonds and Coupons. That each of said Bonds and interest coupons shall be signed by the imprinted or lithographed facsimile signature of the Chairman of the Board of Directors and countersigned by the imprinted or lithographed facsimile signature of the Secretary of the Board of Directors, and the official seal of said Board shall be impressed, printed, or lithographed on each of said Bonds.

8. Negotiability. That nothing contained in the Bonds or in this Resolution shall affect or impair the negotiability of the Bonds or the coupons thereto appertaining, and said Bonds and coupons shall

constitute negotiable instruments within the meaning of the Negotiable Instruments Acts of the State of Texas.

9. Form of Bonds. That the form of the Bonds shall be substantially as follows:

NO. _____

\$5,000

UNITED STATES OF AMERICA
STATE OF TEXAS
COLLEGES OF THE STATE OF TEXAS
CONSTITUTIONAL TAX BOND
SERIES 1966-A
TEXAS TECHNOLOGICAL COLLEGE

For value received the Board of Directors of the Texas Technological College, an agency of the State of Texas, and as authorized by the Constitution of the State of Texas, hereby acknowledges itself indebted to and promises to pay out of the proceeds of the ad valorem tax herein described to the bearer, on the 1st day of September, 19__, the sum of

FIVE THOUSAND DOLLARS

with interest thereon from the date hereof at the rate of four (4%) per cent per annum until the principal amount of this Bond shall have been paid, payable March 1, 1967, and semi-annually thereafter on September 1 and March 1 of each year. Both principal and interest shall be payable in lawful money of the United States of America upon presentation and surrender of proper bond or coupon at Republic National Bank of Dallas, Dallas, Texas, or, at the option of the holder at First National City Bank, New York, New York, or, The First National Bank of Chicago, Chicago, Illinois, without exchange or collection charges to the owner or the holder thereof.

This Bond is one of a series of Bonds (hereinafter sometimes called the "Bonds") of like tenor and effect except as to number, maturity and right of redemption, numbered from One (1) to Seven Hundred (700), both inclusive, aggregating Three Million Five Hundred Thousand Dollars (\$3,500,000), issued for the purpose of acquiring, constructing, and initially equipping buildings or other permanent improvements at Texas Technological College, Lubbock, Texas, in accordance with the provisions of Section 17 of Article VII, as amended, of the Constitution of Texas, and pursuant to the Resolution authorizing

the issuance of the series of Bonds of which this is one, adopted by the Board of Directors of Texas Technological College, duly of record in the minutes of said Board (herein called the "Resolution").

The date of this Bond in conformity with the Resolution is September 1, 1966.

The Bonds of which this is one are secured by a pledge of that part allocated to Texas Technological College of the proceeds of a continuing tax on all of the taxable property in the State levied by Section 17 of Article VII of the Constitution, as amended on November 2, 1965, accumulated and held in the State Treasury to be used solely to pay the principal of and interest on the Bonds, other parity bonds heretofore issued and additional parity bonds herein mentioned. The levy of such tax supporting the Bonds and the pledge thereof will remain effective so long as any of the Bonds is outstanding and unpaid.

The Board shall have the option of calling bonds maturing serially on or after September 1, 1973, for redemption prior to maturity, in whole or in part, on September 1, 1972, or any interest payment date thereafter, at par and accrued interest to date of redemption plus a premium of 2% of the principal amount so called for redemption. Notice of redemption is to be published in a financial publication published in the English language in the City of New York, New York, at least once, not less than thirty (30) days before the date fixed for such payment, and thirty (30) days' notice in writing is to be given to the Banks of Payment before the date so fixed for such redemption. Prior to the date fixed for redemption, funds shall be placed in the Banks of Payment sufficient to pay the bonds called, the accrued interest and the premium thereon. Upon the happening of the above conditions said bonds thus called shall not thereafter bear interest.

The Board reserves the right to issue additional parity bonds under the terms and conditions stated in the Resolution authorizing this Bond and the series of which it is a part, and said bonds may be made payable from the same source, secured in the same manner and placed on a parity with this Bond and the series of which it is a part.

Each successive holder of this Bond, and each successive holder of each of the coupons hereto attached, is conclusively presumed to forego and renounce his equities in favor of subsequent holders for value without notice, and to agree that this Bond and each of the coupons hereto attached, may be negotiated by delivery by any person having possession thereof, howsoever such possession may have been acquired, and that any holder who shall have taken this Bond or any of the coupons from any person for value without notice, thereby has acquired absolute title thereto, free from any defenses enforceable against any prior holder and free from all equities and claims of ownership of any such prior holder. The Board and the Banks of Payment shall not be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required to be done precedent to and in the issuance of this Bond and the series of which it is a part have been properly done, have happened and been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the proceedings hereinabove mentioned, and that this issue of Bonds does not exceed any constitutional or statutory limitations and that provision has been made for the payment of the principal of and interest on this Bond and the series of which it is a part by irrevocably pledging the allocated proceeds of the continuing ad valorem tax hereinabove mentioned.

IN WITNESS WHEREOF, the Board of Directors of Texas Technological College has caused the official seal of said Board to be impressed, printed or lithographed hereon and has caused this Bond and the interest coupons attached hereto to be executed by the imprinted facsimile signature of the Chairman of the Board and the Secretary of the Board, and this Bond to be dated September 1, 1966.

BOARD OF DIRECTORS OF TEXAS
TECHNOLOGICAL COLLEGE

By _____
Chairman

ATTEST:

Secretary

10. Form of Coupon. That the form of coupon for the Bonds shall be substantially as follows:

NO. _____ \$ _____

On the _____ day of _____, 19__, the Board of Directors of Texas Technological College promises to pay to bearer, unless due provision has been made for the redemption prior to maturity of the bond to which this interest coupon is attached, without exchange or collection charges to the owner or holder hereof, out of the allocated proceeds of the ad valorem tax described in the Bond to which this coupon is attached the sum of _____ (\$ _____) Dollars in lawful money of the United States of America at Republic National Bank of Dallas, Dallas, Texas, or, at the option of the holder at First National City Bank, New York, New York, or The First National Bank of Chicago, Chicago, Illinois, being the interest then due on its Colleges of the State of Texas Constitutional Tax Bond, Series 1966 - A - Texas Technological College.

NO. _____

Secretary

Chairman

11. Comptroller's Certificate. That the form of Comptroller's Certificate which shall be printed on the back of each of the Bonds shall be substantially as follows:

OFFICE OF COMPTROLLER :
STATE OF TEXAS : REGISTER NO. _____

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 Section 17 of Article VII of the Constitution, as amended, 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 payable from the proceeds of the State ad valorem tax pledged to its payment by and in the Resolution of said Board of Directors of Texas Technological College, an educational institution belonging to the State of Texas duly constituted under authority of law authorizing same and said Bond

has this day been registered by me.

WITNESS MY HAND and seal of office at Austin, Texas.

(SEAL)

Comptroller of Public Accounts of
the State of Texas

12. Definitions. That throughout this Resolution, in the bond form prescribed herein and in the bonds authorized hereby, the following terms and expressions as used herein shall have the meanings set forth, to-wit:

The term "Additional Bonds" shall refer to the additional parity bonds that are permitted to be issued by Section 13;

The term "Board" shall refer to the Board of Directors of Texas Technological College;

The term "Bonds" shall refer to the bonds authorized to be issued under the provisions of this resolution;

The term "Comptroller" shall refer to the Comptroller of Public Accounts of the State of Texas;

The term "Constitutional Provision" shall mean Article VII, Section 17 of the Constitution of Texas as amended November 2, 1965;

The term "Eligible Institutions" shall mean the seventeen state supported institutions of higher learning designated as those institutions to receive allocated proceeds from the tax levied by the Constitutional Provision;

The term "1956 Amendment" shall mean Article VII, Section 17 of the Constitution as amended November 6, 1956;

The term "Institution" shall refer to Texas Technological College;

The term "Presiding Officer" shall mean the officer designated by law to preside over the Board;

The term "Resolution" shall mean this resolution authorizing the bonds.

The term "Series 1966 Bonds" shall refer to the Colleges of the State of Texas Constitutional Tax Bonds, Series 1966 - Texas Technological College, in the aggregate principal amount of \$1,500,000.

13. Findings, Pledge of Payment, Additional Bonds. That official recognition is hereby given to these facts:

(a) That the tax authorized by the 1956 Amendment and allocated in accordance therewith to certain institutions designated therein was thereafter pledged to the payment of bonds and notes issued under the authority of the 1956 Amendment; that such bonds and notes are to be paid in accordance with such allocation and pledge; and that no attempt is made herein to pledge such tax thus allocated to said designated institutions and subsequently pledged to the payment of bonds and notes issued pursuant to such authority.

(b) That Section 17 of Article VII of the Constitution, as amended in 1965 (the "Constitutional Provision") has levied a continuing ad valorem tax on all taxable property in the State of Texas, at the increased rate of Ten (10¢) Cents on the One Hundred Dollars (\$100.00) of valuation;

(c) That such tax has been effective since January 1, 1966 and will remain effective so long as any of the Bonds is outstanding and unpaid;

(d) That as and when the proceeds from such tax levy are received by the Comptroller the net amounts realized therefrom (including the portion thereof allocated to the Institution) are deposited in the State Treasury to be held for the purposes set forth in the Constitutional Provision;

(e) That the Comptroller on June 1, 1966 allocated among the Eligible Institutions 85% of the said tax to be received for the twelve year period beginning January 1, 1966; and will on June 1, 1972 allocate among the Eligible Institutions the remaining 15% of the said tax for the said twelve year period, all in accordance with the Constitutional Provision.

(f) That it is the duty of the Comptroller to draw all necessary and proper warrants upon the State Treasury to effectuate the pledge of such money made in this Resolution and to facilitate payment of the Series 1966 Bonds, the Bonds, the Additional Bonds and interest thereon; and

(g) That while such tax will remain effective so long as any of the Series 1966 Bonds, the Bonds, or the Additional Bonds is outstanding and unpaid, the Board must arrange the installment maturities of the Bonds and the Additional Bonds and make its pledge of the taxes allocated to

the Institution so that the Series 1966 Bonds, the Bonds, and Additional Bonds will be actually retired out of taxes collected during the twelve year period beginning January 1, 1966.

Accordingly, the Board irrevocably pledges to the payment of the principal of and interest on the Series 1966 Bonds, and the Bonds the following:

(1) All of the money, in the State Treasury to the credit of the Institution, realized from the collection of such continuing tax levied for the year 1966, exclusive of that part of the tax allocated and pledged pursuant to the 1956 Amendment to the payment of outstanding bonds and notes issued prior to the adoption of the Constitutional Provision;

(2) All of the proceeds from such continuing tax to which it is entitled levied for each of the years 1966 to 1977, both inclusive, and allocated June 1, 1966 by the Comptroller, which tax according to law becomes due on October 1 of each of said years, exclusive of that part of the tax allocated and pledged pursuant to the 1956 Amendment to the payment of outstanding bonds and notes prior to the adoption of the Constitutional Provision;

(3) In the event that any of the Bonds or any interest thereon remains outstanding and unpaid on the date the last of the Bonds is scheduled to mature, and in the event the Interest and Sinking Fund, created by Section 14 hereof shall then contain insufficient money to pay all of such principal and interest and the expense incidental to the making of such payments, to the extent of such deficiency, the proceeds from such continuing tax to which the Institution may be entitled under the allocation made by the Comptroller on June 1, 1966 or additional allocations or reallocation arrangements then in effect are pledged and such pledge shall remain effective until the Bonds shall have been paid in full with interest thereon; but when full provision shall have been made for the final payment of the Bonds by depositing money sufficient for the purpose in the Interest and Sinking Fund, the obligation under this sub-section (3) will have been fully satisfied and the pledge will have been released; and

(4) The money pledged to the payment of the Series 1966 Bonds, and the Bonds shall be used solely to pay the principal of and interest on the Series 1966 Bonds and the Bonds and to defray the expense incident to such payments so long as any of such bonds or interest thereon is outstanding and unpaid. After full provision shall have been made by accumulating in the Interest and Sinking Fund sufficient money available for the purpose, which can be used for no other purpose, to pay all of such bonds and interest calculated thereon to maturity, the Board reserves the right to use money in excess thereof for such purposes as may be permitted under the Constitutional Provision.

Provided, however, the Board reserves and shall have the right and power to issue pursuant to the Constitutional Provision additional parity bonds in one or more series, (herein defined as "Additional Bonds") which Additional Bonds, when issued, shall be secured by and payable from the Ten (10¢) Cent tax levied by the Constitutional Provision for the twelve year period beginning January 1, 1966, and allocated to the Institution, in the same manner and to the same extent as the Series 1966 Bonds, the Bonds and the Additional Bonds permitted by this Section 13, when issued, shall be in all respects of equal dignity and on a parity with the Series 1966 Bonds and the Bonds whether payable in whole or in part from the allocation made by the Comptroller on June 1, 1966, or to be made by the Comptroller on June 1, 1972. Provided, further, that Additional Bonds will not be issued in an aggregate principal amount that will cause the total amount required for the payment of the principal of and interest on the Series 1966 Bonds, the Bonds and the Additional Bonds in any year to be more than 85% of the amount of such taxes allocated to the Institution and officially estimated by the Comptroller of Public Accounts to be collected in such year for the credit of the Interest and Sinking Fund.

14. Interest and Sinking Fund. That (a) the Treasurer of the State of Texas pursuant to the provisions of the resolution authorizing the Series 1966 Bonds established in the State Treasury a fund known as Texas Technological College Constitutional Tax Bond Interest and Sinking Fund (herein called "Interest and Sinking Fund");

(b) As received into the State Treasury the said allocated money of the Institution shall be credited to the Interest and Sinking Fund in the manner and to be held in accordance with the pledge contained in Section 13 hereof.

15. Procedure for Remitting to Banks of Payment. That

(a) In accordance with the requirements of the Constitutional Provision that "The State Comptroller of Public Accounts shall draw all necessary and proper warrants upon the State Treasury, in order to carry out the purpose of this amendment," to the end that money will be available at the Banks of Payment in ample time to pay the principal of and interest on the Bonds, as such principal and interest, respectively, matures, the Comptroller of Public Accounts of the State of Texas, on or before February 15, 1967, and on or before each August 15 and February 15 of each year while any of the Bonds is outstanding and unpaid, shall draw a warrant against the Interest and Sinking Fund in the amount of the interest or interest and principal (when both are scheduled to mature) which will become due on the March 1 or September 1 next following. The amount of each such warrant shall be increased by the amount of the charges of the Banks of Payment for making payment of the Bonds or coupons or both Bonds and coupons scheduled to mature in each such instance. Within the discretion of the Comptroller of Public Accounts he may draw a separate warrant for the payment of such charges.

(b) Each such warrant shall be made payable to the order of the Principal Bank of Payment specified in Section 5 above, and the Comptroller of Public Accounts shall deliver such warrant to the payee Bank;

(c) The Principal Bank of Payment designated in Section 6 hereof, shall out of moneys remitted to it under the provisions of this Section 15, and not otherwise, make available at the other Banks of Payment specified in Section 6 hereof funds sufficient to pay such of the Bonds, and such of the coupons as are presented for payment at such banks and the Principal Bank of Payment. The Principal Bank of Payment by accepting designation as such Principal Bank of Payment agrees and is obligated to perform such service.

16. Enforcement of Rights of Bondholders. That all rights available to the holders of the Bonds under the Constitution and laws of the State, by suit for mandamus or otherwise, to compel the performance of their official duties by the Board, its officers, the officers of counties, or the officers of the State to the end that the principal of and interest on the Bonds may be paid promptly, are hereby recognized and reserved to and for the holders of the Bonds and of the appurtenant coupons.

17. Confirmation of Sale of Bonds. That the sale of the Bonds to First National City Bank, New York, New York and Associates, at a price of par and accrued interest to date of delivery, plus a premium of \$24,818.50 be and the same is hereby confirmed.

18. Custody and Delivery of Bonds. That after said Bonds shall have been executed it shall be the duty of the Presiding Officer of the Board or some officer of the Board acting under authority from him, to deliver said Bonds to the Attorney General of Texas for examination and approval and after said Bonds shall have been approved by the Attorney General they shall be delivered to the Comptroller of Public Accounts of the State of Texas for registration. The Bonds thus registered shall remain in the custody of the Presiding Officer of the Board subject to his order, until the delivery thereof to the purchaser.

CERTIFICATE OF AWARD

I, the undersigned, Secretary of the Board of Directors of Texas Technological College, do hereby certify that the sale of the College's State of Texas Constitutional Tax Bonds - Texas Technological College, Series 1966-A, in the aggregate principal amount of \$3,500,000.00 has been awarded by said Board on November 1, 1966, to First National City Bank, New York, New York and Associates at a price of par and accrued interest to date of delivery plus a premium of \$24,818.50.

WITNESS my hand and seal of the Texas Technological College Board of Directors, this the first day of November, 1966.

/s/ J. Roy Wells
J. Roy Wells, Secretary
Board of Directors of
Texas Technological College

SEAL

STATE OF TEXAS :

COUNTY OF LUBBOCK :

We, the undersigned, Chairman of the Board of Directors and Secretary of the Board of Directors of Texas Technological College, do hereby certify as follows:

1. That this certificate is for the benefit of the Attorney General of the State of Texas and the purchasers and subsequent holders of Colleges of the State of Texas Constitutional Tax Bonds, Series 1966-A - Texas Technological College, issued in the principal amount of \$3,500,000 and dated September 1, 1966 (hereinafter called the "Bonds");

2. That all bonds and notes issued by the Board of Directors of Texas Technological College payable from the tax levied by Section 17 of Article VII of the Constitution as adopted in 1947 have been paid and are no longer outstanding, and that all bonds and notes issued by the Board of Directors of Texas Technological College payable from the taxes levied by Section 17 of Article VII of the Constitution, as amended in 1956, have been paid and are no longer outstanding except with respect to the following bonds and notes, to-wit:

Bonds in the aggregate principal amount of \$1,805,000;

Notes in the aggregate principal amount of \$1,500,000;

3. That there will be sufficient monies available from the tax levied by the 1956 amendment and allocated therefrom to pay the principal of and interest on said outstanding bonds and notes in accordance with their terms; and

4. That other than the outstanding bonds and notes heretofore described and those heretofore retired, no obligations have been issued or incurred by or for Texas Technological College against the tax levied by Article VII, Section 17, as amended in 1956, or as amended in 1965, except Colleges of the State of Texas Constitutional Tax Bonds, Series 1966 - Texas Technological College in the principal amount of \$1,500,000.

EXECUTED this the 1st day of November, 1966.

/s/ Roy Furr
Chairman, Board of Directors
Texas Technological College

ATTEST:

/s/ J. Roy Wells
Secretary, Board of Directors
Texas Technological College

(SEAL)