

THE MINUTES OF A CALLED MEETING OF THE BOARD OF DIRECTORS OF THE TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE, HELD AT ITS OFFICE IN FORT WORTH, TEXAS ON MARCH 10th, A. D. 1928, At 9³⁰ o'clock A.M.

At this meeting President W. R. Bennett did preside: Directors E. E. Bewley, C. A. Hickman, W. S. Cooke, and W. K. Stripling, Secretary, were present. At this time and place the following proceedings were had and done, viz:

1st: President Bennett stated the object of the call to be to approve the amount of bond at present required to be given by the Continental National Bank, and the amount, legal eligibility and sufficiency of the collateral security to be pledged by said bank in effecting its qualification as official and designated depository of Tarrant County Water Control and Improvement District Number One, under the award on its bid, as given in the minutes of the called meeting of the Board of Directors of this District held on March 6th, 1928; further to approve and ratify the contract to control the pledge of collateral bonds to be given in lieu of other security as provided by law.

2nd: Thereupon Director ^{cooke a member} ~~Bewley~~, ^{chairman} of the committee on finance did move the adoption of a resolution which is in words, figures and symbols as follows, viz: "Be it Resolved:

"(a) "That the Continental National Bank do be authorized "to secure its bond, or bonds, given, or to be given, in order to qualify, and in order to maintain its continuing qualification, as official "depository of this District, by delivering and pledging to the District "collateral bonds of The United States Of America, or of any County, City, "Town or independent school district of the State of Texas, in lieu of the "giving of solvent personal or surety company sureties upon the several "primary bonds which said Continental National Bank may be required to give from time to time, as is provided by Articles 2547 and 2548 of The Revised

"Civil Statutes of Texas: ①

(b) "Further that the instant requirements of this District
"do not demand the giving of bond and security therefor in excess of the
"sum Fifty Thousand Dollars (\$50,000.00), but that this District express-
"ly reserves the right to demand other additional and successive bonds and
"other and additional solvent sureties or collateral security as, when and
"as often as there does appear necessity for the District to place in the
"possession of its Depository money or negotiable securities in amount ex-
"ceeding the sum of the approved depository bonds, and security therefor,
"then held by this District, and in all things to be so done as will con-
"form to the provisions, spirit and intent of Art. 2548 of The Revised
"Civil Statutes of Texas. ①

(c) Further that at such times as this District may hold
"depository bonds and security therefor, in substantial excess of the
"sum then reasonably to be anticipated as the amount of the assets of
"this District to be in the possession and control of said Depository,
"then this Board of Directors will release to said Depository Bank such
"bonds and security as may not be required to at all times wholly to save,
"hold and keep this District harmless from default or loss:

(d) "Further that the bond of said depository bank dated
"the ^① 10th day of March 1928 for the sum of Fifty Thousand Dollars
"(\$50,000.00), together with the collateral bonds therein described, and
"therewith tendered to this District as security therefor, ^① do be hereby
"approved as a lawful, good and sufficient bond, and as good and sufficient
"security therefor; and further that said described collateral security
"bonds do be now taken into the possession and control of the Board of Di-
"rectors of this District; further that said bond of the depository do be

"referred to as Exhibit "A" and as a part of this resolution; further that
 "the bonds constituting the collateral security therefor do be deposited,
 "kept and safely held for and on behalf of The Directors of this District,
 "in the manner provided in a formal contract between said Depository Bank
 "and this District dated ^①March 10th, 1928^①: Said original contract, as
 "approved by This Board of Directors is hereto attached marked Exhibit "B"
 "and is made part hereof.

(e) "An order of The Board of Directors'of said Continental
 "National Bank passed on March 8th, 1928, authorized the doing of the acts
 "in this resolution set forth as the acts and deeds of said bank: A certi-
 "fied copy of such resolution is hereto attached marked Exhibit "C" and is
 "made part hereof:

(f) "It appears that the said Bond for \$50,000.00 together
 with the collateral bonds tendered as security therefor have been approved
 and confirmed by the Honorable S. D. Shannon, County Judge of Tarrant County,
 "Texas, as shown by his certificate on said bond, in the manner provided
 "by Section 114 of Chapter 25 of the Acts of The Thirty-ninth Legislature
 "of Texas: By virtue of the premises it is determined that said Continental
 "National Bank of Fort Worth, Texas, has in all things complied with the
 "requirements of law, and should now be declared the official and designated
 "depository of this District.

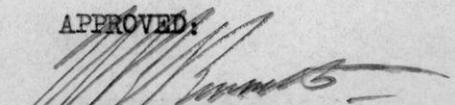
"NOW BE IT ORDERED: said Continental National Bank of
 "Fort Worth, Texas, is hereby declared and constituted the lawful, designated
 "qualified official Depository of Tarrant County Water Control and Improve-
 "ment District Number One: Further be it ordered that all funds and securi-
 "ties of the District now deposited in the Texas National

"Bank of Fort Worth, Texas, or in any other place or bank do be withdrawn
 "and instanter placed in the custody and control of said District Depository:
 "Further that the Secretary of this District do be hereby directed to return
 "to the (Fort Worth National Bank,) the First National Bank, the Texas National
 "Bank and the Continental National Bank their respective certified checks for
 "Sixteen Hundred and Twenty-five Dollars (\$1625.00), each, which checks were
 "deposited with this District as an evidence of good faith at the time of the
 "filing of bids upon which to base the selection of a depository: Further be
 "it ordered that Director E. E. Bewley as chairman of the finance committee
 "of this Board of Directors do be hereby constituted and designated as the
 "sole and only representative of this Board of Directors to have control of
 "the safe keeping and access to the collateral securities which have been and
 "may be hereafter pledged to this District by the District's designated de-
 "pository: It is in all things so ordered".

Thereupon Director ^{Bewley} ~~Cooke~~ did second the motion to adopt the
 foregoing resolution. Upon a vote being taken Directors E. E. Bewley, W. S.
 Cooke and W. R. Bennett did vote for the motion. No Director voted no. Di-
 rectors C. A. Hickman and W. K. Stripling were noted as present but not voting:
 It is so ordered.

The objects of this called meeting having been accomplish-
 ed the meeting was declared adjourned.

W. K. Stripling
 As Secretary

APPROVED:

 As President

" Ex. A "

BOND OF THE DISTRICT DEPOSITORY

STATE OF TEXAS
COUNTY OF TARRANT

KNOW ALL MEN BY THESE PRESENTS:

That the Continental National Bank of Fort Worth, Texas, a national banking corporation duly organized and incorporated under the laws of the United States of America, having its principal office and domicile in the City of Fort Worth, Tarrant County, Texas, is held and firmly bound to pay unto Tarrant County Water Control and Improvement District Number One the sum of Fifty Thousand Dollars (\$50,000.00), for the payment of which said the Continental National Bank does hereby bind itself, its successors and assigns. This obligation is, however, a bond, the condition of which is such that the above bound The Continental National Bank, was on the 6th day of March, A. D. 1928, duly selected and designated as the official depository of all funds which may come into the possession or control of said Tarrant County Water Control and Improvement District Number One for the term to end on February 28th, 1929 or until a successor to this depository has been duly designated and has qualified, provided, however, that said term can not be extended for more than sixty days next after said February 28, 1929, without the written consent of the above bound bank; and further the above bound, the Continental National Bank of Fort Worth has agreed to pay interest on the daily balances to the credit of such District with such depository at the rate of three (3%) per cent per annum, to be computed monthly and to be placed to the credit of said District, or to such funds of said District as its Directors may designate.

NOW THEREFORE: If said the Continental National Bank shall faithfully perform all duties and obligations devolving by law on said the Continental National Bank as such depository of Tarrant County Water Control and Improvement District Number One and shall pay all checks on

presentation, properly drawn on such depository as required by law, and shall faithfully keep and deliver the District funds and securities held by said depository, as and when the same should be paid or turned over to those lawfully qualified to receive or accept the same, (all of which duties are set out in Sections 113 and 114 of Chapter 25 of the Acts of the Thirty-ninth Legislature of Texas and by Chapter 2 of Title 47, of the Revised Civil Statutes of Texas, which acts are here referred to as part hereof), then this obligation shall be of no further force or effect: Otherwise this obligation shall remain in full force and effect.

And WHEREAS, said the Board of Directors of Tarrant County Water Control and Improvement District Number One have agreed with the above bound depository bank (under authority of the provisions of Article 2547 of the Revised Civil Statutes of Texas), that this depository bank may give as security, in lieu of personal, real estate, or surety company bond, bonds of the United States or of any County, City, Town, or Independent School District of the State of Texas, which security or collateral bonds shall be pledged and deposited as the Directors of said District may designate. In conformity to this agreement the above bound has this day entered into written contract concerning the custody, keeping and pledging of such deposited securities. The said contract is here referred to as part hereof. The bonds this day pledged as collateral to secure the obligation of this bond are specifically described as follows: viz:

United States 4% Treasury Bonds of 1944-1954, with June 15th, 1928 and subsequent coupons attached, as follows:

No. H00068778	- - - - -	\$10,000.00
No. J00068779	- - - - -	10,000.00
No. K00068780	- - - - -	10,000.00
No. A00068781	- - - - -	10,000.00
No. B00068782	- - - - -	<u>10,000.00</u>
TOTAL	- - - - -	\$50,000.00

Any procedure at law in any way concerning this bond or the obligation of the above bound bank as the designated depository of said District shall be instituted and tried in the County of Tarrant, State of Texas, in any court therein having jurisdiction over the subject matter thereof.

IN WITNESS WHEREOF said the Continental National Bank has caused these presents to be signed with its name by its President and attested and sealed with its corporate seal by its Cashier, this the 10th day of March A. D. 1928.

THE CONTINENTAL NATIONAL BANK OF FORT WORTH, TEXAS

BY: J. G. Wilkinson
President

ATTEST:

[Signature]
Cashier.

STATE OF TEXAS

COUNTY OF TARRANT

Before me M. P. Ratchiff a Notary Public in and for Tarrant County, Texas, on this day personally appeared J. G. Wilkinson known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the duly authorized act and deed of said the Continental National Bank of Fort Worth, Texas.

Given under my hand and seal of office this 10th day of March A. D. 1928.

M. P. Ratchiff
Notary Public in and for Tarrant County
Texas.

Approved by the Board of Directors of Tarrant County Water Control and Improvement District Number One as witness the signing hereof by W. R. Bennett its president on this the 13th day of March, A. D. 1928.

W. R. Bennett
As President of Tarrant County Water Control
and Improvement District Number One.

STATE OF TEXAS

COUNTY OF TARRANT

I, S. D. Shannon, am the duly elected, qualified, and acting County Judge of Tarrant County, Texas, and as such am, ex officio, presiding officer of the County Commissioner's Court of Tarrant County, Texas. I hereby certify that there has been this day presented to me in my official capacity the original order of the Board of Directors of Tarrant County Water Control and Improvement District Number One, passed on March 6th, A. D. 1928, in which order said Board of Directors did select, designate and constitute the Continental National Bank of Fort Worth, Texas, as the depository for said District, subject only to the actual qualification by said bank as such depository under the express provisions of Section 114 of Chapter 25 of the Acts of the Thirty-ninth Legislature of Texas relating to the approval of such designation and the security to be given by the depository by the County Judge in all cases where any Director of a District was also a Director or stockholder in the bank which might prove to be the highest and best bidder for such selection. I further certify that since the passing of said order, said the Continental National Bank has executed its bond in the penal^{sum} of Fifty Thousand Dollars, (\$50,000.00) and that said bank has tendered bonds of the United States of America of the par value of Fifty Thousand Dollars (\$50,000.00) as security in lieu of the giving of personal or surety company bond, for which provision is made by Art. 2547 of the Revised Civil Statutes of Texas. I further certify that said Continental National Bank was the highest and best bidder for deposit of the funds of said District.

NOW THEREFORE, I do hereby in all things approve the selection of said the Continental National Bank as depository for said District and I do further approve the bond together with the collateral tendered as security therefor as a good and sufficient bond and as good and sufficient security therefor.

WITNESS MY HAND this 13th day of March, A. D. 1928.

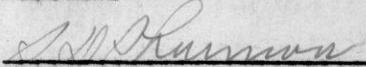

County Judge of Tarrant County, Texas
and, ex officio, presiding officer of
the County Commissioner's Court of
Tarrant County, Texas.

EXHIBIT "A"

CONTRACT CONCERNING THE CUSTODY AND PLEDGE OF COLLATERAL SECURITY DATED March 10, 1928, BETWEEN THE CONTINENTAL NATIONAL BANK OF FORT WORTH AND THE TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE.

RECEIPT is hereby acknowledged by the
Tarrant County Water Control and Improvement District Number
One of the following securities under and by virtue of said
contract, to-wit:

United States 4% Treasury Bonds of 1944-1954,
with June 15th, 1928 and subsequent coupons
attached, as follows:

No. H00068778	-	\$10 000 00
No. J00068779	-	10 000 00
No. K00068780	-	10 000 00
No. A00068781	-	10 000 00
No. B00068782	-	10 000 00

TOTAL - - - - \$50 000 00

(FIFTY THOUSAND DOLLARS)

This the 13th day of March, A. D., 1928.

TARRANT COUNTY WATER CONTROL
AND IMPROVEMENT DISTRICT NO.1

By


Chairman
Finance Committee

C. J. P.

" Ex. B. "

CONTRACT CONCERNING THE CUSTODY AND
PLEDGE OF COLLATERAL SECURITY.

STATE OF TEXAS
COUNTY OF TARRANT

KNOW ALL MEN BY THESE PRESENTS:

That whereas the Continental National Bank, a national banking corporation duly authorized and incorporated under the national banking laws of the United States of America, having its office and domicile in the City of Fort Worth, Tarrant County, Texas, was by the Board of Directors of Tarrant County Water Control and Improvement District Number One, on the 6th day of March, A. D., 1928, designated the official District depository of said District. Said designation was made done and executed in conformity to the provisions of Sections 113 and 114 of Chapter 25 of the Acts of the Thirty-ninth Legislature of the State of Texas, and Chapter 2 of Title 47 of the Revised Civil Statutes of Texas, which are here referred to as part hereof and as controlling the provisions and construction of this contract.

And ~~WHEREAS~~ said the Continental National Bank desires to qualify as such official depository and also to invoke the provisions of Art. 2547 of the Revised Civil Statutes of Texas, whereby in lieu of the personal security or surety company bond it may deposit and pledge as security for the fulfillment of its obligations as such depository, negotiable, valid, and subsisting bonds representing money obligations of the United States of America, or any County, City, Town, or Independent School District of the State of Texas, which security must be placed and deposited in a safe or vault within and under the control of the Directors of said Tarrant County Water Control and Improvement District Number One.

And ~~WHEREAS~~ the Board of Directors of said District by a resolution adopted at a session of said Board on the 13th day of March A. D. 1928, authorized the pledging of such collateral by the Continental National Bank and has further approved security in the sum of Fifty Thousand (\$50,000.00) as being sufficient for the present protection of the District. Said resolution did further specify and approve as lawful and sufficient the pledge and acceptance of bonds of the United States of

America, of the par value of Fifty Thousand Dollars (\$50,000.00), which pledged bonds are specified and described as follows, to-wit:

United States 4% Treasury Bonds of 1944-1954, with June 15th, 1928 and subsequent coupons attached, as follows:

No. H00068778	- - - - -	\$10,000.00
No. J00068779	- - - - -	10,000.00
No. K00068780	- - - - -	10,000.00
No. A00068781	- - - - -	10,000.00
No. B00068782	- - - - -	<u>10,000.00</u>
T O T A L	2 - - - - -	\$50,000.00

② NOW THEREFORE: By virtue of the premises, and pursuant to such authority, said the Continental National Bank does hereby transfer, assign and set over to Tarrant County Water Control and Improvement District Number One as security for the acts, obligations and deeds of said the Continental National Bank as such official depository and for the observance of, all and singular, the duties and obligations of said bank as District Depository under the express provisions of Chap. 25 of the Acts of the Thirty-ninth Legislature of Texas, and Chap. 2, Title 47, of the Revised Civil Statutes of Texas. The bonds and securities hereinabove described and assigned, are hereby warranted negotiable, valid, subsisting and enforceable obligations of the United States of America.

The above described bonds are transferred and conveyed to Tarrant County Water Control and Improvement District Number One and title thereto vested in said District upon the following conditions, to-wit:②

The said Continental National Bank binds itself, its successors and assigns, that it will faithfully discharge and perform, all and singular, the duties and obligations devolving by law upon it as Depository for the District, and will pay on presentation all checks and drafts drawn upon said Depository by or under the authorization of the Board of Directors of said District at all such times as there may be on deposit sums sufficient to meet the vouchers drawn by the Board upon the Depository. Further it is agreed that all funds and money and security left and deposited with said Depository by said District, its agents, servants and employees, shall be safely kept by said Depository and accounted for according to law, and that

any suit and causes of action arising thereon shall be tried in Tarrant County, Texas, in courts having jurisdiction over the subject matter: Further that said Depository shall in all respects comply with the laws of the State of Texas relating hereto, and shall perform each and all of the conditions required, and discharge all the duties imposed on it as such Depository by law and as and by the terms of this instrument. It is further stipulated and agreed that said Continental National Bank will pay interest on the daily balances to the credit of said District with said Depository at the rate of three ^{3/8} (3%) per centum per annum which interest shall be computed monthly and be placed to the credit of such fund of said District as the Directors thereof may designate.

It is further expressly agreed that Tarrant County Water Control and Improvement District Number One, in the event of the breach of this obligation, or in the event of the breach of any of the terms, conditions, and provisions ^{and as well in the law contained,} herein contained and on the part of said Depository to be kept and performed, shall be hereby expressly authorized to sell the bonds herein described and pledged as security, or so much thereof as may be necessary to make and keep said District harmless. Such sale shall be at a price not less than the prevailing net quotation offers on the New York Stock Exchange, or other recognized market places in the United States of America, provided the securities which may be hereafter pledged under the provision of this contract are at the time of such sale, actually listed and quoted on said designated exchanges or markets. ^① Such sale may be made through any officer or agent of the District designated by the Board of Directors of the District to sell said bonds and securities. Such sale may be made publicly or at private sale on such terms and conditions as said District through its Board of Directors may order. After such sale the proceeds of said bonds and obligations shall be applied to the satisfaction and discharge of the existing valid obligation, or obligations of said Depository to said District, and no one such sale and application of such proceeds shall release or impair the obligations of this contract, and under the law, that may be yet unperformed. There may be as many such sales and as many such applications of proceeds as may be necessary to the due, complete and faithful performance of all obligations contained in this con-

tract and expressly imposed by the laws of Texas. It is further agreed that in the event of any suit on this contract or bond the same shall be in the name of Tarrant County Water Control and Improvement District Number One and as many suits may be prosecuted from time to time as may be necessary to save and hold the said District harmless from breach of any of the terms of this contract, the laws of Texas and the bonds and pledges of security bonds which may be hereafter delivered and executed hereunder. No obligation of said Depository to said District shall be void on the first or any subsequent recovery, but successive suits may be instituted and prosecuted to judgement until the entire provisions and intent, all and singular, of the terms, conditions and obligations herein contained on the part of the said Depository to be kept shall have been completely fulfilled.

① Under and by the terms of a resolution passed by the Board of Directors of said Bank on the 9th day of March A. D. 1928 it was expressly provided as follows: "Further it be agreed that bond and collateral in the sum of Fifty Thousand Dollars (\$50,000.00) will for the present amply secure the District within the requirements of Title 47, Chap. 2 of the Revised Civil Statutes of Texas; that other and further security shall be furnished by the Bank as the increasing deposits may require". Further said resolution did provide as follows, viz: "Further be it resolved that the President or any Vice-President and the Cashier of this Bank do be hereby authorized without further act or resolution on the part of this Board of Directors to enter into other and further bonds payable to the District, and to deposit other and further security owned or held by this bank, and to be such lawful security as is designated above, as and when such further and additional deposit of security may become necessary to protect the District for funds in excess of said Fifty Thousand Dollars (\$50,000.00). The deposit of other and additional security hereby provided for shall be made at such times and in such manner as will comply with the provisions and intent of Articles 2547 and 2548 of the Revised Civil Statutes of Texas; further be it resolved that said President or any Vice-President and the Cashier be, and they are hereby, empowered to act for and on behalf of said the Con-

"Continental National Bank in the making of formal agreements concerning the
"conduct and the consumation of the designation and operation of said Bank
"as the official Depository of said District; further that they do be direct-
"ed to exercise their judgement and discretion in regard to the objects to be
"accomplished. Further be it resolved that we do hereby in all things ra-
"ttify and confirm any and all lawful acts which the said President or any
"Vice-President and the Cashier, may do in the performance, and as the acts
"and deeds, of said the Continental National Bank of Fort Worth, Texas."

Under the provisions of the above quoted order by the Board
of Directors of said Bank, it is expressly contemplated and hereby agreed
that when the deposits of said District do, or must, exceed said sum of
Fifty Thousand Dollars, (\$50,000.00), the said District will and may require
the deposit of additional bond^① (being bonds designated by law and to be ap-
proved by the Directors of said District) in such additional sums as may be
required^{at all times} to equal the^{actual} deposits of said District: In order to avoid the neces-
sity of the frequent execution of further^{bonds} contracts or pledge agreements,
similar to this contract, which would be required at such times as such ad-

ditional security may be required, it is hereby expressly agreed and provided that the additional security to be delivered and pledged shall be described and listed and each such description and listing shall thereupon be attached to this contract as an exhibit and as part hereof. Upon the delivery of such additional collateral bonds and securities the same shall thereby become pledged to said District and thereby become instantly subject to the terms, powers and conditions of this contract just as though such additional bonds and securities had been described herein and delivered and pledged herewith, and it shall thus be without other or further order by the Board of Directors of said Bank.

The total amount of money which may be recovered by said District against this bank shall be such sum as may be necessary to save and hold altogether harmless said District from any loss, damage, or injury that may be occasioned to it through the acts, conduct, omission, negligence or default of the Depository aforesaid.

It is provided further that this obligation shall extend to and cover the entire period of time for which said the Continental National Bank shall act as depository for said District in accordance with the designation aforesaid, but when all the conditions, terms, stipulations, and covenants of this obligation shall have been fulfilled and no breach thereof committed, then and in that event, the security deposited by virtue of this agreement, or any substitution therefor, or so much thereof as may be applicable thereto, by virtue of the premises, shall be returned to said Depository.

It is further agreed and stipulated that the foregoing bonds and securities shall be kept in a fire and burglar proof vault, safe, or container, the combination or key of which shall be held and kept during the period of this contract by the Directors of Tarrant County Water Control and Improvement District Number One, or by some person in the employ of said District thereunto duly authorized. Such vault, safe or container shall be situated on the premises of the First National Bank in the City of Fort Worth, Tarrant County, Texas, and any loss, injury or damage that may be occasioned to such bonds or securities, or any of them, while in the safe or container on the premises of said the First National Bank shall be borne by said Depository and not by said District, save and except for any such loss, injury, or damage as might be due to the acts of said District or someone by it duly authorized to have access to said bonds and securities. It is expressly provided, however, that said the Continental National Bank reserves the right and privilege to have said securities under dual lock or combination control and to have its Cashier or other officer of the bank actually present whenever at any time, before default, the District or any one representing it is to open said safe, vault, or container for any purpose whatsoever.

In the event that any part of said bonds or securities should be lost, misplaced, stolen, or otherwise appropriated without the written consent of the Board of Directors of said District, the said Continental

National Bank shall be required and it is hereby made its duty to replace the same or its equivalent to the satisfaction of the Directors of said District. It is provided, however, that if said District shall determine the safe, vault, or container so selected for the safe keeping of said bonds and securities, to be unfit for such purpose, or insecure, then such securities or bonds may be kept in some other safe place to be both fit and secure and under the control of said District. The selection of such other place of deposit shall be made by said District on the one hand and by said the Continental National Bank on the other; and in the event agreement can not be had for such arrangement, then the two parties shall select a third person and the majority shall control the designation. It is further stipulated that the safe or container shall be such that the same can not be opened without said District being represented by someone duly authorized thereunto by order of the Board of Directors of said District.

It is further agreed that said District will during the life of this obligation permit the withdrawal of pledged collateral bonds at such times as there may reasonably appear to be a substantial and unrequired excess of such securities. It is further agreed that bonds once pledged as collateral may be substituted in whole or in part by other bonds or securities of equal amount and lawful eligibility with the bonds to be withdrawn. Such substitution can not be made until after approval thereof by the Board of Directors of said District as to amount and other lawful sufficiency of the security proposed to be substituted. In case it is desired to substitute securities hereunder, a memorandum of the substitution shall be jointly executed by said District and said the Continental National Bank which memorandum shall be attached to or held with ^①this contract and considered part hereof. ^① But such substitutions or memoranda/in no wise affect, shall change, or impair any of the obligations herein contained on the part of said Depository to be kept and performed.

It is further stipulated that if at any time it should appear to the Board of Directors of said District that all or any part of the securities held hereunder have depreciated in value so as to render said District unsafe, then and in that event, the Depository herein shall be required, and it shall be its duty to provide and substitute other securities found to be lawful, valid, collectable securities of a par value equal to those so ad-

judged to be unsafe or insufficient.

It is further agreed that said Depository can collect any maturing bond and make substitution therefor under the same terms of substitution as are provided in the foregoing paragraph. It is further agreed that said Depository may collect all maturing interest on said securities, but in no event shall the par value of the principal of said security fall below the full amount of the deposits or securities which said District may have with said Depository. It is further stipulated that all other and further bonds which may be executed by said Continental National Bank and all other and further securities pledged by said bank as collateral shall together with this contract constitute one entire transaction and be treated as such.

① The execution of these presents and the delivery and pledge of the bonds hereinabove described, as well as all other and additional bonds and securities to be executed, delivered and pledged, ① have been and are authorized by resolution of the Board of Directors of the said Continental National Bank of Fort Worth, Texas, which resolution has been spread on the minutes of said Bank in accordance with the action had and done at the meeting of said Board of Directors held on the 9th day of March, A. D. 1928, as appears by certified copy of said minutes which shall be held herewith and constituted part hereof.

IN WITNESS WHEREOF, the said Continental National Bank has caused these presents to be signed in its name, and as its act and deed, by its President and has caused its corporate seal to be hereon duly impressed on the 10TH day of March, A. D. 1928.

CONTINENTAL NATIONAL BANK
(of Fort Worth, Texas)

BY: J. H. Wilkinson
President

ATTEST:

[Signature]
Cashier.

STATE OF TEXAS
COUNTY OF TARRANT

Before me, M. J. Ratchiff

a Notary Public in and for Tarrant County, Texas, on this day personally appeared J. G. Wilkinson known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed in his capacity as therein stated and as the duly authorized act and deed of the said Continental National Bank of Fort Worth, Texas.

IN WITNESS WHEREOF, I have hereunto subscribed my name and have impressed my Notarial Seal in the City of Fort Worth, Tarrant County, Texas, on the 10th day of March, A. D. 1928

M. J. Ratchiff
Notary Public in and for Tarrant
County, Texas.

The foregoing contract as executed is hereby approved,
adopted and made effective.

TARRANT COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT NUMBER ONE.

BY W. M. Summitt
As President, and

C. H. H. Stroman
W. K. Dripling
H. J. Cooke
E. S. Smith
As Directors

ATTEST:

W. K. Dripling
As Secretary.

" Ex. C "

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF THE CONTINENTAL NATIONAL BANK, A NATIONAL BANKING INCORPORATION, HELD AT ITS OFFICE AND DOMICILE IN THE CITY OF FORT WORTH, TARRANT COUNTY, TEXAS, ON THE 8th DAY OF MARCH, A. D., 1928.

At this meeting J. G. Wilkinson, President of the Board, presided.

There were also present Directors J. G. Wilkinson, J. E. Willis, H. H. Wilkinson, H. J. Morlang, W. K. Stripling, Ed. H. Winton, H. C. Burke Jr., Dan A. Levy, Leroy A. Smith, W. E. Thomas, Geo. Beqgs, S. W. Halton, C. D. Lusk, E. T. Reufro, Geo. Thompson, Jr., Who constituted a quorum of the Board. Chas. F. Roesser,

Thereupon the following proceedings were had and done, viz:

1st: The President of the Board announced that ~~The~~ Continental National Bank had proposed to Tarrant County Water Control and Improvement District No. 1 to become the officially designated depository of its funds and had placed a formal bid with said District wherein it was stipulated that this bank should pay three per cent (3%) interest on the daily balances of the District, to be computed monthly and to be deposited monthly to the credit of the District. Further that the Board of Directors of said District did on March 6th, 1928 formally designate and declare ~~The~~ Continental National Bank the depository for said District for the period to end on February 28th, 1929 or until a new depository had been selected and had duly qualified, but in no event to exceed sixty days next after said February 28th, 1929, unless by and with the written consent of this bank an extension of said time might be provided for. Further the said designation was subject only to perfection by ~~The~~ Continental National Bank of Fort Worth, Texas, furnishing to the Directors of The District within five days from said March 6th, 1928, good and sufficient bond or other security to be approved by the Directors of said District under the provision of Art. 2547 of "The Revised Civil Statutes of Texas". Further that it has been agreed by the Directors of the District that

that they will accept bonds of the United States, or of any County, City, Town, or Independent School District of the State of Texas, as pledged collateral security in lieu of the personal or surety company bonds provided by said Act. Further that the Directors had agreed that the deposit of collateral with the Bank's bond should be at all times adjusted in amounts to conform to the balances to be placed by the District from time to time with this Bank. Further it has been agreed that bond and collateral in the sum of Fifty Thousand Dollars (\$50,000.00), will for the present amply secure the District within requirements of Title 47, Chap. 2, of "The Revised Civil Statutes of Texas"; that other and further security shall be furnished by the Bank as the increasing deposits might require.

It was thereupon stated that this meeting of the Board of Directors had been called for the purpose of sanctioning the commitments made by the Bank's officers and to authorize the deposit of lawful and acceptable collateral securities.

2nd; Thereupon there was full discussion of the matter by the Board, after which Director J. E. Willis did move the adoption of the following resolution, viz:

"Be it resolved by the Board of Directors of ~~the~~ Continental National Bank, a national banking incorporation having its office and domicile in the City of Fort Worth, Tarrant County, Texas, that the said ~~the~~ Continental National Bank do be and become the depository of funds of Tarrant County Water Control and Improvement District No. 1 and that this Bank do pay to said district the sum of three per cent (3%) interest on the average daily balances of said District to the credit of such District, to be computed

"and to be paid to the District monthly, and such interest to be placed to
"the credit of such fund as the Directors of said District may direct. Fur-
"ther that the President or any Vice-President and Cashier of this Bank do be authorized to execute
"a formal contract and bond in order to carry out the provisions of law: Fur-
"ther that they do be authorized to pledge as security, for the safe-keeping
"of all such funds and the performance of all duties required by law as such
"depository of a district, any bonds of the United States, or any County, City,
"Town, or Independent School District of the State of Texas, which bonds may
"now be owned or held by this Bank. Further that the bonds to be immediately
"deposited shall be of the par value of Fifty Thousand Dollars (\$50,000.00)

"Further be it resolved that the President or any Vice-President and Cashier of this Bank
"do be hereby authorized, without further act or resolution on the part of
"this Board of Directors, to enter into other and further bonds payable to
"the District, and to deposit other and further security owned or held by
"this bank, and to be such security as is designated above, as and when such
"further and additional deposits of security may be come necessary to protect
"the District for funds in excess of said Fifty Thousand Dollars, (\$50,000.00).
"The deposit of other and additional securities hereby provided for shall be
"made at such times and in such manner as will comply with the provisions and
"intent of Art. 2548, of "The Revised Civil Statutes of Texas".

"Further be it resolved that said President or any Vice-President and Cashier be, and they
"are hereby, empowered to act for and on behalf of said ~~the~~ Continental Nation-
"al Bank in the making of formal agreements concerning the conduct and the
"consumation of the designation and operations of said bank as the official
"depository of said District; further that they do be directed to exercise

"their judgement and discretion in regard to the objects to be accomplished.

"Further be it resolved that we do hereby in all things ratify, confirm any
or any Vice-President

"and all lawful acts which the said President and Cashier may do in the pre-

"mises, and as the acts and deeds of said ~~The~~ Continental National Bank of Fort

"Worth, Texas".

3rd: The motion to adopt the foregoing resolution was seconded by Di-
rector Leroy A. Smith.

Thereupon the motion was put to a vote and Directors J. S. Wilkinson,
J. E. Willis, H. H. Wilkinson, H. J. Morlang, W. K. Stripling, Ed. H.
Winton, H. C. Burke, Dan A. Levy, Leroy A. Smith
A. E. Thomas, Geo. Bleggs, G. W. Halton, C. D. Husk, E. T. Ranfro,
Geo. Thompson, Jr., Chas. F. Rorer

voted for the motion and no director voted against the motion; thereupon the

President did declare the motion to adopt said resolution unanimously carried

and directed that such resolution be spread upon the minutes of the Board and

that a certified copy thereof do be delivered to the Directors of said District.

H. C. Burke
As Secretary

APPROVED:

J. S. Wilkinson
As President.

I, Ed. H. Winton, Cashier of The Continental National

Bank of Fort Worth, Texas, do hereby certify that the above and foregoing resolu-

tion is a true and correct copy of the original and that such resolution was duly

passed and adopted by the Board of Directors of said Bank, at a meeting in which

a quorum was present on the 8th day of March, A.D. 1928, and I further certify that

said resolution is of record on the minutes of said Board.

IN WITNESS WHEREOF, I have hereunto signed my name and have impressed the
corporate seal of said Bank on this the 9th day of March, A. D. 1928.

Ed. H. Winton
Cashier.