

REGENTS OF THE University Of Oklahoma  
Special Meeting February 23, 1949  
10:00 a.m.

The Regents of the University of Oklahoma met in special session at 10:00 a.m. February 23, 1949, in the office of the President at Norman. Present were Regents Deacon, President, presiding; McBride, Benedum, Shepler, Noble, and White. Absent: Regent Emery.

The minutes of the meeting on February 9, 1949, were approved.

Regent Deacon <sup>had previously</sup> requested an opinion from the Attorney General on the question of a Regent continuing to serve on the Board following expiration of his term of appointment. The Secretary was directed to make the opinion a part of the minutes. The opinion follows:

"February 15, 1949

Mr. Erl Deacon, President  
Board of Regents of University of Oklahoma  
Norman, Oklahoma

Dear Sir:

The Attorney General acknowledges receipt of your letter dated February 11, 1949, wherein you ask:

"May an individual continue to serve as a member of the Board of Regents of the University beyond the date for which he was appointed until such time as a successor has been appointed and qualified?"

In reply you are advised that the present Board of Regents of the University of Oklahoma was created by virtue of the provisions of Section 8 Article 13 of the Constitution of Oklahoma (adopted by the people on July 11, 1944), the material part of which is as follows:

"The government of the University of Oklahoma shall be vested in a Board of Regents consisting of seven members to be appointed by the Governor by and with the advice and consent of the Senate. The term of said members shall be for seven years, \* \* \*.

"Appointments for filling vacancies occurring on said Board shall be made by the Governor with advice and consent of the Senate and said appointments to fill vacancies shall be for the residue of the term only."

The above-quoted language of Section 8, supra, is also set forth in Section 2, Chapter 32, Title 70, page 547, Oklahoma Session Laws 1947 (70 O. S. Supp. 1947 § 1247.2), said section being identical to said Section 8. Section 13, Article 6 of our State Constitution, relating to appointments which the Governor is authorized to make, is in part as follows:

"When any office shall become vacant, he shall, unless otherwise provided by law, appoint a person to fill such vacancy, who shall continue in office until a successor shall have been duly elected or appointed, and qualified according to law."

February 23, 1949

51 O. S. 1941 § 15 is as follows:

"Every appointed officer shall hold his office until the end of the term for which the officer whom he succeeds was elected or appointed, and until his successor is elected and qualified."

In consideration of the above-quoted constitutional and statutory provisions, the Attorney General is of the opinion that an individual who is duly appointed by the Governor as a member of the Board of Regents of the University of Oklahoma and who qualifies for said office will continue in office until his successor has been duly appointed and qualified.

Yours very truly  
FOR THE ATTORNEY GENERAL  
/s/ Fred Hansen  
First Assistant Attorney General"

President Cross stated that the State Regents for Higher Education are having a meeting at the State Capitol on February 28 and that Chancellor Nash has extended an invitation to our Regents to attend the meeting and to present any matters concerning the University that may be desired. At the January meeting of the Regents there was a discussion concerning the joint meeting and luncheon and extending an invitation to the State Regents to visit the Medical School and University Hospitals. It was the sense of the Board that the President arrange with Chancellor Nash and Dean Everett for such a meeting on Monday if agreeable and that the University Regents meet at the Dean's Office at 10:30 a.m. for a preliminary discussion of budget matters and items to be discussed with the State Regents. The Chair urged as many of the Regents as can do so to attend this meeting. President Cross was asked to supply a memorandum on the various items similar to that supplied to the alumni committee.

President Cross emphasized the need for scholarships for Oklahoma students, particularly outstanding highschool seniors; such scholarships are now being offered at the A. & M. College. He recommended that the Regents authorize the President of the University to grant one-year scholarships, at least 50 each semester, for value of \$75 a semester or \$150 a year.

Regent McBride moved and it was unanimously voted to approve such scholarships.

President Cross asked that Mr. Cate be called for a discussion concerning the stadium bond resolution. A tentative draft of this resolution was presented at the February 9 meeting. Mr. Cate stated that George Fagin of Oklahoma City, Bond Attorney; Chapman and Cutler of Chicago, and Dr. Cheadle had suggested some changes and that the bond purchasers, B. J. Van Ingen and Company, Inc., and Associates had also made suggestions. He explained the document in detail following which President Cross recommended approval of the resolution as submitted by Mr. Cate.

*amended  
12-13-51  
pp. 4210*

February 23, 1949

Regent Benedum moved, seconded by Regent Shepler, that the Bond Resolution be adopted as amended and in its final form. All members present voted AYE and the resolution was adopted. The resolution is as follows:

RESOLUTION

A RESOLUTION setting aside a portion of the campus of the University of Oklahoma for the construction of additions, improvements and extensions to the existing stadium; authorizing the issuance of revenue bonds for paying the cost of constructing, equipping and furnishing such additions, improvements and extensions to the existing stadium; confirming the sale of such bonds; providing for the payment of principal thereof and interest thereon; and entering into certain covenants and agreements in that connection.

WHEREAS, it has been determined to be necessary for the comfort, convenience and welfare of the students attending the University of Oklahoma to construct, furnish and equip additions, improvements and extensions to the existing stadium, and the issuance of the bonds hereinafter authorized is authorized by the provisions of Senate Bill Number 41 of the Acts of 1945, Oklahoma Legislature (Chapter 1a, Title 70, Session Laws of 1945), as amended by Senate Bill Number 143 of the Acts of 1947 (Chapter 45e, Title 70, Session Laws of 1947).

NOW, THEREFORE, Be It Resolved by the Board of Regents of the University of Oklahoma, as follows:

Section 1. That the following described portion of the campus of the University of Oklahoma is hereby set aside for the construction thereon of additions, improvements and extensions to the existing stadium to be so constructed:

Beginning at a point 354 feet North and 33 feet West of the Southeast corner of the Southeast Quarter (SE $\frac{1}{4}$ ) of Section Thirty-One (31), Township Nine (9) North, Range Two (2) West, of the Indian Meridian, Cleveland County, Oklahoma; thence West 570 feet; thence North 750 feet; thence East 570 feet; thence South 750 feet to the point of beginning, containing 9.55 acres, more or less.

Section 2. That for the purpose of paying the cost of constructing, furnishing and equipping the additions, improvements and

February 23, 1949

extensions to the existing stadium to be included in what is hereinafter defined as the "system," there shall be borrowed on the credit of the income and revenue to be derived from the operation thereof, the sum of \$1,200,000 and that to evidence the sum so borrowed and in anticipation of the collection of such income and revenues, there be issued the negotiable bonds of the Board of Regents of the University of Oklahoma in the total principal sum of \$1,200,000.

Section 3. That said bonds shall be known as "Stadium Bonds of 1949," shall be dated March 1, 1949, shall be in the denomination of \$1,000 each, shall be numbered 1 to 1,200, inclusive, and shall be payable as to both principal and interest at The First National Bank and Trust Company of Oklahoma City, Oklahoma, or, at the option of the holder thereof, at the Manufacturers Trust Company, New York, New York. The bonds shall bear interest at the rate of three per cent (3%) per annum, all of which interest is to be payable on March 1, 1950, and semi-annually thereafter on September 1 and March 1 of each year. Such bonds shall mature as to principal serially in numerical order on March 1 of each year, as follows:

February 23, 1949

2

<u>Bond Numbers</u>	<u>Amount</u>	<u>Year</u>
1 to 45	\$45,000	1950
46 to 91	46,000	1951
92 to 138	47,000	1952
139 to 187	49,000	1953
188 to 237	50,000	1954
238 to 289	52,000	1955
290 to 342	53,000	1956
343 to 397	55,000	1957
398 to 454	57,000	1958
455 to 512	58,000	1959
513 to 572	60,000	1960
573 to 634	62,000	1961
635 to 698	64,000	1962
699 to 764	66,000	1963
765 to 832	68,000	1964
833 to 902	70,000	1965
903 to 974	72,000	1966
975 to 1048	74,000	1967
1049 to 1123	75,000	1968
1124 to 1200	77,000	1969

Bonds numbered 238 to 1200, inclusive, shall be callable for redemption as a whole for the purpose of being refunded into other bonds, or in part from funds hereinafter created, at the option of the Board of Regents on March 1, 1951, and on any interest payment date thereafter, at the principal amount thereof plus accrued interest to the date fixed for redemption and a premium as to each bond so redeemed prior to maturity of \$30 if redeemed in any of the years 1951, 1952 or 1953, \$25 if redeemed in any of the years 1954, 1955 or 1956, \$20 if redeemed in any of the years 1957, 1958 or 1959, \$15 if redeemed in any of the years 1960, 1961 or 1962, \$10 if redeemed in any of the years 1963, 1964 or 1965, and \$5 if redeemed in any of the years 1966, 1967 or 1968. If less than all of the bonds outstanding at any one time are so redeemed pursuant to the right of redemption above reserved, the bonds shall be redeemed in inverse numerical order. Notice of redemption shall be given not less than thirty days prior to the date fixed for redemption by notice sent by registered mail to the holder or holders of the bonds to be redeemed, directed to the addresses shown on the Registrar's registration books. If any bond to be so redeemed is not registered as to principal, at least thirty days notice shall be given through publication of an appropriate notice in a financial newspaper or journal published in the City of New York, New York, and sent by registered mail to the banks at which the bonds are payable.

Section 4. That the bonds shall be signed by the President of the Board of Regents of the University of Oklahoma, shall be attested by the Secretary thereof, and shall have impressed thereon the corporate seal of the Board. Interest on the bonds falling due on and prior to maturity shall be represented by appropriate interest coupons to be attached thereto, which coupons shall be executed with the facsimile signatures of said President and Secretary and said officers by the execution of the bonds shall be considered to have adopted as and for their own proper signatures their respective facimile signatures appearing on said coupons.

February 23, 1949

Section 5. That the bonds shall be registerable as to principal only on books to be kept for such purpose by the Comptroller of the University as Registrar, in the manner and with the effect more specifically provided in the form of bond set out in the following section hereof.

Section 6. That said bonds and the coupons to be thereto attached, and the endorsements to appear on the back thereof, shall be in substantially the following form:

(Form of Bond)

UNITED STATES OF AMERICA

STATE OF OKLAHOMA

REGENTS OF THE UNIVERSITY OF OKLAHOMA

STADIUM BOND OF 1949

Number \_\_\_\_\_

\$1,000

KNOW ALL MEN BY THESE PRESENTS, that the Board of Regents of the University of Oklahoma, a body corporate under the name of Regents of the University of Oklahoma, for value received promises to pay to bearer, or if this bond is registered as to principal then to the registered owner hereof, solely from the revenues hereinafter recited, the sum of One Thousand Dollars (\$1,000) on the first day of March, 19\_\_, and to pay interest thereon from the date hereof until paid, solely from said revenues, at the rate of three per cent (3%) per annum. Such interest is payable on March 1, 1950, and semiannually thereafter on September 1 and March 1 of each year and, as to interest falling due on and prior to maturity only upon surrender of the interest coupons hereto attached as they severally become due. Both principal of and interest on this bond are payable in lawful money of the United States of America at The First National Bank and Trust Company of Oklahoma City, Oklahoma, or at the option of the holder, at the Manufacturers Trust Company, New York City, New York.

Bonds numbered 238 to 1200, inclusive, of the issue of which this bond is one are callable for redemption as a whole for the purpose of being refunded into other bonds, or in part from the funds created by the resolution hereinafter mentioned, at the option of the Board of Regents on March 1, 1951, and on any interest payment date thereafter, at the principal amount thereof plus accrued interest to the date fixed for redemption and a premium as to each bond so redeemed prior to maturity of \$30 if redeemed in 1951, 1952 or 1953, \$25 if redeemed in 1954, 1955 or 1956, \$20 if redeemed in 1957, 1958 or 1959, \$15 if redeemed in 1960, 1961 or 1962, \$10 if redeemed in 1963, 1964 or 1965, and \$5 if redeemed in 1966, 1967 or 1968. If less than all of the bonds outstanding at any one time are so redeemed pursuant to the right of redemption above reserved, the bonds shall be redeemed in inverse numerical order. Notice of redemption is to be given not less than thirty days prior to the date fixed for

February 23, 1949

redemption by notice sent by registered mail to the holder or holders of the bonds to be redeemed, director to the addresses shown on the Registrar's registration books. If any bond to be so redeemed is not registered as to principal, at least thirty days notice shall be given through publication of an appropriate notice in a financial newspaper or journal published in the City of New York, New York, and sent by registered mail to the banks at which the bonds are payable.

This bond is registerable as to principal in the manner and with the effect recited on the back hereof.

This bond is one of an issue of \$1,200,000 bonds of like date and tenor, except as to number, maturity, and option of redemption, issued for the purpose of constructing, equipping and furnishing additions, improvements and extensions to the existing stadium, under and pursuant to the Constitution and Statutes of Oklahoma, and particularly Chapter 1a of Title 70, Session Laws of 1945, as amended, and pursuant to a resolution duly adopted by the Board of Regents of the University of Oklahoma on February 23, 1949, to which resolution reference is hereby made for a statement of the funds and revenues from which said issue of bonds is payable.

This bond and the issue of which it is one are payable from the net revenues, as net revenues are defined in the aforesaid resolution authorizing the bonds, to be derived from the operation of the above described stadium. This bond is not an indebtedness of the State of Oklahoma or the University of Oklahoma or the Board of Regents of the University of Oklahoma, but is a special obligation payable solely from the aforesaid revenues.

This bond is fully negotiable and is not subject to taxation by the State of Oklahoma or by any county, municipality or political subdivision therein.

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 have been properly done, happened and performed in regular and due form as required by law, and that the Board of Regents of the University of Oklahoma has agreed and does hereby agree to fix fees and charges for the availability of the stadium, fully sufficient to assure the prompt payment of principal of and interest on this bond and the other bonds of the issue of which it is one, promptly as such principal and interest become due, to create and maintain a reserve for such payment, and to make all other payments specified in the aforesaid resolution authorizing the bonds.

IN WITNESS WHEREOF, the Board of Regents of the University of Oklahoma has caused this bond to be signed by its President and attested by its Secretary and its corporate seal to be hereunto affixed, and the interest coupons hereto attached to be signed by the facsimile signatures of said officials, all as of this first day of March, 1949.

ATTEST:

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary



February 23, 1949

\_\_\_\_\_, 1949

I hereby certify that I have examined a certified copy of the record of the proceedings taken preliminary to and in the issuance of the within bond; that such proceedings and such bond show lawful authority for the issuance and are in accordance with the provisions of Senate Bill Number 41 of the 20th Oklahoma Legislature, as amended, and said bond is a valid and binding obligation according to its tenor, and under the provisions of said Senate Bill Number 41 of the 20th Oklahoma Legislature requiring the approval of the Attorney General, this bond is incontestable in any court in the State of Oklahoma unless suit thereon shall be brought in a court having jurisdiction of the same within thirty (30) days from the date of the approval of this bond appearing in the caption hereof.

\_\_\_\_\_  
Attorney General

(Provision for Registration)

The within bond may be registered as to principal on books to be kept for such purpose by the Comptroller of the University of Oklahoma, as Registrar, upon presentation hereof to such Registrar, who shall make notation of such registration on his books and in the registration blank below, and this bond may thereafter be transferred only upon written assignment of the registered owner or his attorney thereunto duly authorized, duly acknowledged or proved, which transfer shall be made on such books and endorsed hereon by the Registrar. If so registered this bond may thereafter be registered to bearer and thereby transferability by delivery shall be restored, but this bond shall again be subject to successive registrations and transfers as before. The principal of this bond, if registered, unless registered to bearer, shall be payable only to the registered owner or his legal representative. Notwithstanding the registration of this bond as to principal, the coupons shall remain payable to bearer and shall continue to be transferable by delivery.

Date of Registration	Name of Registered Owner	Signature of Registrar
:	:	:
:	:	:
:	:	:
:	:	:

Section 7. That for the purpose of this resolution the additions, improvements and extensions to the existing stadium to be constructed and equipped with the proceeds of the bonds herein authorized, together with the existing stadium and related facilities now owned and operated by the University, and together with all improvements, repairs and additions thereto or substitutions therefor which may be made while any of the bonds herein authorized remain outstanding are referred to as the "system." The bonds herein authorized are hereinafter sometimes referred to as the "bonds."

February 23, 1949

Section 8. That the revenues to be derived by the University from the operation of the system shall, for the purposes of this resolution, be considered to be the following:

(a) A student fee to be charged and collected from every student in attendance at the University of Oklahoma at the regular sessions of the University, for the availability of the stadium in such amount per student in each bond year as will produce for such bond year (the bond year for the purpose of this resolution being a year commencing on March 1 of each year and ending on the last day of February of the following year) not less than the sum of \$105,000. The revenue defined in this paragraph shall be identified as "Stadium Fee Revenue."

(b) All other revenues to be derived from the operation of the system, including gate receipts and concession income, and including the revenue derived from such student fee (supplemental and in addition to the fee described in Paragraph (a)) as may at any time be necessary to be imposed to pay maintenance and operation expenses as hereinafter provided. The revenues to be derived pursuant to the provisions of this Paragraph (b) are hereinafter referred to as "Stadium Operation Revenue." If at any time the stadium operation revenues shall prove to be insufficient to pay the necessary expenses of operating and maintaining the system, including the cost of insurance and necessary replacements, renewals and repairs, the Board of Regents may in its discretion make up such deficiency through the application to such purpose of money currently available from the general operating and maintenance funds of the University, and if funds are not so applied, or if the funds so applied are insufficient, then any remaining deficiency shall be made up from the proceeds of an additional student fee to be charged and collected from every student in attendance at the University at the regular sessions for the availability of the stadium, which fee shall be in addition to the fee mentioned in Paragraph (a) above and shall be in an amount sufficient to pay all necessary expenses of maintenance and operation for which the funds hereinabove specified in this paragraph may prove insufficient, but not in excess of such amount.

All of the "Stadium Fee Revenue" for which provision is made in Paragraph (a) hereinabove shall be irrevocably pledged solely to the payment of principal and interest and redemption premiums of the bonds, and the necessary paying agent and trustee fees in connection with such payments.

All of the "Stadium Operation Revenue" for which provision is made in Paragraph (b) hereinabove shall be irrevocably pledged to payment of the principal and interest and redemption premiums of the bonds and the necessary expense of operating and maintaining the stadium to the extent such costs are not paid from other available funds, except that after a sufficient sum from any source has been deposited in the Principal and Interest Fund to meet in full the interest and principal payments and the required payments to reserve for any one bond year, the surplus Stadium Operation Revenue remaining may be used as provided in Section 9, Paragraphs (d) and (e).

February 23, 1949

None of the bonds shall be entitled to priority one over the other in the application of the revenues of the system regardless of the fact that some of the bonds may be delivered prior to the delivery of other bonds of the issue. So long as any of the bonds herein authorized remain outstanding the Board of Regents agrees that it will not issue any additional bonds or obligations payable from revenues of the system other than refunding the entire outstanding issue (when subject to redemption by this resolution), and that in no event while any of the bonds remain outstanding will the Board of Regents mortgage or encumber the system or any part thereof, except that the equipment thereof may be disposed of if it is replaced with equipment of not less than equal value.

Section 9. That an agreement has been entered into between the Board of Regents and the Athletic Council of the University of Oklahoma, (a non-profit corporation organized to conduct inter-collegiate athletic operations for the University of Oklahoma under general policies established by the Board of Regents), by which all of the "Stadium Operation Revenue" as hereinbefore defined shall be pledged to payment of the principal and interest and redemption premiums of the bonds, and the necessary expense of operating and maintaining the stadium to the extent such costs are not paid from other available funds, except that after a sufficient sum from any source has been deposited in the Principal and Interest Fund to meet in full the interest and principal payments and the required payments to reserve for any one bond year, the surplus Stadium Operation Revenue remaining may be used as provided in Paragraphs (d) and (e) of this section.

That from and after the issuance of any of the bonds the Board of Regents will cause to be deposited in the University of Oklahoma Official Depository Fund in the State Treasury in a special fund to be identified as the Stadium Operation Fund the revenues to be derived from the operation of the system to be utilized in the following order of priority:

(a) To pay the necessary expenses of operating and maintaining the stadium to the extent such costs are not paid from other available funds, and supplemented when necessary in the manner provided in Paragraph (b) of Section 8 above.

(b) To pay to the Trustee for deposit in the Stadium Bonds of 1949 Principal and Interest Fund thirty days prior to any interest payment date the amount necessary at that time to make up any deficiency in the cash available in the Principal and Interest Fund for the purpose of meeting the impending payments due on principal and interest of the bonds and to the Bond Reserve Fund.

(c) At the option of the Board of Regents to call bonds prior to maturity or to purchase bonds in the open market at not more than the current redemption price.

(d) To pay for repairs, replacements, improvements or additions to the stadium at any time during the bond year after the Trustee reports that sufficient money is available in the Principal and Interest Fund and the Reserve Fund to cover all payments to principal, interest and reserve fund that will fall due during that bond year.

3032  
February 23, 1949

(e) To pay to the Athletic Council of the University of Oklahoma at the end of each bond year the amount remaining in the Stadium Operation Revenue Fund after the requirements of the first four priorities have been met, the money so paid to be placed by the Athletic Council in a special account separate from its current operating revenue, and to be used by the Athletic Council for any lawful purpose.

Section 10. There is hereby created for the purpose of paying principal of and interest on the bonds, a fund to be known as the "Stadium Bonds of 1949 Principal and Interest Fund," which fund is sometimes in this resolution referred to as the "Bond Fund." All revenues derived from the collection of the student fees for which provision is made in Paragraph (a) of Section 8 hereinabove, and referred to as "Stadium Fee Revenue," which revenues are mandatorily required in each bond year to be not less than \$105,000, shall be paid as collected into the Bond Fund. The money in the Bond Fund shall be used first in each bond year for the payment of principal of and interest on the bonds which will so fall due during such period. After all requirements for current principal and interest have been so provided for, the money paid into the Bond Fund shall be accumulated to an aggregate of \$100,000 as a reserve for the payment of principal and interest, which sum of \$100,000 shall be known as the "Reserve Fund" and shall be reserved for and used only to pay principal of or interest on the bonds falling due at any time as to which there would be a default if the money in the Reserve Fund werenot so used. After the Reserve Fund has reached its full maximum amount of \$100,000, payments shall be made into said fund only for the purpose of restoring money paid therefrom.

The money remaining in the Bond Fund in each bond year after all current principal and interest have been paid and after the Reserve Fund has been accumulated to its full maximum amount and all payments made therefrom have been restored shall be used for the purpose of retiring prior to maturity as many of the bonds as can be retired with the surplus so available. Until the bonds become optional for redemption such surplus shall be used to purchase bonds on the open market at not more than par and accrued interest and if bonds cannot be so purchased the surplus shall be accumulated in the Bond Fund and may be invested in obligations of the United States of America until the bonds become so redeemable. After the bonds have become so redeemable all surplus accumulating in each six-months period shall be used to redeem and retire on the next interest payment date as many of the bonds as can be so redeemed with the surplus available.

If in any year the revenues of the system applicable thereto are insufficient to make the payment required to be made into the Bond Fund, such deficiency shall be made up and paid into the Bond Fund from the first gross revenues thereafter received.

The Board of Regents expressly covenants and agrees that it will impose and collect general student fees and charges for the benefits and availability of the stadium which shall be fully adequate and sufficient to make possible the prompt payment of all payments hereinabove required to be made. Such fees shall be imposed and collected

5  
beginning with the first regular semester starting from and after the adoption of this resolution and shall be so imposed and collected until the bonds herein authorized shall have been paid in full as to both principal and interest, without regard to the time of the actual completion of the facilities for which the bonds are herein authorized. For the purpose of assuring the prompt payment of the first interest to fall due on the bonds, there shall be paid into the Bond Fund at the time the bonds are delivered to the purchasers thereof all money received from such purchasers as accrued interest and in addition thereto the sum of \$36,000.00 from the proceeds of the sale of the bonds, which sum is estimated and hereby found and declared to be the amount which will be required to pay interest on the bonds which will accrue during the period covered by the construction of the additions, improvements and extensions to the existing stadium. The making of such payments shall not diminish the amounts hereinabove otherwise required to be paid into the Bond Fund. Such funds shall be turned over to the Trustee by the State Treasurer upon receipt thereof from the purchaser of the bonds.

The money in the Reserve Fund may be by the direction of the Board of Regents of the University of Oklahoma invested in obligations of the United States of America; if need for the money so invested shall arise for the payment of principal or interest, the obligations so purchased shall be sold to the extent necessary to make such payments and the proceeds of sale applied to such payments.

The Bond Fund and the Reserve Fund shall be kept in separate funds in The First National Bank and Trust Company of Oklahoma City, Oklahoma, as Trustee, and shall be held as special trust accounts for the benefit of the holders of the bonds. The First National Bank and Trust Company of Oklahoma City, Oklahoma, as Trustee, shall in due season, prior to the dates on which principal and interest fall due, make proper arrangements with the bank which is serving as the additional paying agent for the bonds, pursuant to which all bonds and coupons will be paid promptly upon presentation at either place of payment.

Section 11. That The First National Bank and Trust Company of Oklahoma City, Oklahoma, is hereby designated as Trustee to retain in special accounts, secured by an equivalent amount of United States Government bonds, the Bond Fund and the Reserve Fund, and to retain in its custody satisfactory evidence of the insurance hereinafter provided for, and to perform such duties as are hereinafter recited.

Section 12. That the sale of the bonds to B. J. Van Ingen and Company, Inc., Chicago, Illinois; Stern Brothers and Company, Kansas City, Missouri; First Securities Company of Kansas, Inc., Wichita, Kansas; and Estes, Snyder and Company, Inc., Topeka, Kansas, at par and accrued interest from date of issue to date of delivery, is hereby confirmed. The proceeds of the sale of the bonds (other than the amount received as accrued interest to date of delivery and the amount to be used as a reserve for interest during the construction period which shall be paid by the State Treasurer to the Trustee for deposit in the Principal and Interest Fund) will be paid into a special fund known as "Stadium Bonds Construction Fund" to be used solely for the payment of the cost of constructing and equipping the additions, improvements and extensions to the existing stadium, and incidental expenses of issuing the bonds.

February 23, 1949

The Board of Regents shall, prior to or at the time of delivery of the bonds, deposit with the State Treasurer the sum of \$146,000 already available for the Stadium additions and improvements, less any payments previously made for architectural services in connection with such additions and improvements, the money so deposited to be placed in the said "Stadium Bonds Construction Fund" and used to meet the first payments becoming due thereafter for architectural and construction expense of the Stadium additions and improvements. Said Stadium Bonds Construction Fund into which the proceeds of the bond sale shall be deposited shall be held in the State Treasury to the credit of the Board of Regents and shall be paid out from time to time solely in payment of the cost of constructing and equipping the system, and for the incidental expenses of issuing the bonds, pursuant to warrants issued by the State Auditor for such amounts as he may from time to time find to be due upon audited, itemized estimates and claims which bear the approval of the President of the University of Oklahoma. Any money remaining in said fund, after the completion of the payment of the cost of constructing and equipping the system, shall be transferred by the State Treasurer to the Bond Fund maintained by The First National Bank and Trust Company of Oklahoma City, Oklahoma, as Trustee, to be used to establish the required Bond Reserve, or for payment of principal and interest of the bonds; but shall not decrease the amounts otherwise required to be paid into that fund.

Section 13. That the Board of Regents agrees to keep the system, including its equipment, continuously insured against fire, explosion, windstorm, and other hazards, in an amount at least equal to the face value of all bonds outstanding payable from the revenues of the system, provided, however, that in case the amount of such bonds shall be greater than the insurable value of the system, then the Board shall insure to its insurable value. In case of loss, the proceeds of insurance shall be applied to the repair or restoration of the system to its former condition, or in such manner as will make the system again usable for its intended purposes. If the funds received from said insurance policies or otherwise on account of any loss, shall be insufficient to make the system again usable for its intended purposes, then and in that event, the funds received by reason of such loss shall be deposited with the Trustee for the benefit of the holders of the outstanding bonds payable from the revenues of the system. The Board agrees also to carry on the system use and occupancy insurance in an aggregate amount equal at all times to the highest annual amount due for principal of and interest on all of the outstanding bonds payable from the revenues thereof in any year covered by the term of such policies. All proceeds derived from such use and occupancy policies shall be treated as revenues derived from the system, and shall be applied as other revenues of the system are required to be applied under the provisions of this resolution, except that none of such proceeds shall be used in the operation or maintenance of the system.

Section 14. That the Board of Regents further covenants and agrees to keep proper books of account (separate and apart from all other records and accounts) in which complete and correct entries shall be made of all transactions relating to the operation and maintenance of the system and the allocation and application of the revenues thereof, and that such books shall be available for inspection by the holders of any of the bonds at reasonable hours and under reasonable

February 23, 1949

3035

6  
conditions. At the close of each calendar month the Comptroller of the University of Oklahoma shall furnish the Board of Regents, the Trustee, The First National Bank and Trust Company of Oklahoma City, Oklahoma, and any other person holding not less than 40 per cent of the bonds then outstanding, an interim statement of all transactions relating to the operation and maintenance of the system and the application and allocation of the revenues thereof. Not more than six months after the close of each bond year the Board of Regents agrees to furnish to each holder of any of the bonds, who may so request, a complete operating and income statement covering the operation of the system for such year, certified by a certified public accountant to be employed by the Board of Regents, or, if so requested in writing by the holders of not less than 40 per cent of the bonds then outstanding, certified by other independent auditors of their selection.

Section 15. That all charges made by the Trustee and paying agent banks for services rendered and for payment of principal of and interest on the bonds will be paid by the Board of Regents of the University of Oklahoma and will not be required to be paid by the holders of the bonds or coupons.

Section 16. That all resolutions or parts thereof in conflict herewith be and the same are hereby revoked and that this resolution shall become effective immediately after its adoption.

Mr. Cate submitted the trustee agreement on the stadium bonds with the First National Bank and Trust Company of Oklahoma City, Oklahoma, and President Cross recommended approval. A copy of the agreement follows:

AGREEMENT

THIS CONTRACT AND AGREEMENT made and entered into by Regents of the University of Oklahoma Party of the First Part, and The First National Bank and Trust Company of Oklahoma City, Oklahoma, a corporation organized and operating under the Laws of Oklahoma, Party of the Second Part.

WITNESSETH:

THAT WHEREAS, the Regents of the University of Oklahoma did on the 23rd day of February, 1949, by resolution authorize the issuance of bonds in the sum of \$1,200,000 for the purpose of constructing, furnishing, and equipping additions and improvements to Owen Field Memorial Stadium on the campus of the University of Oklahoma as set forth in the above mentioned resolution of said Regents, a copy of which resolution is hereto attached and made a part of this contract; and

WHEREAS, said Regents of the University of Oklahoma did by said resolution designate the First National Bank and Trust Company of Oklahoma City, Party of the Second Part herein, as trustee of certain funds herein-after more fully described for the benefit and protection of the holders of the Bonds above described; and

February 23, 1949

WHEREAS, the Second Party has consented to act as such trustee for the purposes aforesaid:

NOW THEREFORE, THIS AGREEMENT WITNESSETH:

A. The First Party hereto accepts and undertakes the performance of the following duties in the manner more fully prescribed in the said Resolution:

- (1) To impose and collect general student fees and charges fully sufficient to retire the indebtedness when due.
- (2) To keep the system covered by fire and use and occupancy insurance, and deliver evidence thereof to the Trustee.
- (3) To operate and maintain the system in good condition.
- (4) To deposit with the Trustee all revenues derived from the collection of the student fees provided for in the Bond Resolution, which shall be placed in the "Stadium Bonds of 1949 Principal and Interest Fund," sometimes referred to in the Bond Resolution as the "Bond Fund."
- (5) To keep separate accounts of all financial transactions affecting the bond issue or the operation of the Stadium system and furnish operating statements monthly to those entitled to receive them.
- (6) To pay all reasonable charges made by the Trustee and Paying Agent banks for services rendered under this agreement. Payments to the Trustee, the Second Party herein, shall be made in accordance with the following scale:

Acceptance Fee: \$500.00

Annual Fee:  $\frac{1}{20}$ th of 1% of the authorized and outstanding bonds with a minimum annual fee of \$100.00.

For receiving and Disbursing funds:  $\frac{1}{10}$ th of 1% of the sums disbursed for the purpose of paying principal, and  $\frac{1}{4}$  of 1% of the sums disbursed for the payment of interest.

In the case of extraordinary services performed, the Second Party shall receive additional reasonable compensation for such services.

B. The Second Party hereto accepts and undertakes the performance of the following duties in the manner more fully prescribed in the said Resolution:

- (1) To hold in trust the money paid to the Trustee by First Party, to be used solely for the following purposes:

February 23, 1949

amended by action of the Board of Regents 4/13/49 as follows:  
"in the manner prescribed by federal law for the securing of trust funds."

- a) To pay promptly the principal of and interest on the bonds when due, whether the bonds and coupons are presented to the Trustee or to the co-paying agent, the Manufacturers Trust Company, New York City, New York, and to pay from the Principal and Interest Fund the required paying agent fees and trustee fees.
- b) To pay the principal of bonds prior to maturity when so directed upon proper notice by First Party;
- c) To maintain separately a "Stadium Bonds of 1949 Principal and Interest Fund" in accordance with terms of the Resolution.
- d) To secure the amount of money deposited in the "Stadium Bonds of 1949 Principal and Interest Fund" by an equivalent amount of United States Government bonds ~~deposited in trust with the State Treasurer of Oklahoma acting in his statutory capacity as treasurer of the University of Oklahoma, or in a Federal Reserve Bank.~~
- e) To invest the amount in the Reserve Fund of the "Stadium Bonds of 1949 Principal and Interest Fund" in United States Government Bonds as directed by First Party; and if need for the money so invested shall arise for payment of principal or interest, to sell such obligations to the extent necessary to make such payment.
- f) To use any surplus amount in the Principal and Interest Fund, above current principal and interest and reserve requirements, as directed by First Party either 1) to call bonds for redemption, 2) to purchase bonds of this issue on the open market at not more than the current redemption value; or 3) to invest in obligations of the United States Government, and if need for the money so invested shall arise for meeting interest or principal payments or calling bonds or purchasing bonds, to sell such obligations to the extent necessary for such purposes;
- g) In the event of failure by First Party to deposit in the principal and Interest Fund, at the times stated in the bond resolution, the amounts of money necessary to meet interest and principal payments when due and the amounts of money necessary to create and maintain the Reserve Fund in accordance with provisions of the bond resolution, then and in that event the Second Party shall, upon request of the holders of forty (40) per cent of the bonds, take appropriate action to enforce compliance with the terms of the said bond resolution insofar as they apply to such payments. Second Party shall not be obligated to take action to enforce such compliance unless properly indemnified to its satisfaction in reasonable amounts. The obligation of Second Party to enforce compliance with terms of the bond resolution shall not extend beyond those requirements of the bond resolution that relate to deposits of money by First Party in the

January 23, 1949

Principal and Interest Fund in the custody of the Trustee, the Second Party herein; provided, however, that Second Party agrees to perform other and additional services in connection with enforcing terms of the bond resolution if so requested in writing by holders of 40 per cent of the bonds. Second Party shall be properly indemnified to its satisfaction in reasonable amounts in connection with such other and additional services.

C. It is mutually agreed by the parties hereto that the said Bond Resolution, certified copy of which is attached herewith, is hereby adopted as a part of this Trust Agreement, and all provisions of said Bond Resolution that relate to operation of the trusteeship shall be binding on both parties hereto in the same manner as though set forth fully herein; and the failure to specify in this agreement particular duties expressed or implied in the Resolution shall not be deemed a waiver of such duties by either party to this Agreement.

D. The First Party to this agreement reserves the right to appoint a new trustee under any of the following conditions:

(1) If the Second Party gives notice that it wishes to terminate its trusteeship;

(2) If the First Party becomes dissatisfied for good cause reasonably demonstrated with the conduct of the Second Party in its handling of trust funds or trust affairs;

(3) Or upon request of 60% of the holders of the bonds authorized by the Bond Resolution herein referred to.

In case the First Party wishes to terminate the trust agreement with the Second Party under Paragraphs 2 or 3 above it shall give the Second Party 30 days notice of such intention and upon the appointment of a new trustee after the above period of notice it shall be the duty of Second Party to transfer to such new trustee all funds and things of value received by said Second Party under the terms of this agreement and to account fully to said First Party for its administration of the trust herein undertaken.

The provisions of this section shall not be construed as applying to any application to a court of record made by either party to enforce the provisions of the trust or to remove a trustee or to appoint a new trustee, but this section shall give remedies in addition to the legal remedies last mentioned.

E. The Second Party to this agreement reserves the right to resign as trustee following reasonable notice of such intention. In no case shall such notice be less than 30 days.

In Witness Whereof, the parties hereto have affixed their hands and seals on this the \_\_\_\_\_ day of \_\_\_\_\_, 1949.

January 23, 1949

ATTEST:

REGENTS OF THE UNIVERSITY OF OKLAHOMA  
(Party of the First Part)

\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
President

ATTEST:

FIRST NATIONAL BANK AND TRUST COMPANY,  
OKLAHOMA CITY  
(Party of the Second Part)

\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
President

\* \* \*

On motion by Regent Shepler seconded by Regent Benedum, the agreement was unanimously approved.

Mr. Cate stated that since it is imperative to begin construction on the stadium program immediately and that since there would be some delay in printing the bonds, there is a possibility that it might be necessary to arrange for a construction loan for the purpose of having funds available when needed to meet payments becoming due to the contractor. He submitted the following resolution and President Cross recommended adoption:

RESOLUTION

WHEREAS, the Board of Regents of the University of Oklahoma on February 9, 1949, sold \$1,200,000.00 Stadium Bonds of 1949 for the purpose of financing the construction and equipment of additions and improvements to Owen Field Memorial Stadium on the campus of the University of Oklahoma, and

WHEREAS, the Board of Regents on February 9 also entered into a construction contract with the Harmon Construction Company of Oklahoma City for the construction of the Stadium additions and improvements, payments under said contract not to become due until delivery of the bonds to the purchasers and the receipt of the proceeds thereof, or until the negotiation of a construction loan prior to delivery of the bonds as authorized in Title 70, Chapter 45e, Section 4, Session Laws of 1947, Oklahoma Legislature, and

WHEREAS, it is important that construction start immediately in order for the work to be completed as far as possible before the beginning of the 1949 football season;

BE IT RESOLVED by the Board of Regents of the University of Oklahoma that the President and Secretary of the Board are hereby authorized to arrange for a construction loan for the purpose of having funds available when needed to meet payments becoming due to the contractor, and to execute a note or notes on behalf of the Board of Regents to evidence such borrowing, provided that the interest rate paid on such construction loan shall not exceed 3%, and provided further that the total amount so borrowed shall not exceed \$200,000.00.

February 23, 1949

Regent Benedum moved, seconded by Regent White, to adopt the resolution and it was unanimously voted that it be adopted.

President Cross reported the receipt of a grant of \$4,000 for a Research Corporation as a Frederick Gardner Cottrell grant to the University for the support of a project of Dr. S. H. Wender. He recommended adoption of the following resolution:

RESOLUTION

Resolved that the Regents of the University accept with appreciation the grant of \$4,000 from the Research Corporation as a Frederick Gardner Cottrell grant to the University of Oklahoma for the support of the project of Dr. S. H. Wender, entitled "Studies of toxic substances of locoweeds."

The resolution was unanimously adopted.

President Cross stated that bids had been received on the purchase of 1700 lineal feet of steel reinforced concrete pipe 30" wide inside dimension for drainage for the athletic field after excavation. He stated the Shearman Concrete Pipe Company of Oklahoma City had submitted a bid of \$5,950.00 and he requested authorization to make the purchase and award the contract to the Shearman Concrete Pipe Company.

Regent Shepler moved and it was unanimously voted to approve the recommendation.

President Cross stated that the University of Oklahoma had been invited to accept membership in the Human Relations Area Files Organization. A similar invitation has been extended to a limited number of Universities throughout the country. As initial members, they are to set up an organization to carry on a program developed by the Cross-Cultural Survey which was initiated at the Institute of Human Relations Yale University in 1937. During the war the system used by this Survey for collecting, processing, and organizing materials on the peoples of the world proved to be of great value to Government agencies, particularly the Office of Coordination of Inter-American Affairs and the United States Navy. Each member institution will receive a duplicate set of the existing files and a set of all new materials processed by the central staff. Each of the charter members will be asked to designate a member of its faculty to serve on the incorporated Board of Directors. The officers of the Carnegie Corporation of New York have agreed to recommend a grant of \$62,500 to develop the organization and to duplicate the existing files provided that at least five institutions agree to become participating members.

The cost to each charter member is \$5,000 a year for a minimum of five years. Up to one-half of its annual contribution may be in services by technical assistants, translations, and manuscript materials. President Cross stated that this material would be of much value and he recommended that the University become one of the contributing members. After a discussion he submitted the following resolution:

February 23, 1949

RESOLVED

Resolved that the Regents of the University authorize and empower the President of the University to pledge membership in the Human Relations Area Files Organization at its initial meeting on February 26, and that the President of the University be authorized and empowered to pledge the sum of \$5,000 a year to the organization for a minimum of five years, with the understanding that at the discretion of the Board of Directors of the Human Relations Area Files Organization, the University of Oklahoma may contribute up to one-half of its annual contribution in technical assistance, translations, and manuscript materials.

Regent Benedum moved and it was unanimously voted to approve the resolution.

The following communication from Ted Beaird was read:

"President George L. Cross  
Administration Building  
Faculty Exchange

Dear President Cross:

At the regular meeting of the Building Committee of the Board of Governors of the Oklahoma Memorial Union held on Thursday, December 16, 1948, a motion was passed and unanimously approved as follows:

"MOTION BY CLECKLER, SECONDED BY LUTTRELL, THAT A REQUEST BE SENT TO THE BOARD OF REGENTS OF THE UNIVERSITY OF OKLAHOMA TO RELEASE IMPOUNDED STUDENT FEES FOR THE CONSTRUCTION OF A CENTRAL REFRIGERATION PLANT TO FURNISH CHILLED WATER IN ADEQUATE CAPACITY TO MEET THE NEEDS OF THE UNION FOR AIR CONDITIONING IN ITS EXPANSION PROGRAM AND OTHER BUILDINGS AS DESIRED BY THE UNIVERSITY ADMINISTRATION. UNANIMOUSLY CARRIED."

Upon instruction of the chairman of the Building Committee, and after a joint conference with Vice-President Cate, I am requested to address this communication to you, asking if you will kindly present this to the Board of Regents in order that we may advise Mr. Kraft, our architects, and others, as to procedure relative to the installation of this central refrigeration plant.

Yours very truly,

/s/ Ted Beaird"

President Cross recommended approval of the proposal for the central refrigeration plant in accordance with the motion adopted by the Building Committee of the Board of Governors of the Oklahoma Memorial Union. On motion by Regent McBride it was unanimously voted to approve the recommendation.

At the meeting on February 9 President Cross was authorized to consummate the contracts with the assistant football coaches and he reported

9

3042

February 23, 1949

that after further conferences with Bud Wilkinson an agreement had been reached on the salaries as follows:

Gomer Jones, \$7500.00, effective January 1, 1949

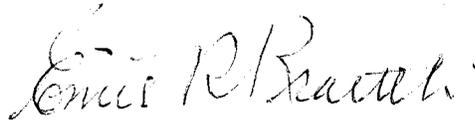
Walter Hargesheimer, \$6,000.00, effective January 1, 1949

Frank Ivy, \$5,700.00, effective January 1, 1949

William Jennings, \$5,350.00, effective January 1, 1949

It was unanimously voted to approve the salaries for assistant coaches as recommended by the President.

There being no further business, the meeting was adjourned at 12:30 p.m.



Secretary

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