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The Honorable Commissioners' Court re-convened in regular session on October 16, 1941, with the following members present:

Chas. Forse,	County Judge
J. T. Ener,	Commissioner, Precinct No.2,
G.B. Carter,	Commissioner, Precinct No.3,

On Motion duly had and carried, it is ordered by the Court that the Supplemental Report of the Tax Assessor-Collector be and it is hereby approved.

On Motion duly had and carried, the Court hereby orders the Clerk to cancel Warrant No. 129, for \$389.87, payable to Stafford-Lowden Co., and re-issue it in fourteen pieces, twelve being for \$22.29, one for \$100.00, and one for \$22.39 on same fund.

STATE OF TEXAS ()
COUNTY OF SABINE)

THIS AGREEMENT is made by the Commissioners' Court of Sabine County, Texas, on behalf of Road Districts Numbers 1, 4, 5, 6 and 12, of Sabine County, pursuant to an order duly passed and adopted by said Commissioners' Court; The First National Bank, SanAugustine, Texas; and Grummer & Company, Inc. and M.L.Daniels. The purpose of this agreement is to provide for the escrowing of certain matured obligations of said respective Road Districts, in order that the payment and discharge of same may be facilitated by having all of said matured obligations available and concentrated in one place where payments may be applied periodically as funds accumulate from collection of taxes. The First National Bank of SanAugustine, Texas, is hereby named and designated as Escrow Agent for the purpose of performing the conditions of this agreement. Said Bank is hereby authorized, instructed and directed, and does hereby agree to perform the duties of escrow agents in accordance with the following conditions, namely:

1. The Escrow Agent will receive from Grummer & Company, Inc. of Texas, and M.L. Daniels, both of Dallas, Texas, certain past due interest coupons and certificates of indebtedness evidencing accrued interest on bonds of said enumerated Road Districts of Sabine County, Texas, which obligations are fully described as follows, to-wit:

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ROAD DISTRICT NO.1

Matured Interest Coupons from Sabine County, Texas, Road District No.1
Road Bonds, dated August 15, 1922:

7 coupons No.27, due 2-15-1936, from Bonds Nos. 18/24, Inc.	@ \$27.50 each..	\$192.50
6 coupons No.28, due 8-15-1936, from Bonds Nos.19/24, Inc.	@ \$27.50 each..	\$165.00
16 coupons No.29, due 2-15-1937, from Bonds Nos.19/33, Inc. and 37,	@ \$27.50 each..	\$440.00
17 coupons No.30, due 8-15-1937, from Bonds Nos. 21/35, Inc., 37 and 38,	@ \$27.50 each..	\$467.50
17 coupons No.31, due 2-15-1938, from Bonds Nos.21/35, 37 and 38,	@ \$27.50 each..	\$467.50
14 coupons No.32, due 8-15-1938, from Bonds No.22/31, Inc., 34, 35, 37, 38,	@ \$27.50 each..	\$385.00
14 coupons No.33, due 2-15-1939, from Bonds Nos.22/31, 34, 35, 37, 38,	@ \$27.50 each..	\$385.00
13 coupons No. 34, due 8-15-1939, from Bonds Nos.23/31, Inc., 34, 35, 37, 38	@ \$27.50 each..	\$357.50
13 coupons No.35, due 2-15-1940, from Bonds Nos.23/31, 34, 35, 37, 38,	@ \$27.50 each..	\$357.50
11 coupons No.36, due 8-15-1940, from Bonds Nos.25/31, 34, 35, 37, 38,	@ \$27.50 each..	\$302.50
11 coupons No.37, due 2-15-1941, from Bonds Nos.25/31, 34, 35, 37, 38	@ \$27.50 each..	\$302.50
Total interest Coupons Road District No. 1		\$3,822.50

Accrued Interest on past due Bonds of Road District No.1

Bond No.16 from 2-15-1934 to 4-1-1941 (7 yrs. 1 mo. 16 days)	392.02
17 2-15-1935 to 4-1-1941 (6 yrs. 1 mo. 16 days)	337.02
18 2-15-1936 to 4-1-1941 (5 yrs. 1 mo. 16 days)	282.02
19 & 20 2-15-1937 to 4-1-1941 (4 yrs. 1 mo. 16 days)	454.04
21 2-15-1938 to 4-1-1941 (3 yrs. 1 mo. 16 days)	172.02
22 2-15-1939 to 4-1-1941 (2 yrs. 1 mo. 16 days)	117.02
23 & 24 2-15-1940 to 4-1-1941 (1 yr. 1 mo. 16 days)	124.04
25 2-15-1941 to 4-1-1941 (0 yrs. 1 mo. 16 days)	7.02
	\$1,885.20

Accrued Interest on Unmatured Bonds

Bonds. Nos. 26/31, 34, 35, 37 & 38, from 2-15-1941 to 4-1-1941, (1 mo 16 days) @ 5-1/2% (10 X 7.02)	\$ 70.20
Total certificate of Indebtedness	\$1,955.40

ROAD DISTRICT NO.4

Matured Interest coupons from Sabine County, Texas,
Road District No. 4 Road Bonds, dated August 15, 1922:

30 coupons No.24, due 8-15-1934, from Bonds Nos.38/43 and 45/68, Inc.,	@ 27.50 each..	\$ 825.00
30 coupons No.25, due 2-15-1935, from Bonds Nos.38/43 and 45/68, Inc.	@ 27.50 each..	825.00
30 coupons No.26, due 8-15-1935, from Bonds Nos.38/43 and 45/68, Inc.	@ 27.50 each..	825.00
30 coupons No.27, due 2-15-1936, from Bonds Nos.38/43 and 45/68, Inc.	@ 27.50 each..	825.00
30 coupons No.28, due 8-15-1936, from Bonds Nos.38/43 and 45/68, Inc.	@ 27.50 each..	825.00
30 coupons No.29, due 2-15-1937, from Bonds Nos. 38/43 and 45/68, Inc.	@ 27.50 each..	825.00
30 coupons No.30, due 8-15-1937, from Bonds Nos.38/43 and 45/68, Inc.	@27.50 each..	825.00
30 coupons No.31, due 2-15-1938, from Bonds Nos. 38/43, and 45/68 Inc.,	@27.50 each..	825.00
31 coupons No. 32, due 8-15-1938, from Bonds Nos.38/68, Inc.,	@27.50 each..	852.50
31 coupons No.33, due 2-15-1939, from Bonds Nos. 38/68 Inc.,	@27.50 each..	852.50

29 coupons No.34, due 8-15-1939, from Bonds Nos. 40/68, Inc.	@ 27.50 each ...	\$ 797.50
29 coupons No.35, due 2-15-1940, from Bonds Nos. 40/68 Inc.	@ 27.50 each ...	\$ 797.50
26 coupons No.36, due 8-15-1940, from Bonds Nos. 43, Inc.,	@ 27.50 each ...	715.00
25 coupons No. 37, due 2-15-1941, from Bonds Nos. 43, and 45 to 68 Inc.	@ 27.50 each ...	<u>687.50</u>
Total Interest Coupons Road District No.4		\$11,302.50

Accrued Interest on past due Bonds of Road District No.4

Bond No.44 from 8-15-1940 to 2-15-1941 (no coupon on bond)	\$ 27.50
38 & 39 from 2-15-1939 to 4-1-1941(2 yrs 1 mo 16 days)	234.04
40 to 42 2-15-1940 to 4-1-1941(1 yr 1 mo 16 days)	186.06
43 to 68 2-15-1941 to 4-1-1941(1 mo 16 days)	<u>182.52</u>
Total Certificate of Indebtedness R.D.No.4	\$ 630.12

ROAD DISTRICT NO.5

Matured Interest Coupons from Sabine County, Texas
Road District No.5 Road Bonds, dated August 15, 1922:

9 coupons No.29, due 2-15-1937, from Bonds Nos. 33/41 Inc.	@ 27.50 each ..\$.	247.50
9 coupons No.30, due 8-15-1937, from Bonds Nos. 33/41 Inc.	@ 27.50 each..	247.50
9 coupons No. 31, due 2-15-1938, from Bonds Nos. 33/41 Inc.	@ 27.50 each..	247.50
9 coupons No.32, due 8-15-1938, from Bonds Nos. 33/41 Inc.	@ 27.50 each..	247.50
9 coupons No.38, due 2-15-1939, from Bonds Nos. 33/41	@ 27.50 each..	247.50
7 coupons No.34, due 8-15-1939, from Bonds Nos. 35/41 Inc.	@ 27.50 each..	192.50
7 coupons No.35, due 2-15-1940, from Bonds Nos. 35/41 Inc.	@ 27.50 each..	192.50
5 coupons No.36, due 8-15-1940, from Bonds Nos. 37/41 Inc.	@ 27.50 each..	137.50
5 coupons No.37, due 2-15-1941, from Bonds Nos. 37/41 Inc.	@ 27.50 each..	<u>137.50</u>
Total Interest Coupons Road District No.5		\$ 1,897.50

Accrued Interest on past due Bonds of Road District No.5

Bond No. 31, 32, from 2-15-1938 to 4-1-1941(3 yrs 1 mo 16 days)	\$ 344.04
33, 34 2-15-1939 to 4-1-1941(2 yrs 1 mo 16 days)	234.04
35, 36 2-15-1940 to 4-1-1941(1 yr 1 mo 16 days)	124.04
37 to 41 2-15-1941 to 4-1-1941(1 mo 16 days)	<u>35.10</u>

Total Certificate of Indebtedness Road District No.5 \$ 737.22

ROAD DISTRICT NO.6

Matured Interest Coupons from Sabine County, Texas,
Road District No. 6 Road Bonds, dated August 15, 1922:

5 coupons No.28, due 8-15-1936, from Bonds Nos. 18/22 Inc.	@ \$ 27.50 each...	\$ 137.50
7 coupons No. 29, due 2-15-1937, from Bonds Nos.18/24 Inc.	@ 27.50 each...	192.50
7 coupons No.30, due 8-15-1937, from Bonds Nos. 18/24 Inc.	@ 27.50 each...	192.50
7 coupons No. 31, due 2-15-1938, from Bonds Nos. 18/24 Inc.	@ 27.50 each...	192.50
7 coupons No.32, due 8-15-1938, from Bonds Nos. 18/24 Inc.	@ 27.50 each...	192.50
7 coupons No.33, due 2-15-1939, from Bonds Nos. 18/24 Inc.	@ 27.50 each...	192.50
7 coupons No.34, due 8-15-1939, from Bonds Nos. 18/24, Inc.	@ 27.50 each...	192.50
7 coupons No.35, due 2-15-1940, from Bonds Nos. 18/24 Inc.	@ 27.50 each...	192.50

6 coupons No. 36, due 8-15-1940, from Bonds Nos. 19/24, Inc.	@ 27.50 each...	\$ 165.00
6 coupons No.37, due 2-15-1941, from Bonds Nos. 19/24 Inc.	@ 27.50 each...	165.00
Total Interest Coupons Road District No.6		\$ 1,815.00

Accrued Interest on past due Bonds of Road District No.6

Bond No. 13, from 2-15-1935 to 4-1-1941(6 yrs 1 mo 16 days)	\$ 337.02
14, from 2-15-1936 to 4-1-1941(5 yrs 1 mo 16 days)	282.02
18, from 2-15-1940 to 4-1-1941(1 yr 1 mo 16 days)	62.02
19 to 24, from 2-15-1941 to 4-1-1941(1 mo 16 days)	42.12
Total Certificate of Indebtedness Road District No.6	\$ 723.18

ROAD DISTRICT NO.12

Matured Interest Coupons from Sabine County, Texas, Road District No.12, Road Bonds, dated April 14, 1924

4 coupons No.25, due 10-14-1936, from Bonds Nos. 25/27 Incl. and 29	4 @ \$13.75	\$ 55.00
4 coupons No.26, due 4-14-1937, from Bonds Nos. 25/27 Inc. and 29	4 @ 13.75	55.00
5 coupons No.27, due 10-14-1937, from Bonds Nos. 16, 25/27 and 29	5 @ 13.75	68.75
5 coupons No.28, due 4-14-1938, from Bonds Nos. 16, 25/27 and 29	5 @ 13.75	68.75
5 coupons No.29, due 10-14-1938, from Bonds Nos. 16, 25/27 and 29	5 @ 13.75	68.75
5 coupons No.30, due 4-14-1939, from Bonds Nos. 16, 25/27 and 29	5 @ 13.75	68.75
5 coupons No. 31, due 10-14-1939 from Bonds Nos. 16, 25/27 and 29	5 @ 13.75	68.75
5 coupons No. 32, due 4-14-1940, from Bonds Nos. 16, 25/27 and 29	5 @ 13.75	68.75
4 coupons No. 33, due 10-14-1940 from Bonds Nos. 25/27 and 29	4 @ 13.75	55.00
4 coupons No. 34, due 4-14-1941, from Bonds Nos. 25/27 and 29	4 @ 13.75	55.00
Total interest coupons Road District No.12		\$ 632.50

Accrued Interest on past due Bond of Road District No. 12

Bond No.16, from 4-14-1940 to 4-14-1941	@ 5-1/2%	\$ 27.50
Total Certificate of Indebtedness Road District No.12		\$ 27.50

2. The Escrow Agent will apply to the payment of the obligations

enumerated in Section 1 above, all funds received by said agent from the County Treasurer of Sabine County, Texas, upon the condition that when and as a sufficient sum of money has been received to liquidate said obligations on the basis of 50% of their face value, said Escrow Agent will remit the proceeds to Crummer & Company, Inc. of Texas, and M.L. Daniels, and will cancel and deliver to the County Treasurer of Sabine County, Texas, an amount of obligations equal in face value to double the amount of the funds received and disbursed. In the event the moneys received and available for disbursement are less than required to discharge and liquidate at 50 cents on the dollar any one of the certificates of indebtedness enumerated above, then the Escrow Agent shall endorse as a credit on the back of said certificate of indebtedness all payments made, with date and amount thereof, until said funds received and payments made are sufficient to liquidate the obligation in full at 50% of its face value. The Escrow Agent is authorized and agrees to make disbursement to Crummer & Company, Inc. and M.L. Daniels, of all funds received whenever the aggregate of such funds amount to as much as \$100.00 for any one Road District; or in lesser amounts upon the written request of Crummer & Company, Inc. of Texas, and M.L. Daniels, provided said Escrow Agent shall not be required to make any disbursement to them of any accumulated sum less than 50% of the face value of one in-

terest coupon. The Escrow Agent is further authorized to deduct from sums received from the County Treasurer and remitted to Crummer & Company and M.L.Daniels 2% as fees for services rendered hereunder as Escrow Agent.

3. The County Treasurer of Sabine County is authorized, instructed and directed to pay over to the First National Bank of SanAugustine,Texas, as Escrow Agent, from time to time all sums of money received by him from the County Tax Collector representing the collection of taxes belonging to the interest and sinking fund of the outstanding Road Bonds of the respective Road Districts Numbers 1, 4, 5, 6 and 12, until he shall have paid to said Escrow Agent an amount equal to 50% of the total face value of the obligations enumerated in Section 1 above; provided, however, that the County Treasurer shall first reserve out of each year's tax collections received by him for each Road District, a sum of money sufficient to pay the annual interest due in that year on the Refunding Bonds dated April 1, 1941, of said respective Road Districts, in accordance with the provisions of the refunding agreement between the Commissioners' Court and M.L. Daniels dated April 28, 1941, and the refunding bond orders heretofore adopted pursuant thereto by the Commissioners' Court on the 17th day of May, 1941, with respect to each of said enumerated Road Districts, and the further orders of the United States District Court for the Eastern District of Texas, in Cause No.558 in Equity, with respect to Road District No. 1, and cause No. 559, in Equity with respect to Road District No.4.

4. If the County Treasurer and/or other County officers of Sabine County,Texas, shall not have paid said Escrow Agent the full amount due hereunder within five years from date hereof, the Escrow Agent shall deliver all unpaid interest coupons and certificates of Indebtedness to Crummer & Company, Inc. of Texas, and M.L.Daniels, of Dallas,Texas, or to whomsoever they may in writing direct. In the event the Escrow Agent shall have paid to Crummer & Company, Inc., of Texas, and M.L.Daniels, all amounts due in liquidation of the securities herewith deposited, or in the event said securities shall not have been paid within five years from the date hereof, and the unpaid securities shall have been returned as hereinabove provided, said Escrow Agent shall thereupon become discharged from any further duties, obligations or liabilities under this agreement.

5. The Escrow Agent shall not be liable for any act or omission on its part or any of its agents or employees, nor for any error of judgment or mistake of law in performing its functions as herein specified, but shall be liable to any party injured by its gross or wilful negligence in that connection.

IN WITNESS WHEREOF, this agreement is executed, this the 16th day of October, 1941, in duplicate originals.

Attest:

(seal)

Mrs. Myrtle Arnold,
County Clerk, Sabine County,Texas.

Chas. Forse,
COUNTY JUDGE, SABINE COUNTY,TEXAS.

CRUMMER & COMPANY, INC. OF TEXAS

By Geo. T. Hemmingson,
Secretary-Treasurer

M.L.Daniels

The First National Bank of San Augustine,Texas, through its Vice President hereunto duly authorized, hereby acknowledges the conditions of the aforesaid escrow agreement and hereby agrees to act as custodian thereof and of the securities therewith deposited, receipt of which is hereby acknowledged. Said Bank further agrees to carry out the terms and conditions of said agreement.

Dated the 17th day of October, 1941.

A.T.Low,
Vice-President, First National Bank,
San Augustine, Texas.

Attest:

J.B.Ball, (seal)
Cashier.

Among other business motion made and passed that the County cancel all unpaid interest coupons on the old Road District Bonds owned by Sabine County now exchanged for re-funding bonds. These coupons are held by the County Treasurer, Sabine County, Texas, and he is instructed to cancel same which are as follows:

Sabine County Road District #1, dated 8/15/22 Coupons Nos. 36 off Bonds Nos. 32 and 33,	\$ 55.00
Sabine County Road District No.4, dated 8/15/22	
Coupon Nos. 26 and 27 and 29/31 Inc.off Bond No.36	137.50
" " 25/27 Inc.,off Bond No.32	82.50
Sabine County Road District No.12, dated 4/14/24	
Coupons No. 19/22 Inc. off Bond No.11,	55.00
" No. 23/24 Inc., " " No. 12	27.50
" No. 23/26 Inc., " " No.13	55.00
" No. 23/28 Inc., " " No.14	82.50
" No. 23/30 Inc., " " No.15	110.00
" No. 29/34 Inc., " " Nos. 22/24 Inc., and Bond No.28	330.00

This cancels all outstanding matured coupons on Road Districts Nos. 1, 4, 5, 6 and 12, with the exception of those escrowed with the First National Bank, San Augustine, Texas, and those attached to bonds unexchanged, being bonds No.36 of Road District 1 and Nos. 18/21 Inc., and 30 of Road District 12.

The State Comptroller of Public Accounts is requested to cancel all unissued Road District No.4, Refunding Bonds dated April 1, 1941, and return to the County Treasurer of Sabine County, as the old Road District No. 4 Bonds will be canceled and never exchanged. The amount of these bonds is \$6,000.00 being Nos. 31/36, inclusive.

The County Clerk is hereby instructed to issue the following Scrip Warrants, and the County Treasurer is hereby instructed to register such warrants and these warrants are to be placed in escrow in the First National Bank, San Augustine, Texas, as evidence of indebtedness for accrued interest in accordance with our agreement with M.L.Daniels, and our escrow agreement of October 16, 1941:

On Sabine County Road District No. 1,	\$ 1,955.40
On " " " " No. 4,	630.12
On " " " " No. 5,	737.22
On " " " " No. 6,	723.18
On " " " " No.12,	27.50

There being no further business, Court adjourned.

Chas. Fosse
County Judge

H.J. Hamilton
Commissioner, Precinct No.1

Commissioner, Precinct No.2

H.B. Carter
Commissioner, Precinct No.3

T.L. Arnold
Commissioner, Precinct No.4

ATTEST:

Mrs. Myrtle Arnold
County Clerk, Sabine County, Texas.

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