Parking Meter Maintenance and Operating Expenses - June 1, 1941 to April 30, 1942	$ 22,927.75	
Disbursements - June 1, 1941 to April 30, 1942.		$ 109,927.75
		$ 14,737.28
DEDUCT - Parking Meter Maintenance and Operating Expenses for May 1942:		
Pay Rolls.	$1,990.00	
Supplies	40.23	2,030.23
AMOUNT TO BE TRANSFERRED TO FIREMEN, POLICEMEN AND FIRE ALARM OPERATORS' PENSION FUND		$ 12,707.05

1941 General Fund - Parking Meter Account
Warrants Issued:

Warrant No. 396	$ 8,000.00
Warrant No. 422	4,707.05
	$ 12,707.05

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OK-25

AN ORDINANCE (1384)

AMENDING SECTION ONE OF AN ORDINANCE ENTITLED " AN ORDINANCE AMENDING SECTIONS ONE, TWO AND THREE OF AN ORDINANCE ENTITLED 'AN ORDINANCE REQUIRING ALL EMPLOYEES OF FOOD PRODUCTS ESTABLISHMENTS TO BE EXAMINED BY THE CITY HEALTH OFFICER, AND TO HOLD A CERTIFICATE FROM SUCH OFFICER, SHOWING SUCH EMPLOYEES TO BE FREE FROM ALL CONTAGIOUS, COMMUNICABLE OR INFECTIOUS DISEASES, AND PROVIDING PENALTIES', PASSED AND APPROVED ON THE 31ST DAY OF MAY, A.D. 1918, AS AMENDED", PASSED AND APPROVED ON THE 11TH DAY OF JANUARY, A.D. 1940.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That Section One of an ordinance entitled "AN ORDINANCE AMENDING SECTIONS ONE, TWO AND THREE OF AN ORDINANCE ENTITLED 'AN ORDINANCE REQUIRING ALL EMPLOYEES OF FOOD PRODUCTS ESTABLISHMENTS TO BE EXAMINED BY THE CITY HEALTH OFFICER, AND TO HOLD A CERTIFICATE FROM SUCH OFFICER, SHOWING SUCH EMPLOYEES TO BE FREE FROM ALL CONTAGIOUS, COMMUNICABLE OR INFECTIOUS DISEASES, AND PROVIDING PENALTIES',PASSED AND APPROVED ON THE 31ST DAY OF MAY, A.D. 1918, AS AMENDED", passsed and approved on the 11th day of January, A.D. 1940, be and the same is hereby amended so that said Section One shall hereafter read as follows:-

"SECTION ONE. It shall hereafter be unlawful for any person or persons afflicted with or having any contagious, communicable or infectious diseases, in a transmissible stage of such disease or diseases, to accept employment or work in, around or about any food products establishments, hotels, rooming houses, boarding houses, pecan shelling plants and such other establishments as defined in a certain ordinance entitled 'AN ORDINANCE DEFINING FOOD PRODUCTS ESTABLISHMENTS AND REQUIRING THE LICENSING OF SAME', passed and approved on the 31st day of May, A.D. 1918, and every person applying for or accepting such work or employment shall first call upon and be examined by a licensed physician or by the City Health Officer and procure an examination certificate, showing said applicant to be free from said diseases in a transmissible stage of such diseases, and said applicant shall present said examination certificate to the Department of Health where a health certificate shall be issued, unless said applicant shall hold a valid United States Government health certificate issued within six months preceding the date of application for health certificate, and which said United States Government certificate has been duly registered by the Department of Health of the City of San Antonio, and in which event the said Department of Health shall then issue its health certificate so such applicant; provided that if if such examination aforesaid be made by a duly licensed private physician, it shall be certified to and reported upon a form provided by the Deaprtment of Health and such examination shall be the equivalent of that given by the City Health Officer. For the registration of each examination certificate and issuance of a health certificate a fee of One ($1.00) Dollar shall be charged

by the Department of Health of the City of San Antonio. A fee of twenty-five cents (25¢) for a duplicate health certificate shall be charged and same shall be furnished on payment of said fee and written application of certificate holder."

2. All ordinances and parts of ordinances in conflict herewith are hereby expressly repealed.

3. The fact that there exists a grave, imperative public urgency and an emergency due to the fact that San Antonio has no adequate ordinance for the examination of food handlers, and others named in the above ordinance affecting the public health of our citizens; that this ordinance take effect immediately on its passage by a four-fifths vote of the Board of Commissioners of the City of San Antonio.

PASSED AND APPROVED this 18th day of June, A.D. 1942.

C. K. Quin
M A Y O R

ATTEST:

Jas. Simpson
City Clerk

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OK-26

AN ORDINANCE (1385)

GRANTING THE REQUEST OF MAIN AVENUE BAPTIST CHURCH OF SAN ANTONIO, TEXAS, FOR EXEMPTION AND CANCELLATION OF TAXES FOR THE FISCAL YEAR 1941, AND YEARS SUBSEQUENT THERETO ON LOTS 7 AND 8, BLOCK 8, NEW CITY BLOCK 794, SITUATED IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That the property known as Lots 7 and 8, Block 8, New City Block 794, situated in the City of San Antonio, in the County of Bexar and State of Texas, and owned, held and used by the Main Avenue Baptist Church of San Antonio, Texas, be and is hereby declared exempted from taxation.

2. That the above described property is hereby exempted from taxation for the fiscal year 1941 and the fiscal years subsequent thereto, so long as it is used and held for religious or charitable purposes.

3. PASSED AND APPROVED this 18th day of June, A.D. 1942.

C. K. Quin
M A Y O R

ATTEST:

Jas. Simpson
City Clerk

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OK-27

A RESOLUTION (1416)

AUTHORIZING MAYOR C. K. QUIN, FOR AND IN BEHALF OF THE CITY OF SAN ANTONIO, TO PURCHASE FROM THE AMERICAN LIGHT & TRACTION COMPANY, CHICAGO, ILLINOIS, THE COMMON STOCK OF THE SAN ANTONIO PUBLIC SERVICE COMPANY AND RETIRE BONDED INDEBTEDNESS, OR TO PURCHASE ALL OF THE PROPERTIES AND ASSETS OF THE SAN ANTONIO PUBLIC SERVICE COMPANY.

BE IT RESOLVED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That C. K. Quin, as Mayor of the City of San Antonio, be and he is hereby authorized and directed, for and in behalf of the City of San Antonio, to purchase from The American Light & Traction Company, Chicago, Illinois, owner and holder of all of the common stock of the San - Antonio Public Service Company, of San Antonio, Texas, all of the common stock of the San Antonio Public Service Company and retire all outstanding indebtedness of said Company, or, should he deem it advisable, to purchase from the American Light & Traction Company, or the San Antonio Public Service Company, all of the properties and assets of the San Antonio Public Service Company, provided, however, that the total amount of the purchase price of the said common stock and the re-

tirement of the indebtedness of the San Antonio Public Service Company shall not exceed $35,000,000.00. Or if the properties should be purchased, the total purchase price of said properties shall not exceed $35,000,000.00.

PASSED AND APPROVED this 1st day of July, A.D. 1942.

C. K. QUIN

ATTEST: MAYOR

JAS. SIMPSON

CITY CLERK

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OK-28

AN ORDINANCE (1417)

DIRECTING THE CITY CLERK TO GIVE NOTICE OF INTENTION TO PURCHASE GAS AND ELECTRIC PROPERTIES NOW SERVING THE CITY OF SAN ANTONIO AND SURROUNDING TERRITORY AND TO ISSUE ELECTRIC AND GAS REVENUE BONDS THEREFOR.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That the City Clerk be and he is hereby authorized and directed to give notice of intention to purchase gas and electric properties now serving the City of San Antonio and surrounding territory and to issue Electric and Gas Revenue Bonds therefor, said Notice to be, substantially, in words and figures as follows:

" NOTICE OF INTENTION TO PURCHASE GAS AND ELECTRIC PROPERTIES NOW SERVING THE CITY OF SAN ANTONIO AND SURROUNDING TERRITORY AND TO ISSUE ELECTRIC AND GAS REVENUE BONDS THEREFOR.

Notice is hereby given that pursuant to the provisions of Articles 1111 to 1118, inclusive, of the Revised Civil Statutes, 1925, of Texas, as amended, the City of San Antonio intends to purchase the electric generating and distribution properties of San Antonio Public Service Company, except certain distribution systems located outside of Bexar County, and the entire gas distribution system of said Company, and in order to raise the necessary funds therefor, the City intends to authorize and issue electric and gas revenue bonds in a principal sum not to exceed Thirty-five Million Dollars ($35,000,000.00), to bear interest at a rate not to exceed three and one-half per cent (3½%) per annum, the principal of said bonds to mature serially over a period of years with a maximum maturity date of 1972, the payment of both principal and interest of said bonds to be secured by a pledge and mortgage of all of the properties and income of said electric and gas systems, said pledge and mortgage to be evidenced by an indenture providing for foreclosure with power of sale in event of default and to provide for a twenty-year franchise for the operation of said systems by a purchaser in the event of a sale at foreclosure and to contain all other provisions authorized and permitted by said articles of the Revised Statutes; said bonds to provide that the same shall never be a debt of the City but solely a charge upon the properties and revenues so encumbered and to provide that the holder or holders of such bonds shall never have the right to demand payment therefor out of any funds raised or to be raised by taxation.

C. K. QUIN
Mayor, City of San Antonio, Texas.

ATTEST:
JAS. SIMPSON
City Clerk, City of San Antonio, Texas. "

2. PASSED AND APPROVED this 1st day of July, A.D. 1942.

C. K. QUIN

ATTEST: M A Y O R

JAS. SIMPSON

CITY CLERK

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OK-29

AN ORDINANCE (1425)

AMENDING SECTION 2 OF AN ORDINANCE ENTITLED "AN ORDINANCE ESTABLISHING ZONING REGULATIONS AND DISTRICTS, ETC.", PASSED AND APPROVED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO ON THE 3RD DAY OF NOVEMBER, A.D. 1938, AS AMENDED, BY ADDING AFTER PARAGRAPH 3.6 OF SECTION 2 OF SAID ORDINANCE A NEW PARAGRAPH DESIGNATED AS 3.7; AND DECLARING AN EMERGENCY.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That Section 2 of an ordinance entitled "AN ORDINANCE ESTABLISHING ZONING REGULATIONS AND DISTRICTS, ETC.", passed and approved by the Commissioners of the City of San Antonio, on the 3rd day of November, A.D. 1938, as amended, be and the same is hereby amended by adding after paragraph 3.6 of said Section 2, the following new paragraph, to be designated "3.7", as follows:

"3.7. On and after June 29th, 1942, all of the property designated as follows, to-wit: All that real property being north of, and bounded on the south by the former City Limits of the City of San Antonio, and being bounded on the S.W. by the east side of Fredericksburg Road; on the west by the east side of the Vance Jackson Road to N. Spencer Lane; thence east to West Ave.; thence north on West Ave. to El Monte; thence east on El Monte to Neer; thence south on Neer to Alhambra; thence east on Alhambra to Warner St.; thence south on Warner to Clandora; thence east on Clandora to Blanco Road; thence north on Blanco road to Basse Road; thence east on Basse Road to Contour Drive; thence down Contour Drive, with its meanders, to Missouri Pacific Right-of-way and southeast to 150' east of McCullough Avenue, to connect with the former northern City Limits line; thence west along the former City Limits Line to the place of beginning, shall be designated as "B" Residence District, save and except the following portions of said property, to-wit: 150 ft. on the east side of Fredericksburg Road, from the former northern City Limits to Vance Jackson Road, to be in "F" Local Retail District; and 100 ft. on each side of West Ave., from center of NCB 3956 and NCB 6178, to the center of NCB 8485 and NCB 8805, to be in "D" Apartment District; thence north to the center of NCB 8475, and NCB 8807, to be in "F" Local Retail District; thence north to Gardina St., to be in "D" Apartment District; and the west 150 ft. on Blanco Road and the east side of Blanco Road, to alley, from the former northern City Limits line to Pasadena Ave., to be in "J" Commercial; thence north to the alley dividing NCB 7216, and NCB 7260, to be in "D" Apartment District; thence north to alley dividing NCB 7217, in "F" Local Retail District; and lots 15 through 24, in NCB 7225, on corner of Blanco Road and Basse Road, in "F" Local Retail District; and 100 ft on the west side of San Pedro Ave., from former northern City Limits line to Olmos Drive, to be in "D" Apartment District; thence north 100 ft on west side of San Pedro, and 121.38 ft on the east side of San Pedro to a dividing line 100 ft north of Grace St., in "F" Local Retail District; thence north 125 ft on west side of San Pedro to Riddle St., and 125 ft on east side of San Pedro to Audubon St.; thence 145.5 ft on the east side of San Pedro to Riddle St., to be in "D" Apartment District; thence north from 140' south of Lovera 154.5 ft on west side of San Pedro Ave., to center of NCB 7253; thence west to Breeden Ave.; thence north to Basse Road, in "F" Local Retail District, and the east 100 ft on the east side of San Pedro Ave., from the center of NCB 9005, to alley dividing NCB 9001, to be in "D" Apartment District; and lots 1 through 42 in NCB 9001, and all of NCB 9000 to be in "F" Local Retail District; and that district bounded on the south by Gardina; on the west by Vance Jackson Road; on the north by Spencer Lane; and on the east by West Ave., to be in "A" Residence District; and the north one half of lots 1, 2, 3, 4, 5 and 6, in NCB 6555, in "D" Apartment; and that territory lying east of a line 121.38 ft east of San Pedro Ave., beginning at Earl St., extending north to the center line of NCB 7293; thence east to Missouri Pacific Railroad; thence north on Howard St., to a dividing line between lots 3 and 4 in NCB 7318 thence east to a line 100 ft on east side of Howard, thence north to

the dividing in NCB 7313; thence east to City Limits Line; thence south to Earl St., thence west on Earl St., to point of beginning, in "C" Residence District; and that territory bounded on the south by the south line of NCB 8565; on the west by San Pedro Ave., to Olmos; thence east on Olmos to the west line of lot No. 7, in NCB 7298; thence north to Earl St.; thence east to a dividing line between lots 16 and 17, in NCB 7305; thence south to Olmos Drive; thence east to Howard St.; thence south on Howard to dividing line between NCB 7301 and NCB 7302; thence east to Belknap; thence south to point of beginning, in "J" Commercial District; and that district bounded on the south by the center dividing line of NCB 8564; on the west by Howard north to Olmos Drive; thence west on Olmos Drive to a dividing line between lots 16 and 17, in NCB 7305, north to Earl St.; thence east on Earl St., to eastern City Limits line; thence south to point of beginning, in "F" Local Retail District.

All that territory lying north of former northern city limits line bounded on the west by St. Cloud road; on the north by Babcock road; and on the east by Fredericksburg road, to be in "A" Residence District, except for 150 ft on the west side of Fredericksburg road from Quentin Drive, north to Babcock Road to be in "F" Local Retail District; and Lots 23 through 28, NCB 7016, to be in "D" Apartment District, and the remaining lots in NCB 7016, and 7074, to be in "B" Residence District.

All that newly annexed territory of Jefferson Manor bounded on the south by Donaldson Ave.; on the west by St. Cloud; on the north by the northern boundaries of NCB 7074, 7075, 7076; and on the east by former City Limits line, to be in "B" Residence District.

All that territory bounded on the south and west by Bandera Road; on the north by West Woodlawn; on the east by former City Limits line, to be in "B" Residence District, with the exception of Lots 16, 17, 18, 19, 20, 21, and 22, in NCB 8334; and lot No. 1, in NCB 8332; to be in "F" Local Retail District.

All those lots in NCB 7059, 7070 from "D" Apartment to "A" Residence District, and NCB 6757 from "D" Apartment to "B" Residence District.

150 feet on each side of North Zarzamora St., of all lots from alley between NCB 2025 and 2024, south to Kentucky Ave., from "B" Residence to "F" Local Retail District."

2. If any section, sub-section, sentence, clause or phrase of this ordinance shall for any reason be held to be unconstitutional or invalid, such holding or decision shall not affect the validity of the remaining portions of this ordinance.

3. WHEREAS, considerable building is contemplated in the area above set out and lack of adequate ordinances and provisions controlling the construction and use of buildings and other structures within the City of San Antonio, the lack of regulations regulating the use to which lands and buildings of the City of San Antonio may be devoted, creates an urgency and emergency in behalf of the public peace, health, safety and general welfare necessitating that this ordinance become effective at once upon its passage by a four-fifths (4/5) majority of the Board of Commissioners; and it is so ordered.

4. PASSED AND APPROVED this 2nd day of July, A.D. 1942.

C. K. QUIN
M A Y O R

ATTEST:

JAS. SIMPSON
CITY CLERK

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OK-30

AN ORDINANCE (1426)

AN ORDINANCE AUTHORIZING MAYOR OF THE CITY OF SAN ANTONIO TO PURCHASE FOR THE CITY OF SAN ANTONIO THE ENTIRE GAS DISTRIBUTION SYSTEM AND ENTIRE ELECTRIC PROPERTIES OF THE SAN ANTONIO PUBLIC SERVICE COMPANY.

BE IT ORDAINED by the Commissioners of the City of San Antonio:

1. That the Mayor be, and he is hereby authorized to purchase for and in behalf of the City of San Antonio from the San Antonio Public Service Company the entire gas distribution system serving the City of San Antonio and suburban areas and the entire electric properties of said Company (except the electric distribution properties located in incorporated towns outside of Bexar County) at a price not to exceed $ 35,000,000.00 , payable from the proceeds of the sale by the City of electric and gas revenue bonds to be issued in pursuance of Articles 1111 to 1118, inclusive, of the Revised Civil Statutes of Texas, 1925, as amended.

2. That the Mayor be and he is hereby authorized and empowered to enter into an agreement supplementing the agreement dated the 15th day of June, 1942, between the City of San Antonio and A. C. Allen & Company, of Chicago, Illinois, and other banking firms, providing that if said bankers or their nominee purchase the 83,000 shares of common stock of San Antonio Public Service Company from the present owner thereof at a price not in excess of $ 10,000,000.00 for the purpose of liquidating said Company, that the City of San Antonio will purchase the gas and electric properties mentioned in Section 1 hereof for a sum payable from the proceeds of the sale of said electric and gas revenue bonds equal to the following:

(a) The amount necessary to be deposited in order to redeem and retire all of the first mortgage bonds of San Antonio Public Service Company in accordance with the provisions of the indenture securing the same;

(b) The amount necessary to be deposited in order to call and redeem and immediately retire all of the 6% preferred stock of San Antonio Public Service Company in accordance with the provisions contained in the amendment to the Charter of said City providing for the issuance of said stock;

(c) The amount necessary to call and pay off the promissory notes evidencing the term bank loan of San Antonio Public Service Company;

(d) The amount paid by the bankers in connection with the purchase by them of said 83,000 shares of common stock of San Antonio Public Service Company, and

from the total of said items (a) to (d), inclusive, there shall be deducted the actual sale price in liquidation of the transit properties of the Company and the actual sale price in liquidation of the electric distribution systems located in incorporated towns outside of Bexar County; said agreement to further provide that the City shall take over said gas and electric properties as a going concern and shall assume all current liabilities including expenses and liabilities incurred prior to and in the course of liquidation of said Company and to receive all current assets, material and supplies and cash in banks except materials and supplies and current assets held for use in connection with or appertaining to the transit system and the several distribution systems serving incorporated towns outside of Bexar County, Texas.

PASSED AND APPROVED this 3rd day of July, 1942.

C. K. QUIN
MAYOR

ATTEST:

JAS. SIMPSON
CITY CLERK

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OK-31 AN ORDINANCE (1437)

AUTHORIZING THE MAYOR OF THE CITY OF SAN ANTONIO TO EXECUTE ELECTRIC LINE EASEMENT TO SAN ANTONIO PUBLIC SERVICE COMPANY FOR ELECTRIC TRANSMISSION AND DISTRIBUTION LINE AT STINSON FIELD AND SAN JOSE BURIAL PARK.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That the Mayor of the City of San Antonio be and he is hereby authorized and directed to execute Electric Line Easement to San Antonio Public Service Company, granting to said San Antonio Public Service Company an easement or right-of-way for an electric transmission and distribution line over, across and upon the following described lands located in Bexar County, Texas, to-wit:

Being a strip of land 50 feet in width out of the Domingo Bustillos survey #31 extending in a general southerly direction from the Ashley Road and lying approximately 1400 feet east of the State Highway #66 (south). Said 50 foot strip being known as the outfall sewer ditch and being the same land acquired by the City of San Antonio from Felipe Rivas and Dolores G. de Huron by deeds dated July 1, 1901 and June 18, 1901 and recorded in Volume 199 at pages 387 and 384 respectively, of the deed records of Bexar County, Texas.

That certain tract of land known as Stinson Field and San Jose Burial Park which is bounded on the west by State Highway #66 (south); on the north by Mission Road; and on the south and east by the Ashley Road;

for a consideration of $1.00, and other valuable consideration, all as shown by form of easement attached hereto and made a part hereof.

2. PASSED AND APPROVED this 9th day of July, A. D. 1942.

HENRY F. HEIN
MAYOR PRO-TEM

ATTEST:

JAS. SIMPSON
CITY CLERK

ELECTRIC LINE EASEMENT

STATE OF TEXAS)
COUNTY OF BEXAR) KNOW ALL MEN BY THESE PRESENTS:

That the City of San Antonio, a municipal corporation in Bexar County, Texas, acting herein by and through its duly elected, qualified and acting Mayor, C. K. Quin, for and in consideration of One Dollar ($1.00) and other valuable consideration, the receipt of which is hereby fully acknowledged and confessed, have granted, sold, and conveyed and by these presents do grant, sell, and convey unto the San Antonio Public Service Company, an easement or right-of-way for an electric transmission and distribution line consisting of variable numbers of wires and all necessary or desirable appurtenances at or near the location and along the general course now located and staked out by the said Company over, across, and upon the following described lands located in Bexar County, Texas, to-wit:

1. Being a strip of land 50 feet in width out of the Domingo Bustillos survey #31 extending in a general southerly direction from the Ashley Road and lying approximately 1400 feet east of the State Highway #66 south. Said 50 feet strip being known as the outfall sewer ditch and being the same land acquired by the City of San Antonio from Felipe Rivas and Dolores G. de Huron by deeds dated July 1, 1901 and June 18, 1901 and recorded in Volume 199 at pages 387 and 384 respectively, of the deed records of Bexar County, Texas.

2. That certain tract of land known as Stinson Field and San Jose Burial Park which is bounded on the west by State Highway #66 south; on the north by Mission Road; and on the south and east by the Ashley Road.

Said electric line to be installed along and within the 50 foot strip described in items number one above beginning at an existing electric line which crosses said 50 foot strip about 400 feet south of Ashley Road; thence in a northerly direction to reach Ashley Road; thence in a northeasterly direction across Ashley Road and into the Stinson Field tract for a distance of approximately 400 feet to an angle in said line, thence northwest approximately 450 feet to a point at or near a sewer pump station .

Together with the right of ingress and egress to and from said right-of-way for the purpose of constructing, maintaining, and removing said line and appurtenances; the right to remove from said land all trees or parts thereof which endanger or may interfere with the efficiency of said lines; and the right of exercising all other rights hereby granted.

TO HAVE AND TO HOLD the above described easement and the rights unto the said Company, its successors and assigns, until said line be abandoned.

Executed this the 15th , day of July A.D., 1942.

City of San Antonio

By /s/ C. K. Quin
C. K. Quin - Mayor

ATTEST:

/s/ Jas. Simpson
City Clerk

STATE OF TEXAS)
)
COUNTY OF BEXAR)

Before me, the undersigned authority, on this day personally appeared C. K. Quin, Mayor of the City of San Antonio, a municipal corporation in Bexar County, Texas, 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 purpose and consideration therein expressed as the binding act and deed of said City of San Antonio, and in the capacity therein stated.

Given under my hand and seal of office this the 15th , day of July , A.D., 1942.

/s/ E. J. Allison
Notary Public - Bexar County, Texas

OK-32

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AN ORDINANCE (1438)

DIRECTING THE CITY CLERK TO GIVE NOTICE OF INTENTION TO PURCHASE GAS AND ELECTRIC PROPERTIES NOW SERVING THE CITY OF SAN ANTONIO AND SURROUNDING TERRITORY AND TO ISSUE ELECTRIC AND GAS REVENUE BONDS THEREFOR.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That the City Clerk be and he is hereby authorized and directed to give notice of intention to purchase gas and electric properties now serving the City of San Antonio and surrounding territory and to issue Electric and Gas Revenue Bonds therefor, said Notice to be, substantially, in words and figures as follows:

"

NOTICE OF INTENTION TO
ACQUIRE UTILITY PROPERTIES
AND ISSUE REVENUE BONDS

Pursuant to the provisions of Chapter 163, Acts of the 42nd Texas Legislature, as amended, notice is hereby given of the intention of the Commissioners of the City of San Antonio, Texas, at a meeting to be held at 10:00 o'clock A.M. on July 25th, 1942, to pass such ordinances and take such action as may be deemed necessary to authorize the

issuance of $35,000,000 revenue bonds of said city, maturing serially over a period of not more than forty years, with interest payable semi-annually at a rate not exceeding three and one-half per cent per annum, for the purpose of acquiring an electric light and power plant and system and a gas distribution system serving the City of San Antonio and its inhabitants and territory adjacent to said city, all in accordance with the provisions of Title 28 of the Texas Civil Statutes.

Said bonds are to be payable only from the net revenues derived from the operation of said properties after deduction of all necessary operating and maintenance expenses and there shall appear on the face of each bond the word "The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation." Payment of principal of and interest on said bonds is to be secured by mortgage on said properties, which mortgage is to be evidenced by indenture containing the usual and customary provisions and providing for foreclosure with power of sale in event of default and for a twenty-year franchise for the operation of said properties by the purchaser at any sale or foreclosure held thereunder.

By order of the Commissioners of the City of San Antonio, Texas.

C. K. QUIN
MAYOR

ATTEST:

JAS. SIMPSON
CITY CLERK

2. PASSED AND APPROVED this 10th day of July, A.D. 1942.

HENRY F. HEIN
MAYOR PRO-TEM

ATTEST:

JAS. SIMPSON
CITY CLERK

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THIS AGREEMENT made and entered into by and between the City of San Antonio, a municipal corporation in Bexar County, Texas, being the first party herein, and hereinafter sometimes called "the city", and Dewar, Robertson & Pancoast, Mahan, Dittmar and Company, Russ and Company, Pitman and Company, all of San Antonio, Texas, and A. C. Allyn & Company of Chicago, Illinois, Union Securities Corporation and E. H. Rollins & Sons Incorporated, both of New York, N. Y., second parties herein, and hereinafter collectively referred to as "bankers;"

WITNESSETH THAT:

WHEREAS, the San Antonio Public Service Company, an operating subsidiary of the American Light and Traction Company, is now serving the City of San Antonio and suburban areas with electric power, natural gas and bus transit service, and the adjacent territory with electric power; and

WHEREAS, the Securities and Exchange Commission has ordered said American Light and Traction Company to sell or otherwise dispose of its interests in the San Antonio Public Service Company, hereinafter called "the company", in compliance with the integration and simplification provisions of the Public Utility Holding Company Act of 1935; and

WHEREAS, it will be greatly to the advantage of the City of San Antonio to acquire either all or the major part of the properties of the company in order that the City may enjoy the advantages which would accrue to it through municipal ownership of its electric and gas systems; and

WHEREAS, the acquisition of said properties is of particular importance

to the City of San Antonio at the present time in order that the City may secure through the operation of said properties a new source of municipal revenue to offset the loss of other municipal revenues which is occurring and will increasingly occur by reason of present war restrictions and economic conditions; and

WHEREAS, the City is informed that other interests are endeavoring to purchase said properties in such manner that the City would have no voice in the operation of said properties and no share in the profits which are derived from the operation of said properties, and unless the City is to lose the present opportunity of acquiring said properties, it is necessary that arrangements looking to such acquisition by the City be made with great promptness; and

WHEREAS, it is further necessary for immediate arrangements for such municipal acquisition to be made in order to assure the completion of such acquisition before market changes made it impossible to finance such acquisition at the favorable interest rates which now prevail, and before legislative action which might tax or otherwise burden or restrict the issuance of municipal bonds renders the proposed financing more difficult or impossible; and

WHEREAS, before final arrangements for the acquisition of said properties can be completed by the City, it is necessary that banking and financial service be engaged and that engineers' studies and reports be made, legal services be retained to work out the legal and other details of the acquisition and financing, and negotiations be carried on with the present owners of said properties as to the price and terms on which said properties can be acquired by the City; and

WHEREAS, the City does not presently have funds to incur the expenditures of money which would be necessary to retain such financial, engineering and legal service; and

WHEREAS, the bankers are w illing, as hereinafter outlined, to pay all of the aforesaid expenses, and are experienced and skilled in financing of this kind, and by reason of their experience in such matters are able to aid in negotiations with the owners of said properties in the City's behalf, and are able to arrange the legal and financial details of the proposed acquisition and financing:

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That in consideration of the mutual covenants herein contained, and in order to enable the City to do the things immediately necessary to acquire the properties described in the preamble hereto, and in order to effect the acquisition of such properties by the City at the earliest possible time, the parties hereto mutually covenant and agree as follows, to-wit:

I.

The bankers will do the following:

(a) Immediately upon the execution of this agreement, at their own expense, retain recognized and competent engineers acceptable to the City to investigate and prepare a report on the properties of the company and, based upon the books and records of the company, to make a going concern appraisal of the present value of the company's properties and of the estimated income and operating expenses thereof, under municipal ownership and operation, which report is to consider separately, if necessary, the bus properties, the gas and electric properties serving the City of San Antonio (including in this classification all generating facilities) and the electric properties which lie outside the corporate limits of the City of San Antonio and inside the corporate limits of other municipalities.

(b) At their own expense, retain experienced municipal bond attorneys to make a thorough study of the legal problems involved in the proposed acquisition and financing,

to recommend a proposed plan of procedure, to prepare all documents and recommend all proceedings incident to such acquisition and financing and the issuance of bonds, including preparation of the Trust Indenture, and to render assistance to the City Attorney in the preparation, filing and conduct of litigation which may be instituted in connection therewith, and which may, in the opinion of either party hereto, become necessary to establish the legality of any bonds which may be issued hereunder or to procure the approval of such bonds by the Attorney General of the State of Texas.

(c) As soon as the engineering reports have become available showing conditions acceptable to the parties hereto as a basis for the purchase of the properties by the City and the necessary legal procedure is determined, or sooner if deemed advisable by the parties hereto, aid the City in negotiations with the company, in which negotiations the bankers, in conjunction with the City officials, will endeavor to arrange for the sale of the properties by the company to the City on the most favorable terms which can be obtained and to prepare a form of contract between the City and the company, to which contract the bankers or their nominees may be a party if it shall be necessary under the provisions of the next paragraph hereof.

(d) In the event that it is determined that the bus properties or certain of the electric properties lying outside the city limits cannot legally be acquired by the City, or that such acquisition will not be advantageous to the City, the bankers will either purchase such properties in their own behalf, or will arrange for the sale of such properties to an entity or entities or persons or corporations other than the City, in either event at such price as shall be mutually agreed upon by the parties hereto, so that conveyance to the City of such properties as it can legally and advantageously acquire can be made by the company despite the City's inability or disinclination to acquire certain of the properties.

(e) The bankers further agree to give the City the full benefit of their experience in advising the City throughout the progress of the transaction and, subject to the provisions of this Agreement, to cooperate to the fullest extent possible in every action necessary to the end that, when an agreement for the purchase of the properties has been made, consummation of the acquisition will be effected as expeditiously as possible.

II.

The City will do the following:

(a) As soon as an agreement for the purchase of the properties has been entered into between the company and the City or between the bankers and the stockholder of the company, adopt all proceedings and do all things necessary to the authorization and issuance of revenue bonds sufficient in amount to pay the agreed purchase price of the properties, to pay the cost of making such improvements, extensions and additions to the properties as may be considered desirable by the parties hereto, including the cost of the acquisition of other existing generating facilities, and to pay such expenses incurred incident to the acquisition of the properties and issuance of the bonds as are not payable by the bankers under the provisions of this agreement. The proceedings so to be adopted by the City shall include the holding of an election if an election is necessary in the opinion of the City or the bankers for any purpose in connection therewith.

The bonds so to be issued shall be issued under and subject to a trust indenture, all the terms and provisions of which shall be subject to the approval of the parties hereto. Such bonds shall be issued under the revenue bond laws of Texas, shall not be general obligations of the City, shall be secured solely by first lien on the properties acquired by the City and the net revenue therefrom and shall be payable solely as to both principal and interest from such property and such net revenues, all as to be provided in the trust indenture. Such bonds shall

have such date, be in such denomination and be payable at such place or places as may be recommended by the bankers, shall bear interest at the rate provided for in the bid accepted by the City as hereinafter provided, and shall mature serially over such period of years and in such installments as are recommended by the bankers and are satisfactory to the City, provided that the maturities shall be so arranged that the total amount of principal and interest falling due in any one year shall not be more than two-thirds of the net revenues estimated on the basis of the engineers' reports and estimates for which provision is hereinabove made to be available in such year for the payment of such principal and interest. The bonds may, at the request of the City, be made redeemable at the option of the City on and after five years from their date, in inverse order of maturities, at their principal amount and accrued interest to the date fixed for redemption, plus such premium at the rate of not greater than Fifty Dollars ($50.00) per $1,000 bond as may be approved by the bankers.

The trust indenture securing such bonds is to contain such provisions, and proceedings authorizing such bonds are to be adopted and authorized in such manner as shall be approved by the above mentioned municipal bond attorneys, provided that all sucn provisions are satisfactory to the parties hereto, and provided further that provision shall be made in the indentrue for the management of the properties by a non-political board to be established in such manner and operated under such provisions as shall be agreeable to the City and to the bankers. There shall be specifically stated in the indenture the names of the original members of the board, their terms of office, their duties, the methods of their appointment and succession, the basis of operation, and all other provisions which in the opinion of the City and the bankers are necessary to assure non-political operation of the properties and to assure satisfactory operation and control of the properties.

Such bonds are not to be issued until engineers' reports satisfactory to the parties hereto and disclosing conditions acceptable to the parties hereto have been obtained as above provided and until the bonds have been approved by the Attorney General of Texas and until there is available for the purchaser thereof a legal opinion written by municipal bond attorneys satisfactory to the bankers approving the legality of such bonds and approving the provisions of the indenture which secures such bonds. The bankers agree to pay the expense of such legal opinion and the expense of printing the bonds.

(b) It being recognized that the success of an involved and difficult transaction of the kind contemplated by this agreement must be dependent upon complete cooperation and confidence between the parties thereto, and that the bankers have agreed immediately upon the execution of this agreement to incur expenses and to devote their best efforts to the completion of the transaction on the most advantageous terms which can be obtained for the City, the City will do everything which it legally may to assure the success of the transaction and will during the period covered by this agreement recognize the bankers as its only representatives in respect of this business and will during such period enter into only such arrangement for the acquisition of said properties and the issuance of its bonds as are approved by the bankers under the limitations of and within the provisions of this agreement, and in reciprocal confidence the bankers agree that they will consider themselves to be working with the City in the negotiations with the company, and will accept no commissions or compensation of any kind from the company.

(c) When the bonds contemplated by this agreement shall have been authorized and sold, and simultaneously with the delivery thereof, the City agrees that it will pay the bankers a sum of money equivalent to One and one half per cent (1½%) of the principal amount of the bonds so sold as compensation to the bankers for all services rendered, time spent

and costs and expenses incurred under the provisions of this agreement, and thereupon this contract shall be considered terminated and the parties held released from all further liability. It is distinctly understood that in the event, subject to other terms of this contract being fulfilled, the City does not acquire any of these properties and does not issue these bonds, no fee or reimbursement of expenses will be due the bankers.

III.

It is contemplated by the City and the bankers that in working out the details of the proposed acquisition and financing:

(a) Subject to the terms and provisions of the trust indenture, the operating revenues remaining after the payment of operation and maintenance expenses and the payments into the bond interest and sinking funds and depreciation fund for which provision will be made in the indenture, shall be disposed of solely in such manner as shall be specified by the City, and such part thereof as is appropriate may be utilized by the City as reimbursement for such losses as may be suffered by the City and the City schools by reason of transfer of the properties from private to municipal ownership.

IV.

When negotiations with the company shall have been completed and an agreement for the purchase of the company's properties entered into between the company and the City as herein contemplated, and in order that the City may be assured of securing for its bonds the best price obtainable, it is agreed that the City may offer the bonds at public sale pursuant to such advertisement as it may deem proper, and in order that the City may be assured that the bonds can be sold and the proceeds be available for payment of the sum due the company, the bankers guarantee to submit at such sale a bid of not less than their principal amount and accrued interest for bonds issued as herein provided and bearing interest at a rate not exceeding Three and one half per cent (3½%) per annum, provided that the bonds are tendered the bankers for delivery in full complaince with the provisions hereof within a period of not more than sixty days (60) from the date of the execution of this agreement. If the bonds shall not have been delivered to the bankers by said date, the bankers shall have the option of extending the delivery date for such period or periods of time as the bankers shall determine. If the bid submitted by the bankers at such public sale is not at the lowest net interest cost to the City of any received, then the City shall sell the bonds to the lowest bona-fide bidder and the bankers shall have no further liability hereunder.

If the bonds are purchased by the bankers under the provisions of this section, and the bankers shall have so elected, any certified check of the bankers which may at the time of sale be held in escrow under the provisions of Section V hereof shall thereafter be held by the escrow agent bank as a guarantee by the bankers to carry out the obligations assumed in such purchase contract, and the bankers' obligations under this agreement shall be considered to have been fully performed.

It is agreed that the bonds shall be so offered for sale that bids therefor may be conditioned upon delivery of the bonds within a period of thirty days (30) from the date of sale and further that delivery of the bonds pursuant to such sale shall be conditioned upon satisfactory legal opinion and engineers' report as above set out and upon such terms for the protection of the City and the purchasers as are customarily specified in the sale of municipal bonds of like character, including the requirement that each bidder shall submit with his bid a certified check drawn on a bank satisfactory to the City in the sum of Two hundred fifty thousand dollars ($250,000) as a guarantee of performance, except that inlieu of submitting such check the bankers may elect to stipulate that their escrowed check shall be held as a guarantee of performance in the manner above provided.

V.

In realization of the fact that when negotiations with the company shall have been completed and the City is prepared to enter into an agreement with the company for the purchase of the properties, the City will wish to be assured that funds for the payment of the purchase price will be available, the bankers agree that they will, at that time, as an evidence of their good faith and in order to assure the performance of the bankers' agreement contained in Section IV hereof, deposit in escrow with such bank in the City of San Antonio satisfactory to the bankers as may be selected by the City, a properly certified check drawn on a bank satisfactory to the City in the sum of Two Hundred and fifty thousand dollars ($250,000), which check shall be held uncashed by said bank until such time as the bankers shall have carried out their agreement made in Section IV hereof or shall have defaulted in their obligations under said section. At the time of delivery of the bonds to the bankers and the payment for the bonds by the bankers, or at the time of the sale thereof to other purchasers, as provided in Section IV hereof, or if the bonds have not been legally tendered to the bankers under the provisions hereof within the period specified in Section IV hereof, or any extension thereof as therein provided, said check shall be returned to the bankers. In the event of default in such obligations by the bankers, said check is to be delivered to the City and is to be accepted by said City as full liquidated damages for all damage or harm suffered by the City by reason of the bankers' failure to carry out their aforesaid obligations.

VI.

This agreement shall remain in full force and effect until the completion of the acquisition and financing for which the agreement is entered into, provided however, that if by July 1, 1943, an agreement for the purchase of the properties has not been entered into between the company and the City, then the City may by proper resolution of its City Council declare this agreement to be rescinded and no longer in effect.

IN TESTIMONY WHEREOF, the parties hereto have caused this instrument to be executed by their duly authorized officers at San Antonio, Bexar County, Texas, this 15th day of June, 1942.

CITY OF SAN ANTONIO

ATTEST:

BY
C. K. QUIN
MAYOR.

Jas. Simpson
City Clerk

A. C. ALLYN & COMPANY
Chicago, Illinois
By W. C. Lyklema
W. C. LYKLEMA

DEWAR, ROBERTSON & PANCOAST,
San Antonio, Texas
By H. H. Dewar
H. H. DEWAR

On Behalf of Themselves and the
Following Associates:

E. H. ROLLINS & SONS, NEW YORK, N. Y.
UNION SECURITIES CORPORATION, NEW YORK, N.Y.
MAHAN, DITTMAR & COMPANY, SAN ANTONIO, TEXAS.
RUSS & COMPANY, SAN ANTONIO, TEXAS.
PITMAN & COMPANY, SAN ANTONIO, TEXAS.

Approved by ordinance adopted by the Mayor and Commissioners of the City of San Antonio on June 15, 1942.

C. K. QUIN

ATTEST:

M A Y O R

JAS. SIMPSON

CITY CLERK

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OK-33

AN ORDINANCE (1446)

APPOINTING GUS B. MAUERMANN TO MEMBERSHIP ON THE FIRE AND POLICE CIVIL SERVICE BOARD.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That Gus B. Mauermann be and he is hereby appointed to membership on the Fire and Police Civil Service Board of the City of San Antonio, Texas, for a term commencing June 1st A.D. 1942 and ending May 31st A.D. 1947

2. PASSED AND APPROVED this the 13th day of July, A. D. 1942.

C. K. QUIN

ATTEST: M A Y O R

JAS. SIMPSON

CITY CLERK

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OK-34

AN ORDINANCE (1447)

AUTHORIZING THE CITY OF SAN ANTONIO TO BORROW $8,000.00 TO PAY THE CURRENT EXPENSES OF THE CITY OF SAN ANTONIO FOR PUBLIC LIBRARIES.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That for the purpose of paying the current expenses of the City of San Antonio for the support and maintenance of the public libraries of said City for the fiscal year 1942 beginning June 1, 1942, there shall be borrowed and secured from the Frost National Bank an advance of money in the sum of $8,000.00, as provided by the Charter and Ordinances of said City, which amount does not exceed the estimated current revenue and income of said City for said fiscal year applicable to said purpose.

2. That to evidence said loans and advances by said Bank, there shall be executed and delivered to it 8 promissory notes of the City of San Antonio, numbered consecutively from 6 to 13, both inclusive, and said notes shall be for the sum of $1,000.00 each, the said notes aggregating the sum of $8,000.00, and shall bear interest at the rate of 1-69/100 per cent per annum from date until maturity, provided, that interest shall be paid on money actually advanced on said notes and only from the dates of advancement to the dates of payment, and, provided, that said notes shall bear interest at the rate of 4 per cent per annum after maturity until paid; said notes shall be signed by the Mayor, countersigned by the City Treasurer or Chief Deputy Treasurer and the City Auditor, and attested by the City Clerk, and the corporate seal of the City shall be affixed thereto; all advances shall be made on lawful warrants and/or notes which shall provide maturity not later than the 1st day of July, 1943, with privilege of prepayment prior to maturity; and the said warrants and/or notes given by said City to said Bank shall constitute a first lien upon the revenue arising from the special tax levied and collected to create such Library Fund for said fiscal year, and all uncollected back taxes arising from the special tax levied for this purpose for previous years, subject only to existing prior valid pledges of said back taxes, and said taxes and revenues are hereby irrevocably pledged for the payment of said loans and advances; and said warrants and/or notes and all interest thereon shall be paid from said taxes and current income and revenues before said taxes, income and revenues may be lawfully appropriated for any other purpose whatsoever.

3. The proceeds of said loans shall be used to pay the current expenses of the City of San Antonio as provided by the Library Fund Ordinance of said City, for this fiscal year, and the remainder shall be retained in said fund subject to the stipulations thereof.

4. The form of said notes shall be substantially as follows:

"No._____ $ 1,000.00

UNITED STATES OF AMERICA
THE STATE OF TEXAS
COUNTY OF BEXAR
CITY OF SAN ANTONIO LIBRARY
FUND NOTE - 1942.

The City of San Antonio, a municipal corporation, in the County of Bexar and State of Texas, for value received, acknowledges itself indebted and hereby promises to pay to bearer at the Frost National Bank, of San Antonio, Texas, on or before the 1st of July, 1943, the principal sum of One Thousand ($1,000.00) Dollars, in lawful money of the United States of America, together with interest thereon from date hereof until maturity, at the rate of 1-69/100 per cent per annum payable monthly, and at the rate of 4 per cent per annum after maturity until paid.

This note is one of a series of 13 notes, numbered 1 to 13, both inclusive, being of the denomination of $1,000.00 each, aggregating $13,000.00, authorized to be issued from time to time by the City of San Antonio to the Frost National Bank, of San Antonio, Texas, evidencing loans made to said City by said Bank, for the purpose of paying indebtedness incurred and to be incurred for current expenses of said City for the support and maintenance of public libraries of said City, for the fiscal year beginning June 1, 1942 and ending May 31, 1943, said notes having been issued under and by virtue of the Charter and Ordinances of the City of San Antonio, and the Constitution and Laws of the State of Texas, and in pursuance of an ordinance passed by the Commissioners of said City on the 11th day of June, 1942, and an ordinance passed by the Commissioners of said City on the 13th day of July, 1942, which ordinances are recorded in Ordinance Book "K", of the City of San Antonio.

The date of this note, in conformity with said ordinances, is the date of advancement and payment ot the City by the payee therein of the amount hereof.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to the issuance of this series of notes, have been done, and performed properly and have happened in regular and due time, form and manner, as stipulated by law and that the revenue arising from the special tax levied and collected to create the Library Fund for said fiscal year, and all uncollected back taxes arising from the special tax levied for this purpose for previous years, subject only to existing prior valid pledges of said back taxes, are pledged irrevocably for the payment of this series of notes and this loan.

IN TESTIMONY WHEREOF the City of San Antonio, Texas, has caused its corporate seal to be hereto affixed, and this note to be signed by the Mayor, countersigned by the City Treasurer or Chief Deputy Treasurer and the City Auditor, and attested by the City Clerk of said City, on this the _____day of _____ A.M. 194____.

CITY OF SAN ANTONIO, TEXAS

ATTEST: BY _____
Mayor, City of San Antonio, Texas

_____
City Clerk, City of San Antonio, Texas

COUNTERSIGNED:

By _____
Treasurer or Chief Deputy Treasurer,

By _____
Auditor, City of San Antonio, Texas. "

5. The City of San Antonio will levy a tax as stipulated by law at a rate sufficient to produce a return to pay the series of notes specified herein, according to their tenor and effect.

6. That the Mayor of said City be and he is hereby authorized to execute and deliver said promissory notes to the payee thereof upon payment by said payees of the amount designated in each

of said notes, said notes to be delivered to the payee in consecutive numerical order hereinabove designated.

PASSED AND APPROVED this 13th day of July, A. D., 1942.

C. K. QUIN

ATTEST: MAYOR

JAS. SIMPSON

CITY CLERK

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OK-35

AN ORDINANCE (1448)

AUTHORIZING THE CITY OF SAN ANTONIO TO BORROW $ 275,000.00 TO PAY THE CURRENT EXPENSES OF SAID CITY DURING THE FISCAL YEAR 1942.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That for the purpose of paying the debts of the City of San Antonio incurred for current expenses during the fiscal year beginning June 1, 1942, and to pay the current expenses of said City for the remainder of said fiscal year ending May 31, 1943, there shall be borrowed and secured from the Frost National Bank of San Antonio, Texas, advances of money for said purposes in the amount of $ 275,000.00, which amounts do not exceed the estimated current income of said City for said fiscal year, and to evidence said loans and advances promissory notes of the City of San Antonio shall be executed and delivered to said Frost National Bank as hereinafter provided, under the power vested in the City of San Antonio by its Charter and the Constitution and Laws of the State of Texas.

2. That said notes shall be numbered consecutively from 11 to 21, both inclusive, and each note shall be for the sum of $25,000.00.

3. That the above said notes, aggregating $ 275,000.00, shall be payable to bearer at the Frost National Bank of San Antonio, Texas; all said notes to be dated the day and date they are executed, and shall bear interest at the rate of 1-69/100 per cent per annum from date thereof, calculated and payable monthly, as it accrues, provided, that interest shall be paid only on cash actually advanced on said notes and only from the dates of such advancements, and, provided, that said notes or advances made by said Bank to the said City shall draw interest after the maturity thereof at the rate of 4 per cent per annum; that said notes shall be signed by the Mayor, countersigned by the City Treasurer or Chief Deputy Treasurer, and the City Auditor of said City, and attested by the City Clerk of said City, and the corporate seal of said City shall be impressed upon each of said notes; said notes shall provide for final maturity not later than July 1st, 1943, with privilege of prepayment prior to maturity.

4. That the uncollected taxes and revenues of the City of San Antonio, for the fiscal year beginning June 1st, 1942, and ending May 31, 1943, and all of the current revenues of the City of San Antonio arising from taxation and all other sources during said fiscal year, and all uncollected back taxes for previous years subject only to existing prior valid pledges of said back taxes, be and the same are hereby irrevocably pledged for the payment of the above said notes and advances, and that said notes and all interest thereon shall constitute a first lien upon and against all said taxes and revenues for said fiscal year, and all said uncollected back taxes for previous years subject only to existing prior valid pledges of said back taxes, and shall be paid therefrom and from the current incomes and revenues of the City and such uncollected back taxes before any such taxes, revenues or incomes or back taxes may be lawfully appropriated to any other purpose or object whatsoever. There is excepted herefrom receipts from parking meters.

5. That the money to be borrowed by the City from the said Bank as above provided shall be borrowed as provided by and in accordance with the terms of the proposal of said Bank for the loan thereof by the Bank to the City, which proposal is set out in and accepted by ordinance

passed by the Commissioners of the City, dated June 4th, 1942, and recorded in Ordinance Book "K", of the City of San Antonio, on page 16.

6. That the proceeds of said loans shall be used to take up and pay off the outstanding indebtedness of the City of San Antonio legally incurred for the current expenses of said City during the said current fiscal year, and in the payment of the current expenses of said City for the remainder of this fiscal year, as provided by and in accordance with the Charter and Ordinance of said City.

7. That the form of said notes shall be substantially as follows:

"No._____ $ _____

UNITED STATES OF AMERICA
THE STATE OF TEXAS,
COUNTY OF BEXAR,
CITY OF SAN ANTONIO
1942 GENERAL FUND NOTE.

The City of San Antonio, a municipal corporation, in the County of Bexar and State of Texas, for value received, acknowledges itself indebted, and hereby promises to pay to bearer at the Frost National Bank, of San Antonio, Texas, on or before the 1st day of July, 1943, the principal sum of (- - state amount in dollars - -) in lawful money of the United States of America, together with interest thereon from the date hereof until maturity at the rate of 1-69/100 per cent per annum, payable monthly, and at the rate of 4 per cent per annum after maturity until paid.

This note is one of a series of 21 notes, numbered from 1 to 21, both inclusive, each note being for the sum of $ 25,000.00, aggregating the sum of $ 525,000.00, evidencing loans made to said City by said Bank, for the purpose of paying off certain indebtedness incurred for current expenses of said City during the fiscal year beginning June 1, 1942 and to supply the needed funds to pay the current expenses of said City for the remainder of said fiscal year ending May 31, 1943, said notes having been issued under and by virtue of the Charter and Ordinances of the City of San Antonio, and the Constitution and Laws of the State of Texas, and in pursuance of an ordinance passed by the Commissioners of said City on the 11th day of June, 1942 and an ordinance passed by the Commissioners of said City on the 13th day of July, 1942, which ordinances are recorded in Ordinance Book "K", of the City of San Antonio.

The date of this note, in conformity with said ordinances, is the date of the advancement and payment to the City by the payee herein of the amount hereof.

It is hereby certified and recited that acts, conditions and things required to be done precedent to and in the issuance of this series of notes, have been properly done and performed, and have happened in regular and due time, form and manner, as provided by law; and that the full faith and credit of said City of San Antonio, and the taxes and current revenues of said City, excepting receipts from parking meters, for the fiscal year beginning June 1, 1942 and ending May 31, 1943, and all uncollected back taxes for previous years subject only to existing prior valid pledges of said back taxes, are hereby irrevocably pledged for the punctual payment of the principal and interest of this series of notes.

IN TESTIMONY WHEREOF, the City of San Antonio, Texas, has caused its corporate seal to be hereto affixed, and this note to be signed by the Mayor, countersigned by the City Treasurer or Chief Deputy Treasurer and the City Auditor, and attested by the City Clerk of said City, this the _____day of _____, 194___.

CITY OF SAN ANTONIO, TEXAS

BY _____
MAYOR, City of San Antonio, Tex.

ATTEST:

_____
City Clerk, City of San Antonio, Texas.

COUNTERSIGNED:

BY_____

TREASURER OR CHIEF DEPUTY TREASURER,

BY _____

AUDITOR, CITY OF SAN ANTONIO, TEXAS. "

8. That the Mayor of said City be and he is hereby authorized and directed to deliver said promissory notes to the payee thereof upon payment by said payee of the amount designated in each of said notes, said notes to be delivered to said payee in consecutive numerical order hereinabove designated.

9. PASSED AND APPROVED this 13th day of July, A.D. 1942.

C. K. QUIN

ATTEST: M A Y O R

JAS. SIMPSON

CITY CLERK

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OK-36

AN ORDINANCE (1456)

AUTHORIZING THE MAYOR OF THE CITY OF SAN ANTONIO TO EXECUTE LEASE AGREEMENT WITH BOYS' CLUB OF SAN ANTONIO ON CERTAIN PROPERTY AT SOUTH FRIO, SOUTH LEONA AND MATAMORAS STREETS.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That the Mayor of the City of San Antonio be and he is hereby authorized and directed to execute lease agreement, on the part of the City of San Antonio, with Boys' Club of San Antonio, leasing to said Boys' Club of San Antonio certain tracts or parcels of land situate within the corporate limits of the City of San Antonio, in the County of Bexar and State of Texas, more particularly described as follows:

> Lot 3 with the exception of a strip 8.34 feet East of the East line of Lot 2, which is a part of swimming pool area, and all of Lots 4, 5, 6 and 7, in New City Block 281, bounded on the North by Matamoras Street, on the East by South Leona Street, on the South by an alley and on the West by South Frio Street,

together with improvements thereon located, for a term of ten (10) years beginning the 1st day of October, A.D. 1942 and ending the 30th day of September, A.D. 1951, at an annual rental of $1.00 per year, payable in advance, the net fixed rental being $10.00 for the term of said lease.

2. PASSED AND APPROVED this 16th day of July, A.D. 1942.

C. K. QUIN

ATTEST: M A Y O R

JAS. SIMPSON

CITY CLERK

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OK-37

AN ORDINANCE (1458)

APPOINTING NAT GOLDSMITH A MEMBER OF THE FIRE AND POLICE CIVIL SERVICE BOARD TO SUCCEED SIDNEY R. KALISKI.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That Nat Goldsmith be and is hereby appointed to membership on the Fire and Police Civil Service Board of the City of San Antonio, to fill the term of Sidney R. Kaliski, resigned, which term expires on the 31st of May, 1943.

2. PASSED AND APPROVED this 17th day of July, A.D. 1942.

Henry F. Hein

Attest: Mayor Pro-Tem

Jas. Simpson

City Clerk

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OK-38

AN ORDINANCE (1459)

AUTHORIZING THE MAYOR OF THE CITY OF SAN ANTONIO TO EXECUTE SUPPLEMENTAL AGREEMENT WITH THE UNITED STATES OF AMERICA COVERING STINSON FIELD.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That the Mayor of the City of San Antonio be and he is hereby authorized and directed to execute Supplemental Agreement between the City of San Antonio and the United States of America, covering a tract of land containing 247.51 acres, more or less, consisting of the San Antonio Municipal Airport, known as Stinson Field, and land adjacent thereto, extending the term of the original lease dated July 10, 1941 and supplements thereto dated February 6, 1942, March 25, 1942 and June 15, 1942, for a term of three months from July 1, 1942; said Supplemental Agreement to be dated July 18, 1942.

2. PASSED AND APPROVED this 18th day of July, A.D. 1942.

C. K. QUIN

ATTEST: M A Y O R

JAS. SIMPSON

CITY CLERK

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OK-39

AN ORDINANCE (1480)

EXTENDING CONTRACT WITH RODGERS & STEWART, INC. FOR RE-PROCESSING SALVAGED MATERIAL.

WHEREAS, by an ordinance passed and approved on May 31, 1940, the bid of Rodgers & Stewart, Inc., for re-processing salvaged asphalt, Item 15 of said bid, was duly accepted, same covering a period beginning June 1, 1940 and ending May 31, 1941; and,

WHEREAS, said contract was extended, by ordinance passed and approved on the 18th day of July, 1941, for a period of one year beginning June 1, 1941 and ending May 31, 1942; and

WHEREAS, there is remaining on hand at the place of business of Rodgers & Stewart, Inc., a large amount of salvaged asphalt and same should be re-processed as and when needed by the Street Department to be used by the City of San Antonio for repairs and other work; NOW, THEREFORE:-

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That the aforesaid contract and agreement, between the City of San Antonio and Rodgers & Stewart, Inc., relative to the re-processing of salvaged asphalt, be and the same shall remain in full force and effect, and the same is hereby extended for the period beginning June 1, 1942 and ending August 1, 1942.

PASSED AND APPROVED this 23rd day of July, A.D. 1942.

C. K. QUIN

ATTEST: M A Y O R

JAS. SIMPSON

CITY CLERK

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OK-40

AN ORDINANCE (1481)

AUTHORIZING THE CITY OF SAN ANTONIO TO BORROW $ 84,000.00 TO PAY THE CURRENT EXPENSES OF THE CITY OF SAN ANTONIO FOR PUBLIC LIBRARIES.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That for the purpose of paying the current expenses of the City of San Antonio for the support and maintenance of the public libraries of said City for the fiscal year 1942 beginning June 1, 1942, there shall be borrowed and secured from the Frost National Bank an advance of money in the sum of $84,000.00, as provided by the Charter and Ordinances of said City, which amount does not exceed the estimated current revenue and income of said City for said fiscal year applicable to said purpose.

2. That to evidence said loans and advances by said Bank, there shall be executed and delivered to it 84 promissory notes of the City of San Antonio, numbered consecutively from 1 to 84, both inclusive, and said notes shall be for the sum of $1,000.00 each, the said notes aggregating the sum of $84,000.00, and shall bear interest at the rate of 1-69/100 per cent per annum from date until maturity, provided, that interest shall be paid on money actually advanced on said notes and only from the dates of advancement to the dates of payment, and, provided, that said notes shall bear interest at the rate of 4 per cent per annum after maturity until paid; said notes shall be signed by the Mayor, countersigned by the City Treasurer or Chief Deputy Treasurer and the City Auditor, and attested by the City Clerk, and the corpor seal of the City shall be affixed thereot; all advances shall be made on lawful warrants and/or notes which shall provide maturity not later than the 1st day of July, 1943, with privilege of prepayment prior to maturity; and the said warrants and/or notes given by said City to said Bank shall constitute a first lien upon the revenue arising from the special tax levied and collected to create such Library Fund for said fiscal year, and all uncollected back taxes arising from the special tax levied for this purpose for previous years, subject only to existing prior valid pledges of said back taxes, and said taxes and revenues are hereby irrevocably pledged for the payment of said loans and advances; and said warrants and/or notes and all interest thereon shall be paid from said taxes and current income and revenues before said taxes, income and revenues may be lawfully appropriated for any other purpose whatsoever.

3. The proceeds of said loans shall be used to pay the current expenses of the City of San Antonio as provided by the Library Fund Ordinance of said City, for this fiscal year, and the remainder shall be retained in said fund subject to the stipulations thereof.

4. The form of said notes shall be substantially as follows:

"NO._____ $ 1,000.00

UNITED STATES OF AMERICA
THE STATE OF TEXAS
COUNTY OF BEXAR
CITY OF SAN ANTONIO LIBRARY
FUND NOTE - 1942.

The City of San Antonio, a municipal corporation, in the County of Bexar and State of Texas, for value received, acknowledges itself indebted and hereby promises to pay to bearer at the Frost National Bank, of San Antonio, Texas, on or before the 1st of July, 1943, the principal sum of One Thousand ($1,000.00) Dollars, in lawful money of the United States of America, together with interest thereon from date hereof until maturity, at the rate of 1-69/100 per cent per annum payable monthly, and at the rate of 4 per cent per annum after maturity until paid.

This note is one of a series of 84 notes, numbered 1 to 84, both inclusive, being of the denomination of $1,000.00 each, aggregating $84,000.00, authorized to be issued from time to time by the City of San Antonio to the Frost National Bank, of San Antonio, Texas, evidencing loans made to said City by said Bank, for the purpose of paying indebtedness incurred and to be incurred for current expenses of said City for the support and maintenance of public libraries of said City, for the fiscal year beginning June 1, 1942 and ending May 31, 1943, said notes having been issued under and by virtue of the Charter and Ordinances of the City of San Antonio, and the Constitution and Laws of the State of Texas, and in pursuance of an ordinance passed by the Commissioners of said City on the 23rd day of July, 1942, which ordinance is recorded in Ordinance Book "K", of the City of San Antonio.

The date of this note, in conformity with said ordinance, is the date of advancement and payment to the City by the payee therein of the amount hereof.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to the issuance of this series of notes, have been done, and performed properly and have happened in regular and due time, form and manner, as stipulated by law and that the revenue

arising from the special tax levied and collected to create the Library Fund for said fiscal year, and all uncollected back taxes arising from the special tax levied for this purpose for previous years, subject only to existing prior valid pledges of said back taxes, are pledged irrevocably for the payment of this series of notes and this loan.

IN TESTIMONY WHEREOF, the City of San Antonio, Texas, has caused its corporate seal to be hereto affixed, and this note to be signed by the Mayor, countersigned by the City Treasurer or Chief Deputy Treasurer and the City Auditor, and attested by the City Clerk of said City, on this the _____ day of _____, A.D. 194___.

CITY OF SAN ANTONIO, TEXAS

ATTEST:

BY _____
Mayor, City of San Antonio, Texas

_____
City Clerk,
City of San Antonio, Texas.

COUNTERSIGNED:
By _____
Treasurer or Chief Deputy Treasurer,
City of San Antonio, Texas.

By _____
Auditor, City of San Antonio, Tex."

5. The City of San Antonio will levy a tax as stipulated by law at a rate sufficient to produce a return to pay the series of notes specified herein, according to their tenor and effect.

6. That the Mayor of said City be and he is hereby authorized to execute and deliver said promissory notes to the payee thereof upon payment by said payee of the amount designated in each of said notes, said notes to be delivered to the payee in consecutive numerical order hereinabove designated.

7. PASSED AND APPROVED this 23rd day of July, A.D. 1942.

C. K. QUIN
M A Y O R

ATTEST:

JAS. SIMPSON
CITY CLERK

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OK-41

AN ORDINANCE (1482)

AUTHORIZING THE CITY OF SAN ANTONIO TO BORROW $ 3,093,000.00 TO PAY THE CURRENT EXPENSES OF SAID CITY DURING THE FISCAL YEAR 1942.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That, for the purpose of paying the debts of the City of San Antonio incurred for current expenses during the fiscal year beginning June 1, 1942, and to pay the current expenses of said City for the remainder of said fiscal year ending May 31, 1943, there shall be borrowed and secured from the Frost National Bank of San Antonio, Texas, advances of money for said purposes in the amount of $ 3,093,000.00, which amounts do not exceed the estimated current income of said City for said fiscal year, and to evidence said loans and advances promissory notes of the City of San Antonio shall be executed and delivered to said Frost National Bank as hereinafter provided, under the power vested in the City of San Antonio by its Charter and the Constitution and Laws of the State of Texas.

2. That said notes shall be numbered consecutively from 1 to 124, both inclusive, and notes Nos. 1 to 123, both inclusive, shall be for the sum of $25,000.00 each, and Note No. 124 shall be for the sum of $18,000.00.

3. That the above said notes, aggregating $3,093,000.00, shall be payable to bearer at the Frost National Bank of San Antonio, Texas; all said notes to be dated the day and date they are executed, and shall bear interest at the rate of 1-69/100 per cent per annum from date thereof, calculated and payable monthly, as it accrues, provided, that interest shall be paid only on

cash actually advanced on said notes and only from the dates of such advancements, and, provided, that said notes or advances made by said Bank to the said City shall draw interest after the maturity thereof at the rate of 4 per cent per annum; said notes shall be signed by the Mayor, countersigned by the City Treasurer or Chief Deputy Treasurer and the City Auditor of said City, and attested by the City Clerk of said City, and the corporate seal of said City shall be impressed upon each of said notes; said notes shall provide for final maturity not later than July 1st, 1943, with privilege of prepayment prior to maturity.

4. That the uncollected taxes and revenues of the City of San Antonio, for the fiscal year beginning June 1st, 1942, and ending May 31st, 1943, and all of the current revenues of the City of San Antonio arising from taxation and all other sources during said fiscal year, and all uncollected back taxes for previous years subject only to existing prior valid pledges of said back taxes, be and the same are hereby irrevocably pledged for the payment of the above said notes and advances, and that said notes and all interest thereon shall constitute a first lien upon and against all said taxes and revenues for said fiscal year, and all said uncollected back taxes for previous years subject only to existing prior valid pledges of said back taxes, and shall be paid therefrom and from the current incomes and revenues of the City and such uncollected back taxes before any such taxes, revenues or incomes or back taxes may be lawfully appropriated to any other purpose or object whatsoever. There is excepted herefrom receipts from parking meters.

5. That the money to be borrowed by the City from the said Bank as above provided shall be borrowed as provided by and in accordance with the terms of the contract between the City and the Bank for the loan thereof by the Bank to the City, which contract is set out in and evidenced by ordinance passed by the Commissioners of the City, dated July 23rd, 1942, and recorded in Ordinance Book "K", of the City of San Antonio

6. That the proceeds of said loans shall be used to take up and pay off the outstanding indebtedness of the City of San Antonio legally incurred for the current expenses of said City during the said current fiscal year, and in the payment of the current expenses of said City for the remainder of this fiscal year, as provided by and in accordance with the Charter and Ordinances of said City.

7. That the form of said notes shall be substantially as follows:

"No._____ $_____

UNITED STATES OF AMERICA
THE STATE OF TEXAS,
COUNTY OF BEXAR,
CITY OF SAN ANTONIO
1942 GENERAL FUND NOTE.

The City of San Antonio, a municipal corporation, in the County of Bexar and State of Texas, for value received, acknowledges itself indebted, and hereby promises to pay to bearer atthe Frost National Bank, of San Antonio, Texas, on or before the 1st day of July, 1943, the principal sum of (- - state amount in dollars - -) in lawful money of the United States of America, together with interest thereon from the date hereof until maturity at the rate of 1-69/100 per cent per annum, payable monthly, and at the rate of 4 per cent per annum after maturity until paid.

This note is one of a series of 124 notes, numbered from 1 to 124, both inclusive, notes Nos. 1 to 123, both inclusive, being for the sum of $25,000.00 each, and note No. 124 being for the sum of $18,000.00, aggregating the sum of $ 3,093,000.00, evidencing loans made to said City by said Bank, for the purpose of paying off certain indebtedness incurred for current expenses of said City during the fiscal year beginning June 1, 1942, and to supply the needed funds to pay the current expenses of said City for the remainder of said fiscal year ending May 31, 1943, said notes having been issued under and by virtue of the Charter

and Ordinances of the City of San Antonio, and the Constitution and Laws of the State of Texas, and in pursuance of an ordinance passed by the Commissioners of said City on the 23rd day of July, 1942, which ordinance is recorded in Ordinance Book "K", of the City of San Antonio.

The date of this note, in conformity with said ordinance, is the date of the advancement and payment to the City by the payee herein of the amount hereof.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the issuance of this series of notes, have been properly done and performed, and have happened in regular and due time, form and manner, as provided by law; and that the full faith and credit of said City of San Antonio, and the taxes and current revenues of said City, excepting receipts from parking meters, for the fiscal year beginning June 1, 1942 and ending May 31, 1943, and all uncollected back taxes for previous years subject only to existing prior valid pledges of said back taxes, are hereby irrevocably pledged for the punctual payment of the principal and interest of this series of notes.

IN TESTIMONY WHEREOF, the City of San Antonio, Texas, has caused its corporate seal to be hereto affixed, and this note to be signed by the Mayor, countersigned by the City Treasurer or Chief Deputy Treasurer and the City Auditor, and attested by the City Clerk of said City, this the _____ day of _____ 194____.

CITY OF SAN ANTONIO, TEXAS

ATTEST:

By_____
Mayor, City of San Antonio, Texas

_____
CITY CLERK
City of San Antonio, Texas

COUNTERSIGNED:

BY_____
Treasurer or Chief Deputy Treasurer.
City of San Antonio, Texas.

BY _____
Auditor, City of San Antonio, Texas. "

8. That the Mayor of said City be and he is hereby authorized and directed to deliver said promissory notes to the payee thereof upon payment by said payee of the amount designated in each of said notes, said notes to be delivered to said payee in consecutive numerical order hereinabove designated.

9. PASSED AND APPROVED this 23rd day of July, A. D., 1942.

C. K. QUIN

ATTEST: M A Y O R

JAS. SIMPSON

CITY CLERK

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Appro. No. 99 OK-42 AN ORDINANCE (1483)

ADOPTING A BUDGET FOR THE EXPENDITURES FOR OPERATING EXPENSES OUT OF THE 1942 GENERAL FUND OF THE CITY OF SAN ANTONIO DURING THE CURRENT FISCAL YEAR 1942.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That the budget for the expenditures of the five various Departments for operating expenses out of the 1942 General Fund of the City of San Antonio during the current Fiscal year beginning the 1st day of June, A.D. 1942, and ending the 31st day of May, A.D. 1943, is the total sum of $ 3,113,000.00.

2. Said sum of $ 3,113,000.00 is allocated to the five Departments of the City as follows:

To the Department of Public Affairs in General, the sum of	$ 487,000.00
To the Department of Taxation, the sum of	116,000.00
To the Department of Sanitation, Parks & Public Property, the sum of	713,000.00
To the Department of Streets and Public Improvements, the sum of	420,000.00
To the Department of Fire & Police, the sum of	1,377,000.00
	3,113,000.00

3. BE IT FURTHER ORDAINED that the sum of $ 3,113,000.00 be and the same is hereby appropriated out of the 1942 General Fund, to provide for the operating expenses of the various Departments of the City for the Fiscal Year ending May 31st, 1943, as above set out.

4. The head of each of said five Departments is respectively authorized and directed to allocate said respective funds to the various divisions in his department for the purpose of operating the same during said Fiscal Year.

5. WHEREAS, an emergency is apparent for the immediate preservation of public peace, health and safety, to-wit: to preserve the financial and borrowing credit of the City to secure funds for maintaining the necessary functions of government, and pay the debts of the City, that requires this ordinance to become effective at once; therefore, upon the passage of this ordinance by a vote of four-fifths (4/5) of the Board of Commissioners, it shall be effective from and after the date of its passage as made and provided by the Charter of the City of San Antonio, Texas.

6. PASSED AND APPROVED this 23rd day of July, A.D., 1942.

C. K. QUIN

ATTEST: MAYOR

JAS. SIMPSON

CITY CLERK

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OK-43

AN ORDINANCE (1484)

CREATING THE CONTRACT BETWEEN THE FROST NATIONAL BANK OF SAN ANTONIO AND THE CITY OF SAN ANTONIO TO MAKE LOANS TO THE CITY OF SAN ANTONIO FOR THE FISCAL YEAR 1942.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. This ordinance creates and manifests the contract between the City of San Antonio and the Frost National Bank of San Antonio, to make loans to the City of San Antonio for the use of the City in anticipation of the receipts from taxes levied for the current fiscal year beginning June 1st, 1942 and ending May 31st, 1943, and the current revenues for said fiscal year as provided by the Charter of the City of San Antonio, in the amounts and upon the terms stated herein.

2. The money borrowed by the City hereunder to be advanced by the Bank on legally contracted notes, which instruments shall provide for final maturity not later than July 1st, 1943, with privilege of prepayment prior to maturity, which instruments shall be drawn in form acceptable to the Bank.

3. Interest to be charged on the loans at the rate of one and sixty-nine hundredths (1-69/100) per cent per annum, calculated and payable monthly, notes and/or advances to draw interest after maturity at the rate of four (4) per cent per annum.

4. The City to pledge as security for such loans the receipts of taxes and the current revenue of the City, excepting receipts from parking meters, for the fiscal year beginning June 1st, 1942, and ending May 31st, 1943, and all uncollected back taxes for previous years subject

only to existing prior valid pledges of said back taxes, and the notes given by the City to the Bank to cover such loans shall constitute a first lien upon such receipts of taxes and current revenues, excepting receipts from parking meters, for said fiscal year and upon such uncollected back taxes for previous years.

5. The loans and advances to be made by the Bank to the City shall be for the following purposes, for the following months, and in the following amounts, to-wit:

MONTH		GENERAL FUND	LIBRARY FUND
June	1942	$ 250,000.00	$ 5,000.00
July	1942	275,000.00	8,000.00
August	1942	275,000.00	8,000.00
September	1942	275,000.00	7,000.00
October	1942	250,000.00	7,000.00
November	1942	250,000.00	7,000.00
December	1942	250,000.00	7,000.00
January	1943	250,000.00	7,000.00
February	1943	250,000.00	7,000.00
March	1943	250,000.00	7,000.00
April	1943	250,000.00	7,000.00
May	1943	268,000.00	7,000.00
		$ 3,093,000.00	$ 84,000.00

provided, however, that the amount of the loans and advances for General Fund purposes shall not exceed eighty two (82%) per cent of the estimated full collections based upon the General Fund tax rate fixed for the fiscal year as applied to the assessed taxable valuations for the fiscal year, plus all other revenues for general purposes, excepting receipts from parking meters; but in no event shall the total amount of said loans exceed $ 3,177,000.00.

6. The Bank shall be under no obligation to lend during any calendar month any amount in excess of the amount above specified for that month, provided, if the City should borrow, during any calendar month, less than the amount specified for that month, then and in that event it may borrow the amount of such deficiency during any future month of said current fiscal year.

7. If the City should incur, during any calendar month of said fiscal year, any expenses, debts or obligations payable out of the receipts of taxes and current revenues of the City for said fiscal year or out of said pledged back taxes, in excess of the amount specified for each month, then and in that event said Bank shall, at its option, stand and be released from any obligation to make further advances to the City hereunder.

8. If the City should default in the payment of any installment of the principal of or of the interest on any of its bonds during this fiscal year, then and in that event said Bank shall, at its option, which may be exercised when such default occurs or at any time such default continues, stand and be released from any obligation to make further advances to the City hereunder.

9. In case any check drawn by the City or its authority, during said fiscal year, upon its depository, is approved by the City Auditor, and is presented to the depository for payment, and such depository raises the question whether same is drawn pursuant to law and in accordance with this ordinance contract, and the City nevertheless insists upon payment thereof by the depository, then and in that event the Bank shall, at its option, stand and be released from any obligation to make further advances to the City hereunder.

10. If said Bank should, at any time, for any reason, cease to be City depository under the proposal for depository contract submitted herein, or, if any question should arise at any time respecting the kind, amount or value of the securities deposited or tendered by said Bank to secure the City funds deposited or to be deposited with it, which is not settled to the satisfaction of said Bank, then and in either event said Bank shall, at its option, stand and be released from any obligation to make any further advances to the City hereunder.

11. The said Frost National Bank, in lieu of a bond, shall pledge and deposit with the City, for the purpose of better securing the payment and accounting for City funds and moneys, legally issued notes of the City of San Antonio and/or marketable securities of any kind, approved

by the City, in an amount in value at all times at least equal to the amount of the City funds and moneys on deposit in said depository Bank, and the City of San Antonio may accept such securities by it approved in lieu of personal or security bond or bonds, and such securities so placed and pledged with the City by the Bank shall be deposited in such Bank, but said securities shall be under the dual access of the City and the Bank, that is, same shall be and must be placed and deposited in a safe or safe deposit box having a dual combination or dual lock, so that and to the end that neither the City nor the said Bank can enter or open such safe or safe deposit box without the presence and cooperation of the other, or its proper and duly authorized representatives.

12. The City shall have no right to demand that the Bank make any advances hereunder unless and until the City lawfully adopts its budget for this fiscal year, and not then if the amount of the budget adopted exceeds the above said amounts which the Bank proposes to lend to the City.

13. The City to furnish to the Bank legal opinion satisfactory to it of an attorney or attorneys selected by the Bank respecting the validity of the notes issued by the City to the Bank for the money to be advanced by them to the City hereunder, the Bank to be under no obligation to advance money on any note until such opinion is furnished.

14. In case the City shall fail to comply with any of the terms and/or conditions hereof, then and in that event the Bank shall, at its option, stand and be released from any obligation to make further advances to the City hereunder.

15. WHEREAS, an emergency is apparent for the immediate preservation of order, good government and public safety that requires this ordinance to become effective at once; therefore, upon the passage of this ordinance by a vote of four-fifths (4/5) of the Commissioners, it shall be effective from and after the date of its passage as made and provided by the Charter of the City of San Antonio.

16. PASSED AND APPROVED this 23rd day of July, A.D. 1942.

C. K. QUIN

ATTEST: M A Y O R

JAS. SIMPSON

CITY CLERK

17. IN WITNESS WHEREOF, the Frost National Bank of San Antonio, Texas, aforesaid has caused these presents to be signed by J. H. Frost, its President, thereunto authorized by a vote of said corporation, a copy of which is hereto attached, and its common seal hereunto affixed, this day of July, A.D. 1942.

THE FROST NATIONAL BANK OF
SAN ANTONIO, TEXAS

By _____

ATTEST: Its President.

Secretary

Cashier.

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OK-44

AN ORDINANCE (1485)

ACCEPTING AND APPROVING THE SECURITIES PLEDGED BY THE FROST NATIONAL BANK OF SAN ANTONIO, TEXAS TO SECURE THE CITY FUNDS DEPOSITED AND TO BE DEPOSITED IN SAID BANK BY THE CITY DURING THE FISCAL YEAR 1942, AND DIRECTING THE DEPOSITING OF SAID SECURITIES FOR SAFE KEEPING.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:

That the securities pledged with the Governing Body of the City of San Antonio by the Frost National Bank of San Antonio, Texas, as City Depository, to secure the funds of said City, deposited and to be deposited in said Bank during the Fiscal Year beginning June 1, 1942 and ending May 31, 1943, be and the same are hereby accepted and approved and that receipt signed by the Mayor, countersigned by the City Auditor, be given said Bank for securities pledged by it, which said securities are described as follows:

Securities pledged by the Frost National Bank of San Antonio, Texas, are described on attached receipts dated July 14, 1942, which is made a part of this ordinance by reference as fully as if it were specified herein.

The receipt given to said bank for securities pledged by it shall recite, in substance, that the said securities have been duly pledged with the Governing Body of the City of San Antonio, Texas, by the Frost National Bank of San Antonio, Texas as depository of said City, for the purpose of securing the funds of said City, deposited and to be deposited in said Bank during the Fiscal Year beginning June 1, 1942, upon the terms and conditions prescribed and provided by law.

It is directed that said securities be deposited by the Mayor, for safe keeping in a safety deposit box in the vaults of the Frost National Bank of San Antonio, Texas, rented by the City from said Bank.

PASSED AND APPROVED this the 23rd day of July, 1942.

C. K. QUIN
M A Y O R

ATTEST:

JAS. SIMPSON
CITY CLERK

San Antonio, Texas,
July 14, 1942.

RECEIVED of the Frost National Bank, San Antonio, Texas, the following securities pledged by the said Bank to the Governing Body of the City of San Antonio for the purpose of securing funds deposited and to be deposited by said City for the fiscal year 1942:

U.S. Treasury 5/8% Certificates of Indebtedness,
Series A-1943, dated 6/25/42, due 2/1/43,
Nos. 16183 thru 16199, inclusive, seventeen
at $ 100,000.00 each, ... $ 1,700,000.00

The said securities have been deposited in safe deposit box No. 2448 and have been duly pledged with the Governing Body of the City of San Antonio by the said Frost National Bank, as a depository of the said City, for the purpose of securing the funds of said City, deposited and to be deposited in said Bank by virtue of Ordinance passed June 11, 1942, of said City, upon the terms and conditions prescribed and provided by law.

CITY OF SAN ANTONIO, TEXAS

Countersigned:

/s/ Walter Tatsch
Auditor

By

/s/ Jas. Simpson
City Clerk

BY:

/s/ C. K. QUIN
Mayor, City of San Antonio, Texas

/s/ W. B. Hamilton
Chief Deputy City Treasurer.

WITNESSES:

/s/ H. C. Kramme
Asst. City Auditor

By:

/s/ L. L. Lentz, V. P.

San Antonio, Texas,
July 14, 1942.

RECEIVED of the Governing Body of the City of San Antonio, by the Frost National Bank as a depository of said City, the following bonds pledged by the said bank to the Governing Body of the City of San Antonio for the purpose of securing funds deposited and to be deposited by said City for the fiscal year 1942:

U. S. 2% Treasury Notes, Series B-1942, dated 9/15/37, due 9/15/42, Nos. 5784-5793, inclusive, ten at $10,000.00 each	$ 100,000.00
U. S. 2% Treasury Notes, Series B-1942, dated 9/15/37, due 9/15/42, Nos. 2567-2580, inclusive, fourteen at $100,000.00 each	1,400,000.00
Reconstruction Finance Corporation 7/8% Note, dated 4/17/41, due 10/15/42, No. J2620	100,000.00
U. S. 1-3/4% Treasury Notes, Series C-1942, dated 12/15/37, due 12/15/42, Nos. 623 thru 630, inclusive, eight at $ 10,000.00 each	80,000.00
U. S. 1-1/8% Treasury Notes, Series A-1943, dated 6/15/38, due 6/15/43, ... No. 6040 for $ 10,000.00 No. 4197 for $ 100,000.00	110,000.00
U. S. 2% Treasury Notes, Series B-1942, dated 9/15/37, due 9/15/42, Nos 5842 and 5843, two at $10,000.00 each . .	20,000.00
TOTAL	$ 1,810,000.00

FROST NATIONAL BANK, San Antonio, Texas,

By /s/ L. L. Lentz
Vice President.

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OK-45

AN ORDINANCE (1486)

"AN ORDINANCE AUTHORIZING THE ACQUISITION BY THE CITY OF SAN ANTONIO OF AN ELECTRIC LIGHT AND POWER PLANT AND SYSTEM AND A GAS DISTRIBUTION SYSTEM SERVING THE CITY OF SAN ANTONIO AND ITS INHABITANTS AND TERRITORY ADJACENT TO SAID CITY, AUTHORIZING THE ISSUANCE OF THE REVENUE BONDS OF SAID CITY FOR THE PURPOSE OF PAYING THE COST THEREOF, FIXING THE DETAILS AND PROVIDING FOR THE PAYMENT AND SECURITY OF SUCH BONDS, APPROVING AND RATIFYING THE NOTICE OF INTENTION TO ISSUE SUCH BONDS HERETOFORE GIVEN, AUTHORIZING AND PROVIDING FOR THE EXECUTION OF A MORTGAGE ON SAID PLANT AND SYSTEMS AS SECURITY FOR THE PAYMENT OF SUCH BONDS, GRANTING A FRANCHISE TO ANY PURCHASER OF SAID PROPERTIES AT ANY SALE WHICH MAY BE HELD FOR THE ENFORCEMENT OF SUCH MORTGAGE, PROVIDING FOR THE MANAGEMENT OF SAID PLANT AND SYSTEMS, ENTERING INTO CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION WITH SUCH ACQUISITION AND SUCH BONDS, AND DECLARING AN EMERGENCY."

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WHEREAS, on the 10th day of July, 1942, the Commissioners of the City of San Antonio adopted an ordinance entitled "AN ORDINANCE directing the City Clerk to give notice of intention to purchase gas and electric properties now serving the City of San Antonio and surrounding territory and to issue electric and gas revenue bonds therefor"; and

WHEREAS, pursuant to the provisions of said ordinance and to the provisions of the "Bond and Warrant Law of 1931," being Article 2368(a) of the Texas Civil Statutes, there was duly published in the San Antonio Light, a newspaper published and having general circulation in the City of San Antonio, on July 10 and July 17, 1942, a notice apprising the qualified electors of the City and all other persons interested of the intention of the Commissioners of the City of San Antonio at a meeting to be held at ten o'clock, A.M., on July 25, 1942, to pass such ordinances and take such action as might be deemed necessary to authorize the issuance of Thirty-five Million dollars ($35,000,000.00) revenue bonds of said City for the purpose of acquiring an electric light and power plant and system and a gas distribution system serving the City of San Antonio and its inhabitants and territory adjacent to said City; and

WHEREAS, more than fourteen days have expired since the first publication of said notice and no petition has been filed requesting that the question of the issuance of bonds for such purpose be submitted to a referendum vote; and

WHEREAS, it is the opinion of the Commissioners that it is necessary and essential to the welfare of the inhabitants of the City that an electric light and power plant and system and a gas distribution system be acquired by the City immediately in the manner for which provision is hereinafter made, and that the revenue bonds of the City be authorized, sold and issued for the purpose of obtaining funds to pay the cost of such acquisition;

NOW, THEREFORE, BE It Ordained by the Commissioners of the City of San Antonio:

Section 1. That the ordinance of July 10, 1942, described in the preamble hereto, and the act of the City Clerk in publishing the notice described in said preamble, be and are hereby ratified, approved and confirmed, and that it is hereby formally found by the Commissioners that said notice was given and published in all respects as required by the Bond and Warrant Law of 1931, and that there has not been filed any petition requesting a referendum vote on the question of the issuance of such bonds.

Section 2. That the City of San Antonio shall acquire a complete electric light and power plant and system and gas distribution system serving the City of San Antonio and its inhabitants and territory adjacent to said City, such acquisition to be effected through the acquisition of all of the electric and gas properties owned by San Antonio Public Service Company on the date of the acquisition of such properties by the City, excepting only the electric distribution systems owned by said Company and located within the corporate limits of municipal corporations other than the City of San Antonio and such distribution facilities immediately contiguous to such other municipal corporations as form an integral part of such systems, and through the making of repairs, improvements and extensions to such plant and systems. All properties of every

San Antonio, Texas,
July 14, 1942.

RECEIVED of the Governing Body of the City of San Antonio, by the Frost National Bank as a depository of said City, the following bonds pledged by the said bank to the Governing Body of the City of San Antonio for the purpose of securing funds deposited and to be deposited by said City for the fiscal year 1942:

U. S. 2% Treasury Notes, Series B-1942, dated 9/15/37, due 9/15/42, Nos. 5784-5793, inclusive, ten at $10,000.00 each	$ 100,000.00
U. S. 2% Treasury Notes, Series B-1942, dated 9/15/37, due 9/15/42, Nos. 2567-2580, inclusive, fourteen at $100,000.00 each	1,400,000.00
Reconstruction Finance Corporation 7/8% Note, dated 4/17/41, due 10/15/42, No. J2620	100,000.00
U. S. 1-3/4% Treasury Notes, Series C-1942, dated 12/15/37, due 12/15/42, Nos. 623 thru 630, inclusive, eight at $ 10,000.00 each	80,000.00
U. S. 1-1/8% Treasury Notes, Series A-1943, dated 6/15/38, due 6/15/43, ... No. 6040 for $ 10,000.00 No. 4197 for $ 100,000.00	110,000.00
U. S. 2% Treasury Notes, Series B-1942, dated 9/15/37, due 9/15/42, Nos 5842 and 5843, two at $10,000.00 each . .	20,000.00
TOTAL	$ 1,810,000.00

FROST NATIONAL BANK, San Antonio, Texas,

By /s/ L. L. Lentz
Vice President.

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ok-45

AN ORDINANCE (1486)

"AN ORDINANCE AUTHORIZING THE ACQUISITION BY THE CITY OF SAN ANTONIO OF AN ELECTRIC LIGHT AND POWER PLANT AND SYSTEM AND A GAS DISTRIBUTION SYSTEM SERVING THE CITY OF SAN ANTONIO AND ITS INHABITANTS AND TERRITORY ADJACENT TO SAID CITY, AUTHORIZING THE ISSUANCE OF THE REVENUE BONDS OF SAID CITY FOR THE PURPOSE OF PAYING THE COST THEREOF, FIXING THE DETAILS AND PROVIDING FOR THE PAYMENT AND SECURITY OF SUCH BONDS, APPROVING AND RATIFYING THE NOTICE OF INTENTION TO ISSUE SUCH BONDS HERETOFORE GIVEN, AUTHORIZING AND PROVIDING FOR THE EXECUTION OF A MORTGAGE ON SAID PLANT AND SYSTEMS AS SECURITY FOR THE PAYMENT OF SUCH BONDS, GRANTING A FRANCHISE TO ANY PURCHASER OF SAID PROPERTIES AT ANY SALE WHICH MAY BE HELD FOR THE ENFORCEMENT OF SUCH MORTGAGE, PROVIDING FOR THE MANAGEMENT OF SAID PLANT AND SYSTEMS, ENTERING INTO CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION WITH SUCH ACQUISITION AND SUCH BONDS, AND DECLARING AN EMERGENCY."

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WHEREAS, on the 10th day of July, 1942, the Commissioners of the City of San Antonio adopted an ordinance entitled "AN ORDINANCE directing the City Clerk to give notice of intention to purchase gas and electric properties now serving the City of San Antonio and surrounding territory and to issue electric and gas revenue bonds therefor"; and

WHEREAS, pursuant to the provisions of said ordinance and to the provisions of the "Bond and Warrant Law of 1931," being Article 2368(a) of the Texas Civil Statutes, there was duly published in the San Antonio Light, a newspaper published and having general circulation in the City of San Antonio, on July 10 and July 17, 1942, a notice apprising the qualified electors of the City and all other persons interested of the intention of the Commissioners of the City of San Antonio at a meeting to be held at ten o'clock, A.M., on July 25, 1942, to pass such ordinances and take such action as might be deemed necessary to authorize the issuance of Thirty-five Million dollars ($35,000,000.00) revenue bonds of said City for the purpose of acquiring an electric light and power plant and system and a gas distribution system serving the City of San Antonio and its inhabitants and territory adjacent to said City; and

WHEREAS, more than fourteen days have expired since the first publication of said notice and no petition has been filed requesting that the question of the issuance of bonds for such purpose be submitted to a referendum vote; and

WHEREAS, it is the opinion of the Commissioners that it is necessary and essential to the welfare of the inhabitants of the City that an electric light and power plant and system and a gas distribution system be acquired by the City immediately in the manner for which provision is hereinafter made, and that the revenue bonds of the City be authorized, sold and issued for the purpose of obtaining funds to pay the cost of such acquisition;

NOW, THEREFORE, BE It Ordained by the Commissioners of the City of San Antonio:

Section 1. That the ordinance of July 10, 1942, described in the preamble hereto, and the act of the City Clerk in publishing the notice described in said preamble, be and are hereby ratified, approved and confirmed, and that it is hereby formally found by the Commissioners that said notice was given and published in all respects as required by the Bond and Warrant Law of 1931, and that there has not been filed any petition requesting a referendum vote on the question of the issuance of such bonds.

Section 2. That the City of San Antonio shall acquire a complete electric light and power plant and system and gas distribution system serving the City of San Antonio and its inhabitants and territory adjacent to said City, such acquisition to be effected through the acquisition of all of the electric and gas properties owned by San Antonio Public Service Company on the date of the acquisition of such properties by the City, excepting only the electric distribution systems owned by said Company and located within the corporate limits of municipal corporations other than the City of San Antonio and such distribution facilities immediately contiguous to such other municipal corporations as form an integral part of such systems, and through the making of repairs, improvements and extensions to such plant and systems. All properties of every

nature of San Antonio Public Service Company acquired by the City of San Antonio hereunder, real, personal and incorporeal, including contracts, franchises, leases and choses in action, together with all improvements, additions and extensions which may hereafter be made to said properties while any of the bonds herein authorized remain outstanding, either from the proceeds of such bonds or from any other source, are hereinafter in this ordinance referred to as "the system."

Section 3. That in order to pay the cost of acquisition of such electric light and power plant and system and gas distribution system in the manner hereinbefore set out, including the payment of all legal, engineering, accounting, fiscal agents, and other incidental costs and fees incurred in connection with such acquisition and the authorization and issuance of the bonds, there be borrowed upon the credit of the income and revenues of the system the sum of Thirty-five Million Dollars ($35,000,000.00), and that in evidence thereof there be issued the revenue bonds of the City of San Antonio, under authority of Articles 1111 et seq. of the Texas Revised Civil Statutes, 1925, as amended, which bonds shall be payable as to both principal and interest solely from the revenues of the system and secured by mortgage on the system, all as more specifically hereinafter provided. Such part of the proceeds of the sale of such bonds, other than accrued interest and premium, as is not used to pay the cost of the acquiaition of the properties of San Antonio Public Service Company, including the payment of incidental costs and fees as above provided, and any funds which may be received by the City from other sources simultaneously with or subsequent to the issuance of the bonds and by reason of the issuance thereof, shall be used for the purpose of making repairs, improvements and extensions to such properties, in order that the City may have a complete and effective gas and electric system.

Section 4. That such bonds shall be denominated "Electric and Gas Revenue Bonds," shall be dated August 1, 1942, shall be in the denomination of $1,000 each, shall be numbered 1 to 35,000, inclusive, shall bear interest until paid at such rate or rates not greater than Three and One-half per cent (3½%) per annum, as may prove to be the lowest rate or rates specified in the bids for the purchase of said bonds pursuant to which said bonds shall hereafter be sold by the Commissioners, which interest shall be payable semi-annually on the first days of February and August of each year, shall be payable as to both principal and interest in lawful money of the United States of America, at Chemical Bank & Trust Company in the City of New York, New York, and shall mature serially in numerical order on August 1 of each year as follows:

Year	Amount	Bond Numbers
1944	$ 775,000	1 to 775
1945	800,000	776 to 1575
1946	825,000	1576 to 2400
1947	850,000	2401 to 3250
1948	875,000	3251 to 4125
1949	900,000	4126 to 5025
1950	925,000	5026 to 5950
1951	955,000	5951 to 6905
1952	985,000	6906 to 7890
1953	1,010,000	7891 to 8900
1954	1,040,000	8901 to 9940
1955	1,070,000	9941 to11010
1956	1,105,000	11011 to 12115
1957	1,140,000	12116 to 13255
1958	1,170,000	13256 to 14425
1959	1,205,000	14426 to 15630

Year	Amount	Bond Numbers
1960	1,240,000	15631 to 16870
1961	1,280,000	16871 to 18150
1962	1,315,000	18151 to 19465
1963	1,355,000	19466 to 20820
1964	1,395,000	20821 to 22215
1965	1,440,000	22216 to 23655
1966	1,480,000	23656 to 25135
1967	1,525,000	25136 to 26660
1968	1,570,000	26661 to 28230
1969	1,620,000	28231 to 29850
1970	1,665,000	29851 to 31515
1971	1,715,000	31516 to 33230
1972	1,770,000	33231 to 35000

Such bonds shall be subject to redemption at the option of the City of San Antonio, to be evidenced by appropriate resolution passed by the Commissioners of the City of San Antonio and approved by the Board of Trustees in charge of the operation of the City's gas and electric properties, either in whole, or in part, in inverse numerical order, bonds numbered 33231 to 35000, inclusive, on any interest payment date, and bonds numbered 1 to 33230, inclusive, on August 1, 1947 and on any interest payment date thereafter, all at the principal amount thereof and accrued interest to the date fixed for redemption, plus such premium not greater than fifty dollars for each bond redeemed as will be equivalent to two dollars fifty cents for each year or fraction thereof intervening between the date fixed for redemption and the stated maturity date of such bond. Notice of redemption is to be given not less than thirty days prior to the date fixed for redemption by registered mail to the registered owner of each bond called for redemption, mailed to the address of such owner shown on the Registrar's registration books. If any bond called for redemption is not at the time registered as to principal, thirty days notice of redemption shall also be given by publication of an appropriate notice at least once in a newspaper published and having general circulation in the City of San Antonio and in a financial newspaper or journal published in the City of New York, New York.

Section 5. That each of such bonds shall be signed by the Mayor of the City of San Antonio, shall be attested by the City Clerk, shall have the corporate seal of the City impressed thereon, and shall be authenticated by the Trustee in the manner provided in the trust indenture for which provision is hereinafter made. Interest falling due on and prior to maturity shall be represented by appropriate interest coupons to be attached to such bonds, which coupons shall be signed by the facsimile signatures of said Mayor and City Clerk and said officials, by the execution of such bonds, shall adopt as and for their own proper signatures their respective facsimile signatures appearing on said coupons.

Section 6. That such bonds shall be registerable as to principal in the manner for which provision is made in the aforesaid trust indenture.

Section 7. That such bonds, 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 TEXAS

COUNTY OF BEXAR

CITY OF SAN ANTONIO

ELECTRIC AND GAS REVENUE BOND

Number _____ $ 1,000

The City of San Antonio, a lawfully created and existing municipal corporation in Bexar County, Texas, solely from the special fund hereinafter specified and from no other source, for value received hereby promises to pay to bearer, or if this bond be registered as to principal then to the registered owner hereof, on the first day of August, 19___, the principal sum of One Thousand Dollars ($I,000), and to pay, solely from said special fund, interest thereon at the rate of _____ per cent (___%) per annum, semi-annually on the first days of February and August in each year until payment of the principal amount hereof. Both principal of and interest on this bond are payable in lawful money of the United States of America at Chemical Bank & Trust Company in the City of New York, New York. Interest falling due on and prior to maturity is payable only upon presentation and surrender of the interest coupons hereto attached as they severally become due.

This bond is one of a duly authorized issue of bonds of like date and tenor, except as to interest rate and maturity, isssued or to be issued to provide funds for paying in whole or in part the cost of the acquisition of a complete electric light and power plant and system and gas distribution system serving the City of San Antonio and the territory adjacent thereto, pursuant to ordinance adopted by the Commissioners of the City of San Antonio on July 25, 1942, and pursuant to a trust indenture of even date herewith by and between the City of San Antonio and Harris Trust and Savings Bank of Chicago, Illinois, (hereinafter referred to as the "corporate trustee"), and Harold Eckhart of Evanston, Illinois, as Trustees, an original of which indenture is on file in the office of said corporate trustee in the City of Chicago, Illinois, reference to which ordinance and indenture is hereby made for a description of the funds charged with and pledged to the payment of the interest on and the principal of the bonds of said issue, the nature and extent of the security thereof, and a statement of the rights, duties and obligations of the City and the trustees and the rights of the holders of the bonds, to all the provisions of which indenture the holder hereof by the acceptance of this bond assents.

This bond shall not be deemed to constitute a debt of the City of San Antonio or a pledge of its faith and credit, but shall be payable as to principal and interest solely from the net revenues derived from the operation of said electric light and power plant and system and said gas distribution system, including all additions, extensions and improvements thereto which may hereafter be made, and the holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

This bond is issued and the above mentioned indenture was made and entered into under and pursuant to the Constitution and Laws of the State of Texas, including particularly Articles 1111 et seq., Texas Revised Civil Statutes, 1925, as amended, and it is required by said laws and the City of San Antonio hereby covenants and agrees that it will make and collect rates and charges for all gas, electricity and services supplied by said plant and systems fully sufficient to pay the expenses of operating and maintaining said plant and systems, to provide an adequate depreciation and replacement fund and to pay principal of and interest on all indebtedness payable from such revenues, including this bond and the series of which it is a part.

The bonds of the issue of which this is one may be redeemed at the option of the City of San Antonio, to be evidenced by appropriate resolution passed by the Commissioners of the City of San Antonio and approved by the Board of Trustees in charge of the operation of the City's gas and electric properties, either in whole, or in part, in inverse numerical order, bonds numbered 33231 to 35000, inclusive, on any interest payment date, and bonds numbered 1 to 33230, inclusive, on August 1, 1947 and on any interest payment date thereafter, all at the principal amount thereof and accrued interest to the date fixed for redemption plus such premium not great-

er than fifty dollars for each bond redeemed as will be equivalent to two dollars fifty cents for each year or fraction thereof intervening between the date fixed for redemption and the stated maturity date of such bond. Notice of the intended redemption of this bond is to be given not less than thirty days prior to the date fixed for redemption by registered mail to the registered owner hereof, mailed to the address of such owner shown on Registrar's registration books. If this bond is not at the time registered as to principal thirty days notice of redemption is to be given by publication of an appropriate notice at least once in a newspaper published and having general circulation in the City of San Antonio and in a financial newspaper or journal published in the City of New York, New York. On the date so designated for redemption (unless default shall be made in payment of the redemption price) interest on the bonds so called for redemption shall cease to accrue.

This bond may be registered as to principal in accordance with the provisions endorsed hereon.

Each successive holder of this bond during such time as it is payable to bearer, and each successive holder of each of the coupons hereto attached, is conclusively presumed to forego and renounce his equities in favor of subsequent holders for value without notice, and to agree that this bond while so payable to bearer, and each of the coupons hereto attached, may be negotiated by delivery by any person having possession thereof, howsoever such possession may have been acquired, and that any holder who shall have taken this bond or any of the coupons from any person for value and without notice, thereby has acquired absolute title thereto, free from any defenses enforceable against any prior holder and free from all equities and claims of ownership of any such prior holder. The City of San Antonio and its officials and the hereinabove referred to paying agent and trustees shall not be affected by any notice to the contrary.

To the extent permitted by the aforesaid indenture, modifications or alterations of the indenture and any indenture supplemental thereto may be made, with the consent of the Commissioners of the City of San Antonio and the holders of at least seventy-five per cent in principal amount of the bonds then outstanding, but such modification or alteration is not permitted to affect the maturity, amount or rate of interest of any such outstanding bond.

It is hereby certified and recited that all acts and things required by the Constitution and Laws of the State of Texas and the charter of the City of San Antonio to happen, exist and be performed precedent to and in the issuance of this bond and the adoption of said ordinance and the execution of said trust indenture, have happened, exist and have been performed as so required.

This bond shall not be entitled to any benefit under said trust indenture or become valid or obligatory for any purpose until it shall have been authenticated by the execution by the corporate trustee of the certificate hereon endorsed.

IN WITNESS WHEREOF, the City of San Antonio has caused this bond to be signed by its Mayor and attested by its City Clerk and the corporate seal of said City to be impressed hereon, and has caused the coupons hereto attached to be executed with the facsimile signatures of said officials, all as of this first day of August, 1942.

_____
Mayor

Attest:

_____
City Clerk

(Form of Coupon)

Number _____ $ _____

On _____ 1, 19____, the City of San Antonio, Bexar County, Texas, will pay to bearer at Chemical Bank & Trust Company in the City of New York, New York, the sum of_____ _____ Dollars ($_____) in lawful money of the United States of America, solely from the special fund referred to in and for the semi-annual interest then due on its Electric and Gas Revenue Bond dated August 1, 1942, and numbered _____, unless said bond shall have been called for previous redemption as therein provided and provision for the redemption thereof made. The holder of this coupon shall never have the right to demand payment thereof out of any funds raised or to be raised by taxation.

_____
Mayor

Attest:

_____
City Clerk

(Form of Trustee's Certificate)

This bond is one of the bonds described in the within mentioned trust indenture.

HARRIS TRUST AND SAVINGS BANK

By_____
Authorized Officer

(Form of Registration Endorsement)

This bond may be registered as to principal on books kept by the corporate trustee under the within mentioned trust indenture as Bond Registrar, upon presentation hereof to such Bond Registrar, who shall make notation of such registration in the registration blank below, and this bond may thereafter be transferred only upon a written assignment of the registered owner or his attorney thereunto duly authorized, duly acknowledged or proved, such transfer to be made on such books and endorsed hereon by the Bond Registrar. If so registered this bond may thereafter be transferred 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 representatives. 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 Bond Registrar

(Form of State Comptroller's Certificate)

Office of Comptroller)
) Register Number _____
State of Texas)

I hereby certify that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this bond has been examined by him as required by law, and that he finds that it has been issued in conformity with the Constitution and Laws of the State of Texas, and that it is a valid and binding special obligation of the City of San Antonio, Texas, payable from the revenues pledged to its payment by and in the ordinance authorizing same, and said bond has this day been registered by me.

WITNESS my hand and seal of office at Austin, Texas, this _____ day of _____, 1942.

Comptroller of Public Accounts of the
State of Texas

Section 8. That after the acquisition of the system or any part thereof, the system or part thereof so acquired shall be operated by the City of San Antonio and the revenues thereof shall be applied and the bonds herein authorized shall be paid in the manner set out and provided in the trust indenture (herein sometimes called the "indenture" and sometimes the "trust indenture"), which is hereinafter in this ordinance set out in full, and all of the provisions of said trust indenture shall be effective and shall be applicable to the authorization, issuance and payment of the bonds herein authorized with like force and effect as though all of said provisions were otherwise separately set out in this ordinance.

Section 9. That of the bonds herein authorized, there shall be presently sold by the Commissioners of the City of San Antonio bonds to the amount of $33,950,000. of such numbers as may be hereafter fixed by resolution, and after their preparation and execution and approval by the Attorney General and registration by the State Comptroller, the bonds so sold, and sold from time to time hereafter, shall be delivered to the corporate trustee to be authenticated and turned over to the City official who is then performing the duties of City Treasurer, for delivery to the purchaser aforesaid upon payment therefor to be made in accordance with the terms of sale.

Section 10. That as soon as may be after the adoption of this ordinance it shall be the duty of the Mayor and City Attorney to submit a complete transcript of proceedings had in connection with the authorization of said bonds and to submit the printed bonds to the Attorney General of the State of Texas for his approval and for registration of such bonds by the State Comptroller after they have been so approved. Thereafter, said bonds shall be delivered to the trustee for authentication, after which they shall be delivered to the purchasers as aforesaid.

Section 11. That for the purpose of securing the payment of the bonds herein authorized and for the purpose of providing for and fixing in more detail the rights of the holders thereof and of the city and of the trustees and for the purpose of making effective the mortgage lien on the system and the lien of said bonds on the revenues of the system, a trust indenture in the following form and language is hereby authorized to be executed in behalf of the City of San Antonio by the Mayor and City Clerk, after which said indenture shall be recorded in the mortgage records of each county in which any part of the system is located and authenticated copies shall be filed with the corporate trustee and w ith the City Clerk:

Trust Indenture

THIS INDENTURE, dated the first day of August, 1942, by and between the City of San Antonio, a municipal corporation duly organized and existing under and by virtue of the laws of the State of Texas (for brevity hereinafter called the "city"), acting through its Mayor and City Clerk thereunto duly authorized, party of the first part, and Harris Trust and Savings Bank, a corporation duly organized and existing under the laws of the State of Illinois, and having its principal office in the City of Chicago, Illinois (hereinafter called the "Trustee"), and Harold Eckhart, of the City of Evanston, Illinois (hereinafter called the "Individual Trustee"), parties of the second part, as trustees (the Trustee and Individual Trustee being hereinafter together referred to as the "trustees"),

WITNESSETH:

WHEREAS the city, in order to obtain funds for the purpose of acquiring an electric light and power plant and system and a gas distribution system serving said city and the territory adjacent thereto, has determined to issue a series of bonds under the authority of the Constitution and Laws of the State of Texas, and particularly Articles 1111 et seq., Texas Revised

Civil Statutes, 1925, as amended (which bonds are hereinafter sometimes referred to as the "bonds"); and

WHEREAS the Commissioners of the City of San Antonio, by ordinance duly adopted on July 25, 1942, have provided for the issuance of bonds for said purpose in the total amount of $35,000,000, which bonds are designated as "Electric and Gas Revenue Bonds," are dated August 1, 1942, are in the denomination of $1,000, are numbered 1 to 35000, inclusive, are to bear interest at such rate or rates as may be determined at the time said bonds are sold, which rate or rates shall be specified and made definite by appropriate instrument in writing to be executed by the City Clerk and filed with the Trustee after the sale of said bonds, are payable as to both principal and interest in lawful money of the United States of America at Chemical Bank & Trust Company in the City of New York, New York, are registerable as to principal at the option of the holder, mature serially in numerical order on August 1 of each year as follows:

Amount	Year
$ 775,000	1944
800,000	1945
825,000	1946
850,000	1947
875,000	1948
900,000	1949
925,000	1950
955,000	1951
985,000	1952
1,010,000	1953
1,040,000	1954
1,070,000	1955
1,105,000	1956
1,140,000	1957
1,170,000	1958
1,205,000	1959
1,240,000	1960
1,280,000	1961
1,315,000	1962
1,355,000	1963
1,395,000	1964
1,440,000	1965
1,480,000	1966
1,525,000	1967
1,570,000	1968
1,620,000	1969
1,665,000	1970
1,715,000	1971
1,770,000	1972

and, together with the endorsements to appear thereon are to be in substantially the following form, and executed as therein indicated:

(Form of Bond)

UNITED STATES OF AMERICA

STATE OF TEXAS

COUNTY OF BEXAR

CITY OF SAN ANTONIO

ELECTRIC AND GAS REVENUE BOND

Number _____ $ 1,000

The City of San Antonio, a lawfully created and existing municipal corporation in Bexar County, Texas, solely from the special fund hereinafter specified and from no other source, for value received hereby promises to pay to bearer, or if this bond be registered as to principal then to the registered owner hereof, on the first day of August, 19___, the principal sum of One Thousand Dollars ($1,000), and to pay, solely from said special fund, interest thereon at the rate of _____ per cent (____%) per annum, semi-annually on the first days of February and August in each year until payment of the principal amount hereof. Both principal of and interest on this bond are payable in lawful money of the United States of America at Chemical Bank & Trust Company in the City of New York, New York. Interest falling due on and prior to maturity is payable only upon presentation and surrender of the interest coupons hereto attached as they severally become due.

This bond is one of a duly authorized issue of bonds of like date and tenor, except as to interest rate and maturity, issued or to be issued to provide funds for paying in whole or in part the cost of the acquisition of a complete electric light and power plant and system and gas distribution system serving the City of San Antonio and the territory adjacent thereto, pursuant to ordinance adopted by the Commissioners of the City of San Antonio on July 25, 1942, and pursuant to a trust indenture of even date herewith by and between the City of San Antonio and Harris Trust and Savings Bank of Chicago, Illinois, (hereinafter referred to as the "corporate trustee"), and Harold Eckhart of Evanston, Illinois, as trustees, an original of which indenture is on file in the office of said corporate trustee in the City of Chicago, Illinois, reference to which ordinance and indenture is hereby made for a description of the funds charged with and pledged to the payment of the interest on and the principal of the bonds of said issue, the nature and extent of the security thereof, and a statement of the rights, duties and obligations of the City and the trustees and the rights of the holders of the bonds, to all the provisions of which indenture the holder hereof by the acceptance of this bond assents.

This bond shall not be deemed to constitute a debt of the City of San Antonio or a pledge of its faith and credit, but shall be payable as to principal and interest solely from the net revenues derived from the operation of said electric light and power plant and system and said gas distribution system, including all additions, extensions and improvements thereto which may hereafter be made, and the holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

This bond is issued and the above mentioned indenture was made and entered into under and pursuant to the Constitution and Laws of the State of Texas, including particularly Articles 111 et seq., Texas Revised Civil Statutes, 1925, as amended, and it is required by said laws and the City of San Antonio hereby covenants and agrees that it will make and collect rates and charges for all gas, electricity and services supplied by said plant and systems fully sufficient to pay the expenses of operating and maintaining said plant and systems, to provide an adequate depreciation and replacement fund and to pay principal of and interest on all indebtedness payable from such revenues, including this bond and the series of which it is a part.

The bonds of the issue of which this is one may be redeemed at the option of the City of San Antonio, to be evidenced by appropriate resolution passed by the Commissioners of the City of San Antonio and approved by the Board of Trustees in charge of the operation of the City's gas and electric properties, either in whole, or in part, in inverse numerical order, bonds numbered 33231 to 35000, inclusive, on any interest payment date, and bonds numbered 1 to 33230, inclusive,

on August 1, 1947 and on any interest payment date thereafter, all at the principal amount thereof and accrued interest to the date fixed for redemption plus such premium not greater than fifty dollars for each bond redeemed as will be equivalent to two dollars fifty cents for each year or fraction thereof intervening between the date fixed for redemption and the stated maturity date of such bond. Notice of the intended redemption of this bond is to be given not less than thirty days prior to the date fixed for redemption by registered mail to the registered owner hereof, mailed to the address of such owner shown on Registrar's registration books. If this bond is not at the time registered as to principal thirty days notice of redemption is to be given by publication of an appropriate notice at least once in a newspaper published and having general circulation in the City of San Antonio and in a financial newspaper or journal published in the City of New York, New York. On the date so designated for redemption (unless default shall be made in payment of the redemption price) interest on the bonds so called for redemption shall cease to accrue.

This bond may be registered as to principal in accordance with the provisions endorsed hereon.

Each successive holder of this bond during such time as it is payable to bearer, and each successive holder of each of the coupons hereto attached, is conclusively presumed to forego and renounce his equities in favor of subsequent holders for value without notice, and to agree that this bond while so payable to bearer, and each of the coupons hereto attached, may be negotiated by delivery by any person having possession thereof, howsoever such possession may have been acquired, and that any holder who shall have taken this bond or any of the coupons from any person for value and without notice, thereby has acquired absolute title thereto, free from any defenses enforceable against any prior holder and free from all equities and claims of ownership of any such prior holder. The City of San Antonio and its officials and the hereinabove referred to paying agent' and trustees shall not be affected by any notice to the contrary.

To the extent permitted by the aforesaid indenture, modifications or alterations of the indenture and any indenture supplemental thereto may be made, with the consent of the Commissioners of the City of San Antonio and the holders of at least seventy-five per cent in principal amount of the bonds then outstanding, but such modification or alteration is not permitted to affect the maturity, amount or rate of interest of any such outstanding bond.

It is hereby certified and recited that all acts and things required by the Constitution and Laws of the State of Texas and the charter of the City of San Antonio to happen, exist and be performed precedent to and in the issuance of this bond and the adoption of said ordinance and the execution of said trust indenture, have happened, exist and have been performed as so required.

This bond shall not be entitled to any benefit under said trust indenture or become valid or obligatory for any purpose until it shall have been authenticated by the execution by the corporate trustee of the certificate hereon endorsed.

IN WITNESS WHEREOF, the City of San Antonio has caused this bond to be signed by its Mayor and attested by its City Clerk and the corporate seal of said City to be impressed hereon, and has caused the coupons hereto attached to be executed with the facismile signatures of said officials, all as of this first day of August, 1942.

Attest: _____ Mayor

_____
City Clerk

(Form of Coupon)

Number_____ $ _____

On _____ 1, 19____, the City of San Antonio, Bexar County, Texas, will pay to bearer at Chemical Bank & Trust Company in the City of New York, New York, the sum of _____ _____ Dollars ($_____) in lawful money of the United States of America, solely from the special fund referred to in and for the semi-annual interest then due on its Electric and Gas Revenue Bond dated August 1, 1942, and numbered ____, unless said bond shall have been called for previous redemption as therein provided and provision for the redemption thereof made. The holder of this coupon shall never have the right to demand payment thereof out of any funds raised or to be raised by taxation.

Attest: _____ Mayor

_____
City Clerk

(Form of Trustee's Certificate)

This bond is one of the bonds described in the within mentioned trust indenture.

HARRIS TRUST AND SAVINGS BANK

BY_____
Authorized Officer

(Form of Registration Endorsement)

This bond may be registered as to principal on books kept by the corporate trustee under the within mentioned trust indenture as Bond Registrar, upon presentation hereof to such Bond Registrar, who shall make notation of such registration in the registration blank below, and this bond may thereafter be transferred only upon a written assignment of the registered owner or his attorney thereunto duly authorized, duly acknowledged or proved, such transfer to be made on such books and endorsed hereon by the Bond Registrar. If so registered this bond may thereafter be transferred 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 representatives. 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 Bond Registrar

(Form of State Comptroller's Certificate)

Office of Comptroller)
State of Texas)

Register Number _____

I hereby certify that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this bond has been examined by him as required by law, and that he finds that it has been issued in conformity with the Constitution and Laws of the State of Texas, and that it is a valid and binding special obligation of the City of San Antonio, Texas, payable from the revenues pledged to its payment by and in the ordinance authorizing the same, and said bond has this day been registered by me.

WITNESS my hand and seal of office at Austin, Texas, this _____ day of _____, 1942.

_____
Comptroller of Public Accounts of the State of Texas

and

WHEREAS the execution and delivery of this indenture have been duly authorized by the Commissioners of the City of San Antonio and all acts and things required to be done precedent to and in the execution of this indenture and precedent to and in the execution of said bonds , have been done and performed in regular and due time, form and manner as required by the Constitution and Laws of the State of Texas, and the ordinance hereinbefore mentioned:

NOW THEREFORE, in order to secure the payment of principal of and interest on the bonds issued under this indenture according to their tenor and effect and the terms of this indenture and to secure the performance of the covenants and obligations herein contained, and in consideration of the acceptance by the trustees of the trust hereby created, of the purchase and acceptance of the said bonds by the holders thereof, and of one dollar in hand paid by the trustees to the City upon the execution and delivery of this indenture, the receipt whereof is hereby acknowledged, the city has executed and delivered this indenture and has granted, bargained, sold, conveyed, assigned, transferred, warranted, mortgaged, pledged and set over, and by these presents does grant, bargain, sell, convey, assign, transfer, warrant, mortgage, pledge and set over unto the trustees and their successors in said trust forever, subject to the terms of this indenture, the following property (herein sometimes referred to as the"trust estate"), all and singular, its property rights, privileges, franchises and contracts of every kind and description:

Subject to the exceptions hereinafter set out, all property heretofore owned by San Antonio Public Service Company and now owned by the city, and all property, rights, privileges, franchises and contracts of every kind and description whether now owned or hereafter acquired by the city and used or useful in connection with the operation of the city's electric light and power plant and system and the city's gas distribution system, including particularly the following (but reference to or enumeration of any particular kinds, classes or items of property shall not be deemed to exclude, except as otherwise herein expressly provided, from operation of this indenture any kind, class or item not so referred to or enumerated):

ITEM I.

ELECTRIC LIGHT & POWER PLANT & SYSTEM

All lands, rights-of-way, roads, power houses, buildings, dams, waterways, water rights, and other structures, and all office buildings and the contents thereof; all machinery, engines, boilers, turbines, dynamos, electrical machinery, regulators, motors, transformers, generators, meters, electrical and mechanical appliances, condensers, water wheels, overhead and underground conduits, cables, pipes, pole and transmission lines, wires, crossarms, insulators, service substations and sub-structures, generating, distriguting and transmitting equipment, tools, implements, apparatus, supplies and all of the electric transmission and distribution systems heretofore owned by San Antonio Public Service Company and located in the City of San Antonio, Texas, and the cities, towns, villages and unincorporated areas of Bexar County, Atascosa County, Caldwell County, Comal County, Guadalupe County, Karnes County, Kendall County, Medina County, Uvalde County, Bandera County and Wilson County, all in the State of Texas.

ITEM II.

GAS SYSTEM

All gas plants, stations, sub-stations, offices, repair shops, buildings, structures, sub-structures, regulators, holders, purifiers, scrubbers, tanks, retorts, boilers, machinery, engines, pumps, fixtures, apparatus, equipment, dams, insturments, appliances, implements, overhead and underground construction, pipes, mains, conduits, service meters, supplies and appurtenances, and the gas transmission and distribution systems heretofore owned by the San Antonio Public Service Company, located in the City of San Antonio and the City of Alamo Heights and the subur-

ban areas adjacent to the City of San Antonio and the City of Alamo Heights, all in Bexar County, Texas.

ITEM III.

REAL ESTATE

All and singular the real estate heretofore owned by the San Antonio Public Service Company situated in the State of Texas in the counties hereinafter mentioned (except as hereinafter specifically excepted and excluded from the lien hereof) and more particularly described as follows:

MAIN OFFICE BUILDING.

That certain piece or parcel of land, situated in the corporate limits of the City of San Antonio, Bexar County, Texas, fronting on the west side of St. Mary's Street, and more particularly described as follows: Being that portion of what is known as the Twohig Homestead, which was set apart to Columbus Upson, Oscar Bergstrom and Thos. H. Franklin by decree of the District Court of Bexar County, Texas, partitioning the Estate of John Twohig, on the 16th day of February, 1894, in cause No. 644, styled Upson and Bergstrom vs. T. L. Johnston, et al,, District Court of Bexar County, 37th Judicial District; said decree appearing in the minutes of said Court Book Q, page 369, et seq., said property being bounded on the north by the portion of the Twohig Homestead set aside by said decree to J. C. Neraz, Catholic Bishop of San Antonio; east by St. Mary's Street, and south and west by the San Antonio River, 4 feet off the north margin of said property having been dedicated by D. J. Woodward and L. Ward as a permanent alley, as set out and fully described and explained in an agreement between Missionary Society of Oblate Fathers of Texas, and D. J. Woodward and L. Ward, of record in Bexar County, in Volume 274, page 394, Deed Records of said County, filed October 12, 1910.

STATION "A" PLANT.

All that parcel of land situated in the City of San Antonio, County of Bexar, State of Texas, known as Lots Nos. 1, 2, 3, 4, of N. C. B. No. 124; bounded on the north by the San Antonio River; on the east by an alley for a distance of 166 feet 8 inches, more or less; on the south by Villita Street for a distance of 250 feet 4 inches, more or less; on the west by Presa Street for a distance of 171 feet 8 inches, more or less.

STATION "B" PLANT.

(a) A parcel of land containing 8 acres, more or less, situated in the City of San Antonio, County of Bexar, and State of Texas, on the east side of the San Antonio River, more particularly described as follows: Beginning at a point on the east bank of the San Antonio River where an extension of the south line of Survey of Lot No. 3, according to the plat recorded in Volume VI, page 118, of Bexar County Deed Records, intersects with the said east bank of the San Antonio River, said point being also the intersection of the north side of right-of-way of the S. A. & A. P. Ry. with the San Antonio River; thence in a southeasterly course along the said S. A. & A. P. right-of-way to the west side of Conception Road; thence in a northeasterly course along the west side of the Conception Road to the San Antonio River opposite the Edmonds Homestead where the river changes its course from south to west; thence meandering along the river to the place of beginning.

(b) A parcel of land containing 12 acres, more or less, situated in the City of San Antonio, County of Bexar, State of Texas, on the west side of San Antonio River, more particularly described as follows: Beginning at a point on the west bank of the San Antonio River where the said west bank intersects with the north boundary line of the San Antonio and Aransas Pass Railroad; thence in a northwesterly direction along the boundary line of the said right-of-way to a point where the said boundary line intersects with the south boundary of the land formerly owned

by Henry Elmendorf; thence east with the boundary of the said land owned by said Henry Elmendorf to the San Antonio River; thence in a southerly direction with the meanderings of the San Antonio River to the place of beginning.

TENTH STREET MATERIAL STORAGE.

(a) That parcel of land situated in the City of San Antonio, County of Bexar and State of Texas, being a part of Block "C," or N. C. B. No. 516, and described as follows: Beginning on the south line of Tenth Street at a point 294 feet 7 inches from Austin Street; thence 56 degrees, 45 minutes east with Tenth Street for 76 feet and 10 inches; thence south 32 degrees, 50 minutes west for 308 feet and 4 inches; thence north 57 degrees west for 117 feet to the Alamo Ditch; thence in a northeasterly direction along the Alamo Ditch to the back line of Somer's property; thence south 56 degrees, 45 minutes east along the back of F. Somer's property for 60½ feet; thence north 32 degrees, 50 minutes east for 153 feet and 1 inch to point of beginning.

(b) All that portion of Lot No. 4 Block "C", in the City of San Antonio, and more particularly described as follows, viz: Beginning at a point 121 feet east of the west line of the property formerly belonging to the San Antonio Street Railway Company, where it intersects the northwest corner of Lot No. 3; thence east 16 feet to a corner; thence north 16 feet to corner; thence west 16 feet to a corner; thence south 16 feet to the place of beginning.

(c) All that certain tract or parcel of land situated, lying and being in the City limits of San Antonio, County of Bexar, State of Texas, and being the western part of Lot "C" in Block "C", City Block No. 516, on the north side of Ninth Street, said part having a frontage of about 29 feet, together with all and singular, the rights, hereditaments, and appurtenances to the same in any manner belonging.

(d) All that certain piece, parcel or tract of land lying and being situated within the corporate limits of the City of San Antonio, County of Bexar and State of Texas, and more particularly described as follows: Being the western 29 varas, more or less, of Lots 1 and 2 in Block "C" (or 31) on the north side of Ninth Street, said Block "C" (or 31) being now known as City Block 516. Said land herein conveyed begins at a point 85 varas, more or less, west of southeast corner of Lot 1, corner of Ninth and Austin Streets, being the southwest corner of Mrs. M. Schilling's property; thence west along Ninth Street 29 varas, more or less, to property of Wm. Herpel; thence north along said Wm. Herpel's property line to southwest corner of Lot 3 in said block; thence east along the south line of said Lot 3, 32 varas, more or less; thence south 37-3/4 varas to the place of beginning.

(e) All that certain lot of parcel of land situated in the City of San Antonio, Bexar County, Texas, and described as follows, to-wit: A part of what is known as N. C. B. No. 516; beginning at a point in the southern line of Tenth Street north 57 degrees west, 61 varas from the intersection of the western line of Austin Street with the south line of Tenth Street; thence north 57 degrees west, along with the southern line of said Tenth Street, a distance of 18 varas or 50 feet, for northwest corner of this tract; thence south 33 degrees west, a distance of 52 varas or 144 feet and 5-1/3 inches, more or less, to reach what is known as the property of Mrs. A. de V. Dane, for the southwest corner of these premises; thence south 57 degrees east, 18 varas or 50 feet, for the southeast corner of this tract; thence north 33 degrees east, 54 varas or 144 feet and 5-1/3 inches, more or less, to the point of beginning in the southern line of Tenth Street being the same property conveyed by Geo. F. and Anna E. Blesse, by deed as appears of record in Volume 437, page 82, Deed Records of Bexar County, Texas, to which reference is here made for a more complete description of said property.

NINTH STREET SUBSTATION.

All that certain tract or parcel of land lying and being situated within the corporate limits of the City of San Antonio, Bexar County, Texas, and being the eastern 72 feet of Lots Nos.

1 and 2, Block 31, New City Block No. 453, on the north side of Ninth Street, and more particularly described as follows: Beginning at a point on the north side of Ninth Street at a fence located 174 feet and 2 inches from a line between two city monuments located near the northeast corner of the intersection of Ninth Street and Avenue D, and near the southeast corner of the intersection of Ninth Street and Avenue D, said line being approximately 3 feet west of the property line of Avenue D; thence with said fence in a northerly direction 97.3 feet to another fence; thence with said second fence in an easterly direction 42 feet and 7 inches to the west property line of the property of the San Antonio Public Service Company; thence in a southerly direction with the property line of the San Antonio Public Service Company 102 feet and 4 inches to the intersection of said property line with the north property line of Ninth Street; thence westerly along the north property line of Ninth Street a distance of 72 feet to the place of beginning.

BEACON HILL SUBSTATION.

All that certain lot or parcel of land situated in the City of San Antonio, County of Bexar, State of Texas, described as follows, to-wit: Being all of Lots Nos. 1 and 8 in Block 37 of Laurel Heights Addition, said block being also known as New City Block 1867.

EAST END SUBSTATION.

All that certain tract or parcel of land situated within the corporate limits of the City of San Antonio, County of Bexar, State of Texas, and described as follows, to-wit: Lots Nos. 1,2,3 and 4, in Block No. 3, Rifle Range Addition, and in New City Block No 2796, fronting on the south side of Wyoming Street.

ELECTRIC DISTRIBUTION OFFICE

That certain property situated in San Antonio, Bexar County, Texas, bounded as follows: Commencing at the intersection of Camden Street and Jones Avenue; thence in a northeasterly direction along the southeast line of Camden Street to the San Antonio River; thence down the San Antonio River to its intersection with the northwest line of the tract of land conveyed by the San Antonio Loan and Trust Company to R. W. Morrison and W. S. McCall, recorded in Book 763, page 480, Deed Records of Bexar County Texas; thence in a southwesterly direction along the northwest boundary of the said property so conveyed to said Morrison and McCall, and continuing along the northwestern line of the property conveyed to said Morrison and McCall by E. A. DuBose, Receiver of the Lone Star Cotton Mills, by deed recorded in Volume 702, page 544, Deed Records of Bexar County, Texas, to its intersection with Jones Avenue; thence in a northwesterly direction along Jones Avenue to the place of beginning; said property bounded on the northwest by Camden Street, on the northeast by the San Antonio River, on the southeast by the property conveyed to the said Morrison and McCall, and on the southwest by Jones Avenue; being the same property conveyed by San Antonio Loan and Trust Company to San Antonio Public Service Company, by deed recorded on June 3, 1925, in the records of Deeds of said county, in Volume 828, on pages 49-50.

OLMOS SUBSTATION.

All that certain triangular tract or parcel of land lying north of the City of San Antonio, in Bexar County, Texas, out of the Herff and Dittmar land, and out of original City Lot No. 36 in County Block 5248, and Lot No. 38 in County Block 5250, all in Range 3, District 3, bounded as follows: On the north by the Contour Road along a line at elevation of 728 feet above sea level, on the southeast side by the right-of-way of the I. & G. N. Railway Company, and on the west side by the Herff and Dittmar County Road, containing 6½ acres of land, more or less; being the same property conveyed by F. Herff and Adolph Herff individually and as independent executors of the Estate of Dr. F. Herff, Deceased, Chas. H. Herff, August A. Herff, Wm. L. Herff and John B. Herff, and Emmy Dittmar, a feme sole, individually and as independent executrix of the

Estate of Albert Dittmar, Deceased, and San Antonio Loan and Trust Company, a corporation, as trustee, all of the County of Bexar and State of Texas, to San Antonio Public Service Company, by deed recorded November 10, 1926, in the records of Deeds of said county, in Volume 919, on pages 43-44.

CITY VIEW SUBSTATION.

That certain tract of land and parcel of real estate lying and being situate in Bexar County, Texas, and being known, described and designated as Lot or Tract No. 19, Block No. 18 of the Lady of the Lake Gardens, per plat and map thereof duly filed and of record in the Deed Records of Bexar County, Texas, in Book 368, page 143, to which said map and plat and the record thereof reference is here specially made for further and more definite description of said property, said lot containing 1 acre; being the same property conveyed by the Lady of the Lake Gardens Company to Standard Trust Company, by deed dated June 29, 1925, and conveyed by Standard Trust Company to San Antonio Public Service Company by deed dated December 13, 1927.

ALAMO HEIGHTS SUBSTATION.

The following described property, lying and being situated in Bexar County, Texas, and being out of the Wm. E. Howth Survey, more particularly described as follows: A plot of land approximately .89 of an acre in size, and bounded as follows: Beginning at a point on the west side of Broadway, 685 feet and 1 inch south of the intersection of west side of Broadway and east side of Nacogdoches Road; thence south along west side of Broadway 30 feet; thence along a line north 89 degrees, 30 minutes west, 514 feet to east side of Nacogdoches Road; thence northeast along east side of Nacogdoches Road 217 feet; thence along a line south 89 degrees, 30 minutes east, 102 feet and 11 inches; thence along a line south no degrees, 3 minutes east, 160 feet; thence along a line south 89 degrees, 30 minutes east, to starting point on west side of Broadway; being the same property conveyed by Katherine Schuh, a feme sole, to San Antonio Public Serivce Company, by deed recorded August 19, 1927, in Volume 969, on page 447.

WOODLAWN HILLS SUBSTATION.

One acre of land lying southwest of the Babcock Road, out of a 235-acre tract of land located approximately 5 miles northwest from the center of the City of San Antonio, being a portion of Survey No. 332, Section No. 4, in the name of Cesario Carmona, and being the same tract of land conveyed by deed of L. J. Gembler and Eliza Gembler to A. Fiensilber, October 26, 1903, said deed being recorded in Volume 223, page 126, of the Deed Records of Bexar County, Texas, said 1 acre of land being described by metes and bounds as follows: Beginning at a point on the Callahan Road at the northwest corner of said 235-acre tract of land owned by A. Fiensilber, at a stake; thence north 42 degrees east, 208.71 feet to a stake, turn interior angle 91 degrees; thence south 48 degrees east, 208.71 feet to a stake, turn interior angle 89 degrees; thence south 42 degrees west, 208.71 feet to a stake, turn interior angle 91 degrees; thence north 40 degrees west, 208.71 feet to the place of beginning, and containing 1 acre, less a strip of land approximately 11 feet wide off of the northwest side of said tract, conveyed to Bexar County for roadway by deed dated September 14, 1928; being the same property conveyed by A. Fiensilber and Sophia Fiensilber to San Antonio Public Service Company, by deed recorded on June 28, 1927, in the records of Deeds of Bexar County, in Book 964, page 82.

OLD GRANDVIEW SUBSTATION.

All those certain lots or parcels of land siuate partly within and partly without the City of San Antonio, County of Bexar, State of Texas, described as follows, to-wit: Being Lots Nos. 8 to 19, inclusive, and Lots Nos. 21 to 34, inclusive, New City Block 1564, said block being also known as Block 7, Section 2, Grandview Addition.

Plat of said Grandview Addition is recorded in Volume 72, page 519, Bexar County Records;

being the same property conveyed by W. C. Sullivan to Standard Trust Company, by deed dated July 8, 1925, and conveyed by Standard Trust Company to San Antonio Public Service Company, by deed dated December 13, 1927.

ELMENDORF SUBSTATION.

That certain tract of land out of a 120-acre tract of land, out of Survey No. 7, Jose de la Garza grant, conveyed to Mrs. Lena Koehler by Fred Hildebrandt, et al., by deed dated November 19, 1896, and recorded in Volume 162, page 331, Deed Records of Bexar County, Texas, being described by metes and bounds as follows: Beginning at a stake at the southeast corner of said 120 acres of land; thence north 67 degrees, 12 minutes east, 204.3 feet along the line dividing the property of the said Lena Koehler from the west property line of the Westfall property, a stake; thence north 53 degrees, 30 minutes west, 244.4 feet to the Elmendorf Road; thence south 4 degrees, 14 minutes, 30 seconds east, 100 feet along the north side of said road to the intersection of said road with the high line of the Comal Power Company; thence south 4 degrees, 14 minutes, 30 seconds east, 131.8 feet to the place of beginning; being the same property conveyed by Oscar Koehler and Lena Koehler, husband and wife, to Comal Power Company, by deed recorded July 13, 1927, in the records of Deeds of said county, in Volume 964, on pages 81 and 82, and conveyed by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company, by deed dated January 1, 1928.

GRANDVIEW SUBSTATION NO. 1.

Lots Nos. 1 to 13, inclusive, and 25 to 27, inclusive, Block 8, Section 2, Grandview Addition, said lots comprising the northern part of said block, said Block 8 lying between "I" Street and "J" Street and between Cora Avenue and James Avenue; Lots Nos. 1, 2, 3, 7, 8, 9 and 10, Block 19, Section 5, Grandview Addition, said lots consituting the northern part of said block and said block lying between "I" Street and "J" Street and between James Avenue and Aurelia Avenue; Lots Nos. 1 to 12, inclusive, Block 18, Section 5, Grandview Addition, said lots consituting the northern part of said block, and said block lying between "I" Street and "J" Street and between Aurelia Avenue and Amada Avenue.

Plat of said Grandview Addition is recorded in Volume 72, page 519, Bexar County Records; being the same property conveyed by W. C. Sullivan to Comal Power Company, by deed recorded July 14, 1925, in the recrods of Deeds of said county, in Volume 831, on pages 389-90, and conveyed by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company, by deed dated January 1,1928.

GRANDVIEW SUBSTATION NO. 2.

All that certain parcel or tract of land lying in the County of Bexar, Texas, and in Grandview Addition to the City of San Antonio, but wholly outside of the corporate limits of the said city, particularly described as follows: The north 105 feet of Lot 3, in Garden Block 8, of said Grandview Addition, a map and plat of which is of record in the Deed Records of Bexar County, in the County Clerk's office, to which reference is hereby made for further description. The said north 60 feet of said Lot No. 3, in said Garden Block 8, is described by metes and bounds as follows, to-wit: Beginning at the northeast corner of Lot No. 3, Garden Block 8, which corner is also the southeast corner of Lot No. 1, same Garden Block, and also is the northwest corner of Lot No. 4, same Garden Block, and also is the southwest corner of Lot No. 2, of said Garden Block 8; thence south along the eastern boundary line of said Lot No. 3, Garden Block 8, 60 feet to a point in said boundary line for the southeast corner of this tract being conveyed; thence west 630 feet to a point in the west boundary of said Lot No. 3, Garden Block 8, for the southwest corner of this tract; thence north along the west boundary line of said Lot No. 3, Garden Block 8, to the northwest corner of said Lot No. 3, for the northwest corner of this tract; thence east

along the north boundary line of said Lot No. 3, 630 feet to the place of beginning; being the same property conveyed by John Alexander James to Comal Power Company, by deed recorded September 2, 1925, in the records of Deeds of said county, in Volume 844, on pages 67-68, and conveyed by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company, by deed dated January 1, 1928, and by deeds recorded in Volume 944, pages 85-86, and Volume 1397, pages 250-251, of the Deed Records of Bexar County, Texas.

LEHR SAND PIT SUBSTATION.

All that certain tract of land described as follows, to-wit: 1,000 square feet of land out of 565.64-acre tract located approximately one mile from the county line between Bexar and Atascosa Counties, on the Pleasanton Road, in Bexar County, Texas, out of Survey No. 1386½, and being the same tract of land conveyed by deed of the Texas State Bank, July 28, 1926, to J. B. Couric, said deed being recorded in Volume 905, page 152, Deed Records of Bexar County, Texas, said 1,000 square feet of land being described by metes and bound as follows: Beginning at a stake on the property line between Lots Nos. 4 and 5 of the said Couric property, at a point 1126 feet due west of the west side of the Pleasanton Road and 60 feet due east of a point at the intersection of the high line of the Comal Power Company from San Antonio to Pleasanton and the property line between Lots Nos. 4 and 5 of the said Couric porperty; thence due south 76 feet and 6 inches to a stake; thence due west 60 feet to the said high line of the Comal Power Company; thence due west 40 feet to a stake; thence due north 76 feet and 6 inches to theproperty line between Lots Nos. 4 and 5 of the said Couric property; thence due north 23 feet and 6 inches to a stake; thence due east 40 feet to the said high line of the said Comal Power Company; thence due east 60 feet to a stake; thence due south 20 feet and 6 inches, to the place of beginning, and containing 1,000 square feet; being the same property conveyed by J. B. Couric to Comal Power Company, and conveyed by Comal Power Company(by Liquidating Trustees) to San Antonio Public Service Company, by deed dated January 1, 1928.

LYTLE SUBSTATION.

All that certain tract or parcel of land lying and being situated in the County of Bexar, State of Texas, and more particularly described as follows, to-wit:

Two and three-hundredths acres of land in Bexar County,Texas, part of John Garner Survey No. 435, described by metes and bounds as follows: Beginning at a point in the north line of a 100-acre tract conveyed by Roy L. Gillette, et al., to C. H. Kearny, Trustee, by deed recorded in Volume A-47, page 462, Deed Records of Medina County, Texas, said point being at the intersection of the east property line of the road on the Bexar-Medina County line and the south property line of the old Frio City Road; thence in a southerly direction along the east property line of the road on the Bexar-Medina County line, 275 feet, more or less, to the intersection with the Bexar-Atascosa County line; thence south 68 degrees, 18 minutes east, along the Bexar-Atascosa County line, 290.6 feet to a point; thence north 375.15 feet on a line parallel to, and 270 feet east of, the east property line of the road along the Bexar-Medina County Line to a point on the south property line of the old Frio City Road; thence north 88 degrees, 27 minutes west, along the south property line of the old Frio City Road, 270.07 feet, more or less, to the point of beginning; being the same property conveyed by Roy C. Osgood, James D. Armstrong, Charles W. McNear, L. Marquard Forster and George W. Morgan, as Trustees of the Trust known as the "San Antonio Trust," by deed recorded April 29, 1926, in the records of Deeds of said county, in Volume 889, on pages 182-4, and conveyed by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company, by deed dated January 1, 1928.

PLEASANTON SUBSTATION.

Beginning at the point where the west side of the Pleasanton-San Antonio Highway crosses

the Bexar County-Atascosa County Line; thence along the west side of the said highway 1010 feet to the center of the electric transmission line of said Comal Power Company, where the said transmission line crosses the said west side of said road; thence north 66 degrees west, along the center of said electric transmission line, 409 feet, which last mentioned point is the beginning point to the described land hereby conveyed; thence to the right, at approximately a right angle with said transmission line, 19 feet and 10 inches; thence in approximately a right angle to the left, 22 feet and 10 inches; thence in approximately a right angle to the left, 38 feet and 10 inches; thence in approximately a right angle to the left, 22 feet and 10 inches; thence in approximately a right angle to the left, 19 feet to the center of said transmission line and to the place of beginning of the description of the property hereby conveyed; being part of the same property conveyed by deed recorded in Atascosa County Deed Records in Book E No. 1, pages 477-478, to which reference is hereby made; the land hereby conveyed being inclosed by a fence; being the same property conveyed by T. L. Haiduk to Comal Power Company, by deed recorded October 4, 1926, in the records of Deeds of Bexar County, Texas, in Volume 911, on pages 593-594, and conveyed by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company, by deed dated January 1, 1928.

SOMERSET SUBSTATION.

All that certain tract of land described, except the oil and mineral rights therein, out of 4.67-acre tract of land, out of Survey 48, Francisco Rolen grant, conveyed to August F. Ernst and wife by F. M. Hagner, by deed dated December 3, 1917, said deed being recorded in Volume 522, page 310, of the Deed Records of Bexar County, Texas, being described by metes and bounds as follows: Beginning at a stake on the west side of the Somerset Road at a point where the high line of the Comal Power Company crosses the said Somerset Road; thence south 30 degrees, 33 minutes west, 25 feet to a stake on said road; thence south 88 degrees west, 45 feet and 8 inches to a stake; thence north 2 degrees west, 44 feet to a stake; thence north 88 degrees east, 49 feet to the Somerset Road to a stake; thence south 30 degrees, 33 minutes west, 25 feet along the Somerset Road to the place of beginning; provided, however, that all oil and mineral rights in said land are expressly reserved; being the same property conveyed by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company, by deed dated January 1, 1928.

ELECTRIC DISTRIBUTION OFFICE ADDITION.

All that certain tract or parcel of land lying and being situated in Bexar County, Texas, and within the corporate limits of the City of San Antonio, and described as follows; to-wit: Beginning at a stake on the east bank of the San Antonio River for the northwest corner of F. Velton's 6-acre tract, where his north fence intersects the San Antonio River; thence east with said fence and on a line parallel with Newell Street at 248 feet, center line of the railroad tract of the Texas Transportation Company, at 265 feet to a stake, 38 feet south 15 degrees, 40 minutes west, of the north line of Newell Street, and 1137.2 feet west of the west line of River Avenue; thence south 15 degrees, 40 minutes west, 157.5 feet to a stake on bank of San Antonio River; thence up said river with its meanders north 74 degrees, 20 minutes west, at 140 feet, river, 40 feet to left, at 200 feet, river; thence north 16 degrees, 33 minutes west, 102 feet to place of beginning; being the same property conveyed by Texas Transportation Company to San Antonio Public Service Company, by deed recorded in the record of Deeds of Bexar County, August 14, 1928, in Volume 1045, pages 399-400.

PLEASANTON METER STATION.

All that certain tract or parcel of land situated in Bexar County, Texas, and containing 1 acre, more or less, being described by metes and bounds as follows: Beginning at a point where the east side of the Pleasanton-San Antonio Highway crosses the Bexar County-Atascosa County

line; thence along the east side of said highway in a northerly direction, a distance of approximately 1010 feet to the center of the electric transmission line of the San Antonio Public Service Company to a stake, as the beginning point of land to be conveyed; thence north 1 degree, 45 minutes west, 56.2 feet to a corner stake; turn interior angle 67 degrees, 15 minutes; thence south 65 degrees, 30 minutes east, 408.7 feet to a corner stake; turn interior angle 122 degrees, 34 minutes; thence south 8 degrees, 4 minutes east, 123.1 feet to a corner stake; turn interior angle 57 degrees, 26 minutes; thence north 65 degrees, 30 minutes west, 431.7 feet to a corner stake; turn interior angle 112 degrees, 45 minutes; thence north 1 degree, 45 minutes west, 56.2 feet to the electric trnasmission line and place of beginning, and containing 1 acre, more or less; being part of the same property conveyed by deed recorded in Atascosa County Deed Records, in Book E No. 1, pages 477-478, to which reference is hereby made, and being out of Survey 709, in the name of S. A. Mex. Gulf Ry. Co.; the land hereby conveyed being enclosed by a fence and being located in Bexar County, Texas; being the same property conveyed by T. L. Haiduk to San Antonio Public Service Company by deed recorded in the record of Deeds of Bexar County, August 15, 1927, in Volume 1045, pages 423-424.

SOUTH SAN ANTONIO SUBSTATION NO. 1.

All that certain lot, tract or parcel of land situated in the County of Bexar, State of Texas, and more particularly described as north ½ of Lot No. 41, and the south ½ of Lot No. 40, out of what is known as the Factory Sites of the town of South San Antonio, Bexar County, Texas, as per and as shown on the plat of Fifth Filing of the said town of South San Antonio, Texas, of record in the office of the County Clerk of said Bexar County, Texas, in Volume 368, page 216, maps and plats records.

Being the same property conveyed by South San Antonio Industrial Company to San Antonio Public Service Company, by deed recorded in the record of Deeds of said Bexar County, on May 23, 1929, in Volume 1121, page 10, and by deed dated August 14, 1923, recorded in Volume 733, pages 314-15, of the Deed Records of Bexar County, Texas.

SOUTH SAN ANTONIO SUBSTATION NO. 2.

All those certain lots, tracts, or parcels of land in Bexar County Texas, described as follows: Lots Nos. 1, 2, 3 and 4, in Block No. 337, in San Jose Townsite Addition, according to map or plat thereof duly recorded in the records of Deeds and Plats of Bexar County, Texas; being the same property conveyed by Harlandale Properties, Inc., to San Antonio Public Service Company, by deed recorded in the records of Deeds of said Bexar County, on June 14, 1929, in Volume 1117, pages 555-6.

FRATT SUBSTATION.

The following described property; All those certain 2 acres of land out of original Survey No. 309 in the name of Francisco Villereal, approximately 14 miles northeast of the City of San Antonio and being out of a 166.66-acre tract of land conveyed by Oscar Fey and wife, Pearly Fey, to Holland B, Lowndes and Lee Jones, Jr., by deed dated December 17, 1927, and recorded in Volume 997, pages 496-7, Deed Records of Bexar County, Texas, to which deed and record reference is hereby made; said 2 acres being described by metes and bounds as follows: Beginning at the northwest corner of this tract at a stake, which stake is south 63 degrees west, 15 feet from a point on the present northeast boundary line of the Miller Road, which said point on the present northeast boundary line of the Miller Road is north 27 degrees west, 75 feet from the point where the center line of the San Antonio-New Braunfels high line No. 1 passes the present northeast boundary line of the Miller Road; from said stake north 63 degrees east, 250 feet to a stake for the northeast corner of this 2-acre tract; thence south 27 degrees east, 348.48 feet to a stake for the southeast corner of this 2-acre tract; thence south 63 degrees west, 250 feet to a stake set for

the southwest corner of this 2-acre tract, said southwest corner being situated north 63 degrees east, 15 feet from the present northeast boundary line of the Miller Road; thence north 27 degrees west, parallel to, and 15 feet from the present northeast boundary line of the Miller Road 348.48 feet, to the place of beginning, said tract of land containing 2 acres of land, more or less; being the same property conveyed by Holland B. Lowndes and wife, Evelyn Lowndes, and Lee Jones, Jr., and wife, Nan Jones, to San Antonio Public Service Company, by deed recorded in the records of Deeds of said Bexar County, March 27, 1929, in Volume 1101, pages 83-84.

RANDOLPH FIELD METERING STATION.

That certain tract or parcel of land, lying in the County of Bexar and State of Texas, described as follows, to-wit: Being the east 12 feet of Lot No. 7 and the west 13 feet of Lot No. 8, in Block No. 47, of the Universal City Subdivision, as per the map or plat of said Subdivision of record in the Map and Plat Records of Bexar County, Texas; being the same property conveyed by Commercial Loan and Trust Company, Trustee, to San Antonio Public Service Company, by deed recorded in the records of Deeds of said Bexar County, January 26, 1932, in Volume 1287, on pages 513-514.

HIGHLAND PARK SUBSTATION.

All that certain lot or parcel of land situated in the City of San Antonio, County of Bexar, State of Texas, described as follows, to-wit: Lots Nos. 37, 38, 39 and 40, Block No. 3 New City Block No. 6216, in Highland Terrace Addition, in the City of San Antonio, Bexar County, Texas; being the same property conveyed by N. F. S. Vittrup and wife, Bennie Vittrup, to San Antonio Public Service Company, by deed recorded in the records of Deeds, of said Bexar County, Texas, October 22, 1932, in Volume 1329, on page 336.

JEFFERSON SUBSTATION.

All that certain lots or parcels of land situate in the County of Bexar, State of Texas, described as follows, to-wit: Being Lots Nos. 73, 74, 75 and 76, Block No. 19, in Jefferson Manor Addition to the City of San Antonio, according to plat thereof recorded in Volume 980, page 303, Deed and Plat Records of Bexar County, Texas; being the same property conveyed by Jefferson Manor Company, to San Antonio Public Service Company, by deed recorded in the records of Deeds of said Bexar County, January 26, 1934, in Volume 1381, on pages 140-141.

COMAL PLANT.

That property conveyed by Landa Milling Company, et al., to Comal Power Company, by deed dated August 17, 1925, and therein described as follows: "All those certain lots, tracts or parcels of land out of the Juan Martin Veramendi Two-League grant, Survey No. 1, Abstract No. 2, lying and being situated within the corporate limits of the City of New Braunfels, in Comal County, Texas, more particularly described as follows, to-wit:

"Tract No. 1: Beginning at a stake at the northeast corner of the intersection of the Seguin Road and the Fredericksburg Road; thence north 18 degrees, 1 minute west, 1,112.61 feet to a stake set on the east line of the Fredericksburg Road; thence north 69 degrees, 10 minutes east, 1,000.91 feet to a stake; thence south 29 degrees, 49 minutes east, 150.64 feet to a stake; thence south 44 degrees, 27 minutes east 146.63 feet to a stake; thence south 33 degrees, 37 minutes east, 41.54 feet to a stake; thence south 20 degrees, 36 minutes east, 194.82 feet to a stake; thence south 14 degrees, 21 minutes east, 144.79 feet to a stake; thence south 24 degrees 20 minutes east, 202.08 feet to a stake; thence south 20 degrees, 8 minutes east, 245.70 feet to a stake; thence south 35 degrees, 44 minutes east, 30.10 feet to a stake; thence south 35 degrees, 44 minutes east, 45.42 feet to a stake; thence south 25 degrees, 58 minutes east, 62.42 feet to a stake; thence south 3 degrees, 7 minutes east, 128.51 feet to a stake; thence south 7 degrees, 57 minutes east, 169.51 feet to a stake in the north property line of Seguin Street; thence north 89 degrees, 39

minutes west, 1,165.82 feet to the Stake at the point of beginning.

"Tract No. 2: Beginning at a stake set on the north line of Seguin Street at the southeast corner of Tract No. 1; thence north 7 degrees, 57 minutes west, 169.51 feet to a stake; thence north 3 degrees, 7 minutes west, 128.51 feet to a stake; thence north 25 degrees, 58 minutes west, 62.42 feet to a stake; thence north 35 degrees, 44 minutes west, 45.42 feet to a stake; thence south 83 degrees, 54 minutes east, 94.17 feet to a stake; thence north 6 degrees, 49 minutes east, 244.60 feet to a stake; thence south 83 degrees, 9 minutes west, 404.62 feet to a stake; thence south 22 degrees, 50 minutes east, 140.41 feet to a stake; thence south 24 degrees, 24 minutes east, 161.30 feet to a stake; thence north 83 degrees, 9 minutes west, 150 feet to a stake; thence south 73 degrees, 49 minutes west, 141.18 feet to a stake; thence north 87 degrees, 10 minutes west, 16.54 feet to a stake; thence south 56 degrees, 52 minutes west 35.28 feet to a stake; thence south 3 degrees, 9 minutes west, 140.46 feet to a stake; thence south 80 degrees, 11 minutes west, 15 feet to a stake; thence south 78 degrees, 14 minutes west, 29.08 feet to a stake; thence south 45 degrees, 10 minutes west, 6.90 feet to a stake, thence south 85 degrees, 30 minutes west, 34.95 feet to a stake; thence south 38 degrees, 13 minutes west, 6.98 feet to a stake; thence south 88 degrees, 57 minutes west, 54.38 feet to a stake; thence north 57 degrees, 15 minutes west, 41.51 feet to a stake; thence north 44 degrees, 4 minutes west, 49.48 feet to a stake; thence south 7 degrees, 10 minutes east, 155.30 feet to a stake; thence north 86 degrees, 49 minutes west, 20.81 feet to a stake; thence north 98 degrees, 39 minutes west, 11 feet to a stake at the point of beginning.

"Tract No. 3: This tract shall embrace all those parcels of land and property, together with all, except as hereinafter provided, water rights and water flowage incident thereto, described as follows:

"To the extent that the same are situated within the boundaries of all property and lands now owned by Grantors, all islands and the bed, basin and strips of land 15 feet in width from the water's edge along all banks of all parts of the Comal River, its tributaries, and all springs, lakes and mill race connected or incident thereto, lying and situated within the boundaries of the lands now owned by Grantors, and without the limits of the two preceding tracts described above herein. It is the express intention to hereby convey to Comal Power Company, its successors and assigns, absolutely and without exception or reservation, except as hereinafter provided, all water and water rights of any and every nature whatsoever , and the right to divert, use and appropriate the same, except as hereinafter provided, to its own exclusive use."

Said deed from Landa Milling Company, et al., to Comal Power Company further provides:

(1) "A perpetual easement appurtenant to the lands described hereinabove is hereby granted and conveyed to Comal Power Company, its successors and assigns, and all future owners of the land and premises described hereinabove, to enter upon lands, other than those described hereinabove and which are now owned by Grantors, for the purpose of constructing, maintaining, repairing and operating a spur railroad track running from the present M. K. & T. spur railroad track, situated on property of the Grantor, on a tangent from a point north of the Landa Milling Company oil mill hull warehouse to the lands hereinabove described as Tract No. 1; provided, however, said spur track must be so constructed that it will be an extension on a straight line of the present track as it runs north of said hull warehouse, or deflected in a southeast direction from such a straight line, and said spur track shall be constructed in such a way so that where it crosses the main entrance park roadway it shall have the top of its rails on a level with the surface of said roadway, or, if necessary to raise the same above the surface of the existing roadway, then Comal Power Company, its sucessors and assigns, shall raise and reconstruct the roadway on each side of said crossing so that the approaches to the crossing shall never exceed a grade of 5 per cent, at any place, and so that the base and surface of said roadway shall be of

the same construction as the adjoining roadway; provided further, Comal Power Company, its successors and assigns, hereby covenant, bind and obligate themselves to at all times maintain said roadway at said crossing in a smooth and serviceable condition for the full width of said roadway, and said Comal Power Company, its successors and assigns, do hereby likewise covenant, bind and obligate themselves to indemnify and hold harmless Grantors, their heirs, assigns and successors, and all future owners of the lands upon which said spur track may be situated, from and against any and all claims or liabilities, of every character, arising by reason of the construction, maintenance and/or out of the use of said spur track, and/or out of the maintenance of said roadway at the crossing of said spur track.

(2) "It is understood that Comal Power Company contemplates the erection of an electric power plant upon the property hereby conveyed, and Grantors, their successors, heirs and assigns do hereby (and this is hereby made a covenant running with all lands situated in Comal County, Texas, now owned by said Grantors, or either of them) release and forever discharge the Comal Power Company, its successors and assigns, from any and all liability of every nature whatsoever, arising on account of any and all damages or injury that may result to any property or land, or interference with the use of any such property or land or depreciation in the value of any such property or land now owned by Grantors, or either of them, and not conveyed hereby, by reason of the fact of the construction, maintenance or operation of said power plant and the diversion or use of the water from the Comal River, its lakes, springs and tributaries.

(3) "Comal Power Company, its successors and assigns, shall have the right to equal use of all railroad spur tracks now located upon any lands owned by Grantors for the purpose of getting cars to and from the property hereby conveyed.

(4) "Perpetual easements, rights and privileges appurtenant to the lands hereby conveyed to Comal Power Company are hereby granted to Comal Power Company, its successors and assigns, to enter upon the lands of Grantors which lie between Seguin Street and the main line of the I. & G. N. RR., and to construct, maintain, repair and operate a spur railroad track across said lands of Grantors: said spur to run from the main line of the I. & G. N. RR. to the land hereby conveyed and described as Tract No. 1; provided, however, that Comal Power Company, its successors and assigns, shall fully compensate Grantors, their successors, heirs and assigns, for any and all damages or injury occasioned to any building or structure on the lands of Grantors by reason of the construction of said spur track.

(5) "Perpetual easements, rights and privileges appurtenant to the lands hereby conveyed to Comal Power Company, its successors and assigns, are hereby created and granted to Comal Power Company, its successors and assigns; such easements, rights and privileges shall be upon, against and for the use of that certain tract or parcel of land described as follows, to-wit:

Beginning at a stake set for the most northwest corner of Tract No. 2, hereinabove described; thence south 6 degrees, 49 minutes west, 244.60 feet to a stake; thence north 83 degrees, 54 minutes west 94.17 feet to a stake set on the east boundary line of Tract No. 1 hereinabove described; thence north 35 degrees, 44 minutes west, 30.10 feet to a stake; thence north 20 degrees, 8 minutes west, 245.70 feet; thence on a straight line in an easterly direction to the place of beginnign.

Such easements, rights and privileges are to enter, at any and all times, upon the land described above in this paragraph for the purposes of constructing, maintaining, operating, repairing, changing, enlarging or removing underground canals, flumes, and pipes and overhead wires, telephone and electric; it is understood that the enjoyment of the easements, rights and privileges granted in this paragraph may interfere with the free use and enjoyment of the property and land described particularly in this paragraph and all claimsfor damages, by reason of any such inter-

ference, are hereby expressly waived by Grantors, their successors, heirs, and assigns.

(6) "Perpetual easements, rights and privileges appurtenant to the land hereby conveyed are hereby created and granted to Comal Power Company, its successors and assigns, for the use of that part of the main entrance park roadway which lies east of any part of Tract No. 1, described hereinabove and hereby conveyed.

(7) "Perpetual easements, rights and privileges appurtenant to the property conveyed to Comal Power Company, its successors and assigns, are hereby created and granted to Comal Power Company, its successors and assigns, to control, operate and maintain all spillways that are now located on lands of Grantors, with full privilege and right to use such spillways for the purpose of carrying off water from all water courses herein referred to, and the Comal Power Company, its successors and assigns, are hereby released by Grantors, their heirs, successors and assigns, from all damages that may be occasioned by the overflow of any lands of Grantors caused by any such water passing through such spillways.

(8) "A perpetual easement, rights and privileges appurtenant to Tract No. 2, hereinabove described and hereby conveyed to Comal Power Company, its successors and assigns, are hereby created and granted to Comal Power Company, its successors and assigns; such easement, rights and privileges, shall be upon, against and for the use of that certain tract or parcel of land described as follows, to-wit:

All that portion of the Juan Martin Veramendi Two-League grant, Comal County, Texas, that is bounded on the north and east by Comal Springs, on the south by Comal Creek and on the west by the main line of the M.K. & T. RR. right-of-way and the Comal Springs.
Such easements, rights and privileges are to enter, at any and all times, upon the land described above in this paragraph for the purpose of constructing, maintaining, operating and repairing such canals, flumes and/or tunnels, and the passage of water through same, as the said Comal Power Company, its successors or assigns, may desire.

(9) "Comal Power Company, its successors and assigns, shall have the right to the equal use of all roadways, as they from time to time exist, on lands now owned by Grantors, and abutting Tract No. 2, hereinabove described.

"To have and to hold, subject to the easements, rights, and privileges hereinafter excepted, retained and provided for, the above granted premises and the easements, appurtenances, rights and privileges hereinbefore described as granted to Comal Power Company, unto the said Comal Power Company, its successors and assigns, forever.

"Grantors do hereby bind themselves, their heirs, assigns, successors, executors and administrators, to warrant and forever defend all and singular the property, premises, easements and rights herein recited above as conveyed to Comal Power Company, unto the said Comal Power Company, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same, or any oart thereof, subject only to such easements, rights and privileges as are herein retained, excepted, and reserved as follows, to-wit:

(10) "A perpetual easement appurtenant to each and every part of all lands now owned by Grantors and in the Veramendi grant, in Comal County, Texas, and not conveyed hereby, is hereby expressly reserved and excepted from this conveyance, and is hereby expressly retained by Grantors, their successors, heirs, and assigns, for the perpetual free, and uninterrupted use of the main entrance park roadway, as it now runs across the lands hereby conveyed and as it now exists, or as it may hereafter be widened as provided for herein. It is agreed and understood that this easement, in addition to being appurtenant to said lands as specified above, shall be for the use and benefit of, and in favor of, the present and future owners of said lands now owned by Grantors, and each part thereof, to which the same is appurtenant and, also, in favor of every person right-

fully going to or coming from said lands, or any part thereof, Comal Power Company does hereby bind and obligate itself, its successors and assigns, to maintain and keep said roadway, as it now exists or as it may be widened (as herein provided) across the lands hereby conveyed, and all bridges therein, in good repair and in as good a condition as they now are; and, further, to widen and surface said roadway where the same does so cross lands hereby conveyed, to the extent of 6 feet on each side, at such time or times as said roadway is similarly widened and surfaced immediately north of the point where it passes off of the land hereby conveyed and described as Tract No. 2; provided, however, that nothing herein contained shall require the widening of the bridge that crosses the mill race on said road.

(11) "It is agreed and understood that Grantors now own certain lands, other than those hereby conveyed, which abut upon the various parts of the 15-foot strips of land, which are hereby conveyed and described in Tract No. 3, along the banks or margin of said Comal River, its springs, lakes and tributaries; and certain easements, privileges and rights appurtenant respectively to each particular part of said abutting lands are hereby excepted and reserved from this conveyance, and are hereby expressly retained by Grantors for the benefit of the present and future respective owners of the various parts of said abutting lands; such easements, rights and privileges shall run against and upon the respective and particular parts of the said 15-foot strips of land, and upon and against the respective and particular parts of the Comal River, its lakes, springs and tributaries adjoining said parts of said strips of land and the bed and basin thereof and all water flowing in or through all of same, wherever and to the extent, the various parts of the lands now owned by Grantors, and not hereby conveyed, do so abut upon said 15-feot strips of land; it is agreed and understood, however, that as to that part of the mill race and those parts of the 15-foot strips of land on each side thereof which lie between the north boundary of Tract No. 1 hereby conveyed and the roadway bridge across the mill race, the easements, privileges and rights provided for in this paragraph shall terminate at such time as Comal Power Company, its successors and assigns, desire to use said particular part of the mill race and said particular parts of the 15-foot strips for spray ponds but as to all other parts of the Comal River, its lakes, springs and tributaries, and the 15-foot strips of land along the margin or banks thereof, the easements, privileges and rights provided for in this paragraph shall be, and are hereby made, in all things perpetual; said easements, rights and privileges shall be for the benefit of the present or future owners of land abutting said strips of land, to the extent hereinbefore defined, and all persons who are permitted by such owners to use the same; said easements, privileges and rights, are as follows:

(a) To enter upon and pass over said 15-foot strips of land to and from the Comal River, its lakes, springs and tributaries.

(b) To freely use said 15-foot strips of land and to fill up gullies and ditches therein and to keep the same smooth, free from brush and weeds, with full right to plant thereon and remove therefrom trees, shade trees, grass, flowers and ornamental shrub and to water, care for and protect the same.

(d) To remove obstructions from said strips of land and to keep the channels of said river, its tributaries, lakes and springs, where they now are, and to remove from such channels and beds all brush, weeds, grass, or other obstruction which may grow or accumulate thereon or therein.

(d) The use of the said Comal River, its lakes, tributaries and springs, for fishing, boating, swimming and other water sports or pleasures.

(e) To construct club houses, cottages, boat buildings, wharves, spring boards and all structures and appliances commonly used in connection with swimming, and boating pools or pools, lakes and streams.

(f) To keep upon said strips of land and the banks and beds of all streams, lakes, springs or pools, all structures and buildings now thereon.

(g) To use water from said river, its springs, lakes and tributaries for drinking purposes.

(h) To construct, repair, and replace cement or concrete walks along, upon and across said 15-foot strips and steps down to and into the water, and to build, repair, and rebuild retaining walls and rails along the banks of the river, springs and tributaries, and to erect and construct, repair and replace bridges over and across the same.

(i) To run water and gas pipes and mains across said 15-foot strips of land and said river, springs, and tributaries, and repair and replace the same, and to excavate and dig such trenches and tunnels as may be proper for such purpose.

(j) To erect, repair and replace on said 15-foot strips drinking fountains, posts or rocks or concrete structures for lights, and run light wires across or over or under the same.

(k) To repair and replace any of the structures now in, along, or adjoining such river, spings and tributaries built in connection with or as a part of, or for the purpose of, the swimming pool and fish pond.

(l) To erect screens across any of the springs or tributaries for the purpose of making fish ponds, but the same must be so constructed as to permit the full flow of the water.

(m) Comal Power Company, its successors or assigns bind themselves not to raise the level of said 15-foot strips of land and not to erect or construct thereon any fences, buildings or structures of any kind, and not to leave upon the same or any part thereof any holes or ditches dug thereon by them.

"It is the expres intention that the beneficiaries of said easements, rights, and privileges shall have the full and free use of the said parts of the Comal River, its lakes, springs and tributaries, and of the 15-foot strips of land along the margin or banks thereof, for all park and pleasure purposes; with full power to do such acts and things, with reference to said parts of the Comal River, its lakes, springs and tributaries, and the 15-foot strips of land along the margin or banks thereof, which may be in any way beneficial or instrumental to such use for pleasure and park purposes, and the particular enumeration above of certain acts and things which the beneficiaries of said easements, privileges and rights may do, shall never be construed as limiting the general purpose of the easements, privileges and rights provided for in this paragraph. It is agreed and understood, however, that nothing contained in this paragraph shall ever be construed in such way as to give the beneficiaries of said easements, rights and privileges, the right to use said 15-foot strips of land, the bed and channel of said river, its lakes, springs and tributaries, and the water of same, for any other purpose except that for park and pleasure purposes, as contemplated by the above; it being the express intention that the beneficiaries of said easements, rights and privileges, shall never have the right, except as provided for in this deed of conveyance, to take, pump or divert any of the water of the Comal River, its lakes, springs or tributaries, or to do anything which will affect the natural flow thereof, or to use the same, or any part of the 15-foot strips of land for any business or industrial purposes other than as herein expressly provided. It is agreed and understood, however, that Comal Power Company, its successors and assigns, shall at all times have the right to have their officers, agents and employees to enter in, upon and across all such parts of the Comal River, its lakes, springs and tributaries, and all such 15-foot strips of land, for the purpose of inspecting the same, and doing such things as may be necessary, in their opinion, to maintain the flow of the water, in, through and along all the normal channels of such river, its lakes, springs, and tributaries; so that the same may be available for the uses and purposes of the

Comal Power Company, its successors and assigns.

(12) "In addition to the easements, rights and privileges reserved, excepted, and provided for in the preceding paragraph, certain other perpetual easements, rights and privileges, appurtenant exclusively to the following described land, to-wit:

That certain tract or parcel of land, being a part of the Juan Martin Veramendi Two-League grant, situated in Comal County, Texas, and bounded on the west by the Fredericksburg Road, on the north by Comal Springs, on the east by the mill race leading from Comal Springs to Comal Creek, and on the south by the north boundary line of Tract No. 1, hereinabove conveyed to Comal Power Company. It is further agreed and understood that the easements provided for in this paragraph shall be appurtenant, also, to such other land as may be included in what is known generally as 'Landa Park', and which are to be fully described by metes and bounds in a deed from Grantors to J. E. Jarratt, conveying said park

are hereby expressly excepted and reserved from this conveyance, and are hereby expressly retained by the present and future owners of the land described in this paragraph, their successors, heirs and assigns; said easements, rights, and privileges shall be for the sole and exclusive use and benefit of the present and future owners of the land described above in this paragraph and for the use and benefit of such persons as such owners may permit to enjoy the same; such easements, rights and privileges are as follows:

(a) To have the full and exclusive use, for all the purposes set forth in the preceding paragraph, of the largest island, known generally as 'Pecan Island,' situated in the Comal Springs; said easements, rights and privileges are for the use and enjoyment of said island for all the purposes, and are, in all things and to the full extent, the same as those provided for in the preceding paragraph with reference to the use of certain parts of the Comal River, its lakes, springs and tributaries, and the 15-foot strips of land along the banks or margins thereof;

(b) To have the exclusive possession, control, and use of what is known as the 'swimming pool' in Landa Park, with full and exclusive right to operate the same and charge for admission thereto, and, also, the perpetual right, at all times, to take from the Comal River, its springs, lakes and tributaries, at a point above the mill race, such quantity of water as will flow through a 12-inch pipe under a 2-foot head, such flow to be continuous, for use in said swimming pool, and, between the hours of 12 o'clock midnight and 6 o'clock A.M., to take additional water for the purposes of flushing and refilling said swimming pool (the right to so take water for flushing and refilling said swimming pool shall, at all times, be subject to the needs of Comal Power Company, its successors and assigns, which shall be considered, in this connection, paramount).

(c) To operate trains over the I. & G. N. spur track, which is situated near the west boundary line of the property, described as Tract No. 1, hereby conveyed to Comal Power Company, into ' Landa Park,' provided, however, that cars shall never be stored on said spur track so as to interfere with the use thereof either by the Comal Power Company, its successors and assigns, or by the owners of said park.

(13) "Perpetual easements, rights and privileges appurtenant to the following described land and property, to-wit:

That certain lot, tract or parcel of land, being a part of the Juan Martin Veramendi Two-League grant, and situated in Comal County, Texas, described as follows, to-wit:

Beginning at a point in the north boundary line of Tract No. 1, hereinabove conveyed to Comal Power Company, 15 feet west of the west water's edge of the mill race; thence south 69 degrees, 10 minutes, west, along the north boundary line of said Tract No. 1, hereinabove conveyed to Comal Power Company, for a distance of 200 feet to a point; thence north 20 degrees, 50 minutes

west, 100 feet to a point; thence north 69 degrees, 10 minutes east, along a straight line to a point 15 feet west of the west water's edge of the mill race; thence in a southeasterly direction along a line parallel and 15 feet from the west water's edge of the mill race to the place of beginning.

are hereby excepted and reserved from this conveyance and are hereby retained by Grantors for the benefit of the present and future owners of the property described above in this paragraph, their heirs, successors, and assigns; such easements, rights and privileges are:

(a) To have the perpetual and continuous right to take or pump from the mill race such water as they may desire for a water works system; provided, however, that the amount of water so taken or pumped shall in no case exceed 3,000,000 gallons of water in any 24-hour period, and not more than 250,000 gallons of water in any 1 hour period.

(b) To have the perpetual and continuous right at all times to enter upon, and to lay, relay, repair, maintain, and remove water mains and pipes across, along and under:

(1) The park roadway, and bridge on same, and all railroad spur tracks situated on Tract No. 2 and hereby conveyed to Comal Power Company.

(2) All parts of the Comal River, its lakes, springs and tributaries, and the bed and channel thereof, and all 15-foot strips of land along the banks or margins thereof, hereby, conveyed, and which are described above herein as Tract No. 3.

(14) "Grantors, their successors, heirs and assigns, shall have the right to equal use of all railroad spur tracks now located upon Tract No. 2, hereby conveyed to Comal Power Company, for the purpose of getting cars to and from all lands and property of Grantors.

(15) "As to all those parts of the two branches of the Comal River, its lakes, springs and tributaries, and the 15-foot strips of land along the margins or banks thereof, which lie respectively down-stream and below the present swimming pool in Landa Park and below and down-stream from the property described as Tract No. 2, and hereby conveyed to Comal Power Company, perpetual easements, rights and privileges appurtenant respectively to the particular parts of the lands of Grantors, wherever and to the extent the same do so abut, which abut said parts of the Comal River, its lakes, springs and tributaries, or upon said 15-foot strips of land along the margins or banks thereof, are hereby excepted and reserved from this conveyance for the benefit of the present and future owners of each such respective part of the lands of Grantors which does so abut; such easements, rights and privileges are:

(a) To freely use and cross over such 15-foot strips of land and the Comal River, its lakes, springs and tributaries, and to retain, construct, reconstruct, maintain and repair thereon pump houses, pipes and all other structures as the owners of such abutting property may desire.

(b) To take such quantity of water from such parts of the Comal River, its lakes, springs and tributaries (that is, from those parts of the two branches which lie respectively below and down-stream from the swimming pool in Landa Park and below and down-stream from the lands described hereinabove as Tract No. 2 hereby conveyed to Comal Power Company), as may be desired for all and/or any purposes. It is expressly agreed and understood, however, that nothing contained in this paragraph shall ever be construed in such a way as to require more water to be run or let through the swimming pool than is expressly provided for in this deed of conveyance."

The aforesaid property is further subject to an agreement dated October 29, 1927, between the City of New Braunfels and Comal Power Company, copy of which is as follows:

"THE STATE OF TEXAS)
COUNTY OF COMAL)

Whereas, a dispute has arisen between the City of New Braunfels and the Comal Power Company, concerning the true location of the Fredericksburg Road and the property line of the Comal Power Company of the properties of said companies abutting on said street, and

Whereas, the Comal Power Company has erected a fence on that strip of land claimed by the City of New Braunfels to be part of the Fredericksburg Road, and which said strip of land is also claimed by the Comal Power Company under and by virtue of a deed of Harry Landa conveying said property to said Company, and

Whereas, both parties are desirous of settling amicably said dispute,

Now, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that this agreement made by and between the City of New Braunfels, acting by and through its Mayor thereunto duly authorized, and the Comal Power Company, acting through its Vice-President, witnesseth:

1. That for and in consideration of the forebearance of said parties to this agreement to bring suit to determine the location of said property line and the line of Fredericksburg Road, the said Comal Power Company agrees to relinquish unto the City of New Braunfels so much of the property now inclosed by them and claimed by them abutting on this street, as the City may demand, whenever the said City of New Braunfels deems it necessary and advisable to obtain said property and has made adequate money appropriations and is ready to begin work for the purpose of widening Fredericksburg Road; but in no event shall the property so relinquished extend beyond 20 feet easterly from the present fence line into the premises of the Comal Power Company. It is further agreed and understood that formal written notice to the effect that said City intends to widen said street and has appropriated adequate funds and is ready to begin work thereon shall be deemed sufficient notice to the Company, and upon receipt of said notice the Company hereby agrees to move back their fence to such a distance as may be agreed upon by the parties hereto, not to exceed 20 feet as aforesaid, and said Company will execute and deliver to said City a good and sufficient deed to the property so relinquished.

Witness our hand this 29th day of October, A.D. 1927.

City of New Braunfels.
H. A. Triesch,
Mayor.

Comal Power Company,
E. H. Kifer,
Vice-President."

Said property was conveyed, subject to said agreement, by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company, by deed dated January 1, 1928.

DITTLINGER SUBSTATION.

That property in Comal County, Texas, conveyed by John Fenske and wife to Comal Power Company by deed recorded June 10, 1927, in Volume 54 on pages 72-73, and conveyed by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company, by deed dated January 1, 1928, said property being described in said deed recorded June 10, 1927, as follows: Beginning at a point 998 feet from the center of the I. & G. N. Ry. Track; thence south 28 degrees east, parallel with the Dittlinger Road, for a distance of 100 feet to a point; thence at a 90 degree turn, north 62 degrees east, 100 feet to a point; thence at a turn of 90 degrees north, 28 degrees west, 100 feet to a point; thence at a turn of 90 degrees south, 62 degrees west, 100 feet to the place of beginning; and being part of the old John Fenske Farm, which was conveyed to John Fenske by W. Fenske, by deed dated the 16th day of April, A. D. 1881, and recorded in Book P, page 359, of the Deed Records of Comal County, Texas.

PENSHORN PROPERTY.

All that certain tract, piece or parcel of land situated within the corporate limits of the City of New Braunfels, in Comal County, Texas, being out of the J. Veramendi Survey No. 1, Abstract No. 2, and being part of the certain tract of land conveyed by Chas. Buehler, et al., to Edmund Penshorn, by deed dated November 6, A. D. 1905 recorded in Volume 27, on pages 547-548, Deed Records of Comal County, Texas, and more particularly described as follows, to-wit: Begin-

ning at a point in the southwest line of the New Braunfels and Blanco Road, same being the north corner of the Hermann Thiele Tract and east corner of the said Edmund Penshorn Tract; thence in a northwesterly direction with the said southwest line of said New Braunfels and Blanco Road, 1,845 feet to a stake; thence in a southwesterly direction at an angel of 86 degrees, 47 minutes with said southwest line of said road to a point which is 30 feet from said road by a straight line drawn at a right angle to said road; thence in a southeasterly direction parallel with, and 30 feet from, the said southwest line of said New Braunfels and Blanco Road to a point in the Hermann Thiele northwest line; thence in an easterly direction with the said Hermann Thiele northwest line to the place of beginning; being the same property conveyed by Meta Penshorn, a feme sole, to Comal Power Company, by deed recorded November 2, 1925, in the records of Deeds of said county, in Volume 51, on pages 572-573, and conveyed by Comal Power Company (by Liquidating Trustees)to San Antonio Public Service Company, by deed dated January 1, 1928.

ADDITION TO COMAL PLANT (NOWOTNY).

All that certain tract or parcel of land lying and being situated within the corporate limits of the City of New Braunfels, Comal County, Texas, being a part of the Juan Martin Veramendi Survey No. 1, and described as follows, to-wit: Beginning at a point on the south line of North Street, which point is south 59 degrees, no minutes east, 165.0 feet from the intersection of the south line of North Street and the west line of River Avenue; thence south 16 degrees, 28 minutes east, 168.5 feet; thence south 2 degrees, 57 minutes east, 387.0 feet; thence south 46 degrees, 8 minutes east, 94.8 feet; thence north 69 degrees, 56 minutes east, 103.6 feet; thence south 72 degrees, 33 minutes east, 139.65 feet to a stake; thence 59 degrees west, to a stake set on the bank of the Comal River; thence up the meanders at the east bank of the Comal River to a point approximately 15 feet from the place of beginning; thence north 59 degrees east, to the place beginning.

The above described property being all that portion of that tract of land conveyed to E. H. Kifer by Albert Nowotny and Minnie Nowotny, by deed dated December 23, 1926, and recorded in Volume 53, pages 260-261, of the Deed Records of Comal County, Texas, save and except that portion of said tract conveyed by E. H. Kifer to South Texas Ice Company, by deed dated the 28th day of February, 1928, and this conveyance is made subject to the rights and easements granted in the aforesaid deed to South Texas Ice Company; being the same property conveyed by E. H. Kifer to San Antonio Public Service Company, by deed recorded in the records of Deeds of said Comal County, March 19, 1928, in Volume 55, pages 64-65.

KUEHLER POWER STATION SITE.

All those certain tracts or parcels of land lying and being situated in Comal County, Texas, described as follows, to-wit:

First Tract: Thirty acres of land abutting on the Guadalupe River, south of, and adjacent to, the City of New Braunfels, and more particularly described as follows, to-wit: Beginning at a concrete monument from which a hackberry 20 inches in diameter bears north 69 degrees east, 54 feet, said monument being 36.8' south 39 degrees, 28 minutes east, from the center of the east end of the 30-foot right-of-way this day purchased from W. Kuehler, et al.; thence north 32 degrees, 29 minutes east, 662 feet to a concrete monument; thence north 68 degrees, 9 minutes east, 770 feet to a concrete monument from which a hackberry 6 inches in diameter bears north 72 degrees, 50 minutes east, 63 feet; thence north 6 degrees, 11 minutes west, 1,088 feet to a stake at the water's edge of the Guadalupe River; thence up the river with its meanders 2,000 feet, more or less, to a cypress 8 inches in diameter at the water's edge of the Guadalupe River; thence south 39 degrees, 28 minutes east at 752.2 feet past the center of the east end of the above mentioned 30-foot right-of-way, and in all 789 feet, to the place of beginning.

Three and sixty-two hundredths acres of land, more or less, adjoining the 30 acres of land herein described, being more particularly described as follows, to-wit:

A strip of right-of-way 30 feet wide and 5,259.9 feet long, extending southeastwardly from the south line of the city limits of the City of New Braunfels into the Kuehler property, the center line of said strip being described as follows: Beginning at a concrete monument on the south city limit line of the City of New Braunfels, said monument being 1,174.4 feet north 80 degrees, 56 minutes east, from the city monument at the Schumannsville Road, and 1,144 feet south 80 degrees, 56 minutes west, from a new concrete monument established on the city limit line near the Guadalupe River; thence south 29 degrees, 2 minutes east, parallel with, and 165 feet distant from the southwest line of South Seguin Street, extended as shown on the plat of the Kuehler Addition as recorded in Volume 46, pages 430-431, of the Deed Records of Comal County, Texas, in all 391.6 feet, to a stake; thence in a southeasterly direction on a line curving to the left with a radius of 1,433 feet, 344.2 feet to a stake, which is south 42 degrees, 48 minutes east, 172.9 feet from a concrete monument established at the point of intersection of this curve; thence south 42 degrees, 48 minutes east, 1,093.8 feet to a stake; thence in a southeasterly direction on a line curving to the left with a radius of 1,433 feet, r05.8 feet to a stake, which is south 59 degrees, 2 minutes east, 204.3 feet from a concrete monument established at the point of intersection of this curve; thence south 59 degrees, 2 minutes east, 622.1 feet to a stake; thence in an easterly direction on a line curving to the left with a radius of 955 feet, 1, 189.2 feet to a stake, which is north 49 degrees, 37 minutes east, 685.6 feet from a concrete monument established at the point of intersection of this curve; thence north 49 degrees, 37 minutes east, 812.2 feet to a stake; thence in a northeasterly direction on a line curving to the left with a radius of 1,343 feet, 401 feet to a stake in the southwest line of the 30-acre tract, 36.8 feet north 39 degrees, 28 minutes west from the concrete monument established at the south corner of said 30-acre tract.

The above described property being that property conveyed by Ludgar Kuehler and wife, Hulda Kuehler, et al., to Comal Power Company, by deed dated June 30, 1924, and duly recorded in Book 49, pages 485-487, Deed of Records of Comal County, Texas.

Second Tract: Fourteen and forty-two hundredths acres of land abutting on the Guadalupe River, and being a part of the Wm. Kuehler Tract out of the John Thompson Survey No. 21 in Comal County, Texas, and more particularly described as follows: Beginning at the east corner of the 30-acre tract heretofore conveyed to the Comal Power Company, a concrete monument from which a hackberry 6 inches in diameter bears north 72 degrees, 50 minutes east, 63 feet; thence south 68 degrees, 9 minutes west along the southeast line of said 30-acre tract, 770 feet to a concrete monument; thence continuing along the southeast line of said 30-acre tract south 32 degrees, 29 minutes west, 662 feet to a concrete monument at the south corner of said 30-acre tract; thence south 39 degrees, 28 minutes east, 31.6 feet to a stake; thence north 32 degrees, 29 minutes east, parallel with, and 30 feet distant from, the southeast line of said 30-acre tract, 662.1 feet to a stake; thence north 68 degrees, 9 minutes east, parallel with, and 30 feet distant from, the southeast line of said 30-acre tract, 415 feet to a stake; thence north 82 degrees, 18 minutes east, 356 feet to a stake, which is 117 feet south 21 degrees, 51 minutes east, from the concrete monument at the beginning corner; thence north 78 degrees, 20 minutes east at 577 feet a cottonwood tree 30 inches in diameter, and in all 624 feet to the water's edge of the Guadalupe River; thence up the river with its meanders to the north corner of said 30-acre tract; thence south 6 degrees, 11 minutes east along the east line of said 30-acre tract 1,088 feet to the place of beginning, containing 14.42 acres of land.

The above described property being the same property conveyed by Ludgar Kuehler, et al., to Comal Power Company, by deed dated October 1, 1924, and duly recorded in Volume 50, pages

62-64, Deed Records of Comal County, Texas.

Third Tract: All that certain tract of land situated within the corporate limits of the City of New Braunfels, Comal County, Texas, being known as Lot No. 5 of Subdivision of Acre Lot No. 179, and more particularly described by metes and bounds as follows, to-wit: Beginning at the northeast corner of Lot No. 11, said beginning point being on Nacogdoches Road, for a distance of 79 feet to the southeast corner of said Lot No. 5; thence north 52 degrees west for a distance of 181 feet to the northeast corner of said Lot No. 5; thence south 38 degrees west for a distance of 70 feet to the northwest corner of said Lot No. 5; thence south 52 degrees east for a distance of 145 feet to the place of beginning.

The above described property having been conveyed by Willie Kuehler and wife, to Comal Power Company, by deed dated June 30, 1924, and duly recorded in Book 49, pages 477-478, Deed Records of Comal County, Texas, and by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company, by deed recorded in the records of Deeds of said Comal County on July 6, 1928, in Volume 55, on pages 310-314.

ADDITION TO COMAL PLANT SITE (LOCKE).

Being all that certain tract or parcel of land situated within the corporate limits of the City of New Braunfels, Comal County, Texas, and more particularly described as follows: Beginning at a point 30 feet south 75 degrees, 30 minutes west, from the west property line of the Fredericksburg Road and on the south property line of a new street cut through the south end of the Penshorn property, this point being also on the west line of the 30-foot right-of-way now owned by the San Antonio Public Service Company and on the south line of the new street at the south end of the Penshorn property; thence south 75 degrees, 30 minutes west, 199.34 feet along the south line of the said new street to a stake for the northwest corner of this tract; thence south 14 degrees, 30 minutes east, 1,092.6 feet parallel to, and 199.34 feet distant from, the west line of the 30-foot right-of-way, before mentioned, to a stake for the southwest corner of this tract; thence north 75 degrees, 30 minutes east, 199.34 feet to a stake on the west line of the said 30-foot right-of-way, which point is the southeast corner of this tract; thence along the west line of the said 30-foot right-of-way north 14 degrees, 30 minutes west, 1,092.6 feet to the place of beginning; being 5 acres of land out of the tract of land conveyed to Herman C. Locke by Meta Penshorn, by deed dated April 27, 1926, recorded in the Deed Records of Comal County, Texas, in Volume 52, on pages 375-376, to which deed and record thereof reference is particularly made as part of the description of the property herein conveyed; being the same property conveyed by Herman C. Locke and wife, Thekla Locke, to San Antonio Public Service Company, by deed recorded in the records of Deeds of said Comal County, September 17, 1928, in Volume 55, pages 433-435.

P. & M. Mills Plant.

The following described property in Comal County, Texas, to-wit:

1. A part of the 6.14-acre tract out of the A. M. Esnaurizar 11-League grant in Comal County, Texas, described in deed from L. Meyer and wife to the Trustees of the P. & M. Mills, dated August 20, 1921, and recorded in Book 43, pages 619-621, of the Deed Records of Comal County, Texas, said part being more particularly descrived by metes and bounds as follows: Beginning at a stake on the east bank of Guadalupe River at water's edge, at a point which is 15 feet up-stream from the up stream face of the water power house of the P. & M. Mills; thence north 73 degrees, 18 minutes east, parallel with, and 15 feet distant from, the up-stream face of said power house, 24 feet to a stake for north corner, which stake is south 7 degrees, 12 minutes east 332.5 feet from the center of the I. & G. N. R. R., at the concrete bulkhead face of the east abutment of said railroad's Guadalupe River bridge; thence south 16 degrees, 42 minutes east, parallel with, and 15 feet distant from, the east face of the power house, 68 feet to a stake, thence

south 73 degrees, 18 minutes west, parallel with, and 15 feet distant from, the down-stream face of said power house, 20 feet, more or less, to the water's edge of the Guadalupe River; thence in a northerly direction along the water's edge of the Guadalupe River with its meanders, 15 feet, more or less, to the down-stream face of the power house; thence north 73 degrees, 18 minutes east, along the down-stream face of said power house, 6 feet, more or less, to its southeast corner; thence north 16 degrees, 42 minutes west, along the east face of said power house, 38 feet to its north corner; thence south 73 degrees, 18 minutes west, along the up-stream face of said power house, 11 feet, more or less, to the water's edge of the Guadalupe River; thence in a northerly direction along the water's edge of the Guadalupe River with its meanders 15 feet, more or less, to the place of beginning.

2. A part of the 6.14-acre tract out of the A. M. Esnaurizar 11-League grant in Comal County, Texas, described in deed from L. Meyer and wife to the Trustees of the P. & M. Mills, dated August 20, 1921, and recorded in Book 43, pages 619-621, of the Deed Records of Comal County Texas, said part being more particularly described by metes and bounds as follows: Beginning at a point in the east line of the power house tract, 24.5 feet south 16 degrees, 42 minutes east from the north corner of said tract and being 15 feet from the east face of the power house; thence north 73 degrees, 18 minutes east, 76 feet to a point on concrete walk; thence south 16 degrees, 42 minutes east, 19 feet to a stake; thence south 73 degrees, 18 minutes west, 76 feet to a point in the east line of the power house tract; thence north 16 degrees, 42 minutes west, parallel with, and 15 feet distant from, the east face of the power house, 19 feet to the place of beginning.

3. A part of the John Thompson Survey within the corporate limits of the City of New Braunfels, Texas, more particularly described by metes and bounds as follows: Beginning at a stake in the southwest right-of-way line of the P. & M. Mills, same being also the northeast line of Block 1052, of the City of New Braunfels, Texas, said stake being 22.7 feet south 19 degrees, 41 minutes east from the north corner of Lot No. 3, of said Block 1052; thence south 19 degrees, 41 minutes east, along the southwest right-of-way line of the P. & M. Mills and the northeast line of said Block 1052, 40 feet to a point on rock ledge; thence north 73 degrees, 4 minutes east, 30 feet, more or less, to the water's edge of the Guadalupe River; thence in a northwesterly direction along the water's edge of the Guadalupe River with its meanders, passing around the southwest end of the P. & M. Dam to a point 15 feet up-stream from the up-stream face of said dam; thence south 73 degrees, 4 minutes west, parallel with, and 15 feet distant from, the face of said dam, 25 feet, more or less, to the place of beginning.

Which 3 parcels of land were surveyed on August 17 and 18, 1931, by R. S. Jahn, County Surveyor.

4. The dam formerly owned by Planters and Merchants Mills, Inc., extending across the Guadalupe River from a point which bears south 45 degrees, 34 minutes east, 852 feet from the west corner of A. M. Esnaurizar 11-League grant, on the bank of the Guadalupe River in Comal County, Texas, distant in an easterly direction from New Braunfels, Texas, 1½ miles, erected under original Permit No. 590, granted and issued by the Board of Water Engineers to the Planters and Merchant Mills of New Braunfels, Texas, under date of July 31, 1922, together with all riparian rights, rights of flowage, or to back up water by means of said dam or other water rights, all and any easements of any kind formerly owned by Planters and Merchants Mills, Inc., in any lands, or lots or parcels of land in Comal County, Texas, abutting on said Guadalupe and Comal Rivers, across from, above or below the said dam, whether acquired by deed, contract or use, it being the intention herein to convey the complete and entire water and power plant, formerly owned by by Planters and Merchants Mills, Inc., together with all riparian and other rights and appurte-

nances thereunto in anywise incident or appertaining, and all rights, however acquired, to impound and use water by means of said dam, and reference is here made to all deeds and contracts to Planters and Merchants Mills, Inc., in the Deed Records of Comal County, Texas, conveying riparian or other water rights and easements to the said Planters and Merchants Mills, Inc., or its predecessors in title, and reference is also made to the original Permit No. 590, granted and issued by the Board of Water Engineers to the Planters and Merchants Mills of New Braunfels, Texas, for the appropriation of water from the Guadalupe River in Comal County, Texas, and the amendment thereto, No. 755, granted and issued by the Board of Water Engineers of the State of Texas, and the amendment thereto, No. 755, granted and issued by the Board of Water Engineers of the State of Texas to the Planters and Merchants Mills of New Braunfels, Texas, both of which appear of record in the office of the Board of Water Engineers, at Austin, Texas.

5. An easement right-of-way over, across and upon the present gravel roadway lying between the present west wall of the old Planters and Merchants Mill Building and the Guadalupe River, leading from the Austin-San Antonio Highway to the boiler room of the Old Mill Building, as a permanent and perpetual means of ingress and egress to and from the said power plant and dam site, as hereinabove described; being the same land, property, rights, privileges and easements conveyed by H. A. Wagenfuehr to San Antonio Public Service Company, by deed recorded in the records of Deeds of said Comal County, Texas, November 20, 1931, in Volume 60, pages 248-250.

GUADALUPE POWER SITE.

All those certain tracts or parcels of land lying and being situated in Guadalupe County, Texas, being out of Subdivision No. 88 of the A. M. Esnaurizar Original 11-League grant, which was conveyed by E. J. Laechelin and wife, Hulda Laechelin, to Comal Power Company, by deed dated August 22, 1927, and duly recotded in Book 94, pages 371-373, of the Deed Records of Guadalupe County, Texas, and in which said deed the property hereby conveyed is described as follows:

"First: Beginning at a point on the north fence line of the Southern Pacific Railroad right-of-way, and on the south boundary line of the property of grantors herein, 2,339 feet from the southeast corner of property of E. J. Laechelin and wife; thence north no degrees, 7 minutes west, 1,871.5 feet to Young's Ford Road; thence south 89 degrees, 53 minutes west, 297.87 feet; thence north 73 degrees, 52 minutes west 98.87 feet; thence south 89 degrees, 12 minutes west, 383.67 feet; thence along the line of the property heretofore sold by E. J. Laechelin and wife to the Texas Power Corporation, south 69 degrees, 9 minutes west, 163 feet; north 89 degrees, 40 minutes west, 146 feet; south 58 degrees, 58 minutes west, 72.25 feet to corner; thence leaving the line of the Texas Power Corporation property and going south 14 degrees, 40 minutes east, 349.30 feet; thence south no degrees, 7 minutes west, 1579.79 feet to a point in fence line between the Southern Pacific Railroad right-of-way and the above property, this line being parallel to, and 1048 feet from, the eastern line of this tract; thence following the north fence line of the railroad right-of-way, in an eastern direction 1056 feet to the place of beginning, containing 45.92 acres of land.

"Second: Beginning at a point on the western boundary of the above tract, 1467.33 feet north from the north property line of the railroad right-of-way; thence south 62 degrees, 41 minutes west, to the corner of the property of the Texas Power Corporation, this being a corner of that property where a dam is to be erected; thence with the northwest line of said property to the boundary line of the property heretofore sold by E. J. Laechelin and wife to the Texas Power Corporation; thence in a northern direction along the Texas Power Corporation property to a point 100 feet distant from, and at right angles to, the northwest boundary of the Texas Power Corporation land; thence in a northeasterly direction, parallel to the first course of this tract, and 100 feet therefrom, to a point on the western boundary of the above 45.92-acre tract, said point

being 1579.79 feet from the northern property line of the Southern Pacific Railroad; thence south with the west line of said 45.92-acre tract to the place of beginning.

"This tract or strip of land identified as 'Second,' is expected to be used by Comal Power Company as and for a canal, and it is agreed that all dirt removed in the digging of the canal by said company shall be by them spread out evenly to a distance of 200 feet from the edge of the canal. It is further agreed that E. J. Laechelin and wife reserve to themselves, and to their heirs and assigns, the right to cross said strip and canal at as many as three places, with the right to construct bridges across and over said canal at as many as three places so selected by him to cross same, and Comal Power Company agrees that it will pay one half the cost of the construction of any one of said bridges as soon as constructed and when requested to contribute by E. J. Laechelin and wife.

"Third: Also a permanent easement for the construction of a tunnel and the construction and operation of not more than two electric transmission lines. This easement is upon and under the following strip of land: Beginning at a point on the western boundary of the above 45.92-acre tract of land, 716.5 feet from the north boundary of the Southern Pacific right-of-way; thence south 62 degrees, 41 minutes west, to the Guadalupe River; thence with the bank of the river a perpendicular distance of 100 feet; thence in a northeastern direction, parallel to the southeastern boundary of this easement and 100 feet therefrom, to a point on the western boundary of the 45.92 acres, 828.96 feet north of the northern property line of the Southern Pacific Railroad;thence south with the west line of said 45.92-acre tract to the place of beginning.

"It is agreed that no ditch of any kind shall be permanently left open on the above tract for any purpose except the first 250 feet beginning with the river front, and only two transmission lines shall be erected on the easement.

"It is understood that E. J. Laechelin and wife hereby convey to Comal Power Company all riparian and other rights which they own at the points where the conveyed premises touch the river or the property of the Texas Power Corporation, but that notice is taken of such rights as the Texas Power Corporation may own.

"It is also agreed that E. J. Laechelin and wife reserves to himself, and themselves, an easement for the passage of persons, vehicles and stock along the south side of said 45.92-acre tract above described, so long as they or either of them own land on both sides of said 45.92 acres, said right-of-way not to interfere with the construction and operation of a railroad spur that might be erected across same, but which is to permit a crossing at this point.

"It is further understood and agreed, and there is hereby given and granted to Comal Power Company, an easement for the passage of persons, vehicles and stock from the southwest corner of the 45.92 acres above conveyed, westward along the north boundary of the Southern Pacific railroad to the road going southward under the trestle of the railroad, and thence running with said road under said trestle and to the main road to Seguin, subject, however, to the right of E. J. Laechelin and wife to cross under the right-of-way of the Southern Pacific under said trestle."

The above described property was, as before mentioned, conveyed by E. J. Laechelin and wife, Hulda Laechelin, to Comal Power Company by deed dated August 22, 1927, and recorded in Book 94, pages 371-373, of the Deed Records of said Guadalupe County, and said property was thereafter conveyed by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company, by deed recorded in the records of Deeds of said Guadalupe County on July 10, 1928, in Book 98 on pages 361-365.

GERONIMO SUBSTATION.

All that certain tract or parcel of land lying and being situated in the County of

Guadalupe, in the State of Texas, described as follows, to wit: Ten thousand square feet of land, more or less, out of an 124-acre tract located approximately two miles from the town of Geronimo in Guadalupe County, Texas, out of Esnaurizar grant, said 10,000 square feet of land being described by metes and bounds as follows: Beginning at a point at the southeast corner of the A.F. Baese property adjoining the public school; thence north 3 degrees east, 247 feet to a stake set for the southeast corner of the land to be described; thence north 87 degrees west, 100 feet to a stake set for the southwest corner; thence north 3 degrees east, 100 feet to a stake set in the northwest corner; thence south 87 degrees east, 100 feet to the northeast corner to a stake set in the west line of the Geronimo road; thence south 3 degrees west, 50 feet to the Luling high line of the San Antonio Public Service Company; thence continuing south 3 degrees west, 50 feet to the place of beginning, containing 10,000 square feet, more or less.

Being the same property conveyed by A. F. Baese and Paula Baese, husband and wife, to San Antonio Public Service Company, by deed recorded in the records of deeds of said Guadalupe County, July 14, 1928, in Book 97, page 487.

KINGSBURY SUBSTATION.

All that certain tract or parcel of land lying and being situated in the County of Guadalupe, in the State of Texas, described as follows, to-wit: Twenty-two thousand, five hundred square feet of land, more or less, out of a 213-acre tract located approximately one mile northwest of the Town of Kingsbury in Guadalupe County, Texas, out of the J. H. Kuykendall Survey, said 22,500 square feet of land, more or less, being described by metes and bounds as follows: Beginning at a stake set in the north corner of John Schmidt's property on the San Marcos and Kingsbury Road, about one mile northwest of the Town of Kingsbury; thence south 37 degrees, 30 minutes east, 253 feet to a stake set for the beginning point of land to be described, said stake being the west corner; thence north 52 degrees, 30 minutes east, 150 feet to a stake set for the north corner; thence south 37 degrees, 30 minutes east, 126 feet 10 inches to Luling high line; thence continuing south 37 degrees, 30 minutes east, 23 feet 2 inches to a stake set for the east corner; thence south 52 degrees, 30 minutes west, 150 feet to a stake set for the south corner, said stake being on the northeast side of the Kingsbury Road; thence along the northeast side of said road north 37 degrees, 30 minutes west, 100 feet to the Luling high line; and thence continuing north 37 degrees, 30 minutes west, 50 feet to a stake or point of beginning. Said piece of ground containing 22,500 square feet, more or less.

Being the same property conveyed by John Schmidt and wife, Marie Schmidt, to San Antonio Public Service Company by deed recorded in the records of Deeds of said Guadalupe County, July 16, 1928, in Book 97, pages 489-490.

OIL FIELD SUBSTATION.

The following tract of land in Guadalupe County, Texas, out of the George Blair labor of 177 acres, which said 177 acres was on the 23rd day of November, 1908, conveyed by R. W. Nickell and wife, Emily A. Nickell, by deed to J. L. Mercer, which said deed is recorded in the Deed Records of Guadalupe County, Texas, in Volume 32, page 47, to which Deed Records reference is hereby made, as follows: Beginning at a stake set in the fence line at a south corner of the J. L. Mercer tract of land out of said George Blair labor, said stake being situated north 80 degrees, 55 minutes east, 16 feet north, 3 degrees, 31 minutes east, 89.2 feet from the center stake of structure No. 1 7/9 on Comal Power Company 60 K. W. McQueeney-- Luling high line; thence north 88 degrees, 30 minutes west, 17.2 feet with fence line of said J. L. Mercer tract of land to a stake set at corner of said fence; thence north 38 degrees, 54 minutes west, 185.6 feet with said fence line to a stake set in fence line for the west corner of this one-acre tract; thence north 57 degrees east, 218.34 feet to a stake set for the north corner of this oneacre tract; thence south

33 degrees east, 209.92 feet to a stake set in the southeast fence line of said J. L. Mercer tract of land for the east corner of this one-acre tract; thence with said line south 53 degrees, 26 minutes west, 125.84 feet to a stake set in a corner of said fence line; and thence continuing with said fence line south 78 degrees, 17 minutes west, 63.9 feet to the place of beginning. Said tract of land as described above contains 1 acre of land.

Being the same property conveyed by J. L. Mercer and wife, Laura A. Mercer, to San Antonio Public Service Company, by deed recorded in the records of Deeds of said Guadalupe County, November 5, 1929, in Volume 116, pages 224-225.

SEGUIN SUBSTATION

All that certain lot or parcel of land situated in Guadalupe County, State of Texas, and a part of the Humphreys Branch League, and being out of the A. Byler tract, containing one acre, and described more particularly as follows: Beginning at the northwest corner of a plot of ground owned by Frank Wilson; thence north, 210 feet; thence east, 197½ feet; thence south, 210 feet; thence west, 197½ feet to the place of beginning. Being the same property conveyed to Abner Jackson by Fannie Jackson, by deed dated September 10, 1924, as appears of record in Volume 79, on page 401, of the Deed Records of Guadalupe County, to which deed and the record thereof reference is here made.

Being the same property conveyed by G. Wallace Smith to San Antonio Public Service Company by deed recorded in the records of Deeds of said Guadalupe County on May 9, 1929, in Volume 106 pages 264-265.

EASEMENT FOR GUADALUPE POWER SITE.

The permanent easement conveyed by Edgar J. Laechelin and wife, Hulda Laechelin, to San Antonio Public Service Company, by warranty deed recorded in the records of Deeds of Guadalupe County on August 26, 1930, in Volume 130 on page 394-395, and therein described as follows:

A permanent easement and use of that certain parcel and strip of land 40 feet wide, known and designated as lying along the southwestern side of the following tract of land situated about five miles west of Seguin, out of the A. M. Esnaurizar 11-League grant, in Guadalupe County, Texas, beginning at a stake in the east or southeast boundary of a 2.56-acre tract formerly owned by Aug. H. Koehler, said beginning point being about 388 feet south 46 degrees, 37 minutes west, of the most northern corner of said tract (said point being also in the north line of the highway, leading from Seguin to San Antonio); thence north 46 degrees, 37 minutes east, with said road 80 feet to a stake for corner, said being the southwest corner of a tract of land conveyed by Aug. H. Koehler to John P. Stuard by deed dated June 28, 1930; thence north 43 degrees, 11 minutes west, 133.5 feet to a stake set for corner, said stake being the northwest corner of said tract conveyed by Aug. H. Koehler to John P. Stuard, and to the south line of a right-of-way owned by San Antonio Public Service Company; thence south 65 degrees, 49 minutes west, 75 feet to a stake for corner; thence south 39 degrees, 55 minutes east, 158½ feet to the place of beginning, and being the western part of a strip of land conveyed to E. J. Laechelin and wife, Hulda Laechelin, by Aug. H. Koehler.

It is the intention of this instrument to give to the San Antonio Public Service Company the permanent right of use of and over a strip of land 40 feet wide (which use shall at all times permit an open right-of-way), leading from the Seguin-San Antonio highway (immediately east of the Mc Queeney Bridge over the Guadalupe River) in a northerly direction to a right-of-way owned by San Antonio Public Service Company; along the south side of the Southern Pacific Railroad right-of-way, conveyed by deed from E. J. Laechelin and wife, Hulda Laechelin, to the Comal Power Company, dated August 22, 1927, of record in Volume 94, page 371, of the Deed Records of Guadalupe County, Texas, to which reference is here made. It is understood and agreed that the easement and right-of-way granted in that deed of conveyance for the passage of persons, vehicles

and stock from the southwest corner of the 45.92-acre tract therein described, westward along the north boundary line of the Southern Pacific Railroad, to the road going southward under the trestle of the railroad; thence along the road under said trestle to the main road to Seguin, Texas, which easement and right-of-way is and shall be over a strip of land 30 feet wide along its entire course, extending from the boundary line of the Southern Pacific Railroad right-of-way.

Being as aforesaid the same permanent easement conveyed by Edgar J. Laechelin and wife, Hulda Laechelin, to San Antonio Public Service Company by warranty deed, recorded in the records of Deeds of said Guadalupe County on August 26, 1930, in Volume 130, pages 394-395.

SEGUIN OFFICE BUILDING.

All of that certain lot and parcel of land situated in Seguin, Guadalupe County, Texas, described as follows, to-wit: Being part of original Inner or Building Block No. 25, now known as New City Block No. 163, and being all of Lots Nos. 5 and 6, and a small part of Lot No. 7, in said Block, so as to include the brick and rock or gravel and concrete building on the northeast corner of said Block; Beginning at the northwest corner of said Block; thence east with the south line of East Center Street, 106 feet to the northeast corner of the brick portion of the said building thereon; thence south 66 2/3 feet to a stake; thence west 106 feet to a stake in the east line of South River Street; thence north 66 2/3 feet to the place of beginning.

Being the same property conveyed by the South Texas Ice Company to San Antonio Public Service Company by deed recorded in the records of Deeds of Said Guadalupe County, on February 15, 1930, in Volume 121, page 457.

D'HANIS SUBSTATION.

All that certain piece of land in the town of D'Hanis, in Medina County, Texas, conveyed by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company by deed dated January 1, 1928, and recorded in the records of Deeds of said County in Volume 97, at page 574, and which is described in said deed as follows:

All that certain piece, parcel and block of land lying and being situated in the town of D'Hanis, in Medina County, Texas, Abstract No. 49, Certificate No. 296, Survey No. 441, Burnett D. G., being out of a 15-acre homestead tract owned by Chas. Boog and wife, Helena Boog, the part hereby conveyed being described by metes and bounds as follows, to-wit: Beginning at the southeast corner of said Boog 15-acre tract for the southeast corner of this piece; thence north along the Boog east line for a distance of 100 feet, turn interior angle of 89 degrees; thence due west for 100 feet, a stake for the northwest corner of this piece, turn interior angle of 91 degrees; thence due south for 100 feet, a stake, set for the southwest corner, interior angle 89 degrees; thence east for 100 feet along Boog south line to place of beginning: being the same land conveyed by Charles Boog and wife, Helena Boog, to Comal Power Company by deed dated November 22, 1927, and recorded in Volume 85, pages 467 and 468, of the Deed Records of Medina County, Texas.

FLORESVILLE PLANT SITE.

The following described property situated in Wilson County, Texas, and within corporate limits of the City of Floresville, more particularly described as follows, to-wit: The east half of Lot No. 11, and all of Lots Nos. 12, 13 and 14, Block C of the Railroad Addition to the City of Floresville, as shown by map or plat of said City, of record in the office of the County Clerk in Wilson County, Texas.

Being the same property conveyed by the Lone Star State Power Company to the South Texas Public Service Company, recorded on the 4th day of November, 1927, in Deed Records Book 144, pages 3 to 6, Wilson County, Texas, and by the said South Texas Public Service Company conveyed to the South Texas Ice Company by deed dated the 1st day of February, A. D. 1928, and recorded in Deed Records Book 144, pages 419-421, of Wilson County, Texas, said property being known as the Floresville Power and Ice Plant Site, Wilson County, Texas.

Being the same property conveyed by South Texas Ice Company to San Antonio Public Service Company, by deed recorded in the records of Deeds of said Wilson County, January 9, 1930, in Volume 163, pages 167-168.

FENTRESS PLANT AND SYSTEM.

All that land, property, property rights, francheses, privileges and easements conveyed by G. Wallace Smith to San Antonio Public Service Company by deed recorded in the records of Deeds of Caldwell County, Texas, in Volume 137, page 601 (and in Guadalupe County in Volume 106, pages 338-340), wherein said land, property, rights, franchises, privileges and easements are described as follows:--

"No. 1. All that certain tract or parcel of land lying and being situated in Caldwell County, Texas, more particularly described as follows; to-wit: Beginning at an iron pin set at the northeast corner of the property owned by the Fentress Gin and Power Company, located on the east side of the San Marcos River, said northeast corner of said property being located approximately as follows: Beginning at a cypress tree on the north bank of the San Marcos River, at the upper northwest corner of the M. Gillan League; thence north 50 degrees east, 4162 feet along said league line; thence south 40 degrees east, 5428 feet to the aforementioned iron pin set in the northeast corner of the property of the Fentress Gin and Power Company; thence south 3 degrees, 30 minutes east, 50 feet to a stake for a corner of this tract; thence south 86 degrees, 30 minutes west, 50 feet to a corner of this tract; thence north 3 degrees, 30 minutes west, 50 feet to a corner of this tract; thence north 86 degrees, 30 minutes east, 50 feet to the place of beginning.

"No. 2. All that certain tract or parcel of land lying and being situated in Caldwell County, Texas, on the east die of the San Marcos River, described as follows, to-wit: Beginning at an iron pin set in the property of the Fentress Gin and Power Company, on the east bank of the San Marcos River, the location of said iron pin being determined approximately as follows: Betinning at the iron pin set as the beginning point of Tract No. 1, above described; thence south 86 degrees, 30 minutes west, 103 feet and 10 inches; thence south 3 degrees, 30 minutes east, 296 feet; thence north 73 degrees, 30 minutes west, 94 feet 10 inches to a point where said iron pin is set for the beginning point of this tract; thence from said beginning point, south 73 degrees, 30 minutes east, 64 feet 2 inches to a point for a corner of this tract; thence south 15 degrees, 30 minutes west, 30 feet to a corner of this tract; thence south 52 degrees, 30 minutes west, 28 feet 6 inches to a corner of this tract; thence south 10 degrees, 30 minutes west, 27 feet to a corner of this tract; thence south 68 degrees, west, 5 feet 9 inches to a corner of this tract; thence south 79 degrees, 30 minutes west, 19 feet 3 inches to an iron pin driven in the east bank of the San Marcos River; thence north, along the east bank of the San Marcos River with its meanders, to the place of beginning.

"No. 3. All that certain tract or parcel of land lying and being situated in Guadalupe County, Texas, more particularly described as follows, to-wit: Beginning at an iron pin set in the property of the Fentress Gin and Power Company on the west bank of the San Marcos River, the location of said iron pin so set as a beginning point of this tract being determined approximately as follows, to-wit: Beginning at the extreme southwest corner of Tract No. 2, above described, which said extreme southwest corner is located on the east bank of the San Marcos River; thence north 79 degrees, 30 minutes east, 19 feet 3 inches; thence south 16 degrees, 30 minutes west, 112 feet 6 inches to a crosscut in a wooden bridge; thence due west approximately 200 feet, crossing the San Marcos River to said iron pin set on the west bank of the San Marcos River as the beginning point of this tract; from said beginning point so located, thence west 165 feet to a point, a corner of this tract, which said points is on the west bank of a slough; thence along the west bank of said slough, north 10 degrees west, 175 feet to a stake; thence north 15 degrees

west, 200 feet to a stake; thence north 44 degrees west, 100 feet to a stake set for a corner of this tract, said point being on the J. H. Fleming southeast line; thence north 50 degrees east, along the said J. H. Fleming line to the west bank of the San Marcos River; thence south, along the west bank of the San Marcos River with the meanders of said river, to the place of beginning.

"No. 4, That certain concrete dam crossing the San Marcos River at a point between and abutting Tracts Nos. 2 and 3, above described, together with a forebay, two water wheels and the gates located at the east end of said dam.

"No. 5. All rights, privileges and easements of every nature whatsoever, with reference to the right of G. Wallace Smith to maintain said dam, forebay, water wheels and gates, and to operate same.

"No. 6. All improvements of any and every nature whatsoever located upon the above three tracts of land, together with all generators, machinery, tools and equipment of any and every nature located in and on the above described tracts.

"No. 7. The entire electric distribution system radiating from the power plant located on Tract No. 2 and serving the towns of Fentress, Prairie Lea and intermediate and adjacent territory, together with all rights, privileges and franchises of any and every nature whatsoever, owned and possessed by G. Wallace Smith in connection with the construction and maintenance of said electric distribution system, together with all tools, appliances and equipment of any and every nature whatsoever used and useful in connection with said electric distribution system.

"No. 8. A perpetual easement appurtenant to, and running in favor of, the title to Tracts Nos. 2 and 3, above described; said easement being of such nature as to at all times give to the said San Antonio Public Service Company, its successors and assigns, complete, free and uninterrupted ingress and egress for all purposes to the aforesaid Tracts Nos. 2 and 3, above described, and for the maintenance of such pole lines as are this day purchased by said San Antonio Public Service Company, from G. Wallace Smith, and such additional pole lines as San Antonio Public Service Company, its successors or assigns, may hereafter, from time to time, desire to construct; all such easements to be on, over and along property now owned by the Fentress Gin and Power Company that is not covered by this conveyance; it being understood, however, that insofar as the same is practicable to the said San Antonio Public Service Company, its successors or assigns, such easements will coincide with the present driveways which are at this time maintained by said G. Wallace Smith, but in the event the same are not found to be practicable to the said San Antonio Public Service Company, its successors or assigns, then said easements shall run in such manner as to give to the said San Antonio Public Service Company, its successors or assigns, a direct line from the aforesaid Tracts Nos. 2 and 3, to the nearest public highway and also to Tract No. 1, and in addition to the aforementioned easements, an easement is also hereby given unto the said San Antonio Public Service Company, its successors and assigns, over and along the north end of the property owned by the Fentress Gin and Power Company on both the east and west sides of the San Marcos River, so as to enable the said San Antonio Public Service Company, its successors and assigns, to connect Tract No. 1, above described, with a transmission or power line now running between Luling and McQueeney, Texas."

All of which property is more fully described in a deed of conveyance executed by the Fentress Gin & Power Company, a corporation, joined by its stockholders, individually, in favor of G. Wallace Smith, under date of December 31, 1928, which deed appears of record in the Deed Records of Caldwell County, Texas, in Volume 135, at page 591; it being the intention of G. Wallace Smith to convey and transfer to the San Antonio Public Service Company, its successors and assigns, all the right, title and interest to all properties of whatsoever nature and description acquired and held under that deed of conveyance, which deed and the record thereof is hereby referred to

for all purposes. Said deed is also recorded in Guadalupe County in Volume 139, pages 561-565.

Being as aforesaid, the same land, property, rights, franchises, privileges and easements conveyed by G. Wallace Smith to San Antonio Public Service Company, by deed recorded in the records of Deeds of said Caldwell County on May 14, 1929, in Volume 106, pages 338-340.

MCQUEENEY SUBSTATION.

The following parcel of land situated in the County of Guadalupe, State of Texas, viz:

All that certain tract of land and parcel of real estate lying, being and situated in the County of Guadalupe, State of Texas, known and described as follows, to-wit: Beginning at a point 94 feet 4 inches south 45 degrees west, of a point in the south boundary line of the right-of-way belonging to the Galveston, Harrisburg & San Antonio Railway Company, said beginning point being 94 feet 4 inches south 45 degrees west of the northwest corner of a tract of land conveyed to Ed. W. Wuest by August Blumberg and wife, Anna Blumberg, by deed dated the 6th day of March, A. D. 1909; thence east 180 feet along the O. S. T. highway to a point; thence south 49 degrees, 52 minutes west, 251 feet 9 inches to a point on the south boundary line of said tract of land; thence west 45 degrees north, 125 feet 5 inches to a point; thence north 45 degrees east, 115 feet to the place of beginning.

Being the same property conveyed by Ed. W. Wuest and wife, Julia Wuest, to the Comal Power Company by deed recorded August 6, 1925, in Guadalupe County records of Deeds Book 86, pages 18-19, and conveyed by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company be deed dated January 1, 1928.

BOERNE SUBSTATION (KAUFMAN).

All that certain tract of land described as follows, to-wit: Lot No. 11 in Block No. 2 Sunrise Addition, in the City of Boerne, Kendall County, Texas.

Being the same property conveyed by Nathan Kaufman and L. Kaufman to Comal Power Company by deed recorded May 17, 1927, in Deed Records of said County, in Volume 42 on pages 455-456, and conveyed by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company by deed dated January 1, 1928.

BOERNE SUBSTATION SITE (WALKER).

All that certain tract or parcel of land out of Survey 180, conveyed to L. Walker and wife by Emil P. Stegner by deed recorded in Volume 30, pages 298, situated and lying in Kendall County, Texas, and described as follows: Beginning at the southeast corner of L. Walker tract; thence north along the east fence line 392 feet to a stake placed for the southeast corner of said land to be used for a substation site; thence north along the east fence line for a distance of 100 feet to a stake; thence west by describing an interior angle of 90 degrees a distance of 75 feet to a stake, thence south by describing an interior angle of 90 degrees 100 feet to a stake; thence east 75 feet by describing an interior angle of 90 degrees to the place of beginning.

Being the same property conveyed by L. Walker and wife, to Comal Power Company by deed recorded June 7, 1926, in the Deed Records of said County in Volume 41 on pages 547-548, and conveyed by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company by deed dated January 1, 1928.

HONDO SUBSTATION.

The property conveyed by J. W. Heath, et al., to Comal Power Company by deed recorded June 25, 1926, in Deed Records of Medina County in Volume A-79, on pages 425-427, and therein described as follows:

All that certain piece, parcel and tract of land lying and being situated in Medina County, Texas, described as follows, to-wit: Being out of the east half of Survey No. 183, ori-

ginally granted to Francios Sybelle, beginning at the southwest corner of the J. W. Heath 35 acres out of said Survey No. 183; thence in a northerly direction along the east side of a porposed road for a distance of 439 feet to a stake for the place of beginning of this substation site; thence along the same road in a northerly direction for a distance of 75 feet; thence in an easterly direction by describing an exterior angle of 90 degrees, a distance of 130 feet; thence in a southerly direction by describing an exterior angle of 90 degrees, a distance of 75 feet; thence in a westerly direction by describing an exterior angle of 90 degrees, a distance of 130 feet, to the place of beginning. The property hereby conveyed appears more fully on the plat of same hereto attached and made a part of this instrument. Reference is also made to deed from Jack Fusselman, et al., to J. W. Heath, bearing date of November 8, 1911, duly recorded in the Deed Records of Medina County, Texas, in Volume A-46, pages 443-444, which conveyance is made a part hereof; being same property conveyed by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company, by deed dated January 1, 1928.

That property conveyed by James W. Heath and wife to Comal Power Company, by deed recorded April 28, 1927, in the Deed Records of Medina County, in Volume 83, on pages 264-265, and therein described as follows:

All that certain piece, parcel and strip of land, lying and being situated in Medina County, Texas, out of the east half of Survey No. 183, originally granted to Francios Sybelle, and being further described as follows: Beginning at the southwest corner of the J. W. Heath 35 acres out of Survey No. 183; thence in a northerly direction along the east side of a proposed road for a distance of 439 feet to a stake for the place of beginning, said point being the southwest corner of a substation site purchased by Comal Power Company from James W. Heath and wife, by deed dated June 19, 1926, and duly recorded in the Deed Records of Medina County, Texas, in Volume A-79, pages 425 to 427, to which deed reference is made for all purposes; thence east along the south line of said substation site for a distance of 130 feet for the northeast corner of the strip hereby conveyed, and being the southeast corner of said substation site; thence south for a distance of 25 feet to a stake for the southeast corner of this strip; thence west for a distance of 130 feet to the east line of said proposed road for the southwest corner of this strip, said south line to run parallel with the north line; thence north to the place of beginning, the strip of land hereby conveyed being 130 feet in length by 130 feet wide or east to west; being same property conveyed by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company, by deed dated January 1, 1928.

FLORESVILLE SUBSTATION.

All that certain tract or parcel of land out of the S. and J. Arosha grant, in Wilson County, Texas, containing 2 acres or land and described by metes and bounds as follows, to-wit: Beginning at a stake on the northwest side of the elongation of A. Street of the town of Floresville, south 48 3/4 degrees west, 64½ varas from the southwest corner of the Fairgrounds, the southwest corner of the upper or northeast one-half of said 4-acre tract for Konrad Lux and the northeast corner of this survey; thence with the center line of said 4-acre tract, north 41¼ degrees west, 164 varas to the northwest corner of the 2-acre tract for Konrad Lux; thence south 48 3/4 degrees west, 64½ varas to the northwest corner of said 4-acre tract; thence south 41 1/4 degrees east, 164 varas to its southwest corner on the northwest side of elongation of A. Street; and thence with said street north 48 3/4 degrees east, 64½ varas to the place of beginning; being the same property conveyed by Mrs. M. V. Franklin to the Comal Power Company, by deed recorded on September 22, 1927, in Deed Records Book, Volume 143, pages 212-214, and conveyed by Comal Power Company (by Liquidating Trustees) to San Antonio Public Service Company, by deed dated January 1, 1928.

CIBOLO SUBSTATION.

That property conveyed by Henry Uhr and wife to South Texas Public Service Company, by deed recorded January 16, 1926 in Deed Records Book, Volume 87, on pages 601-603, and therein described as follows:

All that certain parcel of real estate lying, being and situated in the County of Guadalupe, State of Texas, out of Survey No. 65 in the name of W. Bracken, our entire tract containing 66 acres of land, and being the same land conveyed to Henry Uhr and wife by Hy Schueler, said deed being of record in Volume 63, page 367, of the Deed Records of Guadalupe County, Texas, to which said deed and the record thereof reference is here had for all pertinent purposes, and more particularly described as follows, to-wit: Beginning at a point in the southwest corner of land of Henry Uhr and wife, same being on the north side of the old Seguin Public Road; thence north 30 degrees 30 minutes west, 463 feet to a point, for the southwest corner of the tract of land herein conveyed; thence north 30 degrees 30 minutes west, 60 feet to a point for corner of the tract of land herein conveyed; thence, after making interior angle of 90 degrees to the right, 50 feet to a corner of the tract of land herein conveyed; thence, after making interior angle of 90 degrees to the right, 60 feet to a corner of the tract of land herein conveyed; and thence, after making interior angle of 90 degrees, 50 feet to the place of beginning.

The tract of land therein conveyed being a rectangular tract 50 feet by 60 feet in size, a blue print of said tract of land being attached to deed of Henry Uhr, and wife, recorded January 6, 1926, in Deed Records Book, Volume 87, on pages 601-603, being designated "Cibolo Substation Site," and made a part thereof for the purpose of aiding in the location and description of the tract of land therein conveyed.

Being the same property conveyed by South Texas Public Service Company (by Liquidating Trustees), to San Antonio Public Service Company, by deed dated January 1, 1928.

MARION SUBSTATION.

That property conveyed by Herman Bulgerin and wife to South Texas Public Service Company by deed recorded January 16, 1926, in Deed Records Book, Volume 87, on pages 600-601, and therein described as follows, to-wit: All that certain parcel of real estate, lying, being and situated in the County of Guadalupe, State of Texas, out of Survey No..... in the name of C. Rector, the entire tract containing 105 acres of land, and being the same land conveyed to Herman Bulgerin and wife by Elword G. Bulgerin, said deed being of record in Volume 35 at pages 478-9-10, and Voluem 65 at page 28, of the Deed Records of Guadalupe County, Texas, to which said deed and the record thereof reference is here had for all pertinent purposes, and more particularly described as follows, to-wit: Beginning at a point in the southwest corner of land of Herman Bulgerin and wife; thence north 11 degrees, 5 minutes west, 141 feet 7 inches to the southwest corner of the tract of land herein conveyed; thence north 11 degrees, 6 minutes west, 50 feet to corner of the tract of land herein described; thence, after making an interior angle to the right of 90 degrees, 50 feet to a point for corner of the tract herein conveyed; thence, after making an interior angle of 90 degrees, 50 feet to a point for corner of the tract of land herein conveyed; and thence, after making an interior angle of 90 degrees, 50 feet to the place of beginning.

The parcel of land therein conveyed being a body of land 50 feet square, a blue-print of which is attached to deed of Herman Bulgarin, and wife, recroded January 16, 1926, in Deed Records, Volume 87, at pages 600-601, and designated "Marion Substation Site," and made part thereof for the purpose of aiding in the location and description of the tract of land therein conveyed; being the same property conveyed by South Texas Public Company (by Liquidating Trustees) to San Antonio Public Service Company, by deed dated January 1, 1928.

SCHERTZ SUBSTATION.

That property conveyed by Mrs. Elizabeth Schneider, a feme sole, to South Texas Public Service Company, by deed recorded January 15, 1926, in Deed Records Book, Volume 87, at pages 598-599, and therein described as follows:

All that certain parcel of real estate, lying, being and situated in the County of Guadalupe, State of Texas, out of Survey No. 67, in the name of G. Malpoz, the entire tract containing 243 3/5 acres of land, and being the same land conveyed to W. A. Schneider by Chris Schneider, said deed being of record in Volume 21, page 201, Deed Recrods of Guadalupe County, Texas, to which said deed and the record thereof reference is here had for all pertinent purposes, and more particularly described as follows, to-wit: Being a rectangular tract of land, 150 feet long and 50 feet wide out of the property belonging to Elizabeth Schneider, and lying immediately northeast from the point where First Street in Schertz, Guadalupe County, Texas, abuts against the property of Elizabeth Schneider; being the same property conveyed by South Texas Public Service Company (by Liquidating Trustees) to San Antonio Public Service Company, by deed dated January 1, 1928.

BOERNE SUBSTATION (DALY).

All that certain tract or parcel of land lying and being situated in the Town of Boerne, Kendall County, Tex, in the Wendler and Shrader Addition to said Town, and known and described as Lot No. 4, according to a plat of said addition recorded in the office of the County Clerk of Kendall County, Texas, in Volume 24, page 405; being a part of the property conveyed by Richard E. Daly to South Texas Public Service Company, by deed recorded June 3, 1926, in Deed Records of said county, in Volume 41, at pages 543-544, and being thesame property conveyed by South Texas Public Service Company (by Liquidating Trustees) to San Antonio Public Service Company, by deed dated January 1, 1928.

LOS ANGELES HEIGHTS SUBSTATION.

All that certain tract or parcel of land located in the City of San Antonio, Bexar County, Texas, and being more fully described as follows, to-wit: Lot No. 11 of a resubdivision of Lots Nos. 5 and 6, Block No. 1, City Block No. 6172, out of the southern portion of old City Lot No. 1, Range No. 6, District No. 3 of Old City Tract; being the same premises conveyed to San Antonio Public Service Company by William Bollier (unmarried), by deed dated May 11, 1937, and recorded May 13, 1937, in the records of Deeds of Bexar County in Volume 1577, page 626.

CASTROVILLE POWER PLANT.

That certain tract and parcel of land situated in the town of Castroville, Medina County, Texas, hereinafter referred to as the power plant site, described and bounded as follows: Beginning at a point 247.7 feet south 45 degrees east, from southeast corner of Florence and Main Streets, in the Town of Castroville, south 45 degrees west, 143 feet to a concrete monument; thence south 45 degrees east, 279 feet to the edge of the Medina River; thence from a concrete monument 42 feet from the river's edge along survey line north 69 degrees east, 156.2 feet to concrete monument; and thence along a line north 45 degrees west from the Medina River's edge 332.5 feet to the place of beginning; being the same property conveyed by Jordan T. Lawler to San Antonio Public Service Company, by deed recorded in the record of Deeds of said Medina County, on August 10, 1936, in Volume 106, at pages 309-310.

BERG'S MILL GENERATING STATION.

First: 2.25 acres of land, more or less, out of the Juan Francisco Gomez Suerte, being on the south side of the South Loop Road situated in Bexar County, Texas, conveyed to H. B. Tennant by deed dated November 21, 1933, from Robert Wensley, Bertha Hattenbach and V. L. Hattenbach, said deed being recorded in the record of Deeds of Bexar County in Volume 1379, pages 173-174, said 2.25 acres of land, more or less being more particularly described as follows:

Beginning at the intersection of the southerly line of the South Loop Road with the center line of the San Antonio River, running thence north 72 degrees 15 minutes west, 320 feet along the southerly line of said road to corner of a fence, said corner being 67 feet from the center of the Espada Ditch; thence south 8½ degrees west, 290 feet along a fence to corner of a fence; thence south 72 degrees 45 minutes east, 386 feet along a fence to the bank of the San Antonio River, and continuing the same course to the center of said River; thence up the center line of said River, north 8½ degrees west, 165 feet; and thence north 1½ degrees east, 140 feet to the place of beginning; according to a survey and plat made by Louis Polk, County Surveyor of Bexar County, Texas, on November 16, 1933, and being all lying south of said Road, of the land described in deed from Sarah Dickenson et al,, to F. F. Collins, dated May 18, 1900, recorded in the record of Deeds of Bexar County in Volume 192, page 175.

Second: Also all rights and privileges mentioned in said deed as having been reserved to the grantors therein by deed from Frank Ashley, dated July 15, 1898, and recorded in the record of Deeds of Bexar County in Volume 177, page 415; also all rights reserved in deed from F.F. Collins to Frank Ashley et al., dated April 16, 1906, and recorded in the record of Deeds of Bexar County in Volume 242, page 617; also all rights established, created or acquired by that certain instrument executed by F. F. Collins, dated June 27, 1914, and recorded Water Right Records of Bexar County in Volume 1, page 225. It being understood that this conveyance shall include all and every right, privilege, easement and title of whatever nature at any time owned or acquired by the said J. J. Wensley, R. Wensley or Bertha Hattenbach in connection with, or appurtenant to, the land conveyed hereby.

Third: All land, real estate, improvements, hydro-electric plants, riparian and water rights, easements, highway permits, franchises, rights, privileges, things of value, poles, wires, generators, water wheels, water dams, and property of every kind and character now on the premises, whether real, personal or mixed, heretofore conveyed to D. F. Youngblood by deed executed by Herbert B. Tennant and wife, Esther Tennant, and Berg's Mill Utilities Company, a corporation, which deed is dated July 23, 1936, and recorded in the deed Records of the County Clerk of Bexar County, Texas.

GAS PLANT PROPERTY.

1. All that portion of land situated in the City of San Antonio, County of Bexar, State of Texas, known as New City Block No. 229. This Block is bounded on the north by Matamoras Street; on the south by Durango Street; on the east by Salado Street; on the west by Comal Street. There are 333.6 feet from east to west, and 337.4 feet from north to south.

2. All that portion of land situated in the City of San Antonio, County of Bexar, State of Texas, known as New City Block No. 230. This block is bounded on the north by Durango Street, on the east by Salado Street, on the south by San Luis Street, and on the west by Comal Street.

COLLINS GARDENS RIGHT-OF-WAY.

A right-of-way to construct, maintain and operate pipe lines and underground appurtenances thereto on and along a strip of land 15 feet in width, situated in what is known as "Collins Gardens," in the City of San Antonio, Bexar, County, Texas, described as follows, to-wit: Beginning at a stake set on the west side of Marian Street at the southeast corner of Lot No. 2, Block No. 41, City Block No. 6284; thence in an easterly direction 15 feet; thence in a northerly direction, parallel to and 15 feet from, the west line of Marian Street, along Marian Street, and through Lots Nos. 10 and 4, Block No. 11, City Block No. 6254, to a stake set on the southeast line of the right-of-way of the I. & G. N. Railway Company; thence in a southwesterly direction along the southeast line of the said right-of-way of the I. & G. N. Railway Company to the west line of Lot No. 4, Block No. 11, City Block No. 6254; and thence in a southerly direction parallel

to, and 15 feet distant from, the line running in a northerly direction, hereinbefore mentioned, to the place of beginning; said Marian Street being the street over which the said San Antonio Public Service Company now operates a line of street railway; being the same property conveyed to San Antonio Public Service Company by San Antonio Loan and Trust Company, acting as Trustee for F. F. Collins and by F. F. Collins, by deed signed and recorded December 11, 1922, in the records of Deeds of Bexar County, Texas, in Volume 697, at pages 540-542.

WALKER AVENUE METER STATION.

All that certain property situated in the County of Bexar, State of Texas, described as follows, to-wit: Being a part of Lots Nos. 18 and 19, Block No. 4, in Artesian Gardens, an addition to the City of San Antonio, lying west of the right-of-way of the S. A. U. & G. R. R. Co., fully described as follows: Beginning at a stake set 4,256 feet east of the west line of Artesian Gardens Subdivision; thence north 290.4 feet to a stake; thence east 83 feet along the north line of Lot No. 18 to a stake at its intersection with the west line of the right-of-way of the S. A. U. & G. R. R. Co., thence in a southerly direction 296.4 feet along the west line of said right-of-way to a stake, at its intersection with the north line of Walker Avenue; thence west 140 feet along the north line of Walker Avenue to the place of beginning, and being the same property as that conveyed by J. N. Bradley and wife, Artie Bradley, to Hart W. Donnell, by deed dated September 25, 1928, and recorded in Volume 1053, pages 608-609, of the Deed Records of Bexar County, Texas; being the same property conveyed by Hart W. Donnell and wife, Hortense Donnell, to San Antonio Public Service Company, by deed recorded in the records of Deeds of said Bexar County, November 14, 1928, in Volume 1051, pages 615-16.

Avondale Regulator Station.

All that certain tract, lot and parcel of land situated in the Temple Hill Addition to the City of San Antonio, Bexar County, Texas, and described as follows: Being all of Lot No. 22, Block No. 1, of said addition, County Block No. 5575, and also that part of Lot No. 21, Block No. 1, of said addition, described as follows: Beginning at a stake set for the northeast corner of the intersection of South Presa Street and Avondale Street; thence northwest along South Presa Street 67 feet to a stake set for the dividing line between the J. A. McDaniel tract and the tract of land herein conveyed; thence in an easterly direction 63.1 feet along the dividing line between the said J. A. McDaniel tract and the tract of land herein conveyed, to a stake set on the property line between Lots Nos. 21 and 22, which said stake is situated 50 feet south of the northwest corner of Lot No. 22; thence south along the boundary line between Lots Nos. 21 and 22, to Avondale Street, to a stake; and thence west along the north boundary of Avondale Street, 23.5 feet to the place of beginning; being the same property conveyed by Jas. A. McDaniel and wife, Alice B. McDaniel, to San Antonio Public Service Company, by deed recroded in the records of Deeds of said Bexar County on June 13, 1929, in Vol. 1113, pages 519-520.

CAMP BULLIS SUBSTATION SITE.

All that certain tract or parcel of land situated approximately three and one-half miles southeast of Leon Springs Railroad Station, Bexar County, Texas, being more particularly described as follows:

Beginning at a point known as the S. W. Corner of the John B. Muesser tract, which point is 46 feet from east rail of the San Antonio & Aransas Pass Railroad; thence N. 16°33' W, for a distance of 5.8 feet; thence N 65°51' E for a distance of 45.0 feet; thence N 82°52' E, for a distance of 113.0 feet; thence S 25°45' E for a distance of 38.5 feet; thence S 89°25' W for a distance of approximately 155 feet to the place of beginning.

Being the same property conveyed by James F. Jackson, and wife, Virginia A. Jackson, to San Antonio Public Service Company by deed dated October 31, 1938, recorded November 15, 1938 in the deed records of Bexar County, in book volume 1667, page 56.

UNDERGROUND RIGHT OF WAY-STATION "B" TO

GRANDVIEW SUBSTATION.

All of the following described real estate lying and being situate in San Antonio, the County of Bexar, State of Texas, to-wit:

Being part of Lot Six (6), New City Block Three Thousand and Fifty-seven (3057), Roberts Subdivision, according to plat thereof recorded in Vol. 368, page 175, Deed and Plat Records of Bexar County, Texas, being more fully described as follows: Beginning at a point on the West line of Roosevelt Avenue 165 feet South from the Southwest intersection of Roosevelt Avenue and Fairplay Avenue; Thence West along the South line of Lot 6, New City Block 3057 to the Southwest corner of said Lot 6; Thence north along the West line of said Lot 6, 4 feet to a point; Thence East along a line parallel to the South line of Lot 6 to a point in the West line of Roosevelt Avenue, same being the east line of said Lot 6; Thence in a southeasterly direction along the East line of Lot 6 to the place of beginning.

Being the same property conveyed by William Buchholtz to San Antonio Public Service Company by deed dated July 31, 1939, recorded August 16, 1939 in the deed records of Bexar County, in book volume 1711, pages 166-167.

MARKET STREET-COMMERCE STREET PROPERTY.

The following described real estate, situated in the county of Bexar and the State of Texas, to-wit: Beginning at a point in the south line of Commerce Street at the intersection of the south line of Commerce Street with the west line of the cut-off river channel, said point being the northeast corner of this tract of land; thence south along east line of concrete wall forming the western boundary line of said cut-off river channel, the entire length thereof, to a point where the western boundary line of said cut-off river channel intersects the north line of Market Street for the southeast corner of this tract of land; thence in a westerly direction along the north line of Market Street, a distance of 27.61 feet to a point in the east line of an alley for the most southerly southwest corner of this tract of land; thence in a northerly direction along the east line of said alley, a distance of 63.5 feet to a corner; thence in a northeasterly direction approximately 21 feet to the southeast corner of Lot 23 and the southwest corner of Lot A-25 in said City Block; thence in a northeasterly direction along the exterior face of a rock wall, a distance of 27.01 feet to a point for corner; thence turning from left to right at an angle of 87 deg. 8 min. and continuing a distance of 3.9 feet along the exterior face of a rock wall to a point for corner; thence in a northeasterly direction along the outside face of a rock wall a distance of 44.3 feet to a point in the south line of West Commerce Street for the most northerly northwest corner of this tract; thence east along the south line of West Commerce Street, a distance of 18.66 feet to the place of beginning; said tract of land comprising Lots 4, A-25 and A-27 and a strip of land lying between Lots A-25 and A-27, all in City Block 101 as shown on the block map of the city assessor of the City of San Antonio, Bexar County, Texas.

Being the same property conveyed by the City of San Antonio to San Antonio Public Service Company by deed dated March 30, 1940, recorded April 3, 1940, in the deed records of Bexar County, in book Volume 1759, pages 37-38.

WEST COMMERCE STREET PROPERTY.

The following described real estate, situated in the County of Bexar and the State of Texas, to-wit: Beginning at the intersection of the west line of stone wall along the east line of cut-off river channel with the north line of West Commerce Street; thence in a northerly direction along the west line of said stone wall, forming the east line of said cut-off river channel, the full length thereof, to the intersection with the north line of retaining wall on south bank of the San Antonio River; thence in an easterly direction along the north line of said retaining wall on the south bank of the San Antonio River, a distance of 16.9 feet to a lead point on the line

of party wall as agreed on February 7, 1873 for the northeast corner; thence in a southerly direction with party wall as per agreement February 7, 1873, to the north line of West Commerce Street; thence in a westerly direction along West Commerce Street a distance of 15.9 feet to the place of beginning; said tract of land being all that tract of land owned by the City of San Antonio and lying between the cut-off river channel and the George Witte property; subject, however, to party wall agreement between Charles F. Fischer and George Witte, dated February 10, 1873, duly recorded in Volume X-1, page 259 of the Deed Records of Bexar County, Texas, but including all of the right, title and interest of the City of San Antonio in the Witte building wall; and subject, however, to a perpetual right of the City of San Antonio to attach to and abut on the west side of said stone wall of said property a cantilever sidewalk for public use, together with the right and privilege, at its own cost, to maintain and repair the same in such manner as said city may from time to time see fit.

This conveyance is made subject to the terms and stipulations of a certain party wall agreement between Charles F. Fischer and George Witte, dated February 10, 1873, recorded in Volume X-1, page 259 of the Deed Records of Bexar County, Texas, but it is expressly intended that all right, title and interest owned by the City of San Antonio in and to said party wall be and the same is hereby conveyed to the Grantee herein.

The City of San Antonio expressly reserves a perpetual right to attach to and abut on the west side of said stone wall of said property a cantilever sidewalk for public use, together with the right and privilege, at its own cost, to maintain and repair the same in such manner as said city may from time to time see fit, which said perpetual right and easement is hereby expressly reserved in this conveyance by the City of San Antonio. Being the same property conveyed by the City of San Antonio to San Antonio Public Service Company by deed dated March 30, 1940, recorded April 3, 1940 in the deed records of Bexar County, in book volume 1749, pages 569-70.

CAMP TRAVIS HIGHLINE RIGHT OF WAY.

The following described and situated real estate, to-wit:

Lot Six (6) and Twenty-three (23), and the East ten (E 10) feet of Lot Five (5), and the East ten (E 10) feet of Lot Twenty-two (22), in Block Two (2), City Block Fifteen Hundred Fifty-eight (1558), in GRANDVIEW ADDITION, Section Two (2), situated just outside of the city limits of San Antonio, in Bexar County, Texas.

Being the same property conveyed by John Cottor Sullivan, to San Antonio Public Service Company by deed dated April 4, 1940, recorded April 9, 1940, in the deed records of Bexar County, in book volume 1753, pages 212-213.

CLEVELAND COURTS SUBSTATION SITE

All that certain property located in the City of Slamo Heights, Bexar County, Texas, described as follows, to-wit:

The southwest 17 feet, more or less, of Lot 19, and all of Lot 20, and the northeast 33 feet, more or less, of Lot 21, (excluding a certain parcel or strip of land 10 feet in width off the entire southwest side of said northeast 33 feet of lot 21) in block 8 of the Madeliene Terrace Subdivision in said City of Alamo Heights, Bexar County, Texas, said property fronting on Cleveland Court, being the property conveyed by the living heirs of Sam Maverick, deceased, to San Antonio Public Service Company by deed dated April 3rd, 1940, recorded May 29th, 1940, in the deed records of Bexar County in book volume 1759, pages 622-624.

GAS DISTRIBUTION PARCEL

Beginning at the intersection of the south line in Durango Street with the west line of South Salado Street, same being the northeast corner of City Block 230 situated within the corporate limits of the City of San Antonio, in Bexar County, Texas;

Thence westerly along the north line of said City Block 230, the full length thereof, same being the south line of Durango Street to the northwest corner of said City Block 230, same being at the intersection of the south line of Durango Street with the east line of South Comal Street;

Thence northerly along the east line of South Comal Street (extended) to the intersection of the east line of South Comal Street with the north line of Durango Street, same being the southwest corner of City Block 229 situated within the corporate limits of the City of San Antonio, in Bexar County, Texas;

Thence easterly along the south line of said City Block 229, the full length thereof, the same being the north line of Durango Street to the southeast corner of said City Block 229, same being at the intersection of the north line of Durango Street with the west line of South Salado Street;

Thence in a southerly direction along the west line of South Salado Street (extended) to the place of beginning; and comprising that portion of Durango Street lying between said City Blocks 229 and 230, and extending from the west line of South Salado Street to the east line of South Comal Street within the corporate limits of the City of San Antonio, in Bexar County, Texas.

Being the same property conveyed by the City of San Antonio to San Antonio Public Service Company by deed dated March 30th, 1940, recorded April 3rd, 1940 in the deed records of Bexar County, in book volume 1759, pages 38-39.

SOUTH SAN ANTONIO SUBSTATION SITE

All that certain tract of land described as follows: Lots Nos. Twenty seven (27) and twenty eight (28) Block No. eight (8) in Columbia Heights, a subdivision in Bexar County, Texas, as shown by the map or plat of said subdivision of record in the Records of Deeds and Plats of Bexar County, Texas, in Volume 105, Pages 14 and 15.

All the following described land, to-wit: Lots One (1) to Eight (8), inclusive, and Lot Eleven (11) in Block Eight (8) County Block 4028, Columbia Heights Addition to the City of San Antonio, Bexar County, Texas, as shwon by plat recorded in Volume 105, page 14, of the Plat Records of Bexar County, Texas.

All that certain tract or parcel of land more particularly described as follows: to-wit: All of Lots 24, 25 and 26, in Block 8 in Columbia Heights Addition, in Bexar County, Texas, according to Plat Recorded in Volume 105, pages 14 and 15, of the Plat Records of said County, except the south 75-feet of said lots 24, 25 and 26.

HARLANDALE SUBSTATION SITE.

All that certain property known as lot 10 of Block 36 in Harlandale Gardens Addition to the City of San Antonio (third filing), said lot being situated in the County of Bexar and State of Texas.

That certain strip and parcel of land out of Tract E of the Harlandale Gardens, a subdivision in Bexar County, Texas, as shown by the map and plat thereof of record in Volume 642, page 192 of the Map and Plat Records of Bexar County, Texas, lying between the south line of Lot 10, Block 36, of said subdivision and the Pyron Road, being a portion of said Tract E as would be cut off and included between an extension of the East and West line of said Lot 10, to an intersection with the said Pyron Road, said strip and parcel of land being in Bexar County, Texas.

HOT WELLS SUBSTATION SITE

All that certain tract or parcel of land described as follows, to-wit: Lot Ten (10), Block One (1), in Temple Hills Addition to the City of San Antonio, according to plat recorded in Volume 368, page 180, Plat Records of Bexar County, Texas, being situated in County Block 5575.

All that certain tract or parcel of land described as follows, to-wit: Lot Eleven (11), Block One (1) in Temple Hills Addition to the City of San Antonio, according to Plat Records in

Vol. 368, page 180, Plat Records of Bexar County, Texas, being situated in County Block 5575.

RIGHT-OF-WAY - GRANDVIEW SUBSTATION TO SOUTH SAN ANTONIO.

All the following tracts of land in Bexar County, Texas, to-wit:

FIRST TRACT:

A tract of land 50 feet in width in City Block 1568, being on the southease side of property owned by the San Antonio Belt & Terminal Railroad Company and having a frontage of 50.3 feet on Roland or Ogden Street and a frontage of 66.6 feet on K. Street

SECOND TRACT:

A triangular tract of land out of Lots 1 and 2, City Block 1571, within the corporate limits of the City of San Antonio, beginning at the southeast intersection of Hallie Street and K Street; thence east 78.25 feet; thence in a southwesterly direction 117.4 feet to a point on the east side of Hallie Street 90.0 feet from the place of beginning; thence 90.0 feet from Hallie Street to the place of beginning.

THIRD TRACT:

A portion of Lots 1, 2 and 3 in City Block 1573, beginning at a point on the east side of Clark Avenue 3.96 feet north of the southwest corner of said Lot 1; thence north along the east side of Clark Avenue 146.04 feet to the southeast intersection of Clark Avenue and Swanee Street; thence east along Swanee Street 128.6 feet; thence in a southwesterly direction 192.9 feet to the place of beginning.

All that certain strip and parcel of land out of City Block No. 1572 in the City of San Antonio, Bexar County, Texas, particularly described as follows:

A strip of land running in a southwesterly direction through Block 1572 cutting Lots, 10, 9, 8 and 7 the south line of this strip beginning on west P. L. Hallie Street at a point 142.9' north of the S. E. Corner of Block 1572 and ending at a point on the north P. L. of Swanee at a point 127.8' west of the S. E. corner of Blcok 1572, and being more fully described as follows:

Beginning at a point in the west property line of Hallie Street at a distance of 142.9' north of the S. E. corner of Block 1572. Thence in a southwesterly direction 191.7' to a point on the north property line of Swanee Street 127.8' west of the S. E. Corner of Block 1572.

Thence continuing west along the north property line of Swanee Street a distance of 66.6' to a point which is 115.6' east of the southwest corner of Block 1572.

Thence in a northeasterly direction parallel to and 50' distant from the first mentioned line a distance of 180.6' to intersect the S. E. property line of the S. A. B. & T. Co. property. This intersection point being 86.6 in a southwesterly direction from the intersection of the S. A. B. & T. Co's S. E. line and the west property line of Hallie Street.

Thence in a northeasterly direction 86.6 feet along the S. E. property line of the S. A. B. & T. Co's property to the intersection of this line with the west property line of Hallie Street.

Thence south along the west property line of Hallie Street 76.7' to the place of beginning; together with all rights and incidents thereunto appertaining.

RIGHT-OF-WAY - SAN ANTONIO TO NEW BRAUNFELS

All the following described land to-wit:

Out of the R. Patton Survey No. 1, Bexar County Block No. 5011, and being 35 feet in width along the west line of a tract of land containing 44.44 acres of land conveyed by Deborah B. Talcott, et al, to Albert Grona by deed dated December 20th, 1935, recorded in the Deed Records of Bexar County, Texas, in Volume 1507, at page 501, said tract of land being described as follows:

Beginning at a point on the south side of the Sommers Road in Bexar County, Texas, (which said Sommers Road is also known as the North Loop Road) where the west boundary line of said tract of 44.44 acres meets the south line of said Sommers Road; Thence south 48° 35' east 36.65 feet with the south boundary line of said Sommers Road; Thence south 24° 10' west, approximately 1,892 feet to the south line of said 44.44 acre tract of land; Thence south 89° 30' west 385 feet with the south property line of said 44.44 acre tract to its southwest corner; Thence north 24° 10' east 1892 feet to the place of beginning and containing 1.50387 acres of land.

LAUREL HEIGHTS TERRACE PROPERTY

All that certain tract or parcel of land more particularly described as follows, to-wit:

The north 100 feet of Lots Twenty (20) twenty-one (21) and twenty-two(22) in block twelve (12) in New City Block Three Thousand Ninety Six (3096)in Laurel Heights Terrace, situated in the City of San Antonio, in Bexar County, Texas, according to plat recroded in Vol. 105, pages 170-171 of the deed and plat records of said County; the line dividing the north 100 feet or said lots from the remaining portion of said lots runs parallel with the north line of Lot 19 in said City Block.

CITY VIEW PROPERTY

All the following described property, to-wit: Lot Twelve (12) Block Nineteen (19), City Block 4026, in City View Addition to the City of San Antonio, Bexar County, Texas.

ITEM IV.

G E N E R A L

Also all other physical property of whatsoever kind or character and all appurtenances thereto, now owned or which may hereafter be acquired by the city and wheresoever situated, including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing or of any general description contained in this Indenture):

(1) All lands, rights-of-way, roads, power houses, buildings, dams, waterways, water-rights, and other structures, and all offices, buildings and the contents thereof; all machinery, engines, boilers, turbines, condensers, water wheels, dynamos, electrical machinery, regulators, motors, transformers, generators, meters, electrical and mechanical appliances, conduits, cables, pole and transmission lines, wires, cross-arms, insulators, services, substations and substructures, generating, distributing and transmitting equipment, tools, implements, apparatus and supplies, now owned or hereafter acquired by the city;

(2) Also all gas plants, stations, substations, offices, repair shops, buildings, structures, substructures, regulators, holders, purifiers, scrubbers, tanks, retorts, boilers, machinery, engines, pumps, fixtures, apparatus, equipment, tools, instruments, appliances, implements, overhead and underground construction, pipes, mains, conduits, services, meters, supplies and appurtenances; whether appertaining to any existing or future system of the city or otherwise, and including all other property now used or provided for use or hereafter acquired for use in the construction, repair, maintenance and operation of the electric and gas systems of the city, both those now owned and those which may hereafter be acquired by the city.

(3) Also all contracts between the San Antonio Public Service Company and the suppliers of electricity and of gas which were in force on the date hereof and which have been or may hereafter be assigned to or acquired by the city.

(4) Also to the full extent permitted by law and by their terms, the city hereby mortgages and pledges all corporate, municipal and other franchises, grants, rights, permits, consents, privileges, easements, licenses, ordinances, rights-of-way, and immunities of the city of every kind, description and character, howsoever conferred or acquired and whether now owned or hereafter acquired; provided, however, that as to any and all franchises which by their terms may be assigned only upon some consent or special condition, given or met at the time of assignment,

and not in advance thereof, the city

(a) Hereby mortgages all such franchises, subject to the terms of this Indenture;

(b) Intends hereby to assign such franchises to the Trustees hereunder only to the extent that it may legally assign the same, without forfeiture or other penalty;

(c) Covenants that if and whenever under the terms hereof the Trustees, or any purchaser or purchasers at any sale of the mortgaged property, made under the terms of this Indenture or in any proceeding for the foreclosure of the lien of this Indenture, shall be entitled to possession of or to title to the mortgaged property, the city will request such consent or will attempt in good faith to meet such condition, and, subject to the procurement of such consent or the meeting of such condition the city will by proper instrument convey, transfer and assign such franchise to the Trustees, or to their nominee or to such purchasers, as the case may be;

(5) Also all real property, interests in real property, lands, rights-of-way, easements, licenses, leaseholds, consents, permits, and all power and gas contracts, street lighting contracts, and other rights with respect to the construction, maintenance, repair and operation of any system now owned or hereafter acquired by the city, and any additions thereto or extensions thereof;

(6) And also all property which at any time hereafter, by delivery or by an indenture supplemental hereto, may be expressly conveyed, mortgaged or pledged to the Trustees or either of them hereunder by the city or by a successor corporation, or by anyone in its behalf or with its written consent as and for additional security hereunder; the Trustees and each of them being hereby authorized at any and all times to receive any such conveyance, mortgage, pledge or delivery and to hold and apply any such property upon and subject to the terms and provisions hereof or of any such supplemental indenture; and

(7) Together with all and singular the buildings, improvements, additions, accretions, ways, alleys, paasages, rights-of-way, waters, water-courses, easements, rights, liberties, privileges, licenses, tenements, hereditaments and appurtenances, whatsoever belonging or in anywise appertaining, or hereafter to belong or appertain, unto any and all of the premises hereby granted or intended so to be; and the reversion and reversions, remainder and remainders, and the incomes, rents, issues and profits thereof, and of every part and parcel thereof; and all of the estate, right, title, interest, property, claim and demand of every nature and kind whatsoever of the city at law, in equity or otherwise howsoever, of, in and to the same and every part and parcel thereof.

ITEM V

EXCEPTED PROPERTY

Expressly excepting and excluding, however, from this Indenture and from the lien and operation thereof the following property (herein called "Excepted Property")

(A) All shares of stock and certificates or evidences of interest therein, all bonds, notes, and other evidences of indebtedness or certificates of interest therein, all other securitees, all bills, notes, accounts receivable, cash on hand or in banks, choses in action and all contracts (other than leases and agreements connected with leases), now owned or hereafter acquired or possessed by the city and not hereby or hereafter specifically mortgaged and pledged hereunder or required so to be.

(B) All property and franchises of any other corporation of whatever character, securities whereof, or obligations secured by lien upon which the properties and franchises whereof may be now owned or hereafter acquired or possessed by the city, notwithstanding the fact that the city may own or hereafter acquire all or substantially all of the securities issued by or secured by lien upon property of any such corporation or that any such corporation may be incorporated or organized at the instance of, or for the account of, the city.

(C) Materials and merchandise acquired for the purpose of resale in the ordinary course and conduct of business, and consumable supplies.

(D) All gas in manufactories, mains, pipes, holders or elsewhere.

(E) All bus transportation properties formerly owned by the San Antonio Public Service Company.

(F) All of the electric distribution properties formerly owned by the San Antonio Public Service Company comprising 4,000 volt and 2400 volt primary pole lines and circuits and appurtenant secondary pole lines and secondary circuits, conduits, cables, wires, distribution transformers, services, meters and street lighting systems located within the limits of the Cities of Alamo Heights, Olmos Park and Terrell Hills, Bexar County.

(G) All of the electric distribution properties formerly owned by the San Antonio Public Service Company comprising 2,400 volt primary pole lines and circuits and appurtenant secondary pole lines and circuits, conduits, cables, wires, distribution transformers, services, meters and street lighting systems in the City of Boerne, Kendall County, Texas and adjacent territory included within the following bounds:

Beginning at a point north on Sisterdale Road, 14 spans north of the S. A. A. P. R. R. (Southern Pacific System)including B. B. Smith Service, thence to northeast corner of city limits, thence southeast to School Street, 6 spans east to Plant Street, being the pole serving C. Phfeiffer, thence southeast to northeast corner of Fair Grounds, thence south to pole 2/8 on the Boerne - old San Antonio Highway (this pole serving Ferdinand Herff and Borchers) thence west to Russ Street, 7 spans south off Bandera Road and serving L. Lamm, thence northwest to Bandera Road, 7 spans west of Russ Street and including services to (1) Dr. Noce, (2) Rad Spencer (3) W. Simpson, thence northwest to private property of Bill Vogt, 3 spans west of San Antonio Avenue, including service to Bill Vogt, thence north to High Street, 11 spans west off Russ Street and including 3 spans to serve Schuchard, thence north east to northwest corner of city limits, thence east along city limits to pole 1/1 of the Boerne - Popo Line located on Fredericksburg Road, thence north to point of beginning.

(H) All of the distribution properties formerly owned by the San Antonio Public Service Company comprising 2400 volt primary pole lines and circuits and appurtenant secondary pole lines and circuits, conduits, cables, wires, distribution transformers, services, meters and street lighting system in the City of Floresville, Wilson County, Texas, and adjacent territory included in the following bounds:

From a point 8 spans northwest of City Limits line on San Antonio Highway #181 on the San Antonio side of customer Victor Zuniger, thence northeast to the north corner of old Fair Grounds property now owned by Floresville Independent School District, thence southeast to the intersection of a line parallel with the streets of Floresville and the Sunnyside-Floresville Road to include customers H. Ridoudt, Joe Donaho and Gus Hill, thence south by west to a point twelve spans southeast of city limits line on State Highway #181 to Poth to include all customers served from transformer set eight spans southeast of city limits on Highway #181, thence west to the intersection of such westerly line with the Northwest-Southwest city limits line, thence northwest to the west corner of city sewage plant property, thence north by east to the point of beginning.

(I) All of the distribution properties formerly owned by San Antonio Public Service Company comprising 13,000 volt and 2400 volt primary pole lines and circuits and appurtenant secondary pole lines and circuits, conduits, cables, wires, distribution transformers, services, meters and street lighting systems in the City of Hondo, Medina County, Texas and adjacent territory included in the following bounds:

The new city limits of the City of Hondo, and in addition thereto:

(1) the pole line extending 4 spans from the 66000 volt Hondo High line Substation to the City Limits, 360' south of old D'Hanis Road, (2) an extension eastward of approximately 17 spans, principally on U. S. Highway #90 serving Dr. W. H. Smith, (3) an extension westward on U. S. Highway #90, hence along Taylor Road and Batot Lane, approximately 51 spans, serving rural customers including W. O. Scott and Henry Batot and Hugh Batot.

(J) All of the electric distribution properties formerly owned by the San Antonio Public Service Company, comprising 2400 volt primary pole lines and circuits and appurtenant secondary pole lines and circuits, conduits, cables, wires, distribution transformers, services, meters and street lighting system in the City of Poth, Wilson County, Texas, and adjacent territory included in the following bounds:

All property in city limits, including 2300 volt line extending approximately 4 spans south by east to and including the C. V. Ploch residence and including the Catholic Church line on road to Schneider Gin to the southwest to and including the Catholic Church, and also including 13 KV to 120 volt transformer serving customers Anton Stevenoga and son's residences.

(K) All of the electric distribution properties formerly owned by San Antonio Public Service Company, comprising 2400 volt primary pole lines and circuits, appurtenant secondary lines and circuits, conduits, cables, wires, distribution transformers, services and meters extending from the 2400 volt terminals of the transformers at the Marion substation to and through the corporate limits of the City of Marion, Guadalupe County, Texas, and adjacent territory.

(L) All of the electric distribution properties formerly owned by the San Antonio Public Service Company, comprising 13000 volt, 4000 volt and 2400 volt primary pole lines and circuits and appurtenant secondary pole lines and circuits, conduits, cables, wires, distribution transformers, services, meters and street lighting system in the City of New Braunfels, Comal County, Texas, and adjacent territory included in the following bounds:

Beginning at Pole 3/5, Comal Creek and Sipple Farm, thence air line south to distribution pole at end of line on Old Marion Road opposite residence of Emil Neuse, thence east by north to end of line at L. Kuehler on Koehler Road near City Disposal Plant, thence northeast to the intersection of center line of Guadalupe River and the south boundary line of Dr. M. C. Hagler's camp property, thence north to the intersection of north boundary line of Lake Front Addition with East bank of Guadalupe River, thence northeast to pole 1/1 on Highway #46, South of New Braunfels, thence northeast to end of line on Highway $81, five spans northeast of junction with Highway #46, to residence Wm. H. Weil, thence wouthwest on U. S. Highway #81 to pole on northwest corner of junction of Highways #81 and #46, thence north by west to intersection of the Guadalupe River and the boundary line between city blocks 5011 and 5012, thence up Guadalupe River to pole 1/13 on New Braunfels-Gruene 13K V line, thence up Guadalupe River to M. K. T. R. R. Bridge over the Guadalupe River, thence northwest to intersection of California Boulevard and Ohio Avenue in Landa Highlands, #2, thence south of west to pole 2/2 on Highway #46, Smithson Valley 2400 volt line, thence south west to McQueeney hi line structure 2/9 on Wald Road near crossing of Missouri Pacific R. R. thence along hi line south by east to point of beginning. From hi line structure 2/13 a dairy customer is served and is to be included within the New Braunfels boundaries.

(M) All of the electric distribution properties formerly owned by San Antonio Public Service Company comprising 2400 volt primary poles and circuits and appurtenant secondary poles and circuits, conduits, cables, wires, distribution transformers, services, meters, located within the corporate limits of the City of Stockdale, Wilson County, Texas, and including transformers, services and meters serving customers located along the Bandera Road as far east and including service to Leroy R. Smith's residence and also including transformers, services and meters along

the 13000 volt transmission lines of the City of San Antonio serving Otto Webber, Burk Carr and Mrs. Stoudt near intersection of old Floresville-Stockdale Road and the highway to San Antonio and also including the so-called Smith line running north from the city limits for about one mile to and including the services to George Johnson chicken farm and Joe Taller residence.

(N) All that certain tract, piece or parcel of land situated within the corporate limits of the City of New Braunfels, Comal County, Texas, and being the northwest portion of Lot No. 36 in Block No. 1005 more particularly described by metes and bounds as follows, to wit: Beginning at the west corner of Lot 36 at the intersection of the southwest line of East San Antonio Street and the northeast line of the Main Plaza; thence north 38 degrees, 42 minutes east along the southeast line of East San Antonio Street 95.7 feet to the north corner of said Lot No. 36; thence south 52 degrees east, along the division line between Lot No. 36 and Lot No. 37, 65 feet to a stake; thence south 38 degrees, 42 minutes west 95.7 feet to a stake in the northeast line of the Main Plaza; thence north 52 degrees west along the northeast line of the Main Plaza 65 feet to the place of beginning; being the same property conveyed by Eiband and Fischer, Inc., to San Antonio Public Service Company by deed recorded in the records of deeds of said Comal County on December 2, 1929, in Volume 57, pages 307-309, and the building and contents thereof located thereon.

(O) All furniture and fixtures located in the electric distribution offices in the Cities of Boerne, Hondo, Floresville, Stockdale, Poth, Marion and New Braunfels, Texas.

(P) All of the right, title and interest of the City of San Antonio in and to the Bridge across the Comal Canal in the extension of Seguin Street in the City of New Braunfels, Comal County, Texas, together with the abutments and adjacent road way areas described as follows:

Beginning at a stake "W" on the north property line of Seguin Street at point of its intersection by a line running along the east side of the stone base of fence along the division line of Tract No. 1 and Tract No. 2 (approximately); thence N 5° 36' W 174.69 feet to a stake "N" located 15.0 feet south of the water's edge; thence S 56° 07' E 38.0 feet to a monument "P" near the east end of the south abutment of the bridge crossing the Comal and 15.0' feet south of the water's edge. This monument is one in the original survey of Tract No. 2 and is N 7° 10' W 155.3 feet from north property line of Seguin Street; thence S 7° 10' E 155.3 feet to a stake "Q" in the north property line of Seguin Street; thence N 86° 49' W 20.81 feet along the north property line of Seguin Street to a stake "R"; thence N 89° 39' W 13.05 feet to the point of beginning.

Beginning at monument "A" on the most westerly corner of Tract No. 2 described in the deed from Landa Milling Company, et al to Comal Power Company dated August 17th, 1925, this monument being also in the east line of Tract No. 1 described in said deed near the east end of the suspension foot bridge across the canal; thence S 35° 44' E 45.42 feet to a stake "B"; thence S 25° 58' E 62.42 feet to a stake "C" on the north bank of the canal 1 foot from the water's edge; thence S 55° 42' E 45.75 feet to a stake "D" set 15.0 feet from the water's edge on the north bank of the Comal; thence N 4° 58' W 36.02 feet to stake "E" at the intersection of this line with a line running N 25° 58' W. parallel to and 35.0 feet distant from the line "BC"; thence N 25° 58' W 72.0 feet on the line parallel to and 35.0 feet distant from line "BC" to a stake "F" at the intersection of this line with a line running N 35° 44' W parallel to and 35.0 feet distant from the line "AB"; thence N 35° 44' W 17.12 feet on the line parallel to and 35.0 feet distant from line "AB" to atake "G" at the point of intersection of this line with a line running S 83° 54' E from the monument "A"; thence N 83° 54' W. 46.95 feet to monument "A" the point of beginning. together with all and singular the tenements, hereditaments and appurtenances belonging or in any wise appertaining to the aforesaid properties or any part hereof and with the reversion or reversions, remainder or remainders, rents, income and profits of all such properties and all of the estate, right, title, interest and claim whatsoever, at law, as well as in equity, which the city

acquired in and to the aforesaid properties and every part thereof under and by virtue of the aforesaid deed and bill of sale of even date herewith, it being understood and provided, however, that the cash on hand and bills and accounts receivable included in Items I and II above are not to be delivered to the trustees but are to be delivered to the Board of Trustees hereinafter created and that the Board of Trustees and not the trustees shall be accountable for the proper use and application of said cash, bills and accounts receivable under the terms and provisions of this indenture.

TO HAVE AND TO HOLD all and singular the said premises and property, real, personal and mixed, with all and singular their revenues, rents, issues, profits, privileges and appurtenances, and all the estate, rights, title and interest of the city therein and thereto, unto the trustees and their successors in trust forever;

IN TRUST NEVERTHELESS, subject to the provisions of this indenture, for the equal and proportionate benefit, security and protection of all holders of the bonds and interest coupons issued or to be issued under and secured by this indenture, without preference, priority or distinction as to lien or otherwise of any bond over any other bond of the series by reason of priority in the issuance or negotiation thereof or by reason of the date or dates of maturity thereof, or for any reason whatsoever, so that each and all of said bonds shall have the same rights, lien and privileges under this indenture; PROVIDED HOWEVER, and these presents are upon the express condition, that if the city, its successors and assigns shall well and truly pay or cause to be paid unto the holders of said bonds the principal and interest due thereon at the times and in the manner stipulated therein and shall well and truly keep, perform and observe all the covenants and conditions in said bonds and in this indenture expressed to be kept, performed and observed by the city and shall pay to the trustees all sums of money due or to become due to them in accordance with the terms and provisions hereof, then this indenture and the rights and estate hereby granted shall cease, determine and be void and the trustees in such case on demand of the city upon payment by the city to the trustees of their reasonable fees, costs and expenses, shall execute and deliver to the City such deeds as shall be requisite to discharge the lien hereof and to reconvey or revest in the City the properties hereby conveyed or intended to be conveyed;

Otherwise this indenture is to be and shall remain in full force and effect.

This indenture further witnesseth that the city has agreed and covenanted and does hereby agree and covenant with the trustees and respective holders from time to time of such bonds and coupons -that is to say:

ARTICLE I

Form, Authentication, Registration and Issuance of Bonds

Section 1. The bonds and the coupons attached thereto shall be in substantially the forms hereinbefore recited, and shall be limited to the aggregate principal amount of Thirty-five Million Dollars ($35,000,000.00). All bonds to be secured hereby shall be signed by the Mayor of the city, shall be attested by the City Clerk, shall have the corporate seal of the city impressed thereon, and when so signed and sealed, the bonds shall be submitted to the Attorney General of the State of Texas for approval and to the State Comptroller for registration. After the said bonds have been approved by the Attorney General and registered by the State Comptroller, they shall be delivered to the Trustee for signature and authentication as herein provided.

In case any officer or officers who shall have signed any of the bonds shall cease to be such officer or officers of the city after delivery of such bonds to the Trustee, but before the bonds so signed shall have been actually authenticated and delivered to the purchasers thereof, such bonds may nevertheless be authenticated and delivered as though the person or persons who signed and sealed such bonds had not ceased to be such officer or officers of the city.

The coupons to be attached to the bonds shall be signed by the facsimile signatures of the Mayor and City Clerk in office at the time of the preparation of the bonds, and delivery of such bonds thereafter shall be valid for all purposes even though one or both of said officials shall have ceased to hold office at the time of delivery

Prior to the authentication of bonds under this indenture all matured coupons thereto attached shall be detached and cancelled and such cancelled coupons shall be delivered to the City Auditor.

Section 2. Only such of the bonds as shall have endorsed thereon the duly executed certificate of the Trustee substantially in the form hereinabove set forth shall be entitled to any lien or benefit hereunder, but such certificate of the Trustee upon any bond shall be conclusive evidence that such bond has been duly authenticated and delivered hereunder and that the holder is entitled to the benefit of the trust hereby created.

Section 3. The bonds shall be transferable by delivery unless registered as to principal by the Trustee as Bond Registrar. The Trustee shall maintain at its office a registration book in which shall be entered the name and address of any owner of a bond or bonds who shall present his bond or bonds with a request that such bond or bonds be registered as to principal, and such registration shall also be noted on such bond or bonds by the Trustee. On presentation to the Trustee of any bond registered pursuant to the provisions of this section, accompanied by a written instrument of transfer in form approved by the Trustee and executed by the registered owner in person or by his attorney thereunto duly authorized, transfer thereof shall be made on the registration book and noted on such bond by the Trustee, and after registration of any bond as aforesaid no transfer shall be valid unless made as above provided. The registered owner of any bond so registered as to principal shall be entitled to have such bond discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored, but any such bond shall continue subject to successive registrations and transfers as before. Registration of any bond as to principal shall not affect the negotiability of the coupons appertaining to such bond and all coupons shall continue to be transferable by delivery merely and shall remain payable to bearer.

Section 4. In case any bond issued hereunder with the coupons appertaining shall become mutilated or be lost, stolen or destroyed prior to the payment thereof, new bond, including coupons, of like tenor and date and bearing the same number may at the discretion of the city and the Trustee be executed, certified and delivered either in exchange for and upon cancellation of the mutilated bond and its coupons, or in substitution for the bond or coupons lost, stolen or destroyed, but such exchange or substitution shall be made only upon receipt of satisfactory evidence of the loss, theft, or destruction of such bond and its coupons, proof of ownership thereof satisfactory indemnity to the Trustee and the city, and payment of the cost of preparing such bond and coupons.

ARTICLE II.

Apecial Covenants

The city hereby covenants as follows:

Section 1. The city is duly authorized under the laws of the State of Texas to create and issue the bonds and to execute and deliver this indenture and to mortgage and pledge the property conveyed and mortgaged hereunder and to pledge the revenues pledged hereunder, and all necessary action on the part of the city and its Commissioners for the creation and issue of the bonds and the execution and delivery of this indenture has been duly and effectively taken, and the bonds in the hands of the holders thereof are and will be valid and enforceable obligations of the city in accordance with their terms.

Section 2. The city covenants and agrees that it is lawfully seized and possessed of the

trust estate, free and clear of all liens or encumbrances; that it has a good right and lawful authority to mortgage and pledge the trust estate as provided in this indenture; and that it will warrant and defend unto the trustees, their respective successors and assigns, for the benefit of the holders for the time being of the bonds, the trust estate and the lien and interest of the trustees thereon and therein under this indenture, against all claims and demands of any persons whomsoever.

Section 3. At any and all times the city will duly execute, acknowlege and deliver, or will cause to be done, executed and delivered, all and every such further acts, deeds, conveyances, mortgages, transfers and assurances in law as the Trustee shall reasonably require for the better conveying, transferring, mortgaging and pledging and confirming unto the trustees, all and singular the hereditaments, premises, estates and property hereby conveyed, transferred, mortgaged, pledged or assigned, or intended so to be.

Section 4. The city will not avail itself of the provisions of the Federal Bankruptcy Act or avail itself of the provisions of any similar federal or state bankruptcy or debt readjustment act, now or hereafter existing, in such manner that the liability of the city to pay the bonds secured hereby in accordance with their terms and in accordance with the terms of this indenture will be in anywise affected or impaired.

Section 5. The city will not create or voluntarily permit to be created any debt, lien or charge which would be on a parity with or prior to the lien of this indenture on the trust estate or any part thereof or on the income to be derived from the trust estate and from the operation of the city's complete electric light and power system and gas distribution system or any part thereof; and will not do or omit to do or suffer to be done or omitted to be done any matter or thing whatsoever whereby the lien of this indenture or the priority of such lien or the bonds hereby secured might or could be lost or impaired; and that it will pay or cause to be paid or will make adequate provision for the satisfaction and discharge of all lawful claims and demands for labor, materials, supplies or other objects which if unpaid might by law be given precedence to or an equality with this indenture as a lien or charge upon the trust estate or any part thereof or the income and profits thereof; provided that nothing in this section shall require the city to pay, discharge or make provision for any such lien charge, claim or demand so long as the validity thereof shall be by it in good faith contested, unless thereby, in the opinion of the Trustee, the trust estate or some material part thereof will be lost, forfeited or materially endangered.

The provisions of this section are subject to the exception that the Board of Trustees may borrow from time to time on a purely temporary basis, such sums as would ordinanrily be borrowed by private companies engaged in similar business in connection with current operations, and expected to be paid and retired from current revenues received during the operating year in which such sums are borrowed, and are subject to the further exception that if, prior to the payment of all of the bonds, it shall be found desirable to refund part of said bonds under the provisions of any law then available, said bonds may be refunded (with the consent of the holders thereof, unless the bonds so refunded are then optional for redemption and provision for the call and redemption thereof is duly made) and the refunding bonds so issued shall enjoy complete equality of lien with the portion of the bonds which is not refunded, and the refunding bonds in like principal amount shall continue to enjoy in all respects the lien and right to security under this indenture enjoyed by the bonds refunded thereby, including the priorities enjoyed by such refunded bonds; provided, however, that if such bonds are refunded in such manner that the interest rate of the bonds is increased or the refunding bonds mature at a date earlier than the maturity date of any of the bonds not refunded, then such bonds may not be refunded without the consent of the

holders of the unrefunded portion of the bonds, to be evidenced as provided in Section 1 of Article XI hereof. The Trustee shall, subject to the provisions of this section, authenticate and deliver any refunding bonds so authorized, upon the written order of the Mayor of the city and upon receipt by the Trustee of:

(a) A certified copy of the ordinance of the Commissioners of the City of San Antonio authorizing the issuance of such refunding bonds;

(b) A copy of an opinion of the Attorney General of the State of Texas approving the validity of such refunding bonds, if such opinion shall then be required by the laws of Texas;

(c) A certificate by the State Comptroller evidencing registration of such refunding bonds in his office, if such registration shall then be required by the laws of Texas:

(d) The outstanding bonds in principal amount equal to that of the bonds to be authenticated authorized to be refunded thereby, which outstanding bonds shall be presented to the Trustee to be delivered, either by the Trustee or through the State Comptroller, in exchange for the refunding bonds and simultaneous cancellation and retirement, provided however, that in liew of outstanding bonds properly called for redemption or then matured it shall be sufficient if the proceeds of the sale of the refunding bonds, together with other funds available for such purpose, in an amount sufficient to redeem or pay a like principal amount of such outstanding bonds so called for redemption or matured, including all accrued interest and redemption premiums, shall have been deposited with the Trustee, or deposited to the Trustee's satisfaction with the paying agent for such outstanding bonds, to be held solely for the payment of such bonds, accrued interest and redemption premiums;

(e) If required by the Trustee, an opinion by counsel acceptable to the Trustee that such refunding bonds have been legally authorized and upon the delivery thereof, pursuant to the terms of this section, will have become effectively subrogated to the rights of the bonds refunded thereby and entitled to be secured by the lien of this indenture.

All bonds received by the Trustee in exchange for refunding bonds and all bonds redeemed and paid under the provisions of this section shall be by the Trustee cancelled and delivered to the City Auditor of said city.

Section 6. The city will cause this indenture and any and all supplemental indentures and instruments of further assurance at all times to be recorded and filed in such manner and in such places as may in the opinion of counsel for the Trustee be required by law in order fully to preserve and protect the rights of the bondholders and the Trustee hereunder and that upon the request of the Trustee it will furnish to the Trustee promptly after the execution and delivery of this indenture an opinion of counsel satisfactory to the Trustee stating that in the opinion of such counsel this indenture has been properly recorded and filed so as to make effective the lien intended to be created thereby, and reciting the details of such action, or stating that in the opinion of such counsel no such action is necessary to make such lien effective.

Section 7. The city will from time to time promptly pay and discharge all taxes, assessments and other governmental charges, the lien whereof would be prior to the lien hereof, lawfully imposed upon the trust estate or any part thereof or upon the income and proceeds thereof, so that the lien of this indenture and the priority of such lien shall at all times be wholly preserved at the cost of the city and without expense to the trustees or the holders of the bonds, provided however, that nothing in this section contained shall require the city to pay or discharge any such tax, assessment or governmental charge so long as the validity thereof be by it in good faith contested, unless thereby in the opinion of the Trustee or its counsel the trust estate or some material part thereof will be lost, forfeited or materially endangered.

Section 8. The city will maintain, preserve and keep the trust estate in a state of good repair, working order and condition and will not dispose of the trust estate in whole or in

part except in the manner and upon the terms provided in Sections 2 and 3 of Article VII hereof.

Section 9. The city will duly and punctually keep, observe and perform each and every term, covenant and condition on its part to be kept, observed and performed, contained in this indenture, and will punctually perform all duties with reference to the trust estate required by the Constitution and Laws of the State of Texas, including particularly the making and collecting of such reasonable and sufficient rates and charges for electricity, gas and services supplied by its electric light and power plant and system and gas distribution system, to the city and to all other consumers, as will be fully sufficient to meet all the requirements of this indenture, and including the proper segregation and application of the revenues of said plant and systems, it being expressly hereby covenanted and agreed that such rates and charges will be so fixed that the revenues derived therefrom will be sufficient at all times to pay for all operating, maintenance, depreciation, replacement, betterment, and interest charges and to provide an interest and sinking fund sufficient to pay all indebtedness outstanding against the trust estate and fully to carry out all of the agreements contained in this indenture.

Section 10. The city will not grant a franchise for the operation of any competing electric system or gas system in the City of San Antonio until all bonds issued hereunder shall have been retired.

ARTICLE III.

Accounts and Records

Section 1. The Board of Trustees hereinafter created shall be required to keep full and proper books of record and account, in which full, true and proper entries will be made of all dealings, business and affairs of the city which in any way affect or pertain to the operation of the trust estate and the city's electric light and power plant and system and gas distribution system, and will furnish to the Trustee and to such bondholders as may request such statement, at least once every six months and at such other times as the Trustee may reasonably request, statements in reasonable detail showing the earnings and expenditures of the city's electric light and power plant and system and gas distribution system, including the trust estate, and the application of funds in the Revenue Fund hereinafter established, for the preceding six months period. Said board will also furnish to the Trustee from time to time such other data as to the plants, properties and equipment comprising a part of the trust estate, as the Trustee shall reasonably request.

As soon after the close of each operating year as may reasonably be done, said board will furnish to the Trustee and to all bondholders who may so request full audits and reports covering the operations of the city's electric light and power plant and system and gas distribution system, including the trust estate, for the preceding operating year, and showing the earnings and expenses of the properties and the disposition made of all revenues for said operating year, the amounts available for the purposes set forth in Article V hereof, and, in such detail as the Trustee may request, the assets, liabilities and financial condition of the city's electric light and power plant and system and gas distribution system at the close of such operating year. The Board of Trustees at the same time shall furnish to the Trustee an estimate of cash receipts and disbursements for the ensuing year in sufficient detail to indicate the probable total net income from operations and amounts available for the several fund accounts established herein. If any such audit discloses any discrepancies or misapplication of funds, the Board of Trustees shall be charged with the duty of rectifying such misapplications as far as possible and of remedying any deficiencies in payments hereunder from the first funds available for such purpose.

The Board of Trustees will at the expense of the Board of Trustees, upon written request of the City Commissioners or the Trustee, permit the City Commissioners and the Trustee at

all reasonable times, by their agents, engineers, accountants and attorneys, to examine and inspect the plants, property, books of account, records, reports and other data relating to the trust estate and to take copies and extracts therefrom, and will afford a reasonable opportunity to make any such examination and inspection and will furnish the Trustee and the City Commissioners any and all such other information as they may reasonably request. The Trustee shall be under no duty to make any such examination unless requested so to do by the holders of twenty-five per cent in principal amount of the bonds at the time outstanding and unless such holders shall have offered the Trustee security and indemity satisfactory to it against any costs, expenses and liabilities which might be incurred thereby.

The Board of Trustees shall as nearly as possible keep its books and records in the manner prescribed in the Uniform System of Accounts for Electric Utilities adopted by the National Association of Railroad and Utilities Commissioners on November 10, 1936, and in the Uniform System of Accounts for Gas Utilities adopted by said Association on November 10, 1936.

ARTICLE IV

INSURANCE

Section 1. The city covenants and agrees that at all times it will insure and keep insured through the Board of Trustees all properties subject to the lien hereof which are of a character usually insured by companies operating like properties in good and responsible insurance companies against risks customarily insured against by companies engaged in a similar business, and in the same manner and to the same extent, all loss therefrom (except any single loss which does not exceed $25,000) being payable to the trustees as their interests shall appear, by the customary mortgagee or trustee clauses to be attached to or inserted in the policies. The Board of Trustees shall furnish to the Trustee a list of such policies, showing the character of the insurance, the property and risk covered, the name of the insurance company, and other pertinent details, and shall keep the Trustee fully informed of any change in or addition to such list. Upon the written request of the Trustee such policies will be deposited with it. The Trustee, subject to the provisions of Article IX hereof, shall be under no obligation or duty to obtain any such schedule and shall have no duty or responsibility with respect to the sufficiency or effect of any of such policies of insurance, the renewal thereof, or the responsibility of the insurers, or with respect to any such schedule or the matters shown therein, except to display any such schedule to any holder of bonds desiring to inspect the same.

In case of loss or damage to any of the insured property, the proceeds of any such insurance on any one loss amounting to not more than $25,000 shall either be promptly applied by the Board of Trustees to the repair or replacement of the property destroyed or damaged, or otherwise to the improvement of the mortgaged property, or if not so applied within one year of the date of receipt thereof by the Board of Trustees, such proceeds shall be deposited in the Reserve Account created by Article V hereof. In any case where the proceeds of any such insurance shall amount to a sum in excess of $25,000 on account of any one loss, all such moneys shall be promptly deposited with the Trustee and shall be paid out from time to time to the Board of Trustees upon written request of the board, signed by its Chairman and Secretary, and accompanied by a certified copy of the resolution of the board directing such request, and specifying that certain expenditures have been made or incurred in repairing or replacing the property so impaired or destroyed and the amount thereof and requesting the payment by the Trustee to the Board of Trustees of an amount not in excess of the amount of such expenditures.

If in the judgment of the Board of Trustees and of a recognized public utility engineer selected by the Board of Trustees and approved by the Trustee, the interests of the Board of Trustees and the bondholders will be best served through the application of all or part of such

insurance proceeds to improvements to the mortgaged property which do not constitute the repair or replacement of the property for the destruction or impairment of which the insurance proceeds are so paid, the amount of such proceeds may be applied by the Board of Trustees to the making of such improvements, and payment thereof shall be made to the Board of Trustees by the Trustee as expended in the manner provided in the last preceding sentence hereof.

The Trustee may in its discretion require such additional proof of the matters certified in such resolution as it may consider necessary or desirable. Any insurance proceeds not so paid out by the Trustee within a period of two years from the date of the receipt thereof shall be used for the redemption of as many bonds as may be redeemed with the amount available and the city agrees that it will take such steps as may be necessary to call such bonds for redemption pursuant to the procedure therefor herein established.

Any adjustment of any loss under any policy of insurance made by the Board of Trustees may be consented to by the Trustee without investigation as to the fairness thereof. The payments of premiums for all insurance policies required under the provisions of this section shall be considered to be a maintenance and operation expense within the provisions of Article V hereof.

ARTICLE V

Application of Revenues

Section 1. From and after the issuance of any of the bonds all of the city's gas and electric facilities and properties, including the trust estate and including all additions and extensions to such properties which may be made while any of the bonds remain outstanding (all of which properties and facilities are in this and the following sections of this indenture sometimes referred to as "the system") shall be operated on the basis of an operating year commencing on August 2 of each year and ending on August 1 of the following year.

Section 2. All revenues of every nature received through the operation of the system shall be deposited as received in a special fund or account to be known as "City of San Antonio Electric and Gas Systems Revenue Fund" and which is hereinafter in this indenture referred to as the "Revenue Fund." The Revenue Fund shall be deposited from time to time in such bank or banks as may be selected for such purpose by the Board of Trustees, and such bank or banks are hereinafter collectively referred to as the "depositary." The bank or banks in which the Revenue Fund is kept on deposit shall always be banks or trust companies located in the City of San Antonio unless there is no bank or trust company in the City of San Antonio qualified and willing to serve as depositary, in which case the depositary may be any bank or trust company in the State of Texas. The Board of Trustees shall advise the Trustee of the names of the bank or banks initially selected as depositary and shall thereafter promptly advise the Trustee of all changes which are made in the depositary banks. If for any reason, in its sole discretion, the Trustee shall disapprove the appointment of any bank for such purpose and shall so advise the Board of Trustees, the Board of Trustees shall promptly appoint some other bank or trust company which meets with the approval of the Trustee.

Section 3. The money in the Revenue Fund shall be used first from day to day and month to month to pay the current expenses of operating, maintaining and repairing the system, including the cost of insurance, the purchase of supplies, the purchase or manufacture of gas and the purchase of electricity for distribution and resale, the payment of salaries and the payment of all other expenses properly incurred in operating and maintaining the system and keeping it in good repair and operating condition. In determining whether any particular expenditure represents a proper maintenance and operating expense as distinguished from a capital expenditure for improvements and extensions to the system, the accounting classifications provided to be followed in Article III hereof shall be accepted for such determination. In the event that at any time

hereafter taxes of any nature shall be lawfully imposed on the system or any part thereof or any income or revenues thereof by the United States of America or any governmental body or taxing subdivision other than the City of San Antonio, and such taxes are paid under the provisions of Section 7, Article II hereof, all such payments shall be made from the Revenue Fund as an expense of maintenance and operation under the provisions of this section.

Section 4. After the costs of maintenance and operation have been paid from the Revenue Fund as provided in the last preceding section of this article, the next available revenues shall be used and are hereby pledged to the payment of principal of and interest on the bonds and the accumulation of a reserve fund for such purpose and the Board of Trustees shall cause to be paid to the Trustee in due season in each year such amounts as will be fully sufficient promptly to pay all principal of and interest on the bonds which will become due during such year. The payments which are made to the Trustee for current principal and interest shall be increased in each year by an amount equivalent to twenty per cent (20%) of the total payments so otherwise to be made to the Trustee in such year. Such additional payments shall be held by the Trustee in an account to be known as the "San Antonio Electric and Gas Revenue Bonds Reserve Account" (hereinafter referred to as the "Reserve Account") and shall be used by the Trustee solely for the payment of principal of and interest on the bonds falling due at any time as to which there would be a default if money in the Reserve Account were not used for such purpose. The additional payments shall continue to be made into the Reserve Account until such time as there shall be in that account (as distinguished from the fund held by the Trustee for the payment of principal and interest falling due during the current year) money fully sufficient to pay all principal of and interest on the bonds which will become due during the eighteen (18) months immediately succeeding the close of the current operating year, and shall be thereafter made into the Reserve Account at all times when it shall be necessary in order to keep the money in the Reserve Account up to such minimum.

The payments required to be made to the Trustee in this section shall be made as nearly as possible in equal monthly installments in each year and shall be made on the tenth day of each month except that when the tenth day of any month shall be a Sunday or a holiday the payment shall be made on the next preceding secular day.

The first operating year shall consist of the period elapsing between the date of the delivery of the first of the bonds delivered hereunder and August 2 next succeeding, and the payments herein required to be made to the various funds during such operating year shall be made proportionally in such manner as to place therein the full amounts required for such year. All money received by the City as accrued interest on the bonds at the date of delivery shall be paid to the Trustee under the provisions of this paragraph, to be used for the payment of interest first falling due on the bonds.

Section 5. From the next available money in the Reserve Fund after all payments contemplated by Sections 3 and 4 of this Article have been made, there shall be paid to the bank which is at the time acting as depositary of general city funds to be used for such general city purposes as may from time to time be approved by the Commissioners of the City of San Antonio the annual sum of $ 210,300. , and there shall also be paid to the treasurer of the Independent School District of the City of San Antonio subject to approval as to allocation by the Commissioners of the City of San Antonio the annual sum of $113,750. , both sums to be paid as reimbursement to the City of San Antonio and Independent School District for the proceeds of taxes which would have been imposed on the properties of the system had the system remained under private ownership. To the extent that such remaining revenues are sufficient such payments shall be made in equal monthly installments. The obligation to pay such annual sums to the city and to the

Independent School District shall be cumulative and if in any year the money in the Revenue Fund after making the payments required by Sections 3 and 4 of this article shall be insufficient to pay in full the sums so due for such year, so much thereof as possible shall be so paid and the deficiency shall be paid from the first revenues available in the succeeding year or years after the payments required by Sections 3 and 4 of this article shall have been made in such year or years.

Section 6. From the next available money in the Revenue Fund after the payments contemplated by Sections 3, 4 and 5 of this article have been made, there shall be paid into a separate fund to be held by the depositary and to be known as the San Antonio Electric and Gas Systems Renewal and Replacement Fund" (hereinafter referred to as the "Renewal and Replacement Fund") an annual sum equal to not less than twelve and one-half per cent (12½%) of the receipts from the sale of electricity during the previous operating year and ten per cent (10%) of the receipts from the sale of gas during the previous operating year. The sums to be paid into such fund during the partial operating year ending on August 1, 1943, shall be in such proportion as is borne by the length of the partial operating year to that of a full operating year, and shall be computed on the basis of the gross revenues receibed by San Antonio Public Service Company from such sources during the last complete twelve month period prior to acquisition of the system by the city. The money in such fund shall be used solely for the making of such improvements and extensions to the system not properly classified as maintenance and operation expenses as may be from time to time directed to be made by the Board of Trustees. To the extent that the money in the Revenue Fund is sufficient after the making of the payments required by Sections 3, 4 and 5 of this article, the payments into the renewal and replacement fund shall be made in approximately equal monthly installments. If any payment herein required to be made into the Renewal and Replacement Fund shall at any time cause that fund to exceed the sum of Three Million Dollars ($3,000 000), any such payment shall be regarded and used as surplus for the purposes of the next succeeding section of this article.

Section 7. The money remaining in the Revenue Fund in each year after all payments required by the preceding sections of this article, including all payments necessary to be made by reason of deficiencies carried over from any preceding year or years, have been made, shall be regarded as surplus. There shall first be paid from such surplus existing at the end of each operating year to the bank which is then acting as depositary of general city funds a sum sufficient to reimburse the city for all money which has been paid to the Board of Trustees during such operating year for gas, electricity and the services of the system used by the city during such year. If the surplus which then remains in any year shall exceed $1,250,000, the money so in excess of $1,250,000 shall be applied to the redemption prior to maturity of as many of the bonds as can be retired with the sum so available. There shall next be taken from such remaining surplus (whether or not the surplus so remaining is in the amount of $1,250,000) the sum of $500,000, or if less than $500,000 remains, then all of the sum which so remains, and such sum of $500,000 or lesser remaining sum shall be placed by the Board of Trustees in a special fund to be known as a "Contingencies Fund" until the money in such fund shall equal Three Million Dollars ($3,000,000). The money in the Contingencies Fund may be used from time to time pursuant to the direction of the Board of Trustees, either for the payment of principal of or interest on the bonds for which no money is available in the Reserve Account and as to which there would otherwise be a default, or for the making of such renewals or replacements to the properties of the system as are made necessary by reason of some unexpected calamity or Act of God and for the making of which there is no money available either from the proceeds of insurance or in the Renewal and Replacement Fund. After the expenditure of any money from the Contingencies Fund reimbursement therefor

shall be made from the first surplus money thereafter available for such purpose under the provisions of this section. In any year in which the Contingencies Fund is in its full specified amount, then such $500,000 sum, or such smaller remaining sum if the surplus available in such year is less than $500,000, or so much of such $500,000 sum or smaller sum as may not be needed to bring the money in the Contingencies Fund to its full $3,000,000 amount, shall be used by the Board of Trustees for the redemption of bonds prior to maturity as above provided for the use of surplus in excess of $1,250,000. Any surplus money remaining at the end of each operating year after all payments from surplus hereinabove in this section required have been made shall be paid to the bank which is at the time acting as depositary of general city funds, to be used for such lawful purpose or purposes as may be prescribed by the Board of Commissioners, provided, however, that the Board of Commissioners may, by proper resolution adopted prior to the making of such payment, require the Board of Trustees to use such money in the reduction of rates for the ensuing operating year.

Section 8. All money held in the Revenue Fund, the Reserve Account, the Renewal and Replacement Fund and the Contingencies Fund shall be held as trust accounts for the benefit of the holders of the bonds and shall at all times be adequately secured by or, as to money in the Reserve Account, invested in, United States Government bonds or other marketable securities eligible as security for the deposit of trust funds under regulations of the Board of Governors of the Federal Reserve System, or by indemnity bonds of surety companies qualified as surety for United States Government deposits. All securities and indemnity bonds so standing as security for the money in such funds shall be approved by the Board of Trustees. The Board of Trustees shall make a monthly report to the Trustee specifying the amounts held in each of the two funds on deposit in the depositary and listing the securities and indemnity bonds standing as security for such deposits and the Trustee may, but need not, require such additions and substitutions to be made in such securities and indemnity bonds as in its opinion is necessary to protect the interests of the holders of the bonds. The money at any time held in the Renewal and Replacement Fund and Contingencies Fund may, at the discretion of the Board of Trustees, be invested in securities which are either direct obligations of the United States of America or direct obligations of any state or municipality thereof which are eligible for the investment of trust funds under the laws of the State of New York then in force, or which are direct obligations of Bexar County, Texas, the City of San Antonio, Texas, or the Independent School District of the City of San Antonio, Texas.

ARTICLE VI

Management

Section 1. Pursuant to authority contained in Article 1115, Texas Revised Civil Statues of 1925, the complete management and control of the system during such time as any of the bonds herein authorized are outstanding and unpaid shall be in the hands of a Board of Trustees to consist of five citizens of the United States of America permanently residing in Bexar County, Texas, to be known as the "Board of Trustees of the San Antonio Electric and Gas System." Said board is hereinafter and hereinbefore in this indenture referred to as the "Board of Trustees." The mayor of the City of San Antonio shall ex officio be one member of the Board of Trustees and the remaining members of the Board of Trustees shall consist of D. F. Youngblood, to serve for a term ending December 31, 1944, then W. B. Tuttle to serve for a term ending December 31, 1946, Franz C. Groos to serve for a term ending December 31, 1948, and Walter P. Napier to serve for a term ending December 31, 1950, each term of office to commence on the date of this indenture. After the expiration of each of the above prescribed terms of office, each member of the Board of Trustees, other than the Mayor, shall serve for a term of five years. All vacancies in membership,

whether occasioned by expiration of office or otherwise, shall be filled by a majority vote of the members of the Board of Trustees. Permanent removal of any member of the Board from Bexar County shall vacate his membership. Members shall be eligible to be re-elected for one additional term, and one only. If there shall hereafter be enacted by the Legislature of Texas an act making legal a seven person membership for the Board of Trustees, two additional members shall be elected for regular five year terms by the Board of Trustees in the manner hereinabove provided for filling vacancies.

Subject to the provisions and restrictions contained in this indenture, all of which shall be binding upon the Board of Trustees, the Board of Trustees shall have complete authority and control of the management and operation of the system and the expenditure and application of the revenues of the system.

The members of the Board of Trustees shall meet for the purpose of organization as soon as may be after the execution of this indenture and shall organize through the election of one of its members as Chairman and one as Vice-Chairman and through the appointment of a Secretary and a Treasurer or a Secretary-Treasurer, who may, but need not be, a member or members. If a member of the Board of Trustees is not appointed as Secretary or Treasurer, or Secretary-Treasurer, then the employee of the Board of Trustees whose duties in the operation of the system require him to perform similar duties may be appointed as such Secretary or such Treasurer or such Secretary-Treasurer. The Board of Trustees may make such regulations and by-laws for the orderly handling of its affairs as it may in its discretion see fit and shall thereafter operate and manage the system with the same freedom and in the same manner as are ordinarily enjoyed and followed by the Board of Directors of a private corporation operating properties of a similar nature.

The Board of Trustees shall obtain and keep continually in force an employees' fidelity and indemnity bond of the so-called "blanket" type, written by a solvent and recognized indemnity company and covering losses to the amount of not less than One Hundred Thousand Dollars ($100,000).

The Board of Trustees shall elect and appoint all officers and employees which it may consider desirable, including a general manager of the system and an attorney or attorneys. No officer or employee may be employed by the Board of Trustees who shall be related within the second degree of consanguinity to any member of the Board of Trustees, nor shall the Board of Trustees be permitted to fill a vacancy in its membership by any person so related to any member of the Board, or by any person who shall have been so related within a period of five years prior to his election. The members of the Board other than the Mayor of the city shall receive an annual compensation of Two Thousand Dollars ($2,000), except that the Chairman of the Board shall receive an annual compensation of Two Thousand Five Hundred ($2,500). With the consent of all remaining members of the Board, one member of the Board may be made general manager of the system, and in such event the member so acting as general manager may receive an annual compensation not in excess of Twelve Thousand Dollars ($12,000.00). The members of the Board of Trustees, either singly or collectively, shall not be personally liable for any act or omission not wilfully fraudulent or mala fide. Any member of the Board of Trustees other than the mayor of the city who shall be continuously absent from all meetings of the Board for a period of four (4) consecutive months shall, unless he shall have been granted leave of absence by the unanimous vote of the remaining members of the Board, be considered to have vacated his office. Any member of the Board other than the mayor of the city may, by unanimous vote of the remaining members of the Board, be removed from office, but only for adequate cause.

ARTICLE VII.

Possession of Mortgaged Property

Section 1. While not in default in the payment of principal of or interest on any of

the bonds secured hereby, or in respect of any of the covenants, agreements or conditions in this indenture contained, the city through the Board of Trustees shall be permitted and suffered to possess, use and enjoy the trust estate and all property and appurtenances, franchises and rights conveyed by this indenture (except money or property, if any, expressly required to be deposited with the Trustee) and to receive and use the revenues, rents, issues, income, produce and profits thereof with power in the ordinary course of business freely and without let or hindrance on the part of the Trustee or of the holders of the bonds, to use and consume supplies; to alter, repair, dismantle and change the position of any of its buildings and structures, plants, mains pipe lines, poles, wires, conduits or other property whatsoever (provided that no such change shall impair the lien of this indenture upon any such building, structure, plant, main, pipe line, pole, wire, conduit, or other property); to replace and renew any of its equipment, machinery or other property; and to acquire any and all rights under choses in action and contracts.

Section 2. The city from time to time, through the Board of Trustees, while in possession of the trust estate shall be suffered and permitted without any release from or action by the trustees or either of them to sell, exchange or otherwise dispose of, free from the lien of this indenture, (1) any of its equipment, machinery, fixtures, apparatus, applicances, tools, implements, or other chattels at any time subject to the lien hereof which may have become worn out or unserviceable, disused, undesirable or unnecessary for use in the conduct of its business, replacing the same by, or substituting for the same, other property of equal value to the city, which shall forthwith become, without further action, subject to the lien of this indenture, and (2) any materials, merchandise, equipment and supplies in the ordinary course and conduct of its business; and provided further that upon the sale or other disposition of such property to the value of $10,000 or more, in any one calendar month, the Board of Trustees shall cause to be filed with the Trustee a certificate describing such property, stating that such property has become worn out, unserviceable, undesirable or unnecessary for use in the conduct of its properties and that such disposition thereof will not impair the operating integrity of the properties, and stating also the consideration received from such sale or other disposition thereof and the use made of such consideration.

Section 3. So long as the city is not in default hereunder, to the knowledge of the Trustee, in each calendar year the city may sell or otherwise dispose of any property constituting a part of the property mortgaged hereunder not exceeding Two Hundred Thousand Dollars ($200,000) in aggregate sale price or fair value (whichever is greater), without deduction for any liens on such property, and obtain the release of, and the trustees shall release from the lien hereof, such property, but only upon the receipt by the Trustee of a certificate signed by a majority of the Board of Trustees and by a licensed engineer stating in substance:

(1) The then fair value, in the opinion of the signers, of the property to be released, which property shall be described in such certificate in reasonable detail;

(2) That the aggregate sale price or fair value (whichever is greater) of such property, and of all property theretofore released by the trustees pursuant to the provisions hereof during the calendar year in which the request for the release is made, does not exceed Two Hundred Thousand Dollars ($200,000), and, if such release is requested after the expiration of the third year from the date of this indenture, that all property released hereunder by the trustees from the date of this indenture to the date of the request of said additional release does not exceed ten per cent (10%) of the bonds of the issue secured hereby theretofore paid or otherwise retired; and

(3) That the city is not, to the knowledge of the signers, in default in the performance of any of the terms or covenants of this indenture or of the bonds secured hereby, and that such release will not be, in the opinion of the signers, prejudicial to the interest of the bondholders,

and that the property to be released is not, in the opinion of the signers, necessary to the proper and economical operation of the electric and gas systems.

The money received from the sale of such released property shall be held by the Board of Trustees as a special fund for the purchase of additional property deemed by them necessary or advantageous to the system, and unless such money is used in such purchase of property within eighteen (18) months of the time received, the same shall be used in the redemption prior to maturity of as many of the bonds as may be redeemed with such money in the manner provided in Section 7, Article V, above, for the redemption of bonds with surplus funds. All additional property purchased or acquired under the provisions of this section shall immediately upon such purchase or acquisition become subject to the lien of this indenture.

ARTICLE VIII.

Defaults and Remedies

Section 1. For the purpose of this indenture the following events are hereby defined as and are declared to be "events of default":

(a) Default in the due and punctual payment of any interest on any of the bonds and the continuance thereof for a period of ninety (90) days after written notice thereof by the Trustee to each member of the Board of Commissioners of the City of San Antonio and to each member of the Board of Trustees, stating that payment has been demanded and default made.

(b) Default in the due and punctual payment of the principal of any of the bonds at maturity thereof and the continuance thereof for a period of ninety (90) days after written notice thereof by the Trustee to each member of the Board of Commissioners of the City of San Antonio and to each member of the Board of Trustees, stating that payment has been demanded and default made.

(c) Default in the performance or observance of any other of the covenants, agreements or conditions on the part of the city and the Board of Trustees to be kept, observed and performed contained in this indenture or in the bonds, and continuation of such default for a period of ninety (90) days after written notice thereof by the Trustee to each member of the Board of Commissioners of the City of San Antonio and to each member of the Board of Trustees.

(d) The institution of bankruptcy proceedings, either voluntary or involuntary, under any state or federal statute, whereby the city's duty to carry out all of the covenants and agreements in this indenture contained might be in anywise affected.

Any notice herein provided to be given to a member of the Board of Commissioners and the City Clerk and to a member of or the Secretary of the Board of Trustees shall be deemed sufficiently given if sent by registered mail with postage prepaid to the person to be notified, addressed to him at the post office in the City of San Antonio. The Trustee may give any such notice in its discretion and shall give such notice if requested so to do by the holders of not less than twenty per cent (20%) in principal amount of the bonds at the time outstanding.

Wherever "bonds" are referred to in this article the term shall be understood to mean not only all outstanding bonds of the issue of $35,000,000 originally secured hereby, but also all outstanding refunding bonds which may be issued under the provisions of this indenture in such manner as to be entitled to the security of this indenture on an equality with the bonds of said original issue.

Section 2. Upon the happening of any event of default as defined in Section 1 of this article, the Trustee shall, but only upon the written request of the holders of not less than sixty per cent (60%) in principal amount of the bonds then outstanding hereunder, and upon being indemnified to its satisfaction, by notice in writing to the Secretary of the Board of Trustees and to the City Clerk to be sent as provided in Section 1 hereof, declare the principal of all bonds then outstanding hereunder to be due and payable immediately, and upon any such declaration the

said principal shall become and be due and payable immediately, anything in this indenture or in the said bonds to the contrary notwithstanding. This provision, however, is subject to the condition that if at any time after the principal of said bonds shall have been declared due and payable and before any sale of the trust estate shall have been made, all arrears of interest upon all such bonds, with interest upon all past due installments of interest at the rate borne by the bonds, and all past due principal of the bonds, together with the reasonable charges and expenses of the trustees, their agents, attorneys and counsel, shall be paid by the city and after all other defaults which may have occurred shall have been remedied or cured to the satisfaction of the Trustee, then and in every such case, the holders of sixty per cent (60%) in principal amount of the bonds then outstanding may, by notice in writing given to the Trustee, and to the City Clerk and the Secretary of the Board of Trustees in the manner provided in Section 1 of this article, waive such default and its consequences, and rescind such declaration, but no such waiver or rescission shall extend to or affect any subsequent default or impair or exhaust any right or power consequent thereon.

Section 3. Upon the happening of any event of default as defined in Section 1 of this article, the trustees or either of them, personally or by their attorneys or agents, may to the extent permitted by law enter into and upon and take possession of all the trust estate and each and every part thereof and exclude the city or its agents, servants and employees wholly therefrom, and have, hold, use, operate, manage and control the same and each and every part thereof, and in the name of the city or otherwise, as they shall deem best, conduct the business thereof and exercise the franchises pertaining thereto and all the rights and powers of the city and use all of the then existing property, materials, current supplies, stores, and other assets for that purpose, and at the expense of the trust estate from time to time maintain, restore, insure and keep insured, the properties, plants, equipment and apparatus provided or required for use in connection with such business, and likewise from time to time, at the expense of the trust estate, make all such necessary or proper repairs, renewals and replacements and all such useful alterations, additions, betterments and improvements as to them may seem judicious, and collect and receive all tolls, earnings, income, rents, issues, profits and revenues of the same and of every part thereof, and after deducting therefrom the expenses of operation and all expenses incurred hereunder and all other proper outlays herein authorized, and all payments which may be made as just and reasonable compensation for their own services, and for the services of their attorneys, agents, and assistants, the Trustee shall apply the rest and residue of the moneys received by the trustees or either of them as follows:

(a) In case the principal of none of the bonds shall have become due, to the payment of the interest in default, in order of the maturity of the installments of such interest, with interest on the overdue installments thereof at the same rates, respectively, as were borne by the bonds on which such interest shall be in default, such payments to be made ratably to the parties entitled thereto without discrimination or preference.

(b) In case the principal of any of the bonds shall have become due by declaration or otherwise, first to the payment of the interest in default, in the order of the maturity of the installments thereof, with interest on overdue installments thereof at the same rates, respectively, as were borne by the bonds on which such interest shall be in default, and next to the payment of the principal of all bonds then due, such payments to be made ratably to the parties entitled thereto without discrimination or preference.

In case all of such payments, and payment of whatever may be payable for any other purpose required by any provision of this indenture, shall have been made in full and no suit to foreclose or enforce this indenture shall have been begun or sale made as hereinafter provided, and

upon compliance with all other provisions of this indenture as to which the city shall be in default, the trustees after making such provision as to them may seem advisable for the payment of the next maturing installment of interest to fall due upon the bonds, shall restore the possession of the trust estate (other than any cash at the time required to be held by the Trustee hereunder) to the city.

Section 4. Upon the happening of any event of default as defined in Section 1 of this article, if the principal of all of the bonds outstanding hereunder shall have been properly declared due and payable as provided in Section 2 of this article, and whether or not the remedies authorized by Section 3 of this article shall have been pursued in whole or in part, the trustees, or either of them, may cause this indenture to be foreclosed and the trust estate to be sold, and may proceed to protect and enforce the rights of the trustees and the bondholders hereunder in such manner as counsel for the trustees shall advise, whether for the specific performance of any covenant, condition, agreement or undertaking herein contained, or in aid of the execution of any power herein granted, or for the enforcement of such other appropriate legal or equitable remedies as may in the opinion of such counsel be more effectual to protect and enforce the rights aforesaid. The Trustee shall take any such action or actions if requested so to do by the holders of at least sisty per cent (60%) in principal amount of the bonds then outstanding hereunder.

Section 5. Upon the happening of any event of default as defined in Section 1 of this article, and if the principal of all of the outstanding bonds shall have been declared due and payable as provided in Section 2 of this article, then and in every such case, and whether or not the remedies authorized by Section 3 of this article shall have been pursued in whole or in part, the trustees, or either of them, shall, but only upon the written request of the holders of not less than sixty per cent (60%) in principal amount of the bonds then outstanding hereunder, with or without entry, sell to the highest bidder the trust estate and all right, title, interest, claim and demand thereto and the right of redemption thereof, at any such place or places, and at such time or times and upon such notice and terms as the Trustee may fix and specify and as may be required by law. In case of such sale of any of the property subject to this indenture, notice of such sale shall first be given by publication in at least one daily newspaper published in the city in which the sale is to be made, at least once a week for four successive weeks next preceding such sale, and by like publication in at least one daily newspaper published in the City of New York, New York, and by the giving of any other notices which may be required by law, and upon such sale the trustees may make and deliver to the purchaser or purchasers a good and sufficient deed or deeds for the same, which sale shall be a perpetual bar both at law and in equity against the city and all persons and corporations lawfully claiming or to claim by, through or under it. No purchaser at any such sale shall be bound to see to the application of the purchase money or to inquire as to the authorization, necessity, expediency or regularity of any such sale. Nevertheless, the city if so requested by the Trustee, shall ratify and confirm any sale or sales by executing and delivering to the Trustee or to such purchaser or purchasers all such instruments as may be necessary or in the judgment of the Trustee proper for the purposes which may be designated in such request.

Such notice of sale shall state that the city has granted to the purchaser of the mortgaged property a franchise for the operation thereof for a period of twenty years dating from such purchase.

Section 6. In the event of any sale, whether made under the power of sale hereby granted and conferred or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, the whole of the trust estate shall be sold in one lot and as an entirety, unless such sale as an entirety is impossible or impracticable by reason or some statue or otherwise.

Section 7. The trustees may from time to time adjourn any sale to be made by them hereunder by announcement at the time and place of such adjourned sale, and without further notice or publication except as otherwise required by law may make such sale at the time and place to which the same may be so adjourned.

Section 8. In case an event of default as defined in Section 1 of this article occurs, and if all of the bonds outstanding hereunder shall have been declared due and payable as provided in Section 2 hereof, and in case a bill in equity shall be filed or any other judicial proceeding commenced to enforce any right of the trustees or of the bondholders under this indenture or otherwise, then as a matter of right, the Trustee shall be entitled to the appointment of a receiver of the trust estate and of the earnings, income or revenues, rents, issues and profits thereof with such powers as the court making such appointment may confer.

Section 9. In case the trustees or either of them shall have proceeded to enforce any rights under this indenture by foreclosure, sale, or otherwise, and such proceedings shall have been discontinued or appealed, or shall have been determined adversely to the trustees, then and in every such case, the city and the trustees shall be restored to their former respective positions and rights hereunder in respect of the trust estate, and all rights, remedies and powers of the trustees and the bondholders shall continue as though no such proceeding had been taken.

Section 10. In case of any such sale of the trust estate, any bondholder or bondholders or committee of bondholders, or either trustee, may bid for and purchase such property and upon compliance with the terms of sale may hold, retain possession and dispose of such property as the absolute right of the purchaser or purchasers without further accountability and shall be entitled, for the purposes of making settlement or payment for the property purchased, to use and apply any bonds hereby secured and any interest thereon due and unpaid, whether or not such interest be evidenced by coupons, by presenting such bonds and coupons in order that there may be credited thereon the sum apportionable and applicable thereto out of the net proceeds of such sale, and thereupon such purchaser or purchasers shall be credited on account of such purchase price payable by him or them with the sum apportionable and applicable out of such net proceeds to the payment of or as credit on the bonds and coupons so presented.

Section 11. The proceeds of any judicial or other sale of the trust estate, together with any funds at the time held by the Trustee and not otherwise appropriated, shall be applied by the Trustee as follows:

First: To the payment of the costs, expenses, fees and other charges of such sale and a reasonable compensation to the trustees, their agents and attorneys, and to the discharge of all expenses and liabilities incurred and advances or disbursements made by the trustee hereunder.

Second: Any surplus then remaining to the payment of the whole amount then due or unpaid upon the bonds issued hereunder and then outstanding for principal and interest, with interest on overdue principal and overdue installments of interest at the same rates, respectively, as were borne by the bonds whereof the principal or installments of interest may be overdue, and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid, then to the payment of such principal and interest ratably according to the aggregate amount due on all bonds then outstanding without preference or priority of principal over interest or of interest over principal.

Third: Any surplus then remaining to the city or whomsoever shall be lawfully entitled thereto.

Section 12. In case of a sale under any of the foregoing provisions of this article, whether made under the power of sale herein granted, or under or by virtue of judicial proceedings, the principal of all bonds issued hereunder and then outstanding, if not previously due, shall

immediately thereupon become due and payable, anything in said bonds or in this indenture to the contrary notwithstanding.

Section 13. The remedies herein conferred upon or reserved to the trustees or to the holders of bonds hereby secured are not intended to be exclusive of any other remedy, but each remedy herein provided shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, and every power and remedy hereby given to the trustees or to the holders of bonds issued hereunder may be exercised from time to time as often as may be deemed expedient. No delay or omission of the trustees or of any holder of bonds issued hereunder to exercise any power or right arising from any default hereunder shall impair any such right or power (unless the exercise of such right or power shall become barred by law) or shall be construed to be a waiver of any such default or to be acquiescence therein.

Section 14. Anything in this indenture contained notwithstanding, the holders of sixty per cent (60%) in amount of the bonds hereby secured and then outstanding, shall have the right by an instrument or instruments in writing delivered to the Trustee to direct and control the trustees as to the method of taking any and all proceedings for any sale of any or all of the trust estate or for the foreclosure of this indenture or for the appointment of a receiver, and may at any time cause any proceedings authorized by the terms hereof to be so taken or to be discontinued or delayed, provided however, that such holders shall not be entitled to cause the Trustee to take any proceedings which in its opinion would be unjustly prejudicial to non-assenting bondholders.

Section 15. No holder of any bond or coupon issued hereunder shall have any right as such holder to institute any suit, action or proceeding for the foreclosure of this indenture or for the execution of any trust hereunder or for the appointment of a receiver or for any other remedy hereunder, all rights of action hereunder being vested exclusively in the trustees, unless and until such holder shall have previously given to the Trustee written notice of a default hereunder and of the continuance thereof, and also unless the holders of the requisite principal amount of the bonds then outstanding shall have made written request upon the Trustee and shall have afforded it a reasonable opportunity to institute such action, suit or proceeding in its own name, and unless the trustees shall have been offered reasonable indemnity satisfactory to them against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee for thirty (30) days after receipt of such notification, request or offer of indemnity shall have failed to institute any such action, suit or proceeding, it being understood and intended that no one or more holders of the bonds shall have the right in any manner whatever by his or their action to affect, disturb or prejudice the lien of this indenture or to enforce any right hereunder except in the manner herein provided and for the equal benefit of all holders of such outstanding bonds.

Section 16. In any suit or action by the trustees, or either of them, arising under this indenture or on all or any of the bonds or coupons issued hereunder, the Trustee or trustees shall not be required to produce such bonds or coupons, but shall be entitled in all things to maintain any such suit or action without their production.

Section 17. If any covenant, agreement, waiver or part thereof in this article or elsewhere in this indenture contained be forbidden by any pertinent law, or under any pertinent law be effective to render this indenture invalid or unenforceable or to impair the lien hereof, then each such covenant, agreement, waiver or part thereof shall itself be and is hereby declared to be wholly ineffective and this indenture shall be construed as if the same were not included herein.

ARTICLE IX.

The Trustees

Section 1. The trustees accept the trusts herein created, but only upon the terms and conditions set forth in this Article IX.

Section 2. The recital of facts herein and in said bonds contained shall be taken as the statements of the city and the trustees assume no responsibility for the correctness of the same. The trustees make no representations as to the value of the mortgaged and pledged property or any part thereof, or as to the title of the city thereto, or as to the security afforded thereby and hereby or as to the validity of this indenture or of the bonds or coupons, issued hereunder, and the trustees shall incur no responsibility in respect of such matters.

Section 3. The trustees shall be under no duty to file or record or cause to be filed or recorded this indenture or any instrument supplemental thereto as a mortgage, conveyance or transfer of real or personal property or otherwise, or to re-file or re-record or renew the same, or to procure any further, other or additional instruments of further assurance, or to see to the delivery to them of any personal property intended to be mortgaged or pledged hereunder, or to do any act which may be suitable to be done for the better maintenance or continuance of the lien or security hereof, or for giving notice of the existence of such lien, or for extending or supplementing the same or to see that any property intended now or hereafter to be conveyed in trust hereunder is subjected to the lien hereof. The trustees shall not be liable for failure of the Board of Trustees to insure or renew insurance or for responsibilities of insurers, or for the amount of insurance carried by the Board of Trustees on any part of the trust estate, or for the failure of the city to pay any tax or taxes in respect of the mortgaged and pledged property, or any part thereof, or the income therefrom or otherwise, nor shall the trustees be under any duty in respect of any tax which may be assessed against them or the owners of the bonds in respect of the mortgaged and pledged property.

Section 4. The trustees may execute any of the trusts or powers hereof and perform any duty hereunder, either themselves or by or through their attorneys, agents, or employees, and they shall not be answerable or accountable for any act, default, neglect or misconduct of any such attorneys, agents or employees, if reasonable care has been exercised in the appointment and retention thereof, nor shall the trustees be otherwise answerable or accountable under any circumstances whatsoever, except for their own gross negligence or bad faith.

Section 5. The trustees shall be under no obligation or duty to perform any act hereunder or to institute or defend any suit in respect hereof, unless properly indemnified to their satisfaction. The trustees shall not be required to take notice, or be deemed to have knowledge, of any default of the city or the Board of Trustees hereunder and may conclusively assume that there has been no such default unless and until they shall have been specifically notified in writing of such default by the holders of the percentages in principal amount of the bonds then outstanding hereinabove specified.

Section 6. Neither of the trustees shall be bound to recognize any person as the holder of a bond unless and until his bond is submitted to such trustee for inspection, if required, and his title thereto satisfactorily established, if disputed, or unless his bond is registered.

Section 7. The trustees shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, appraisal, opinion, bond, or other paper or document believed by them to be genuine and to have been signed or presented by the proper party or parties. The trustees may consult with counsel (who may be of counsel for the city or for a bondholder), and with other experts, and the opinion of such counsel or other experts shall be full and complete authorization and protection in respect of any action taken or suffered and in respect of

any determination made by them hereunder in good faith and in accordance with the opinion of such counsel.

Section 8. The Trustee shall not be obligated or liable to allow to the city interest on any moneys received by it hereunder, except that the Trustee shall pay the Board of Trustees interest on money in the Contingencies Fund at the rate or rates it is currently paying its depositors on checking account balances of similar amounts, if interest on balances is then being so paid.

Section 9. The Board of Trustees shall pay to the trustees from time to time a reasonable compensation for all services rendered by them hereunder, and also their reasonable expenses, charges and other disbursements and those of their attorneys, agents, and employees, incurred in and about the administration and execution of the trusts hereby created. All payments so made to the trustees by way of compensation, expenses, charges and other disbursements shall be regarded as a maintenance and operation expense and paid from the Revenue Fund accordingly. In default of such payments by the city or the Board of Trustees, and as security for such payment, the trustees shall have a lien therefor on the trust estate and the proceeds thereof prior to any rights of the holders of the bonds and coupons.

Section 10. Any trustee hereunder may become the owner of bonds and coupons with the same rights he or it would have if not a trustee. The Trustee may act as depositary for, and permit any of its officers or directors to act as a member of, or in any other capacity in respect of any committee formed to protect the rights of the holders of bonds or to effect or aid in any reorganization growing out of the enforecement of the said bonds or of this indenture, whether or not any such committee shall represent the holders of more than fifty per cent (50%) in principal amount of the bonds.

Section 11. The Trustee and any successor to the Trustee may resign and be discharged from the trust created by this indenture by giving to the City Clerk and to the Secretary of the Board of Trustees notice in writing and by giving the bondholders notice through publication thereof at least once a week for three successive calendar weeks, the first publication to be not less than thirty and not more than sixty days prior to the effective date of such resignation, in one newspaper published and having general circulation in the City of San Antonio and in a financial newspaper or journal published in the City of New York, New York. Each of such notices shall specify the date on which such resignation is to take effect. Such resignation shall take effect on the day specified in such notice, unless previously a successor trustee shall have been appointed either by the bondholders or by the city as hereinafter provided, in which event, such resignation shall take effect immediately upon the appointment of such successor trustee. The Individual Trustee and any successor to the Individual Trustee may resign at any time and be discharged from the trusts created by this indenture by giving the City Clerk, the Secretary of the Board of Trustees and the Trustee notice in writing of such resignation, specifying a date when such resignation shall take effect, which shall be at least thirty days after the giving of such notice.

Section 12. Either of the trustees or any successor trustee may be removed at any time by the holders of a majority in principal amount of the bonds issued hereunder and at the time outstanding, upon payment to the trustee so removed of all moneys then due to it or him hereunder, by an instrument or concurrent instruments in writing in duplicate by such holders. One copy shall be filed with the Secretary of the Board of Trustees and the other with the trustee so removed.

The Individual Trustee and any successor to the Individual Trustee may be removed at any time upon payment to him of all moneys then due to him hereunder by an instrument in writing

signed in duplicate by the Trustee, one copy of which shall be filed with the Secretary of the Board of Trustees and the other delivered to the Individual Trustee so removed.

Section 13. In case at any time either of the trustees or any successor trustee shall resign, die, be dissolved, or be removed, or otherwise shall become disqualified to act or incapable of acting, or in case control of the Trustee or of any successor Trustee or of its officers shall be taken over by any public officer or officers, a successor Trustee may be appointed by the holders of a majority in principal amount of the bonds issued hereunder and at the time outstanding, by an instrument or concurrent instruments in writing signed and duly acknowledged by such bondholders or by their attorneys-in-fact duly authorized, and filed, one copy with the retiring trustee, and the other with the successor trustee, notification thereof being given to the Secretary of the Board of Trustees by such successor trustee; but until a successor trustee shall be so appointed by the bondholders as herein authorized the Board of Trustees by an instrument in writing duly authorized by resolution shall in such case appoint a successor to the Trustee and the Trustee shall be an instrument in writing in any such case appoint a successor to the Individual Trustee. In the case of any such appointment by the Board of Trustees of a successor to the Trustee, the board shall forthwith cause notice to be published once in each week for two consecutive calendar weeks in one newspaper published and having general circulation in the City of San Antonio and in one financial newspaper or journal published in the City of New York, New York. Every such successor Trustee so appointed by the bondholders, by a court of competent jurisdiction, or by the Board of Trustees shall be a bank or trust company in good standing, organized and doing business under the laws of the United States or of any state, and having its principal office in the Borough of Manhattan, the City of New York, New York, or in the City of Chicago, Illinois, and having a combined capital and surplus of not less than $5,000,000, which is authorized under the laws of the jurisdiction of incorporation to exercise corporate trust powers and is subject to supervision or examination by a Federal or State authority. Every successor trustee appointed by the bondholders or by the Trustee in succession to the Individual Trustee, shall always be an individual, a citizen of the United States of America, unless otherwise required by law.

If in a proper case no appointment of a successor Trustee or of a successor Individual Trustee shall be made pursuant to the foregoing provisions of this article within six months after a vacancy shall have occurred in the office of trustee, the holder of any bond or the retiring Trustee or Individual Trustee may apply to any court of competent jurisdiction to appoint a successor trustee. Said court may thereupon after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee or Individual Trustee as the case may be.

Section 14. Any successor trustee appointed hereunder shall execute, acknowledge and deliver to its or his predecessor trustee, and also to the city, an instrument accepting such appointment hereunder, and thereupon such successor trustee, without any further act, deed or conveyance shall become fully vested with all the estate, properties, rights, powers, trusts, duties and obligations of its or his predecessor in trust hereunder, with like effect as if originally named as trustee herein; but the trustee ceasing to act, shall nevertheless, on the written request of the city, or of the successor trustee, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor trustee all the right, title and interest of the trustee which it or he succeeds, in and to the mortgaged and pledged property and such right, powers, trusts, duties and obligations, and the trustee ceasing to act shall also, upon like request, pay over, assign and deliver to the successor trustee any money or other property subject to the lien of this indenture, including any pledged securities which may

then be in its possession. Should any deed, conveyance or instrument in writing from the city be required by the new trustee for more fully and certainly vesting in and confirming to such new trustee such estate, properties, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the city.

In case any of the bonds to be issued hereunder shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of the Trustee or of any successor to the Trustee; and in case any of the bonds shall not have been authenticated any successor to the Trustee may authenticate such bonds in its own name; and in all such cases such certificate shall have the full force which it is anywhere in the bonds or in this indenture provided that the certificate of the Trustee shall have.

Section 15. Any notice, request or other instrument required by this indenture to be served on the city or sent to the city shall, unless otherwise expressly provided, be considered to have been sufficiently given when sent by registered mail to the Secretary of the Board of Trustees addressed to the office of said board in the City of San Antonio and to the City Clerk addressed to the City Hall in the City of San Antonio. Any notice, request or other writing by or in behalf of the city or any of the bondholders delivered solely to the Trustee shall be deemed to have been delivered to both of the trustees hereunder as effectually as if delivered to each of them.

Section 16. All the estate, right, title and interest in and to the trust estate by this indenture conveyed or assigned or transferred to the trustees is conveyed, assigned and transferred to them as joint tenants and not as tenants in common.

Section 17. The Trustee shall authenticate and turn over to the city official then performing the duties of City Treasurer for delivery bonds in an aggregate principal amount not to exceed $35,000,000 when and as directed to do so upon written order of the city signed by its Mayor and its Clerk. which order shall specify the official to whom the bonds are to be so delivered.

Section 18. The Secretary of the Board of Trustees shall file with the Trustee annually a certificate showing the names of the then members of the Board of Commissioners of the City of San Antonio and the then members of the Board of Trustees and the names of the City Clerk and of the Secretary of the Board of Trustees. The Trustee shall be entitled for all purposes of this indenture to assume that the persons whose names appear on the latest list filed with it continue to hold their offices until it is notified to the contrary by the Secretary of the Board of Trustees.

Section 19. The trustees shall not be accountable or responsible in any manner whatsoever for any action of the Board of Trustees, or of the depositary of funds of such Board of Trustees, or for application of revenues from the trust estate by the Board of Trustees, and shall have no duty to make any inquiry into disposition of the Revenue Fund.

Section 20. All cash collected by, or payable to, the trustees or either of them shall be paid to, and deposited with, and all bonds and other obligations or securities shall be held by the Trustee, except as otherwise required by law. Any moneys at any time coming into the hands of the Individual Trustee shall be at once paid over to the Trustee.

Whenever any moneys, bonds, or other obligations or securities are, under any provision of this indenture, paid or delivered to, or deposited with, the Trustee, title to the same shall be deemed to be vested in both trustees hereunder, but nothing in this section contained shall be deemed to affect or impair any power or right conferred by any provision of this indenture upon the Trustee to apply, disburse or otherwise act or deal with respect to any moneys, bonds or other obligations or securities received or held by it as aforesaid.

Any request in writing by the Trustee to the Individual Trustee shall be a sufficient warrant for the Individual Trustee to take such action as may be requested.

The Individual Trustee or any successor, so far as permitted by law, may delegate to the Trustee or any successor the right to exercise any and all power, discretionary or otherwise, conferred by any of the provisions of this Indenture.

Said Harold Eckhart has been joined as Individual Trustee in order to comply with any legal requirements respecting trustees under deeds of trust to property in the State of Texas, and shall as such trustee possess such powers, and such powers only, as may be necessary to comply with such requirements. In the event of the incapacity or lack of authority of the Trustee by reason of any present or future law of the State of Texas to exercise any of the powers, rights or remedies herein granted to the Trustee, or to hold title to the mortgaged property in trust as herein granted, or to take any other action which may be necessary or desirable in connection therewith, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, right, title, interest, and lien expressed or intended by this indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto, shall be exercisable by and vest in the Individual Trustee to the extent necessary to enable the Individual Trustee to exercise such powers, rights and remedies, and every conveyance and obligation necessary to the exercise thereof by the Individual Trustee shall run to and be enforceable by the Individual Trustee and the Individual Trustee shall take such action in respect thereof as may be directed in writing by the Trustee. Any such direction in writing by the Trustee shall be full protection to the Individual Trustee for any action taken by him pursuant thereto, and shall be competent evidence, and the only necessary evidence of the necessity for the taking of such action by the Individual Trustee. Except to the extent that, under any law of the State of Texas, the Trustee shall be incompetent or unqualified to perform any particular act or acts, the rights, powers, duties, and obligations conferred or imposed upon the trustees or either of them, shall be conferred or imposed upon and exercised or performed by the Trustee.

In the event that it may be necessary for the Trustee to enforce any of the provisions of this Indenture in the State of Texas or in any other State, by court proceedings or in any other manner, the Trustee may, in writing, authorize the Individual Trustee in his name as trustee to take such action or institute such proceedings as may be appropriate under the provisions of the indenture, without joining the Trustee as a party thereto, and in such event the Individual Trustee shall be vested with all the rights, powers and duties of the Trustee hereunder, and may enforce the same in his name as Individual Trustee in the manner provided in the indenture without joinder of the Trustee in any action or proceeding so taken.

Any and all rights, powers or duties by any provisions of this indenture conferred or imposed upon the trustees may be exercised and performed by the Trustee alone without reference to the Individual Trustee in so far as permitted by law, and the Individual Trustee hereby irrevocably constitutes and appoints the Trustee his true and lawful attorney-in-fact with full power and authority, in so far as permitted by law, either in the name and on behalf of the Individual Trustee alone, or of the trustees jointly, to exercise any and all rights or powers conferred upon the Individual Trustee alone, or upon the trustees jointly, by any of the provisions of this indenture, but subject to the duties hereby imposed upon the Individual Trustee, with full power of substitution and revocation, hereby ratifying and confirming all and singular the acts and things lawfully done by the Trustee or any substitute by virtue of this power of attorney. Any and all rights, powers or duties by any provisions of this indenture conferred or imposed upon the trustees or the Trustee which may not be exercised and performed by the Trustee alone, or by the Individual Trustee and the Trustee jointly, may and shall be exercised and performed by the

Individual Trustee without reference to the Trustee, in so far as permitted by law.

ARTICLE X.

Franchise

Section 1. In the event that any sale of the trust estate shall be made under any of the provisions of this indenture for the enforecment of the lien of this indenture, the City of San Antonio hereby grants to the purchaser or purchasers at such sale a franchise to operate the property so purchased for a term of twenty years dating from such purchase, subject to all laws regulating same then in force. The properties so purchased, in the event they are operated by the purchaser pursuant to such franchise, shall be operated, conducted and maintained in such manner as to be a benefit to the City of San Antonio and its inhabitants, and such purchaser shall be pledged to render efficient public service.

ARTICLE XI.

Modification of this Indenture

Section 1. The holders of seventy-five per cent (75%) in principal amount of the bonds at any time outstanding (not including in any case any bonds which may then be held or owned by or for the account of the city) shall have the right from time to time to consent to and approve the execution by the city and the trustees of such indenture or indentures supplemental hereto as shall be deemed necessary or desirable by the city for the purpose of modifying or amending any of the terms or provisions contained in this indenture or in any indenture or indentures supplemental thereto or contained in the ordinance authorizing the bonds secured by this indenture, provided however, that nothing herein contained shall permit or be construed as permitting the modification or amendment of the terms and conditions contained in this indenture or in said ordinance or in the bonds so as to:

(a) Make any change in the maturity of the bonds.

(b) Reduce the rate of interest borne by any of the bonds.

(c) Reduce the amount of the principal or premium, if any, payable on the bonds.

(d) Modify the terms of payment of principal or of interest or premium upon the bonds or any of them or impose any conditions with respect to such payment.

(e) Affect the rights of the holders of less than all of the bonds then outstanding.

If at any time the city shall request the trustees to enter into such supplemental indenture, the trustees, unless they shall deem that such proposed supplemental indenture shall contain provisions which affect their rights or obligations and to which they are unwilling to assent, shall, at the expense of the Board of Trustees, cause notice of the proposed execution of such supplemental indenture to be published in a financial newspaper or journal published in the City of New York, New York, and in a newspaper of general circulation published in the City of San Antonio, once during each calendar week for at least four successive calendar weeks, and on or before the date of the first publication of such notice, the Trustee shall also mail a copy thereof to each registered owner of bonds at his address appearing on the Trustee's registry books, but failure to mail any such notice or any defect therein shall not affect the validity of the proceedings for obtaining consents to the execution and delivery of such supplemental indenture. Such notice shall briefly set forth the nature of such proposed supplemental indenture and shall state that a copy thereof is on file at the principal office of the Trustee for inspection by all holders of bonds.

Whenever at any time within one year from the date of the first publication of said notice, the city shall deliver to the Trustee an instrument or instruments executed by the holders of at least severty-five percent (75%) in aggregate principal amount of the bonds then outstanding as in this section defined, which instrument or instruments shall refer to the proposed

supplemental indenture described in said notice and shall specifically consent to and approve the execution thereof in substantially the form of the copy thereof on file with the Trustee, thereupon, but not otherwise, the trustees shall execute the said supplemental indenture in substantially the said form without liability or responsibility to any holder of any bond, whether or not such holder shall have consented thereto.

If the holders of at least seventy-five per cent (75%) in aggregate principal amount of the bonds outstanding as in this section defined at the time of execution of any such supplemental indenture, or the predecessors in title of such holders, shall have consented to and approved the execution thereof as herein provided, no holder of any bond, whether or not such holder shall have consented to or shall have revoked any consent as in this section provided, shall have any right or interest to object to the execution of such supplemental indenture or to object to any of the terms or provisions therein contained, or to the operation thereof, or to enjoin or restrain the trustees or the city from executing the same or from taking any action pursuant to the provisions thereof.

Upon the execution of any supplemental indenture pursuant to the provisions of this section, this indenture and the ordinance authorizing the bonds shall be and be deemed to be modified and amended in accordance with such supplemental indenture, and the respective rights, duties and obligations under this indenture of the city, the trustees and all the holders of outstanding bonds shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

Any consent given by the holder of a bond pursuant to the provisions of this section shall be irrevocable for a period of six months from the date of the first publication of the notice provided for in this section, and shall be conclusive and binding upon all future holders of the same bond during such period. Such consent may be revoked at any time after six months from the date of the first publication of such notice by the holder who gave such consent, or by a successor in title, by filing notice with the trustees in form satisfactory to them of such revocation of consent, but such revocation shall not be effective if the holders of seventy-five per cent (75%) aggregate principal amount of the bonds outstanding as in this section defined have, prior to the attempted revocation, consented to and approved the supplemental indenture referred to in such revocation. For the purposes of this section, ownership of bonds shall be established in the manner provided in Section 1 of Article XII of this indenture.

Any supplemental indenture executed in accordance with the provisions of this article shall thereafter form a part of this indenture and all the terms and conditions in any such supplemental indenture as to any provision authorized to be contained therein shall be and be deemed to be part of the terms and conditions of this indenture for any and all purposes.

ARTICLE XII.

Miscellaneous

Section 1. Any notice, request or other instrument required by this indenture to be signed or executed by bondholders may be executed by the execution of any number of concurrent instruments of similar tenor, and may be signed or executed by such bondholders in person or by agent appointed in writing. As a condition for acting thereunder the trustees may demand proof of the exectuion of any such instrument and of the fact that any person claiming to be the owner of any of said bonds is such owner and may further require the actual deposit of such bond or bonds with the Trustee. The fact and date of the execution of such instrument may be proven by the certificate of any officer in any jurisdiction who by the laws thereof is authorized to take acknowledgements of deeds within such jurisdiction, that the person signing such instrument acknowledged before him the execution thereof, or may be proven by any affidavit of a witness to such execution sworn to before such officer.

The amount of bonds transferable by delivery held by any person executing such instrument as a bondholder and the fact, amount and numbers of the bonds held by such person and the date of his holding the same may be proven by a certificate executed by any responsible trust company, bank, bankers, or other depositary in a form approved by the Trustee, showing that at the date therein mentioned such person had on deposit with such depositary the bonds described in such certificate; provided, however, that at all times the Trustee may require the actual deposit of such bond or bonds with the Trustee.

Section 2. The covenants, agreements, conditions, promises and undertakings in this indenture shall extend to and be binding upon the successors and assigns of the city and all of the covenants hereof shall bind such successors and assigns, and each of them, jointly and severally. All the covenants, conditions and provisions hereof shall be held to be for the sole and exclusive benefit of the parties hereto and their successors and assigns and of the holders from time to time of said bonds and coupons.

No transfer of the trust estate, or any part thereof, by the city and no extension of the time of payment of any of said bonds or coupons after such transfer shall operate to release or discharge the city, it being agreed that the liability of the city shall continue as principal until all of said bonds and coupons are paid in full, notwithstanding any transfer of said property or subsequent extension of time to the then owner, or other act which might serve as a legal or equitable discharge of a surety.

Section 3. This indenture shall operate effectually as a lien on all property conveyed, mortgaged or pledged hereby, whether real, personal or mixed. Failure to file said instrument in the office of the County Clerk of any county in which part of the trust estate is situated shall in nowise invalidate such lien, but this instrument may be filed and recorded in the records of each county in which part of the trust estate is situated in the manner in which a deed of trust on real estate is filed and recorded, and it may also be recorded in the office of the County Clerk of each such county and may remain in his office on file as a chattel mortgage covering the personal property encumbered hereby. The city covenants and agrees that this indenture will be so filed as a deed of trust and as a chattel mortgage in every county in which any part of the trust estate is situated.

Section 4. If the lien of this indenture shall be or shall ever become ineffectual, invalidated or unenforceable against any property hereby mortgaged or pledged because of want of power or title in the city, the inclusion of any such property described herein shall not in any way affect or invalidate the mortgage or lien hereof against such property as the city had the right to mortgage or pledge.

Section 5. No holder of bonds issued under this indenture nor of any coupons representing interest on such bonds shall ever have the right to demand payment of such bonds or coupons out of funds raised or to be raised by taxation.

Section 6. Any request or consent of the holder of any bonds secured hereby given for any of the purposes of this indenture shall bind all future holders of the same bond or any bonds issued in exchange therefor or in substitution thereof in respect of anything done or suffered by the city or the trustees in pursuance of such request or consent.

Section 7. Although this indenture for convenience and for the purpose of reference is dated as of August 1, 1942, the actual dates of execution by the city and by the trustees are as indicated by their respective acknowledgements hereto annexed.

Section 8. If deemed necessary or expedient by the city and the purchasers of the bonds secured hereby, interim certificates in such form as may be mutually satisfactory to the city and to such purchasers may be issued in anticipation of the bonds, and until such interim certificates

are surrendered in exchange for the definitive bonds they shall be secured in every respect as the definitive bonds are secured by the provisions of this indenture and the holders of such interim certificates shall be entitled to all rights and privileges herein provided for the holders of the definitive bonds.

Section 9. To the extent permitted by laws presently existing or hereafter enacted, the Board of Trustees shall be considered authorized to make such provision for a Pension Fund for its employees as it may in its discretion determine, and if so determined, may continue in existence the Pension Fund which has heretofore been established by San Antonio Public Service Company for its employees.

ARTICLE XIII.

Defeasance.

Section 1. When all of the bonds and coupons hereby secured shall have been paid or redeemed, or, all of the bonds having become due by reason of maturity or proper call for redemption, the city shall have provided for such payment or redemption by depositing in cash with the Trustee the amount necessary for such payment or redemption and shall also have paid, or caused to be paid, all sums accrued and payable hereunder by the city, then and in that case the city shall be entitled to have all of the trust estate revert to it and to have the estate, right, title and interest of the trustees in respect thereof cease, determine and become void. Then, if the city shall so request in writing, the trustees upon the cancellation of all bonds and coupons for the payment of which money shall not have been deposited in accordance with the provisions of this indenture, shall at the cost and expense of the city execute and deliver to the city proper instruments acknowledging satisfaction of this indenture. Money deposited for the payment of bonds and coupons under the provisions hereof shall be held by the Trustee as a special trust fund for the account of the holder or holders of such bonds and coupons and so far as necessary for such purposes shall be applied to the payment of such bonds and coupons upon presentation and surrender thereof.

IN WITNESS WHEREOF the City of San Antonio, Texas, acting through and being duly authorized thereunto by its governing body, the Commissioners of the City of San Antonio, has caused this indenture in four originals to be signed in its name by C. K. Quin, its Mayor, and its corporate seal to be hereunto affixed, and to be attested by James Simpson, its City Clerk, and said Harris Trust and Savings Bank, to evidence its acceptance of the trusts hereby created, has caused its corporate name and seal to be hereunto affixed and this indenture to be signed by _____, its Vice President, and to be countersigned and said seal to be attested by _____, its Assistant Secretary, and said Harold Eckhart, to evidence his acceptance of the trust hereby created and in him reposed, has hereunto subscribed his name and affixed his seal, all as of the day and year first above written.

CITY OF SAN ANTONIO, TEXAS

By_____
Mayor

Attest:

_____
City Clerk

Witnesses as to City of San Antonio:

_____

_____

HARRIS TRUST AND SAVINGS BANK

By _____

Its Vice President

Attest:

_____

Its Assistant Secretary

_____ (SEAL)

Witnesses as to Harris Trust and Savings Bank

and Harold Eckhart:

_____

_____

STATE OF TEXAS)
(SS
COUNTY OF BEXAR (

Before me, the undersigned authority in and for Bexar County, Texas, on this day personally appeared C. K. Quin, Mayor, and James Simpson, City Clerk, respectively, of the City of San Antonio, Texas, known to me to be the persons whose names are subscribed to the foregoing instrument and known to me to be, respectively, the Mayor and City Clerk of the City of San Antonio, a municipal corporation, and each acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said City of San Antonio, Texas.

GIVEN under my hand and seal of office this _____ day of _____, 1942.

_____

Notary Public in and for
Bexar County, Texas

STATE OF ILLINOIS)
(SS
COUNTY OF COOK)

Before me, the undersigned authority in and for Cook County, Illinois, on this day personally appeared _____, Vice President, and _____, Assistant Secretary, respectively, of Harris Trust and Savings Bank, known to me to be the persons whose names are subscribed to the foregoing instrument and known to me to be, respectively, the Vice President and Assistant Secretary of Harris Trust and Savings Bank, a corporation, and each acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said Harris Trust and Savings Bank.

GIVEN under my hand and seal of office this _____ day of _____, 1942.

_____

Notary Public in and for
Cook County, Illinois

STATE OF ILLINOIS)
(SS
COUNTY OF COOK)

Before me, the undersigned authority in and for Cook County, Illinois, on this day personally appeared Harold Eckhart, known to me to be the identical person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act for the purposes and consideration therein expressed and set forth.

GIVEN under my hand and seal of office this _____ day of _____, 1942.

_____

Notary Public in and for Cook County, Illinois

Section 12. That in the event of judicial sale or other sale of the properties encumbered by the indenture which is set out in the preceding section hereof in order to enforce the payment of the bonds secured thereby, the City of San Antonio herein and hereby grants to the purchaser or purchasers at any such sale which may be so held under the provisions of such indenture the exclusive right, privilege and franchise to operate the properties and facilities so purchased for a term of twenty years dating from such purchase, subject to all laws regulating same then in force, as is provided in Article 1111 Texas Revised Civil Statutes of 1925, as amended, it being the intent hereof to grant a franchise which shall become operative and effective only in the event that said mortgaged properties are sold under the provisions of said indenture.

In addition to the consideration expressed in said indenture and which is the basis for this franchise, the grantee of such franchise shall pay annually to the City of San Antonio the sum of Five Dollars ($5.00) for each year such franchise shall be operative.

If the grantee during the life of this franchise shall fail to furnish efficient public service or to maintain the properties in good order, such failure or refusal shall subject the franchise and all rights thereunder to forfeiture at the suit of the city upon judicial ascertainment of such facts, provided the city shall give the grantee sixty days notice of the intention to institute such proceedings.

When this franchise becomes effective by reason of sale as hereinabove provided, if the grantee desires to accept and operate under this franchise it shall file a written acceptance thereof with the City Clerk of the City of San Antonio.

Section 13. That the procedural details to be followed in the acquisition of the system and the issuance of the bonds, to the extent that further and more specific provision for such procedural details may prove to be needed, shall be prescribed and provided for by ordinance or ordinances or resolution or resolutions to be hereafter adopted by the Commissioners of the City of San Antonio, and in that connection, it is hereby expressly provided that such ordinces or resolutions may, if considered necessary or desirable by the Commissioners, provide that the proceeds of the bonds herein authorized may be utilized in such manner not inconsistent with the provisions of this ordinance as is necessary to the accomplishment of the purposes of this ordinance, provided always that the properties to which title is acquired by the city by virtue of the proceeds of the sale of the bonds herein authorized shall be the property hereinabove described for the acquisition of which the bonds are herein authorized.

Section 14. That all ordinances, resolutions and orders or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 15. That if any section, provision or part hereof shall be held to be invalid or ineffective for any reason, the remainder hereof shall nevertheless remain in full force and effect.

Section 16. That by reason of the fact that the properties herein authorized to be acquired by the City of San Antonio can be acquired only within a limited period and that the consummation of such acquisition can be effected within such period only if this ordinance becomes immediately effective, it is necessary to the immediate preservation of the public peace, health and safety of the City of San Antonio that this ordinance shall become effective immediately upon its passage and approval, and four of the five Commissioners having voted in favor thereof, it is so ordained.

ADOPTED AND APPROVED July 25, 1942.

C. K. Quin
Mayor

Attest

James Simpson
City Clerk

(Other proceedings not pertinent to the above appear in the Minutes.)

Pursuant to motion duly made and carried, the Commissioners adjourned.

C. K. Quin
M A Y O R

ATTEST:

James Simpson
City Clerk

STATE OF TEXAS)
(SS
COUNTY OF BEXAR)

I, James Simpson, do hereby certify that I am the duly qualified and acting City Clerk of the City of San Antonio and that the above and foregoing is a true and correct copy of the minutes of a meeting of the Commissioners of the City of San Antonio held on the 25th day of July, 1942, and of an ordinance adopted at said meeting, as said minutes and ordinance are officially of record in my possession.

IN WITNESS WHEREOF I have hereunto subscribed my official signature and affixed the corporate seal of said city this 25th day of July, 1942.

James Simpson
City Clerk

(SEAL)

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OK-46

AN ORDINANCE (1506)

REPEALING AN ORDINANCE ENTITLED "AN ORDINANCE ABATING CITY TAXES ON PROPERTY USED FOR WPA HOUSEHOLD WORKERS TRAINING PROJECT NO. 13509", PASSED AND APPROVED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO ON THE 19TH DAY OF OCTOBER, A.D. 1939.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO: -

1. That an ordinance entitled "AN ORDINANCE ABATING CITY TAXES ON PROPERTY USED FOR WPA HOUSEHOLD WORKERS TRAINING PROJECT NO. 13509", passed and approved by the Commissioners of the City of San Antonio on the 19th day of October, 1939, be and the same is hereby repealed, the property therein described being no longer used for Works Progress Administration Household Workers Training Project No. 13509.

2. PASSED AND APPROVED this 30th day of July, A. D. 1942.

C. K. Quin

Attest: M A Y O R

Jas. Simpson

City Clerk

- - -

OK-47

AN ORDINANCE (1507)

ACCEPTING BID OF T. H. WU TO LEASE AND OPERATE THE CHINESE GARDEN IN BRACKENRIDGE PARK FOR THE PERIOD BEGINNING AUGUST 1, 1942 AND ENDING MAY 31, 1943.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That the bid of T. H. Wu, of 200 Van Ness Street, San Antonio, Texas, dated July 22, 1942, attached hereto and made a part hereof, to lease and operate the Chinese Garden in Brackenridge Park, in the City of San Antonio, Bexar County, Texas, for the period beginning August 1, 1942 and ending May 31, 1943, at a monthly rental of $52.50, payable monthly in advance, be and the same is hereby accepted.

2. The Mayor of the City of San Antonio is hereby authorized and directed to enter into lease agreement with said T. H. Wu leasing to said T. H. Wu, and permitting him to operate, the said Chinese Garden in Brackenridge Park, for such period and at such rental.

3. All other bids are hereby rejected.

4. PASSED AND APPROVED this 30th day of July, A. D. 1942.

C. K. QUIN

ATTEST: M A Y O R

Jas. Simpson

City Clerk

July 22, 1942

Mr. James E. Simpson,
City Clerk,
City Hall,
San Antonio, Texas

Dear Sir:

I hereby submit a bid of $52.50 monthly for the privilege of operating the concession at the Chinese Garden in Brackenridge Park.

Very truly yours,

/s/ T. H. Wu
200 Van Ness.

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OK-48

AN ORDINANCE (1508)

GRANTING PETITION OF TEXAS AND NEW ORLEANS RAILROAD COMPANY TO CLOSE CERTAIN STREETS, FOR THE DURATION OF THE WAR, ON ACCOUNT OF OCCUPANCY BY THE UNITED STATES GOVERNMENT FOR MILITARY PURPOSES.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:-

1. That the petition of Texas and New Orleans Railroad Company, dated July 22, 1942, attached hereto and made a part hereof, to close certain streets, avenues and public ways abutting railroad property south of main track right-of-way and east of Menger Creek, for the duration of the War, on account of occupancy by the United States Government for military purposes, be and the same is hereby granted.

2. That the following streets, avenues and public ways be and the same are hereby closed, for the duration of the War, and the United States Government is hereby given permission to occupy the territory described for military purposes:

Poe Street abutting lots 14 to 24, inclusive, New City Block 1249 and lots 1 to 8, inclusive, New City Block 1248.

Van Zant Avenue abutting lots 1 to 8, inclusive, New City Block 1248 and New City Block 1238, 1239 and lot 1, New City Block 1247.

June Avenue abutting New City Block 1238, 1239, 1237 and 1240.

Locke Avenue abutting New City Block 1237, 1236, Lot 8, New City Block 1240 and Lot 1, New City Block 1241.

Hines Avenue abutting New City Block 1212, Lot 1, New City Block 1235, Lot 8, New City Block 1236 and portion of lot 16, New City Block 1236 lying north of south line of lot 1, New City Block 1235.

Giddings Avenue abutting New City Block 1212 and 1232.

Jenull Avenue abutting lots 1 and 2, New City Block 1212 and Lots 1 to 5, inclusive, New City Block 1235.

Brendell Avenue abutting New City Block 1238, New City Block 1237, lots 9, 10, 11 and 12, New City Block 1236, all of New City Block 1239, New City Block 1240 and lots 1, 2, 3 and 4, New City Block 1241.

Muegge Avenue abutting lots 7 and 8, New City Block 1239, and lots 1 and 2, New City Block 1247.

The public way adjacent to south line of T & NO Railroad right-of-way and abutting New City Block 1248, 1238, 1237, 1236, 1212, and lots 1, 2, 3 and 4, Block 1232 and the intersection areas of Poe Street, Van Zant Avenue, June Avenue, Locke Avenue, Hines Avenue and Giddings Avenue.

Other intersection areas are Van Zant at Brendell Avenue and at Muegge Avenue, June Avenue at Brendell Avenue, Locke Avenue at Brendell Avenue and Hines Avenue at Jenull Avenue; all as shown within yellow lines on the attached blueprint.

3. PASSED AND APPROVED this 30th day of July, A. D. 1942.

C. K. Quin

Attest: M A Y O R

Jas. Simpson

City Clerk

San Antonio, Texas
July 22, 1942.

The Mayor and City Commissioners of San Antonio, Texas

Gentlemen:

Property in ownership of Texas and New Orleans Railroad Company, located south of main track right-of-way and east of Menger Creek, is to be leased for occupancy by United States Military forces.

You are hereby petitioned to close certain streets, avenues and public ways abutting these railroad properties for the duration of occupancy by such military forces.

Following is a description of public ways to be included in an ordinance to effect this temporary closing:

Poe Street abutting lots 14 to 24, inclusive, NCB 1249 and lots 1 to 8, inclusive, NCB 1248.

Van Zant Avenue abutting lots 1 to 8, inclusive, NCB 1248 and NCB 1238, 1239 and lots 1, 1247.

June Avenue abuttig NCB 1238, 1239, 1237 and 1240.

Locke Avenue abutting NCB 1237, 1236, lot 8, 1240 and lot 1, 1241.

Hines Avenue abutting NCB 1212, lot 1, 1233, lot 8, 1236 and portion of lot 16, 1236, lying north of south line of lot 1, 1235.

Giddings Avenue abutting NCB 1212 and 1232.

Jenull Avenue abutting lots 1 and 2, NCB 1212 and lots 1 to 5, inclusive, NCB 1235.

Brendell Avenue abutting NCB 1238, 1237, lots 9, 10, 11 and 12, NCB 1236, all of 1239, 1240 and lots 1, 2, 3 and 4, NCB 1241.

Muegge Avenue abutting lots 7 and 8, NCB 1239, and lots 1 and 2, NCB 1247.

The public way adjacent to south line of T&NO Railroad right-of-way and abutting NCB 1248, 1238, 1237, 1236, 1212, and lots 1, 2, 3 and 4, Block 1232 and the intersection areas of Poe Street, Van Zant Avenue, June Avenue, Locke Avenue, Hines Avenue and Giddings Avenue.

Other intersection areas to be included are, Van Zant at Brendall Avenue and at Muegge Avenue, June Avenue at Brendell Avenue, Locke Avenue at Brendell Avenue and Hines Avenue at Jenull Avenue.

The attached blue print indicates the public ways to be included, by yellow enclosures.

Yours truly

/s/ J. D. Kinsler
Supt., T&NO Railroad Company

- - -

A RESOLUTION (1509)

DIRECTING PUBLICATION OF NOTICE OF REDEMPTION OF CERTAIN BONDS OF VARIOUS IMPROVEMENTS DISTRICTS OF THE CITY OF SAN ANTONIO.

WHEREAS, the Commissioners of the City of San Antonio find that on the 1st day of September, 1942, funds will be available for the redemption of certain Improvement District Bonds hereinafter described; and

WHEREAS, all of said bonds are now callable at the pleasure of the City of San Antonio at any time after thirty days notice; and

WHEREAS, said Commissioners deem it advisable and to the best interest of said Improvement Districts to retire said bonds, and now desire to give notice of the intention of the City to redeem said bonds; THEREFORE: -

BE IT RESOLVED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO: -

That the Mayor of the City of San Antonio be and he is hereby authorized and directed to publish the following Notice in a daily newspaper published in the City of San Antonio, at least thirty days before the 1st day of September, 1942, the date fixed for redemption of said bonds:

NOTICE TO BONDHOLDERS

THE CITY OF SAN ANTONIO, in Bexar County, Texas, acting through its Mayor and Commissioners, has exercised its option to redeem the following described bonds, all due forty years after date, redeemable at option of the City twenty years after date, bearing 5% interest, payable semi-annually:

$8,000.00 City of San Antonio Improvement District Number 7 Bonds, being bonds numbers 38 to 45, inclusive, being part of the bonds outstanding of an original issue of forty-five bonds dated August 1, 1903.

$7,000.00 City of San Antonio Improvement District Number 8 bonds, being bonds numbers 54, 61, 62, 63, 64,67 and 68, being all the bonds outstanding of an original issue of seventy-five bonds dated April 1, 1905.

$2,500.00 City of San Antonio Improvement District Number 12 Bonds, being bonds numbers 1, 2, 7, 8 and 9, being part of the bonds outstanding of an original issue of ten bonds dated February 1, 1910.

THE CITY OF SAN ANTONIO hereby gives notice in writing of the exercise of its option, fixing the date of redemption as September 1st, 1942; that said bonds will be redeemed at par and accrued interest on said date at the office of the

City Treasurer through the Frost National Bank in the City of San Antonio, Texas, and all of said bonds not presented for payment, shall cease to bear interest from and after said 1st day of September, 1942.

AUTHORIZED BY RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE CITY OF SAN ANTONIO, TEXAS, this the 30th day of July, 1942.

C. K. Quin
Mayor, City of San Antonio.

PASSED AND APPROVED this 30th day of July, A. D. 1942.

C. K. Quin
M A Y O R

ATTEST:

Jas. Simpson
City Clerk

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OK-49

AN ORDINANCE (1510)

AUTHORIZING THE MAYOR OF THE CITY OF SAN ANTONIO TO EXECUTE LEASE CONTRACT WITH THE SAN ANTONIO LOAN & TRUST COMPANY, EXECUTOR OF THE ESTATE OF CHARLES BELLINGER, DECEASED, FOR CERTAIN PROPERTY TO BE USED AS WORK PROJECTS ADMINISTRATION NURSERY SCHOOL.

BE IT ORDAINED BY THE COMMISSIONERS OF THE CITY OF SAN ANTONIO:--

1. That the Mayor of the City of San Antonio be and he is hereby authorized and directed to execute lease contract with The San Antonio Loan & Trust Company, Executor of the Estate of Charles Bellinger, Deceased, covering Lots 1 to 12, inclusive, in Block 10, New City Block 1510, in the City of San Antonio, Bexar County, Texas, for use as Work Projects Administration Nursery School, said lease to be on a month to month basis, beginning on June 1, 1942, at a rental of $103.30 per month, payable monthly in advance during the term of the lease by the City of San Antonio; a copy of said lease is hereto attached and made a part hereof.

2. PASSED AND APPROVED this 30th day of July, A. D. 1942.

C. K. Quin
M A Y O R

Attest:

Jas. Simpson
City Clerk

THE STATE OF TEXAS)
)
COUNTY OF BEXAR)

This LEASE Between The San Antonio Loan & Trust Company, Executor of the Estate of Charles Bellinger, Deceased, Lessor, and the City of San Antonio, herein called Lessee, WITNESSETH:

Lessor hereby leases and lets to the Lessee the following described property situated in San Antonio, Bexar County, Texas, to-wit:

Lots one to twelve (1-12) inclusive in Block ten (10), New City Block 1510, and the improvements thereon and the furniture, furnishings, fixtures, and equipment therein, the improvements thereon being known as number 518 South New Braunfels Avenue.

Lessee shall use the said property for the Work Projects Administration Nursery School and for no other purpose without the consent of the Lessor.

Lessee accepts buildings and grounds and said personal property in the present condition and agrees to maintain same in a like condition and repair during the time of occupancy by the Work Projects Administration Nursery School. Lessee agrees to return same in such condition at the expiration of this lease, excepting damage by fire or damage by the elements and ordinary wear and tear.

As rent for the said property Lessee agrees to pay to the Lessor at its office in San Antonio, Texas, One Hundred and Three Dollars and Thirty Cents ($103.30) per month, payable monthly in advance during the term of this lease. It is understood and agreed that the San Antonio