

A RESOLUTION TO AUTHORIZE THE BORROWING OF \$100,000 AND THE ISSUANCE OF A GENERAL OBLIGATION WARRANT OF THE CITY OF PRICHARD IN EVIDENCE OF THE SUM BORROWED.

BE IT RESOLVED by the City Council (herein called "the council") of the City of Prichard (herein called "the city"), in the State of Alabama, as follows:

Section 1. Findings by the Council. The council has caused an investigation to be made of the financial needs of the city and as a result of such investigation and on the basis of the facts therein determined does hereby find and declare that the following statements are true: The city has heretofore made expenditures for capital improvements that were paid out of the general revenues of the city with the result that the general fund of the city has been greatly depleted. In order to restore the moneys so expended and also in order to raise additional moneys with which to pay necessary current operating expenses of the city, it will be necessary for the city to borrow on its faith and credit the sum of \$100,000, and in evidence thereof to issue the warrant hereinafter authorized.

Section 2. Authorization of the Warrant. Pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly Section 465 of Title 37 of the Code of Alabama of 1940, and for the purpose of raising funds with which to reimburse the general fund of the city for moneys heretofore expended by the city for capital improvements constructed by the city, and also for the purpose of paying necessary current operating expenses of the city, there is hereby authorized to be borrowed from The Merchants National Bank of Mobile the principal sum of \$100,000, and in evidence of the money so borrowed there is hereby authorized to be issued and delivered to said lender one General Obligation Warrant (herein called "the warrant") of the city drawn on the City Treasurer in said principal amount. The warrant shall be dated on the date of its issuance, shall be payable ninety days after its date, and shall bear interest from its date until its maturity at the rate of $4\frac{1}{2}\%$ per annum, payable at its maturity. The City reserves and shall have the privilege of paying the warrant at any time

prior to its maturity by paying to the holder thereof the principal thereof plus the interest thereon which shall have accrued to the date of such payment.

Section 3. Execution of the Warrant. The warrant shall be executed and the corporate seal of the city shall be affixed thereto by the mayor of the city, and the city clerk shall attest the same by affixing her signature thereto. The warrant shall be registered in the records maintained by the city treasurer as a claim against the city. Said officers are hereby authorized so to execute and attest the warrant and affix said seal thereto and make such registration.

Section 4. General Obligation. The indebtedness evidenced and ordered paid by the warrant is and shall be a general obligation of the city for the payment of the principal of and interest on which the full faith and credit of the city are hereby irrevocably pledged.

Section 5. Form of the Warrant. The warrant and the form of assignment thereof shall be substantially as follows:

(Form of Warrant)

\$100,000

\$100,000

UNITED STATES OF AMERICA

STATE OF ALABAMA

CITY OF PRICHARD

GENERAL OBLIGATION WARRANT

Ninety days after the date hereof, the City Treasurer of the City of Prichard (herein called "the city"), a municipal corporation in the State of Alabama, is hereby ordered to pay to The Merchants National Bank of Mobile, or assigns, the principal sum of

ONE HUNDRED THOUSAND DOLLARS

upon surrender hereof, with interest thereon from the date hereof until the maturity hereof at the rate of _____% per annum, payable at the maturity hereof. Both the principal hereof and interest hereon shall be payable at the principal office of The Merchants National Bank of Mobile, in the City of Mobile, Alabama. The city reserves the privilege of paying this warrant at any time prior to its maturity by paying the principal hereof plus the interest hereon accrued to the date of such payment.

This warrant evidences a valid general obligation of the city. For the payment of the principal of and interest on this warrant the city hereby irrevocably pledges its full faith and credit. By the execution of this warrant the city acknowledges that it is lawfully indebted to the payee hereof in the principal amount hereof. The city contemplates that the principal of this warrant will be refunded at some later date by the issuance of refunding warrants, and in the event of such refunding the city agrees that it will use so much of the proceeds derived from the sale of such refunding warrants as may be necessary to pay the principal

of this warrant.

This warrant has been issued pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly Section 465 of Title 37 of the Code of Alabama of 1940 and a resolution of the governing body of the city duly and legally adopted for the purpose of raising funds with which to restore to the general fund of the city moneys heretofore expended from the said general fund derived from the general revenues of the city for the purpose of constructing capital improvements in the city, and for the further purpose of paying necessary current operating expenses of the city.

It is hereby certified that the indebtedness evidenced hereby has been duly and legally incurred and will at the maturity hereof become lawfully due without condition, abatement or offset of any description; that all conditions, actions and things required by the constitution and laws of the State of Alabama to exist, be performed or happen precedent to and in the issuance of this warrant exist, have been performed and have happened; and that the indebtedness evidenced by this warrant, together with all other indebtedness of the city, was at the time the same was incurred and is now within every debt and other limit prescribed by the constitution and laws of the State of Alabama.

IN WITNESS WHEREOF, the city has caused this warrant to be executed and its official seal to be hereunto affixed by its mayor and has caused the same to be attested by its city clerk, both of whom have hereunto subscribed their signatures, and has caused this warrant to be dated _____, 1963.

CITY OF PRICHARD

By _____
Its Mayor

Attest:

City Clerk

(Form of
ASSIGNMENT)

The within warrant and the indebtedness thereby ordered paid are hereby transferred and assigned, without recourse or warranty, to

Section 6. Delivery of the Warrant. The city treasurer is hereby authorized and directed to deliver the warrant, when executed, sealed, attested and registered as herein provided, at any time to the said lender upon payment to the city of sums equal to the principal amount of the warrant. The proceeds of the warrant shall be used solely for the purposes for which it is herein authorized to be issued.

Adopted this 21st day of October, 1963.

File 4.

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[Signature]
S/ _____
President of the City Council

Authenticated:
S/ *[Signature]*
Berniece H. Certanne
City Clerk

Approved this 21st day of October, 1963.