

MINUTES OF FORTY THIRD MEETING
JUNE 3 AND 4, 1952

Pursuant to adjournment the Ohio Turnpike Commission convened in regular open session in Hearing Room No. 2, State Office Building, Columbus, Ohio, at 9:00 A. M. on June 3, 1952 for its forty-third meeting with its General Counsel, Bond Counsel, Consulting Engineers and representatives of the press and others also in attendance.

The meeting was called to order by the Chairman and the roll was called and the attendance was reported to be as follows:

Present: Allen, Teagarden, Shocknessy, McKay, Kauer.

Absent: None.

The Chairman announced that a quorum was present and stated that the meeting would be held in three sessions; the first to be completed by 10:00 A. M. that same day after which a recess would be taken until 10:30 A. M.; that the second session would begin at 10:30 A. M. and be completed at approximately 12:30 P. M. after which the Commission would recess until 9:00 A. M. on June 4 and that it was planned that the third session of the forty-third meeting would take place at 9:00 A. M. on June 4, 1952.

A motion was made by Mr. Teagarden, seconded by Mr. Kauer, that the minutes for the meeting of May 8, 1952 be approved as previously submitted to the members and corrected. A vote by ayes and nays was taken and all members present responded to roll call. The vote was as follows:

Ayes, Allen, Teagarden, Shocknessy, McKay, Kauer.

Nays, None.

The Chairman declared the minutes for the meeting of May 8, 1952 to be adopted.

A motion was made by Mr. Kauer, seconded by Mr. Teagarden, that the minutes for the meeting of May 29, 1952 be approved as previously submitted to the members and corrected. A vote by ayes and nays was taken and all members present responded to roll call and voted aye except Mr. McKay who voted nay. The vote was as follows:

Ayes, Allen, Teagarden, Kauer, Shocknessy.

Nays, McKay.

The Chairman declared the minutes for the meeting of May 29, 1952 to be adopted.

The Chairman reported upon a number of complaints which had been received by himself and by the Governor of Ohio concerning the disposition

of bonds by the purchasers and explained that the Commission cannot control the method of distribution determined upon by the purchasers of the bonds. He discussed a number of letters which he had received from the Governor of Ohio wherein complaints were made, particularly one from the investment firm of Ball, Burge and Kraus. The Chairman stated that all such communications would be brought to the attention of the investment group. He also reported the receipt of a letter from Central National Bank of Cleveland under date of May 28, 1952 and, with the agreement of the Commission, the Secretary was instructed to acknowledge the letter and to assure the Central National Bank of Cleveland that they will be given consideration when the question of depositaries is presented to the Commission.

The Chairman also reported upon a letter which was sent by Mr. Fred E. Swineford, Engineer-Director, Macadam Pavements, Inc., to Mr. T. Henry Boyd, Vice President of Blyth & Company, under date of May 27, 1952 in which the underwriting syndicate was urged to consider the use of macadam and asphalt for turnpike pavement. The Chairman advised Mr. Swineford who was present in the meeting that the bankers have full knowledge of all engineering features proposed for the turnpike and pointed out that the Commission can at any time it chooses make changes in engineering details such as pavement. In response to a question of Mr. Swineford the Chairman stated that if the Commission should hereafter specify as provided in the Act and the Trust Agreement a type of pavement different from that described in the engineering report of J. E. Greiner Company under date of August 15, 1951, no bondholder would thereby have a cause of action against the Commission. Both Mr. Dunbar as General Counsel and Mr. Crawford as Bond Counsel agreed to his statement.

Mr. Allen reported as Secretary-Treasurer that surety bonds for the members of the Commission and for the Secretary-Treasurer have been approved by the Governor and have been filed with the Secretary of State.

Mr. Dunbar recommended that the Commission employ Squire, Sanders and Dempsey of Cleveland and Fuller, Harrington and Seney of Toledo as counsel in the case of Raymond P. Greene et al, against the Commission. A motion was made by Mr. Allen, seconded by Mr. Kauer, that the following resolution (No. 26-1952 be adopted:

"BE IT RESOLVED that Messrs. Squire, Sanders and Dempsey, of Cleveland, having been recommended by General Counsel, be and they are employed as special counsel to represent the Commission and the members thereof in their capacity as members of the Commission, in the action filed in the Common Pleas Court of Lucas County, by Raymond P. Greene, et al, against the Commission, being Case No. 176131 in that court, and to take such action with respect thereto as may be proper to protect the interests of the Commission and its members; that said employment be subject to the terms of the "Plan of Organization and Administration of Legal Staff" adopted by the Commission on February 27, 1952; that they shall receive reasonable compensation for their services; that this employment shall be effective retroactively as of May 28, 1952, upon their filing written acceptance of the terms of this resolution with the

Secretary-Treasurer; that said firm shall, upon presentation of accounts thereof to the satisfaction of the Commission, be reimbursed for their actual expenses for travel and away-from-home subsistence and long distance telephone, telegraph, printing, mimeographing, photostating, and other actual expenses excluding office overheads, necessarily incurred by them in the rendition of their services under this employment; and that the payment of all compensation and expense reimbursements shall be made only if, when, and to the extent that funds therefor shall become available from the proceeds of turnpike revenue bonds or from revenues."

A vote by ayes and nays was taken and all members present responded to roll call.

The vote was as follows:

Ayes, Teagarden, Allen, Kauer, McKay, Shocknessy.

Nays, None.

The Chairman declared the motion adopted.

A motion was made by Mr. Allen, seconded by Mr. Kauer, that the following resolution (No. 27)-1952 be adopted:

"BE IT RESOLVED that Fuller, Harrington and Seney of Toledo, Ohio, having been recommended by General Counsel, be and they are employed as special counsel to assist the Commission's special counsel, Squire, Sanders and Dempsey, in the representation of the Commission and the members thereof in their capacity as members of the Commission in the action filed in the Common Pleas Court of Lucas County by Raymond P. Greene et al. against the Commission, being Case No. 176131 in that court and to take such action in conjunction with Squire, Sanders and Dempsey with respect thereto as may be proper to protect the interests of the Commission and its members; that said employment be subject to the terms of the "Plan of Organization and Administration of Legal Staff" adopted by the Commission on February 27, 1952; that they shall receive reasonable compensation for their services; that this employment shall be effective retroactively as of May 28, 1952, upon their filing written acceptance of the terms of this resolution with the Secretary-Treasurer; that said firm shall, upon presentation of accounts thereof to the satisfaction of the Commission, be reimbursed for their actual expenses for travel and away-from-home subsistence and long distance telephone, telegraph, printing, mimeographing, photostating, and other actual expenses, excluding office overheads, necessarily incurred by them in the rendition of their services under this employment; and that the payment of all compensation and expense reimbursements shall be made only if, when, and to the extent that funds therefor shall become available from the proceeds of turnpike revenue bonds or from revenues."

A vote by ayes and nays was taken and all members present responded to roll call.

The vote was as follows:

Ayes, Teagarden, Allen, Kauer, McKay, Shocknessy.

Nays, None.

The Chairman declared the motion adopted.

Mr. Dunbar reported upon the work done by General Counsel and by Bond Counsel for the Commission with respect to contracts or arrangements between the Commission and the Trustee and Co-Trustee and Paying Agents designated by the Commission. He presented to the Commission a form of contract signed unilaterally by The Ohio National Bank of Columbus as Trustee; a study showing a comparison between charges by The Ohio National Bank and charges under a schedule of trustees' fees published by Cleveland banks and a similar comparison with a New York schedule of fees; two letters from the National City Bank of New York which included an agreement signed by that bank with respect to charges for its services as Co-Trustee and a statement of terms under which the National City Bank of New York will serve as Co-Trustee and a bound report of correspondence pertaining to negotiations with prospective Paying Agents. There being no objection, the report of Mr. Dunbar was received and placed in the hands of the Secretary-Treasurer.

Mr. Crawford submitted to the Commission a proposed bond resolution. A motion was made by Mr. Kauer, seconded by Mr. McKay, that the following resolution (No. 28-1952) be adopted: "A Resolution Determining The Necessity Of Constructing Turnpike Project No. 1, Authorizing the Issuance of \$326,000,000 Of Turnpike Revenue Bonds, Project No. 1, Of The State of Ohio, And The Execution And Delivery Of A Trust Agreement Securing Said Bonds, And Providing For The Execution And Delivery Of Temporary Bonds.

WHEREAS, The Ohio Turnpike Commission (herein referred to as the "Commission") was duly created a body both corporate and politic in the State of Ohio by Ohio General Code Section 1203, and was authorized and empowered by Ohio General Code Sections 1201 to 1222, inclusive, as amended by Amended House Bill No. 674 of the 99th General Assembly of the State of Ohio, First Special Session, effective March 13, 1952 (said Sections, as so amended, being hereinafter sometimes called the "Turnpike Act"), to construct, maintain, repair, police and operate turnpike projects at such locations as shall be approved by the Governor, and in accordance with such alignment and design standards as shall be approved by the Director of Highways, in order to remove the present handicaps and hazards on the congested highways in the State, to facilitate vehicular traffic throughout the State, to promote the agricultural and industrial development of the State, and to provide for the general welfare, and is authorized to issue turnpike revenue bonds of the State of Ohio, payable solely from revenues, for the purpose of paying all or any part of the cost of any one or more turnpike projects and is authorized to fix and revise from time to time and charge and collect tolls for transit over each turnpike project constructed by it; and,

WHEREAS, on June 14, 1950, the Director of Highways of the State of Ohio, with the approval of the Commission, and pursuant to the authority granted by Ohio General Code Section 1220, employed two firms of consulting engineers to make studies of a proposed turnpike project; and,

WHEREAS, said firms made extensive studies thereof, and filed reports of such studies with the Director of Highways, which were accepted by him, were transmitted to the Commission, were exhaustively studied and reviewed by the Commission, together with the recommendations made by the Director of Highways, were the subject matter of public meetings and hearings of the Commission and were accepted and approved by the Commission; and,

WHEREAS, said reports selected and recommended as the location for a turnpike project a route heretofore designated by the Commission as Ohio Turnpike Project No. 1, extending from a point of connection with the western terminus of the Pennsylvania Turnpike, near Petersburg, Ohio, at the Ohio-Pennsylvania line, generally in a westerly and northwesterly direction across the State of Ohio to a point in the Ohio-Indiana line, in Williams County, Ohio, which location was recommended by the Director of Highways, was approved by the Commission on September 4, 1951, was by it submitted to the Governor of Ohio for his approval and was by him approved after a public hearing; and,

WHEREAS, said report of the J. E. Greiner Company, one of said firms of consulting engineers, recommended alignment and design standards for said Turnpike, which have been approved by the Director of Highways and by the Commission; and,

WHEREAS, the Commission has declared and does hereby declare it to be necessary to construct said Turnpike in accordance with the reports of said consulting engineers at the location so approved by the Governor and in accordance with the alignment and design standards so approved by the Director of Highways, subject to such changes as may be made under the terms of the Trust Agreement hereinafter provided for, and to issue Turnpike Revenue Bonds of the State of Ohio, as hereinafter provided, to provide funds for the payment of the cost thereof, and to execute the Trust Agreement hereinafter provided for, for the security of such bonds.

NOW, THEREFORE, BE IT RESOLVED by the Ohio Turnpike Commission that:

Section 1. It is hereby found, declared and determined to be necessary to construct said Ohio Turnpike Project No. 1 at the location hereinabove described, as approved by the Governor of the State of Ohio, and in accordance with alignment and design standards which have been approved by the Director of Highways, subject to such changes as may be made under the terms of the Trust Agreement hereinafter provided for, and in accordance with the engineering report of the J. E. Greiner Company of Baltimore, Maryland, dated August 15, 1951, and in accordance with plans and specifications which shall have been approved by the consulting engineers designated in the Trust Agreement hereinafter referred to.

Section 2. It is hereby declared, found and determined to be necessary to issue Turnpike Revenue Bonds of the State of Ohio, payable solely from the special funds created by the provisions of the Trust Agreement hereinafter provided for, and required by such Trust Agreement to pay the cost of said Turnpike Project No. 1, and that the amount of such bonds herein authorized will be required and will be sufficient to pay the cost of such turnpike according to the estimate thereof as set forth in said engineering report and as such cost is defined in the Turnpike Act.

Section 3. Turnpike Revenue Bonds of the State of Ohio in the aggregate principal amount of \$326,000,000 are hereby authorized and directed to be issued for the purpose of paying the cost of said Turnpike. Such bonds shall be designated "Turnpike Revenue Bonds, Project No. 1"

(hereinafter sometimes called "the Bonds"). The definitive bonds issued hereunder shall be issuable as coupon bonds, registerable as to principal in the denomination of \$1000, and as registered bonds without coupons in the denominations of \$1000 and any multiple thereof approved by the Commission. Execution of such registered bonds without coupons in denominations of multiples of \$1000 shall be conclusive evidence of such approval by the Commission. The coupon bonds shall be dated and shall bear interest from June 1, 1952. Each registered bond without coupons shall bear interest from its date and shall be dated as of the interest payment date next preceding the date of its authentication, unless authenticated upon an interest payment date, in which case it shall be dated as of the date of its authentication or as of the same date as the coupon bonds if authenticated prior to the first interest payment date of such bonds; provided, however, that if at the time of authentication of any registered bond without coupons, interest is in default, such bond shall be dated as of the date to which interest has been paid.

All of the bonds issued hereunder shall bear interest at the rate of three and one-quarter per centum per annum from their date until payment of the principal sum thereof has been made or provided for, such interest to the maturity thereof being payable semi-annually on the first days of June and December in each year, shall be stated to mature on the first day of June, 1992, and shall be subject to the right of prior redemption at the prices and dates and upon the terms and conditions which are set forth in said Trust Agreement.

All of the bonds issued hereunder shall contain a statement on their face to the effect that there is no obligation on the State of Ohio or any political subdivision thereof to pay the principal of or the interest on this bond, but such principal and interest are payable solely from said special fund.

The bonds shall be signed by the facsimile signatures of the Chairman and the Vice Chairman of the Commission, and the official seal of the Commission shall be affixed to the bonds and attested by the Secretary-Treasurer of the Commission. The coupons attached to the coupon bonds issued hereunder shall be executed with the facsimile signature of the Chairman of the Commission.

Both the principal of and the interest on the bonds shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts. Such principal and interest shall be payable at the places and in the manner stated in said Trust Agreement.

Section 4. Nothing in this resolution, or in any of said bonds or coupons or in said Trust Agreement shall be construed as pledging either the faith and credit or the taxing power of the State of Ohio or any political subdivision thereof, for their payment, nor to create any debt against said State or any political subdivision thereof, nor as pledging any funds or assets of the Commission for the payment of said bonds or the interest thereon other than the tolls and other revenues derived from the ownership or operation of said Turnpike Project No. 1, which tolls and revenues are pledged for such payment in the manner and to the extent provided in said Trust Agreement.

Section 5. Tolls for the use of the Turnpike and each portion thereof shall be fixed, charged and collected at the times and in the manner provided in said Trust Agreement, sufficient, with other revenues of the Turnpike, to provide funds to pay the cost of maintaining, repairing and operating the Turnpike, to pay the principal of and the interest on all bonds issued under said Trust Agreement as the same become due and payable, to create reserves for such purposes and to meet all other requirements provided in said Trust Agreement. All tolls and other revenues of the Turnpike shall be deposited in the name of the Trustee as provided in said Trust Agreement and held and applied for the purposes specified in said Trust Agreement.

Section 6. In order to secure the payment of the principal of and the interest on the bonds hereby authorized, including any redemption premium thereon, and any additional bonds that may be issued under the provisions of said Trust Agreement, according to their tenor, purport and effect, and in order to secure the performance and observance of all of the covenants, agreements and conditions in said bonds, the execution and delivery of a Trust Agreement, by and between the Ohio Turnpike Commission and The Ohio National Bank of Columbus, Ohio, as Trustee, and The National City Bank of New York, City and State of New York, as Co-Trustee, is hereby authorized, and said Trust Agreement shall be in substantially the form attached hereto, made a part hereof, and marked Exhibit A, and shall forthwith be executed in the manner set forth therein, by the Chairman, and the Secretary-Treasurer will affix the seal of the Commission thereto and shall attest the same.

Section 7. Any officer to whom, or any bank or trust company to which shall be paid any moneys received as proceeds of the sale of said bonds, or as revenues of the Turnpike, shall act as trustee of such moneys and shall hold the same in trust and apply the same for the purposes of the Turnpike Act with respect to the Turnpike, subject to the terms and provisions of said Act and said Trust Agreement.

Section 8. The bonds shall forthwith be executed in such form, either coupon bonds or registered bonds without coupons, as may be requested by the purchasers thereof, and such bonds shall be delivered to the Trustee under said Trust Agreement for authentication and delivery to such purchasers in accordance with the provisions of Section 208 of said Trust Agreement. The Chairman and the Vice Chairman of the Commission are hereby authorized and directed to cause the bonds to be signed with their facsimile signatures, and to cause the coupons attached to coupon bonds to bear the facsimile signature of said Chairman, and the Secretary-Treasurer of the Commission is hereby authorized and directed to cause the official seal of the Commission to be affixed to the bonds, and to attest the same as soon as they may be prepared for execution and to deliver the bonds to the Trustee under said Trust Agreement, for authentication and for delivery in exchange for the temporary bonds hereinafter provided for, in accordance with the provisions of said Trust Agreement, and in accordance with the terms and provisions of the sale thereof as shall hereafter be provided for in a resolution to be adopted by this Commission.

Section 9. Pending the preparation of said bonds in definitive form, temporary printed bonds in the same aggregate face amount, dated June 1, 1952, in the denomination of \$1,000,000 each, numbered from T-1 to T-326, inclusive, bearing interest and maturing as set forth in Section 3 above, without coupons attached and without the privilege of registration,

shall be executed and delivered to the Trustee for authentication and delivery in accordance with the provisions of said Trust Agreement and in accordance with the terms and provisions of the sale of the bonds herein authorized as shall be provided for in a resolution hereafter to be adopted by the Commission.

Section 10. Said temporary bonds shall be in form as follows:

No. T- TEMPORARY BOND \$1,000,000
(Exchangeable for Other Bonds as Provided herein)
UNITED STATES OF AMERICA

STATE OF OHIO

TURNPIKE REVENUE BOND, PROJECT NO. 1
DUE JUNE 1, 1992

The STATE OF OHIO, by the Ohio Turnpike Commission (herein sometimes called the "Commission"), a body corporate and politic created by Section 1203 of the General Code of Ohio, for value received, hereby promises to pay, solely from the special fund provided therefor as hereinafter set forth, to the bearer on the 1st day of June, 1992 (or earlier as hereinafter referred to), the principal sum of

ONE MILLION DOLLARS

and to pay, solely from said special fund, interest thereon from the date hereof at the rate of three and one-quarter per centum (3-1/4%) per annum until payment of such principal sum has been made or provided for, such interest to the maturity hereof being payable semi-annually on the first days of June and December in each year. Both the principal of and the interest on this bond are payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts, and both such principal and interest are payable at the principal offices of the Trustee or of the Co-Trustee. Payment of the interest on this bond, if the definitive bonds or the temporary bonds for which this temporary bond is exchangeable shall not be ready for exchange, will be made upon presentation of this temporary bond and endorsement of such payment thereon.

This temporary bond is one of a duly authorized issue of turnpike revenue bonds (herein called the "bonds"), known as "Turnpike Revenue Bonds, Project No. 1", and issued or to be issued for the purpose of paying the cost of a turnpike project designated "Ohio Turnpike Project No. 1", extending from a point on the Ohio-Pennsylvania line near Petersburg, Ohio (being the western terminus of the Pennsylvania Turnpike System), in a northwesterly and westerly direction to a point on the Ohio-Indiana line in Williams County, Ohio (herein called the "Turnpike"). All of the bonds are issued or are to be issued under and pursuant to a trust agreement (said agreement, together with all agreements supplemental thereto as therein permitted, being herein called the "Agreement") dated as of June 1, 1952, by and between the Commission and The Ohio National Bank of Columbus, Columbus, Ohio, as trustee (said banking association and any bank or trust company appointed as successor trustee under the Agreement being herein called the "Trustee"), and The National City Bank of New York, New York, New York, as co-trustee (said banking association and any bank or trust company appointed as successor co-trustee under the Agreement being herein

called the "Co-Trustee"), executed counterparts of which Agreement are on file at the principal offices of the Trustee and of the Co-Trustee. Reference is hereby made to the Agreement for the provisions, among others, with respect to the custody and application of the proceeds of bonds issued under the Agreement, the collection and disposition of revenues, the special fund charged with and pledged to the payment of the interest on and the principal of the bonds, the nature and extent of the security, the terms and conditions on which the bonds are or may be issued, the rights, duties and obligations of the Commission, of the Trustee and of the Co-Trustee and the rights of the holders of the bonds, and, by the acceptance of this bond, the holder hereof assents to all of the provisions of the Agreement.

The holder of this bond shall have no right to enforce the provisions of the Agreement or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Agreement, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Agreement.

Modifications or alterations of the Agreement or of any agreement supplemental thereto may be made by the Commission and the Trustee only to the extent and in the circumstances permitted by the Agreement.

This bond is issued and the Agreement was made and entered into under and pursuant to the provisions of Sections 1201 to 1222, inclusive, of the General Code of Ohio, as amended by Amended House Bill No. 674 of the 99th General Assembly of the State of Ohio, 1st Special Session, effective March 13, 1952 (said Sections as so amended being herein called the "Turnpike Act"), and under and pursuant to resolutions duly adopted by the Commission. The Agreement, in accordance with and as required by the Turnpike Act, provides for fixing, charging and collecting by the Commission of tolls for the use of the Turnpike and each portion thereof and revising such tolls from time to time in order that such tolls will be sufficient, with other revenues of the Turnpike, to provide funds to pay the cost of maintaining, repairing and operating the Turnpike, to pay the principal of and the interest on all bonds issued under the Agreement as the same become due and payable, and to create reserves for such purposes. The Agreement provides for the creation of a special fund designated "Ohio Turnpike Project No. 1 Interest and Sinking Fund", which special fund is pledged to and charged with the payment of the principal of and the interest on all bonds issued under the Agreement, and also provides for the deposit to the credit of said special fund of all such tolls and other revenues, over and above such costs of maintenance, repair and operation and reserves for such purposes. There is no obligation on the State of Ohio or any political subdivision thereof to pay the principal of or the interest on this bond, but such principal and interest are payable solely from said special fund.

The definitive bonds are issuable as coupon bonds, registerable as to principal, in the denomination of \$1,000.00, and as registered bonds without coupons in denominations of \$1,000.00 and any multiple thereof approved by the Commission, such approval to be evidenced by the execution thereof. As provided in the Agreement, definitive registered bonds without coupons may be exchanged for definitive coupon bonds bearing interest at the same rate and having attached thereto all unmatured coupons and any matured coupons in default or for registered bonds without coupons bearing interest at the same rate, of authorized denominations, and definitive

coupon bonds bearing all unmatured coupons and any matured coupons in default may be exchanged for a like aggregate principal amount of definitive registered bonds without coupons bearing interest at the same rate.

The bonds at the time outstanding may be redeemed prior to their maturity, either in whole, on any date not earlier than June 1, 1959, at the option of the Commission, from any moneys that may be made available for such purpose, or in part, on any interest payment date not earlier than June 1, 1956, as provided in the Agreement, from moneys in the Ohio Turnpike Project No. 1 Interest and Sinking Fund, at the principal amount of the bonds to be redeemed, together with the interest accrued thereon to the date fixed for redemption, plus a premium of 3% of such principal amount if redeemed on or prior to June 1, 1962, 2-1/2% if redeemed thereafter and on or prior to June 1, 1967, 2% if redeemed thereafter and on or prior to June 1, 1972, 1% if redeemed thereafter and on or prior to June 1, 1982, and without premium if redeemed thereafter.

If less than all of the bonds shall be called for redemption, the particular bonds or portions of registered bonds without coupons or portions of temporary bonds to be selected by lot as provided in the Agreement.

Any such redemption, either in whole or in part, may be upon at least thirty (30) days' prior notice by publication and otherwise as provided in the Agreement, and shall be made in the manner and under the terms and conditions provided in the Agreement. On the date designated for redemption, notice having been published and moneys for payment of the redemption price being held by the Trustee or by the paying agents, all as provided in the Agreement, the bonds or portions of registered bonds without coupons or portions of temporary bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such bonds or such portions thereof on such date, interest on such bonds or such portions thereof so called for redemption shall cease to accrue, the coupons for any such interest maturing subsequent to the redemption date shall be void, such bonds or such portions thereof so called for redemption shall cease to be entitled to any lien, benefit or security under the Agreement, and the holders or registered owners thereof shall have no rights in respect of such bonds or such portions thereof so called for redemption except to receive payment of the redemption price thereof so held by the Trustee or paying agents.

As declared by the Turnpike Act, this bond shall have all the qualities and incidents of a negotiable instrument under the negotiable instruments law of the State of Ohio.

All acts, conditions and things required by the Constitution and the laws of the State of Ohio to happen, exist and be performed precedent to and in the issuance of this bond and the execution of the Agreement, have happened, exist and have been performed as so required.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Agreement until the certificate of authentication hereon, shall have been signed by the Trustee.

This bond is one of the temporary bonds issued in lieu of definitive bonds and subject to the same provisions, limitations and conditions as the definitive bonds as provided in the Agreement. Without unreasonable delay the Commission will cause definitive bonds to be prepared and executed and

delivered to the Trustee, and, upon the surrender of this temporary bond for exchange and cancellation, the Trustee, in accordance with the provisions of the Agreement, shall authenticate and deliver in exchange therefor without expense to the holder definitive coupon bonds registerable as to principal, in the denomination of \$1,000, or registered bonds without coupons in denominations of \$1,000 or any multiple or multiples thereof approved by the Commission, in the same aggregate principal amount, maturing on the same date, and bearing interest at the same rate, as this temporary bond. Until definitive bonds are ready for delivery, this temporary bond may be exchanged for a like aggregate principal amount of other temporary bonds of authorized denominations with appropriate coupons attached representing unmatured interest on this temporary bond to June 1, 1953, with or without the privilege of registration as to principal, or for a like aggregate principal amount of temporary registered bonds without coupons, in the denomination of \$1,000 or any multiple thereof, substantially of the tenor hereinabove set forth, maturing on the same date and bearing interest at the same rate as this temporary bond.

IN WITNESS WHEREOF, the State of Ohio, by the Ohio Turnpike Commission, has caused this temporary bond to be signed by the facsimile signatures of the Chairman and the Vice Chairman of the Commission, and the official seal of the Commission to be affixed hereto and attested by the Secretary-Treasurer of the Commission, all as of the first day of June, 1952.

Chairman of Ohio Turnpike Commission

Attest:

Vice Chairman of Ohio Turnpike
Commission

Secretary Treasurer of Ohio Turnpike Commission

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This temporary bond is one of the bonds issued under the provisions of the within mentioned Agreement.

THE OHIO NATIONAL BANK OF COLUMBUS

Trustee

By

Authorized Officer

Section 11. The Chairman and the Vice Chairman of the Commission are hereby authorized and directed to cause said temporary bonds to be signed with their facsimile signatures and the coupons, if any, thereto attached to bear the facsimile signature of said Chairman, and the Secretary-Treasurer of the Commission is hereby authorized and directed to cause the official seal of the Commission to be affixed to said

temporary bonds and to attest the same and to deliver the same to the Trustee under said Trust Agreement when executed, for authentication and for delivery to the purchasers thereof in accordance with the terms and provisions of the sale thereof as shall hereafter be provided for in a resolution to be adopted by this Commission.

Section 12. Until definitive bonds are ready for delivery, said temporary bonds may be exchanged, without cost or expense to the holders thereof, for a like aggregate principal amount of other temporary bonds of authorized denominations with appropriate coupons attached representing unmatured interest to June 1, 1953, with or without the privilege of registration as to principal alone, or for a like aggregate principal amount of temporary registered bonds without coupons in the denomination of \$1,000 or any multiple thereof approved by the Commission. Execution of such temporary registered bonds without coupons in the denomination of multiples of \$1,000 shall be conclusive evidence of such approval by the Commission. Such additional temporary bonds shall be substantially of the tenor hereinabove set forth for temporary bonds, but in the case of coupon bonds shall have appropriate coupons substantially in the form provided in the Trust Agreement for coupons, with such variations and modifications as shall be appropriate. Such additional temporary bonds shall mature on the same date and bear the same rate of interest as the temporary bonds for which they are exchanged.

Section 13. The Ohio National Bank of Columbus, Columbus, Ohio, shall be and is hereby appointed to act as Trustee under said Trust Agreement and The National City Bank of New York, City and State of New York, is hereby appointed to act as Co-Trustee under said Trust Agreement. The Trustee and the Co-Trustee under said Trust Agreement shall be entitled to all of the rights and powers and all of the immunities and privileges therein granted to the Trustee and to the Co-Trustee, as the case may be, and shall be subject to all of the duties therein imposed upon the Trustee or the Co-Trustee, as the case may be.

Section 14. The Northern Trust Company, Chicago, Illinois, The Union Bank of Commerce Company, Cleveland, Ohio, The Central Trust Company, Cincinnati, Ohio, The Toledo Trust Co., Toledo, Ohio, Bank of America National Trust and Savings Association, San Francisco, California and Los Angeles, California are hereby designated, until changed by resolution of this Commission, as paying agents to act as such under said Trust Agreement in addition to the Trustee and the Co-Trustee therein named.

Section 15. The officers of the Commission, and the Consulting Engineers, the Trustee and the Co-Trustee designated in said Trust Agreement are hereby authorized and directed to do all acts and things required of them by the provisions of the bonds and of said Trust Agreement for the full, punctual and complete performance of all of the terms, covenants, provisions and agreements of the bonds and of said Trust Agreement, and to do all acts and things required of them by the provisions of this resolution.

Section 16. The Trust Agreement authorized by this resolution and in form attached hereto, shall be subject to such minor changes, insertions and omissions as may be approved by the Chairman and the Secretary-Treasurer of the Commission and by said Trustee and Co-Trustee, and the execution of the Trust Agreement by the Chairman and the Secretary-Treasurer of the Commission and by said Trustee and said Co-Trustee shall be conclusive evidence of such approval.

A vote by ayes and nays was taken and all members present responded to roll call and voted aye except Mr. Allen who was not voting. The vote was as follows:

Ayes, Teagarden, Kauer, McKay, Shocknessy.

Nays, None.

The Chairman declared the motion adopted.

The meeting was recessed by the Chairman at 10:00 A. M. At 10:30 A. M. the meeting, after the recess, was called to order by the Chairman and all members of the Commission were present and the members of the citizens' advisory committee appointed by the Chairman were present. The Chairman announced that Dr. Howard L. Bevis, President of Ohio State University, would be Chairman of the citizens' advisory committee to the Commission. Roll call of the committee found the following present:

Mr. E. W. Allgower	Mr. J. A. Meckstroth
Mr. Dave Barnhart	Mr. John B. Poston
Mr. E. S. Duffield	Mr. Herbert Randall
Mr. Frank Burgess	Mr. E. G. Resch
Mr. Geo. F. Clipsham	Mr. William C. Safford
Mr. E. A. Cole	Mr. T. R. Schoonover
Mr. A. I. Kidston	Mr. D. R. Stanfield
Mr. Harry Fitzgerald	Mr. Julius Steinhauser
Mr. Byron Frederick	Mr. Don L. Tobin
Mr. E. H. Davis	Mr. Heber Tullis
Mr. Fred Dettman	Mr. Don Weaver
Mr. Ernest Green	Mr. Loren Whittington
Mr. H. W. Werner	Mr. Don Wiper
Mr. Phil Hannah	Mr. Ralph Minor
Mr. Louis R. Hildreth	Mr. Rhoades
Mr. J. W. Huntington	Mr. David Larrimer
Mr. Hugh Laughlin	Mr. Charles P. Henderson

The Chairman of the Commission issued an invitation to luncheon to those who were present including the Governor and other state officials, the citizens' advisory committee, the members of the Commission and its associates, members of the working press, and representatives of the banking group and its associates. He expressed the gratitude of the Commission to the Governor and to the committee and to others who were present and made the following opening statement:

"Governor Lausche, President Bevis, gentlemen of the committee:

Borrowing a term from ecclesiastical usage, in the absence of any objection from any of the other members of the Commission, the chairman of the Commission will consider the Governor and the committee to be incardinated with the Commission for this joint session when a proposal of a group of 412 investment bankers acting together for their joint purpose will be presented in their behalf by their executive managers for the purchase of bonds of the Commission in the principal amount of \$326,000,000.00. The funds to be derived from the sale are to be used for the construction of Ohio Turnpike Project No. 1. Before proceeding further, President Bevis, on behalf of the Commission and the whole group, I bespeak our awareness of the need of Divine guidance in these deliberations as well as in all others which we undertake and I ask Almighty God for His Blessing and guidance upon our deliberations so that this group may come to a wise decision in the best interests of the people of Ohio and of our nation and without taint of any selfish purpose and without response to any venal pressure.

The proposal which we are about to receive has been evolved after many months of deliberation by the Commission and these bankers, deliberations which were oft times dreary and frequently agonizing but always purposefully honest and genuine. The investment bankers who appear before us this morning represent a financial syndicate composed of more than 400 investment firms throughout the United States which has been formed for the purpose of bringing to market this proposed largest issue of revenue bonds in the history of finance. The group, I am told, is the largest one of its kind ever composed. It is so large that it would be a near impossibility to do so, were it an imperative necessity that another one or more groups or syndicates be organized to make their respective proposals for the purchase of bonds which the Ohio Turnpike Commission purposes to sell. The same painful months of negotiation with each such group would be required in order for a bid responsive to an advertisement to be offered and it would be impossible for another syndicate to be formed without generally including the members of the one represented here today. These bankers who are to appear before us today and their associations in whose behalf they speak have been of invaluable assistance to the Commission from the time when they first appeared before it and offered their services in advising and assisting, envisioning the day, this day, when they might offer a proposal for the purchase of the bonds of the Commission.

It has been a matter of anxious concern to me personally and to the other members of the Commission, as I am sure it has been to the Governor as well, to learn that you gentlemen whom we have importuned to serve in this advisory capacity have been bedeviled by material interests seeking to advance the sale of their products through pressure they might bring upon you and thus indirectly upon the Commission. Some of these persons are the same who sought in the special session of the 99th General Assembly last December to cripple the Turnpike Commission if they could not accomplish their own purposes there. The General Assembly in its wisdom in the special session chose to exclude from its final consideration all matters except those for which it had been called into session, namely, the exercise of the power of eminent domain by the Turnpike Commission. It is hoped, President Bevis, that today there will be excluded from consideration all matters with respect to material and design and that we will concern ourselves with the proposal of the bankers which we are assembled to consider. These bankers have had

ample information concerning the engineering criteria, the construction program and the traffic and revenue prospects. Thus prepared with full knowledge of all operative considerations as to construction and revenue they will make a proposal for the purchase of bonds. As an aside I can say that the committee in the last week has had a sample of the badgering and bedeviling to which the Commission has been subjected over the past three years. The Commission is not seeking sympathy, however. The members knew when they undertook this onerous assignment that its completion would be fraught with all the personal unhappiness which their predecessors in similar assignments have endured in the past.

This Commission was appointed in September of 1949 and held its first meeting on September 8 of that year. The legislation creating the Commission and authorizing the construction of toll turnpikes was enacted in 1949 by the 98th General Assembly where it was sponsored by the then Senator Ralph Winter of Lodi who is now Commissioner Winter of the Public Utilities Commission of Ohio. Immediately after its organization the Commission made a determination, presumed in a measure from the legislation itself, that a turnpike was desirable and asked the Director of Highways to make a preliminary finding with respect to the necessity and desirability of a turnpike project. Without setting forth in detail the occurrences thereafter I will summarize by saying that the Director of Highways made such a preliminary determination as to necessity, desirability and feasibility and employed consulting engineers to make a report as to route, cost of construction and anticipated traffic and revenue.

The Auditor of State almost instantly announced that he had profound qualms concerning the lawfulness of the project and accordingly the Supreme Court of Ohio was called upon in three successive suits - State of Ohio, on Relation of T. J. Kauer, Director of the Department of Highways vs. Herbert D. Defenbacher, as Director of the Department of Finance of Ohio, and Joseph T. Ferguson, as Auditor of State of Ohio, No. 32007; State, ex rel., Allen, et al., DBA J.E. Greiner Company v. Ferguson, Auditor, No. 32,433 to rule upon the validity and constitutionality of the law and opened the way for the Commission to proceed. Thereupon the Commission sought the aid of financial advisors and gave its final approval to a route across the northern part of the state beginning at the terminal point of the western extension of the Pennsylvania Turnpike and proceeding generally in a westerly direction toward the Indiana line, accepted the engineering report and in September, 1951, submitted the route to the Governor for his approval in accordance with law. The approval of the Governor was received on November 1 of last year and soon thereafter the counsel for the investment bankers decided that the statute should be amended to further specify the authority of the Commission in the exercise of the power of eminent domain. Accordingly, upon the call of the Governor the General Assembly met and wisely enacted a law which we believe accomplishes the purposes which the counsel for the bankers said had to be accomplished. The law was not passed as emergency legislation, however, and so did not become effective until March, 1952. Meanwhile the Commission was proceeding with the financial negotiations which culminate here today. But lo, before the financing could be completed an assault upon the Commission's constitutional authority was made again, this time in a suit filed in Lucas County earlier this year which after months of study is believed both by the Commission and by the counsel for the bankers to be baseless and without merit. The Lucas County suits, among other things, attack the constitutionality of the law enacted at the special session.

The Commission has never had any funds with which to pay for financial, clerical, legal and other assistance which has been essential to meet the problems preliminary to the sale of revenue bonds by it. Provision was made in the Turnpike Act for the advance to the State Highway Department by the Controlling Board of funds for the engineering and traffic studies made for the Director but no provision was made for the payment of expenses of the Commission for engineering, technical or financial studies, nor for the payment of the authorized compensation for the members of the Ohio Turnpike Commission nor for their personal expenses on Commission business. Nevertheless, the members of the Commission and those working in and with the Commission have devoted themselves to the problems of locating the Turnpike, defending litigation contesting the validity of the Turnpike Act and the powers of the Commission and developing bond terms designated to provide adequate funds for the Turnpike at the lowest possible financing cost.

The extent of the work that has been done by this group of investment bankers, by the Commission and by those acting on its behalf will appear clear when the proposal is presented here today. It will consist of an agreement on the part of the investment bankers to purchase the \$326,000,000.00 principal amount of Ohio Turnpike Revenue Bonds and an agreement by the Commission to sell those bonds. Obligations of the parties will be subject to certain conditions including approval of the validity of the bonds by counsel. Comparable conditions are usual in underwriting agreements relating to revenue bonds. The proposal is not expected to provide for any so-called standby charge, which is a charge frequently made by bankers for the risk they take in committing themselves to purchase certain securities over a substantial period of time. In this case the investment bankers will commit themselves to the purchase until September 4, 1952, subject to stipulated conditions. The proposal will refer to and include the Trust Agreement which is a 100-page instrument setting the terms of the bonds. This Trust Agreement involves many matters of great import to the Commission, in particular, the call price of the bonds, the sinking fund requirements, the handling of the Turnpike revenues, the application of the revenues to payment of the bonds and the provision for necessary reserves. The provisions in these respects have been determined with the assistance of persons who are experts in revenue bond financing.

Although all the funds from the sale of the bonds will not be needed immediately, the proposal contemplates the entire \$326,000,000.00 principal amount of bonds being delivered and paid for at one time. To the extent that the proceeds would not be immediately needed they would be invested by the co-trustee in short term United States government obligations which will bring a substantial return in the form of interest. The alternative was to arrange with financial institutions for a commitment to purchase the bonds from time to time as funds would be needed for the turnpike construction. For this commitment a substantial standby fee would be required to cover the risk to the institutions and the necessity of their freeing their funds to meet the continuing commitment. Furthermore, the commitment is an unsecured contract and the performance might be subject to many unforeseen contingencies. In spite of these manifest advantages of obtaining all the money at one time, the Commission, nevertheless, in three round-trip attempts explored the possibility of evolving some standby arrangement with various large insurance companies such as was used in financing the New Jersey Turnpike but it found that those companies would

not be interested.

Copies of the correspondence between the Commission and the insurance companies are in Mr. Crawford's hands available for examination by the committee as also is correspondence with the Bank of America seeking that institution's leadership in the financing.

The Commission also gave careful study to the question of whether it should obtain bids from more than one group of investment bankers or others in addition to the group submitting the proposal. In this connection it has consulted the large insurance companies as to the possibility of their taking the entire issue of bonds as a private placement but has received indications that these institutions would not be interested. The Commission has satisfied itself that the size of the bond issue, which, as already stated, is the largest revenue bond financing ever attempted, makes it imperative that the bonds be marketed through the largest and most widely distributed group of investment bankers possible if the best price and terms are to be obtained. A large and widely distributed group is believed not only advantageous to the initial sale of the bonds but also will be of material value to the Commission as creating a broader market for refunding bonds in the future. The Commission believes that it has achieved these objectives in the group of investment bankers making the proposal. It is not to be forgotten, as already mentioned in this statement, that this group is the largest and most widely distributed group ever organized to bid on a revenue bond issue. To have requested that more than one group be organized would have prevented the organization of any one group of a size comparable to the one submitting the proposal.

The Commission has not believed the disadvantages it would suffer in seeking competitive bids would be adequately compensated by the only real advantage it could gain from competitive bidding which would be the determination of a standard of comparison only. There are available to the Commission sufficient statistics based on other revenue bond issues to demonstrate the fairness of terms, interest rate, price and spread which may be included in any proposal made to it for the purchase of its bonds. Furthermore, it is to be remembered that the capital providing for the turnpike's construction in Ohio is not being furnished from moneys mandatorily paid by the taxpayers but from moneys which the investing public is willing to lend in expectation of a fair return. Accordingly, since the Commission in its financing operations is more akin to a business enterprise than a tax-supported government agency, it must be guided by the years of experience of private enterprise and similar public ventures in financing its needs. It is noteworthy here that no construction project similar to this was ever financed with revenue bonds except by negotiation.

The Commission has in its files a schedule showing the various terms of other revenue bond issues with various comparative comments. This information has been made available to the committee for comparison with the terms of the proposal to be received. The recent West Virginia offering of turnpike bonds of that state encompassed an underwriting profit of four points and a discount of one point when offered to the public thus realizing for the West Virginia Commission only 95 for its bonds.

And now on behalf of our joint committee the chair recognizes the spokesman for the management group who will present to the Ohio Turnpike Commission on behalf of the approximately 412 investment houses which it represents the proposal for the purchase of Ohio's Turnpike revenue bonds

in the principal sum of \$326,000,000.00.

3 June, 1952 At Columbus".

The Chairman of the Commission repeated a previous public statement that the business of the Commission at all times has been and will be done under the pitiless glare of public scrutiny. He offered to the advisory committee every facility which had been at the disposal of the Commission during the negotiations with the investment bankers. He then recognized Mr. Dennis E. Murphy, the spokesman for the investment group for financing, and Mr. Murphy introduced Mr. Reginald M. Schmidt, Vice President of Blyth & Co., Inc.

Mr. Schmidt explained that the original group of 170 members had been expanded to 411 members in order to be able to handle an issue of \$326,000,000. Mr. Schmidt stated this procedure was followed in order to assure the Commission and also the managers of the group of the group's ability to successfully underwrite and distribute the largest issue that has ever been brought to the market. He stated further that every important dealer throughout the country interested in this type of financing had been included in the account, and that every Ohio dealer in the account had been given a participation substantially in excess of the amount they would ordinarily take in a deal of this kind. Mr. Schmidt stated further the capital of the firms comprising the group exceeded \$250,000,000.

Mr. Schmidt explained further the work which had been done by members of the group in developing interest in the bonds, including two meetings which were held in New York and Chicago for representatives of insurance companies, banks, trust companies, trustees of estates, etc. He stated that representatives attending the New York meeting represented institutions with assets of more than \$60 billion. Because of all the work which had been done by the group, Mr. Schmidt stated he felt quite sure the proposal which he was prepared to submit was the best obtainable under the circumstances. Mr. Schmidt then submitted a proposal for the purchase of the bonds, a true and exact copy of which is set forth in Resolution No. 30-1952 hereinafter recorded in full in the minutes of this meeting.

Governor Lausche asked Mr. Schmidt to mention some of the major firms that had not joined the syndicate and Mr. Schmidt said that the firm of Morgan, Stanley and Co. is the only major firm in the United States which had not joined and that this firm had not joined because it does not normally underwrite and distribute revenue bond issues. Governor Lausche asked Mr. Schmidt if the Bank of America is in the syndicate and Mr. Schmidt answered that the Bank of America is not legally permitted to underwrite and distribute revenue bonds. The Governor then asked the Chairman to mention any correspondence with the Bank of America and the Chairman of the Commission explained to Governor Lausche the correspondence which he had with the Bank of America in an effort to develop leadership in the Bank of America for a syndicate similar to the one making the proposal for the Ohio Turnpike issue. Other questions of Governor Lausche concerning correspondence with insurance companies and the experience of other recent revenue issues were answered by the Chairman who stated that all files of the correspondence of the Commission with insurance companies and Bank of America and others concerning

financing of the project would be in the hands of Mr. Crawford and would be available to the citizens' advisory committee during its deliberations.

Mr. Bevis as chairman of the committee inquired as to whether anyone present on the committee or in the audience had any other proposal to offer for the financing of the project. There was no response.

The meeting was recessed by the Chairman of the Commission at 12:00 noon until 9:00 A. M. on June 4, 1952 the meeting, after the recess, was called to order by the Chairman in Hearing Room No. 4 of the State Office Building and the roll was called and the attendance was reported to be as follows:

Present: Teagarden, Shocknessy, McKay, Kauer, Allen

Absent: None

The Chairman announced that a quorum was present.

The Chairman stated his opinion that no public undertaking had ever received wider, deeper public information than the financing of the Ohio Turnpike. He reported that the citizens' advisory committee held a meeting on the afternoon of June 3, 1952 and he was advised that no one came forward at that time in response to a question of President Bevis as to whether anyone present or represented was able or willing to make an offer for the financing of the turnpike project. The Chairman then asked three times whether there was anybody in the room who wished to be heard with respect to leadership in the financing of the Ohio Turnpike. He said, "If there is anyone present or represented whom the Commission has not hereto heard from with respect to undertaking the financing of the Ohio Turnpike let him or the representative come forward." The Chairman also inquired if any representative of the insurance companies whom the Commission has --addressed in the past or any insurance company whom the Commission has not addressed or any representative of the Bank of America or any other institution was present in the room and wished to be heard prior to the receipt by the Commission of the report of the citizens' advisory committee. There was no one in the room who responded. The Chairman pointed out that the large insurance companies in the United States were advised of the meeting of June 3 and that the Bank of America was advised of the meeting and that all interested parties had had an opportunity to know of the business to come before the Commission. He then asked for the report of the advisory committee.

Mr. Crawford reported that at a meeting of the citizens' advisory committee held at the Athletic Club of Columbus on the afternoon of June 3, 1952 Mr. J. W. Huntington, President, Western Mutual Fire Insurance Company, 22 East Gay Street, Columbus, Ohio, had moved that the citizens' advisory committee to the Ohio Turnpike Commission approve the proposal offering to purchase \$326,000,000 of Turnpike Revenue Bonds made to the Ohio Turnpike Commission by the investment bankers at the joint session of the citizens' advisory committee and the Ohio Turnpike Commission on June 3, 1952, and recommended that the Commission accept the offer and that the sale of the bonds be consummated as quickly as is feasible. Mr. Crawford said that this motion was seconded by Mr. E. H. Davis, Chairman of the Board, New York Coal Sales Company, 150 East Broad Street, Columbus, Ohio, and was unanimously adopted by all members present. Mr. Crawford reported that in addition to the members of the citizens' advisory committee

members of the citizens' advisory committee presided over by President Bevis there were present at its meeting Regina C. O'Grady who was duly appointed by the Chairman to act as Secretary and to keep the minutes of the meeting, which appointment was confirmed by the committee; Fred W. Danner, member of the Senate of the Ohio General Assembly; Mr. Crawford and James F. Preston, Jr., of Squire, Sanders and Dempsey and members of the press.

The Chairman expressed the gratification of the Commission that the judgment which it had and which it submitted to the citizens' advisory committee had been approved by that committee. He pointed out that the decision is ultimately and finally to be made by the Commission.

The Chairman then reviewed the deliberations of the Commission over several months with respect to title work for the turnpike project and recommended that the Commission take action upon the bids which had previously been received for such work.

A motion was made by Mr. McKay, seconded by Mr. Teagarden, that the following resolution (No. 29-1952) be adopted:

"WHEREAS despite the fact that, based upon the opinions of its attorney and its bond counsel, the Commission deemed competitive bidding to be unnecessary, nevertheless, and for practical reasons, the Commission, by resolution adopted on February 5, 1952, determined that it should secure competitive bids for the furnishing of title services and title contracts needed in connection with the acquisition of rights-of-way for Turnpike Project No. 1, according to terms and conditions then adopted by the Commission and the Commission then prescribed the form of advertisement of such bidding; and

WHEREAS advertisement of such competitive bidding was made as prescribed by the Commission;

WHEREAS complete information with respect to the bidding requirements, in the form of the "Notice to Bidders and Proposal" adopted on February 5, 1952 was furnished to all persons and corporations who requested it ---six in number --- and thereafter two bids, by The Land Title Guarantee and Trust Company and the Louisville Title Insurance Company, were received, and were publicly opened on February 23, 1952 as heretofore prescribed by the Commission;

WHEREAS the members of the Commission individually have thoroughly considered said bids and abstracts, tabulations, and analyses of the prices proposed and the information with respect to qualifications set forth in said bids, and the Commission members have deliberated together with respect to the same;

WHEREAS the Commission has entertained and heard at its public meetings representatives of the two companies aforesaid with respect to their respective qualifications, and has likewise heard, and considered the suggestions and representations of, all other persons who have sought audience with the Commission with respect to any aspect of the title ser-

vices and title contracts with respect to which the bids were taken; and

WHEREAS the Commission has sought and procured the advice of its general counsel and its consulting engineer, with respect to the arrangements, time schedule, and procedures set forth in the aforesaid bids for handling the work of preparing descriptions of and and interests therein to be acquired for right-of-way purposes, the work of searching and reporting upon the title thereto, and of furnishing ultimate title assurances with respect thereto;

NOW, THEREFORE, BE IT RESOLVED, that, upon due and full consideration of the advices furnished by its several counselors and of all relevant facts, including the personnel and facilities of the bidders and their prior comparable experience or lack thereof, all as indicated by the schedules of information furnished by them to the Commission with and as a part of their bids, and also as indicated by the information supplied by the two bidders when they, respectively, appeared before the Commission, the Commission does hereby determine that The Land Title Guarantee and Trust Company is the best qualified of the bidders to furnish the title services and title guarantees and insurance required, and that upon a careful evaluation of the prices bid and of all said relevant facts, the bid of said The Land Title Guarantee and Trust Company is the lowest and best bid; and

FURTHER RESOLVED that the contract for said title services and title contracts, be, and it is, awarded to said The Land Title Guarantee and Trust Company, and the Chairman of the Commission is authorized to sign said contract on behalf of the Commission; and

FURTHER RESOLVED that when said contract, in the form embodied in the "Notice to Bidders and Proposal" adopted by the Commission on February 5, 1952, shall have been signed and delivered, and when said The Land Title Guarantee and Trust Company shall have delivered to the Secretary-Treasurer of the Commission a performance bond in the amount of \$134,996, which is one-half of the contract price, and said bond shall have been approved by the Commission, the Secretary-Treasurer shall return to said The Land Title Guarantee and Trust Company the certified check in the amount of \$10,000.00 which ~~it~~ ^{was} submitted with its bid; and

FURTHER RESOLVED that the bid of the Louisville Title Insurance Company is not the lowest and best bid and it fails in substantial respects, including those set forth in the letter to the Commission by its general counsel under date of February 25, 1952, on the subject of "Bids for Title Services and Title Contracts", to comply with the requirements for said bids as adopted by the Commission on February 5, 1952; that, therefore, the Secretary-Treasurer shall forthwith return to said company the certified check in the amount of \$10,000.00 which ~~it~~ ^{was} submitted with its bid."

A vote by ayes and nays was taken and all members present responded to roll call and voted aye except Mr. Allen who was not voting. The vote was as follows:

Ayes, Teagarden, Kauer, McKay, Shocknessy

Nays, None

The Chairman declared the motion adopted.

The Chairman announced that 25 minutes had elapsed since he had called upon the audience present and the world for any other offer by any group to finance the Ohio Turnpike and that 22 hours had elapsed since President Bevis called upon the world to submit any offer that might be available for the financing of the turnpike. He stated that the Commission has been deliberating the offer to finance the project and that it had spent many months in negotiating for such financing and that no one has taken any exception to it. He then entertained a motion for action on the proposal of the syndicate.

A motion was made by Mr. McKay, seconded by Mr. Kauer, that the following resolution (No. 30-1952) be adopted:

WHEREAS, the Ohio Turnpike Commission (hereinafter referred to as "the Commission") by resolution heretofore duly adopted on June 3, 1952 found, declared and determined it to be necessary to construct Ohio Turnpike Project No. 1 and also found, declared and determined it to be necessary to issue Turnpike Revenue Bonds of the State of Ohio secured by the provisions of the Trust Agreement therein referred to and therein authorized to be executed, to pay the cost of said Turnpike Project No. 1, and therein declared, found and determined that such bonds in the aggregate principal amount of \$326,000,000.00 will be required and will be sufficient to pay the cost of such Turnpike according to the estimate thereof referred to in said resolution, and in said resolution also authorized and directed to be issued such Turnpike Revenue Bonds, designated "Turnpike Revenue Bonds, Project No. 1" (hereinafter sometimes called "the Bonds") in the amount of \$326,000,000.00 having the terms and provisions therein provided for and authorized, and directed the execution and delivery of a trust agreement in form therein set forth to secure said bonds; and

WHEREAS, the Commission has received a proposal of Blyth and Co., Inc., B.J. VanIngen & Co., Inc., The Ohio Company, Braun, Bosworth & Co., McDonald & Company, Prescott & Co., The Weil, Roth & Irving Co., dated June 3, 1952, for the purchase of said bonds upon the terms and conditions set forth in said proposal, which proposal reads in full as follows:

CONTRACT OF PURCHASE

\$ 326,000,000

State of Ohio 3 1/4 % Turnpike Revenue Bonds, Project No. 1

June 3, 1952

OHIO TURNPIKE COMMISSION,
State Office Building,
Columbus, Ohio.

Sirs:

The undersigned, acting on behalf of themselves and the dealers listed in Schedule A attached hereto as said list may from time to time be changed by the undersigned prior to the Closing (hereinafter collectively called the "Purchasers"), offer to enter into the following agreement with you which, upon your acceptance of this offer, will be binding upon you and upon the Purchasers. The undersigned need not advise you of any change in such

list. This offer is made subject to your acceptance at or prior to 11:00 A. M., Eastern Standard Time on June 4, 1952.

1. Upon the terms and conditions and upon the basis of the representations hereinafter set forth, the Purchasers hereby, jointly and severally, agree to purchase from you, and you hereby agree to sell to the Purchasers, all (but not less than all) of \$326,000,000 aggregate principal amount of State of Ohio 3 1/4% Turnpike Revenue Bonds, Project No. 1, dated June 1, 1952 and to mature June 1, 1992 (hereinafter called the "Bonds"). The aggregate purchase price of the Bonds shall be \$976.00 for each \$1,000 principal amount of the Bonds, plus interest accrued thereon from June 1, 1952 to the date of Closing. The Bonds shall be as described in, and shall be issued pursuant to, a trust agreement (herein called the "Trust Agreement") to be entered into between you and The Ohio National Bank of Columbus, Columbus, Ohio, and the National City Bank of New York, as trustee and co-trustee, respectively, in the form attached hereto and marked Exhibit A with only such changes therein as shall be mutually agreed upon between you and the undersigned.

2. The Purchasers agree that the initial public offering price of the Bonds shall be not in excess of 100% of their Principal amount, plus accrued interest to the date of delivery.

3. Concurrently with your acceptance hereof, you will deliver to the undersigned an official statement, dated the date of such acceptance (hereinafter called the "Official Statement"), executed on your behalf by your Chairman and executed by Messrs. Parsons, Brinckerhoff, Hall & MacDonald and J. E. Greiner Company as to their respective reports included therein, and you will authorize the Official Statement and the information therein contained to be used in connection with the sale of the Bonds. Prior to the date hereof, you furnished the undersigned with copies of engineering report, dated August 15, 1951 (herein called the "Engineering Report"), in respect of the Ohio Turnpike, prepared for the Department of Highways of the State of Ohio by J. E. Greiner Company, consulting engineers, and with copies of the Report on Traffic and Earnings, dated May 6, 1952 (herein called the "Traffic Report"), in respect of the Ohio Turnpike prepared for the Department of Highways of the State of Ohio by Parsons, Brinckerhoff, Hall & Macdonald, engineers.

4. You represent to each of the Purchasers that, both at the time of your acceptance hereof and at the date of Closing, the statements and information contained in the Official Statement will be true and correct in all material respects and the Official Statement will not omit any statement or information which is necessary to make the statements and information therein not misleading in any material respect.

5. At 10:00 A. M., Eastern Standard Time, on such full business day, not later than September 4, 1952, as you shall have designated in writing delivered to the undersigned not less than 14 days (or such shorter period as the undersigned may at any time agree to in writing) before the date so designated, you will deliver to Blyth & Co., Inc. the Bonds in temporary form (all Bonds in temporary form being printed or lithographed on steel engraved borders), duly executed and authenticated, together with the other documents hereinafter mentioned; and Blyth & Co., Inc., on behalf

of the Purchasers, will accept such delivery and pay the purchase price thereof by certified or bank cashier's check or checks payable in New York Clearing House funds to the order of the Trustee under the Trust Agreement; provided that if on or prior to August 21, 1952 (or such later date prior to September 4, 1952 as the undersigned may agree to in writing) you shall have not so designated a date for such delivery and payment, the undersigned, by notice in writing delivered to you at any time on or prior to September 4, 1952, may, but shall not be obligated to, fix a date therefor which may be any full business day prior to October 2, 1952 which is not less than 10 days after the delivery of such notice to you. Delivery and payment as aforesaid shall be made at the office of The National City Bank of New York, 55 Wall Street, New York, N. Y.; and said transaction is herein called the "Closing". The Bonds to be delivered at the Closing shall be in the denomination of \$1,000,000 each, without coupons and without the privilege of registration; provided, however, that if the undersigned shall deliver to you in writing not less than 10 days before the Closing a request therefor, you shall have available at the Closing, for exchange (without cost or expense to the Purchasers) for such Bonds in the denomination of \$1,000,000 each, Bonds in temporary form, in such forms and denominations as are permitted by the Trust Agreement, and, in the case of registered Bonds, registered in such name or names, as shall be specified in such request. If the undersigned shall make such request, you will make the Bonds to be issued upon such exchange available to the undersigned, at the office of The National City Bank of New York, 55 Wall Street, New York, N. Y., not less than 5 days prior to the Closing for the purposes of inspection and packaging.

6. The obligations of the Purchasers are subject to the following conditions:

(a) That, at the time of Closing, the Trust Agreement shall be in full force and effect, and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the undersigned, and that you shall have duly adopted and there shall be in full force and effect such resolutions as shall, in the opinion of your bond counsel, Messrs. Squire, Sanders & Dempsey, and bond counsel to the Purchasers, Messrs. Mitchell and Pershing, be necessary in connection with the transactions contemplated hereby;

(b) That the undersigned shall have the right to cancel the agreement of the Purchasers contained herein to purchase the Bonds by notifying you of their election so to do if at any time at or prior to the Closing (i) a decision by a Court of the United States or The Tax Court of the United States shall be rendered, or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the Bureau of Internal Revenue or other governmental agency shall be made, with respect to Federal taxation upon revenues or other income of the general character derived by you or upon interest received on bonds of the general character of the Bonds which materially affects the market price of the Bonds or the market price generally of bonds of the general character of the Bonds, or (ii) any event shall have occurred or shall exist which, in the opinion of the undersigned, makes untrue or incorrect in any material respect as of such time any statement or information contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information contained therein not misleading in any material respect as of such time, or (iii) any event shall have occurred or shall exist which, in the opinion of the undersigned, makes the then national or international economic, financial or other conditions materially and adversely different from such conditions as they exist at the date hereof; and

(c) That at or prior to the Closing, the undersigned shall receive the following documents:

(1) Unqualified approving opinions of Mitchell and Pershing and of Squire, Sanders & Dempsey, dated the date of Closing, each in substantially the form attached hereto and marked Exhibit B, and supplementary opinions of such firms, dated the date of Closing, each in substantially the form attached hereto and marked Exhibit C; and

(2) Such additional certificates, instruments and other documents as the undersigned may request to evidence the truth and accuracy as of the date of Closing of your representations herein contained and the due performance or satisfaction by you at or prior to such date of all agreements then to be performed and all conditions then to be satisfied by you.

If no date for Closing shall be designated by you or fixed by the undersigned in accordance with the provisions of Section 5 thereof or if you shall be unable to satisfy the conditions to the obligations of the Purchasers contained in this Contract of Purchase or if the obligations of the Purchasers shall be terminated for any reason permitted by this Contract of Purchase, this Contract of Purchase shall terminate and neither the Purchasers nor you shall be under further obligation thereunder; provided that the respective obligations of you and the undersigned for the payment or reimbursement of expenses, as provided in Section 7 hereof, shall continue in full force and effect.

7. The Purchasers shall be under no obligation to pay any expenses incident to the performance of your obligations hereunder, including, but not limited to, the cost of preparing and printing the Trust Agreement, the Engineering Report, the Traffic Report and the Official Statement, the cost of preparing the temporary Bonds and definitive Bonds and the fees and disbursements of J. E. Greiner Company, Parsons, Brinckerhoff, Hall & Macdonald and Squire, Sanders & Dempsey; and you will reimburse the Purchasers for the reasonable expenses incurred or paid by them in printing the Trust Agreement, the Official Statement and the temporary Bonds but only from the proceeds of the sale by you of revenue bonds to finance Ohio Turnpike Project No. 1. The Purchasers will pay all expenses incurred by them or any of them in connection with their distribution of the Bonds, including the fee and disbursements of Mitchell and Pershing.

Any notice or other communication to be given to you under this contract of Purchase may be given by delivering the same at your address set forth above, and any such notice or other communication to be given to the Purchasers may be given by delivering the same to Blyth & Co., Inc., 14 Wall Street, New York 5, N. Y.

9. This Contract of Purchase is made solely for the benefit of you and the Purchasers and no other person shall acquire or have any right hereunder or by virtue hereof. All your representations and agreements in this Contract of Purchase shall remain operative and in full force and effect regardless of any investigation made by or on behalf of any of the Purchasers and shall survive the delivery of the Bonds hereunder.

BLYTH & CO., INC.
B. J. VanINGEN & CO. INC.
THE OHIO COMPANY
BRAUN, BOSWORTH & CO.
McDONALD & COMPANY
PRESCOTT & CO.
THE WEIL, ROTH & IRVING CO.

By BLYTH & CO., INC.

By

B. J. VanIngen & Co. INC.

By

The OHIO COMPANY

By

On behalf of the Purchasers, including
themselves.

Accepted: . M., June , 1952

OHIO TURNPIKE COMMISSION
BY

Chairman

and,

WHEREAS, the Commission since September 1, 1951, has continuously studied the terms and conditions on which revenue bonds to be issued for said purpose could be marketed to the best advantage of the Commission and the State of Ohio and,

WHEREAS, the Commission has fully and carefully evaluated said proposal and has received expert advice with respect to its terms and has determined that the acceptance of such proposal is for the best interests of the State of Ohio,

NOW, THEREFORE, BE IT RESOLVED by the Ohio Turnpike Commission:

Section 1. That the proposal of Blyth and Co., Inc., B.J. Van Ingen & Co. Inc., The Ohio Company, Braun Bosworth & Co., McDonald & Company, Prescott & Co., The Weil, Roth & Irving Co., hereinbefore set forth at length be and the same hereby is accepted and the Chairman of the Commission is hereby authorized and directed to notify the persons making such proposal of such acceptance and to execute the form of acceptance contained therein and to deliver executed counterparts thereof to said persons.

Section 2. The Chairman and the Vice Chairman of the Commission are hereby authorized and directed to cause to be signed with their facsimile signatures the temporary bonds without coupons numbered from T-1 to T-326 inclusive, provided for in said resolution of June 3, 1952, in the form prescribed therein, and the Secretary-Treasurer of the Commission is hereby authorized and directed to cause the official seal of the Commission to be affixed to said temporary bonds and to attest the same as soon as they are presented to him for such purpose, and thereupon to deliver said bonds to the Trustee under said Trust Agreement for authentication and for delivery by it to Blyth & Co., Inc. in accordance with and upon compliance with the provisions of said proposal and of this

resolution.

Section 3. The Chairman and the Vice Chairman are hereby authorized and directed to cause additional temporary bonds to be signed with their facsimile signatures, and to cause the coupons attached to coupon bonds, to bear the facsimile signature of the Chairman, and the Secretary-Treasurer is hereby authorized and directed to cause the official seal of the Commission to be affixed and to attest such additional temporary bonds, the same to be in the form and of the tenor provided for in said resolution of June 3, 1952, exchangeable for said temporary bonds numbered from T-1 to T-326 inclusive, in the event a written request therefor complying with the terms of said Proposal is delivered to the Commission or whenever otherwise required in order to comply with the provisions of said resolution or with the provisions of the temporary bonds and the Trust Agreement.

Section 4. Definitive bonds complying with the terms and provisions of said resolution of the Commission, adopted June 3, 1952, authorizing the issuance of said bonds and complying with the terms and provisions of said Trust Agreement, shall be executed by the Chairman and Vice Chairman and sealed and attested by the Secretary-Treasurer, as provided in said resolution and shall thereupon be delivered by the Secretary-Treasurer to the Trustee under said Trust Agreement for authentication and for delivery in exchange for said temporary bonds in accordance with the provisions of said Trust Agreement, and said officers are hereby directed to arrange for the preparation, execution and delivery of such definitive bonds as soon as may be practicable."

The Chairman again asked whether anyone in the room wished to make another offer for financing the turnpike project. There was none. A vote by ayes and nays was taken and all members present responded to roll call and voted aye except Mr. Allen who was not voting. The vote was as follows:

Ayes, Teagarden, Kauer, McKay, Shocknessy.

Nays, None.

The Chairman declared the motion adopted at 10:05 A. M. June 4, 1952, and he at once advised the members of the banking group who were signatories of the contract to finance and who were present in the room that their proposal was accepted by the Commission. The Chairman then affixed his signature to the contract of purchase.

The Chairman affixed his signature to the Trust Agreement with the Trustee and Co-Trustee.

The Chairman stated that the Commission had received non-interest affidavits from all members of the management group with which it had entered into contract in the following form:

"OHIO TURNPIKE COMMISSION

State of Ohio)
County of Franklin) SS:

AFFIDAVIT

The undersigned, being first duly sworn as provided by law,

deposes and says:

1. His name is _____ and he resides at _____, and his office is at _____.

2. He makes this affidavit with the knowledge and intent that it is to be filed with the Ohio Turnpike Commission, and with the expectation that it will be relied upon by said commission in any consideration which it may give to, and any action which it may take with respect to, the proposal, bid, or contract referred to below in Par. 4.

3. He makes, and is authorized to make, this affidavit on behalf of _____.

4. The matter with respect to which this affidavit is made is:

5. Neither the undersigned, nor any person, firm, or corporation named above in Par. 3, nor anyone else to the knowledge of the undersigned, has employed anyone to solicit or secure affirmative or favorable action by the commission with respect to the matter identified above in Par. 4, except as follows:

None of the persons named above in this Par. 5, if any, (excepting any person regularly employed as a salesman under, and who will be paid for his services in respect of the above-identified matter under, a regular schedule of commissions and serving in the usual course of his employer's business in soliciting such consideration or action by the commission, and excepting also any person so soliciting in the normal course of his own established business as a broker or factor without promise or expectation of receiving other than his standard and normal fee, commission, or percentage) was employed under any agreement providing for a bonus, fee, commission, percentage, or other form of payment whatsoever which is in any way contingent upon the action to be taken by the commission with respect to the matter identified above in Par. 4.

6. Neither the undersigned nor any person, firm, or corporation named above in Par. 3 has any interest, direct or indirect, in any contract heretofore entered into with the commission, or in any proposal or bid for a contract with the commission, on which action is pending, except the matter identified in Par. 4 and except as follows:

Insofar as affiant knows, no member of the commission and no employee or agent of the commission who is known by affiant to be such, has any interest, either direct or indirect, in the matter described above in Par. 4.

Affiant.

Sworn to before me and subscribed in my presence this ____ day
of _____, 1952.

Notary Public.

The Chairman also reported the receipt of the following non-interest affidavit in behalf of The Ohio National Bank.

OHIO TURNPIKE COMMISSION

State of Ohio)
) SS:
County of Franklin)

AFFIDAVIT

The undersigned, being first duly sworn as provided by law, deposes and says:

1. His name is L. A. Stoner and he resides at 1807 Bluff St., Columbus, Ohio, and his office is at 51 N. High St. Columbus, Ohio.

2. He makes this affidavit with the knowledge and intent that it is to be filed with the Ohio Turnpike Commission, and with the expectation that it will be relied upon by said commission in any consideration which it may give to, and any action which it may take with respect to, the proposal, bid, or contract referred to below in paragraph 4.

3. He makes, and is authorized to make, this affidavit on behalf of

The Ohio National Bank of Columbus,
Columbus, Ohio

4. The matter with respect to which this affidavit is made is:

Trust Agreement dated as of June 1, 1952, and
Supplemental Agreement relating to fees of the
Trustee under said Trust Agreement.

5. Neither the undersigned, nor any person, firm, or corporation named above in paragraph 3, nor anyone else to the knowledge of the undersigned, has employed anyone to solicit or secure affirmative or favorable action by the commission with respect to the matter identified above in paragraph 4, except as follows:

No exceptions.

None of the persons named above in this paragraph 5, if any, (excepting any person regularly employed as a salesman under, and who will be paid for his services in respect of the above-identified matter under, a regular schedule of commissions and serving in the usual course of his employer's business in soliciting such consideration or action by the commission, and excepting also any person so soliciting in the normal course of his own established business as a broker or factor without promise or expectation of receiving other than his standard and normal fee, commission, or percentage) was employed under any agreement providing for a bonus, fee, commission, percentage, or other form of payment whatsoever which is in any way contingent upon the action to be taken by the commission with respect to the matter identified above in paragraph 4.

6. Neither the undersigned nor any person, firm, or corporation named above in paragraph 3 has any interest, direct or indirect, in any contract heretofore entered into with the commission, or in any proposal or bid for a contract with the Commission, on which action is pending, except the matter identified in paragraph 4 and except as follows:

No exceptions

Insofar as a s affiant knows, no member of the Commission, and no employee or agent of the commission who is known by affiant to be such, has any interest

either direct or indirect, in the contracts referred to in paragraph 4.

7. The undersigned acknowledges on behalf of their persons, firms, and corporations named above in paragraph 3 that any contract between said persons, firms, and corporations, or any of them, and the commission, which may result from any consideration or action by the commission with respect to the matter identified above in paragraph 4 will be subject to the following conditions, whether or not such conditions are expressly recited in any writing which shall evidence such contract:

"It is represented and warranted by L. A. Stone that (1), so far as he knows, no member, employee, or agent of the Ohio Turnpike Commission has any interest, either direct or indirect, in this contract, or in the sale of any property, real or personal, to said commission which is called for or contemplated by this

contract; (2) said Ohio National Bank of Columbus has not employed or procured the employment of anyone to solicit or secure this contract with the commission; (except as recited in that certain

affidavit of no exceptions , dated , in relation to the subject matter of this contract); and (3) no such person so employed, and as identified in such affidavit, was employed under any agreement providing for a bonus, fee, commission, percentage, or other form of payment whatsoever which was in any way contingent upon the action taken by the commission with respect to the subject matter of this contract, except as specifically excepted in paragraph 5 of said affidavit. If the commission shall hereafter determine that any of the foregoing representations is false,

it may, upon written notice to The Ohio National Bank of Columbus, immediately terminate this contract and thereafter refuse to make any payments hereunder, whether or not such payments are for services already performed or property already delivered, or in the event such false representation was as to the existence of any agreement providing for a bonus, fee, commission, percentage, or other form of contingent compensation, the commission may in its discretion elect to continue the contract in force but to deduct from the contract price or consideration the amount of such bonus, fee, commission, percentage, or other contingent payment.

S/ L. A. Stoner
Affiant

Sworn to before me and subscribed in my presence this 4th day of June, 1952.

Justin H. Folkerth
Notary Public"

The Chairman stated that in the absence of any objection by the Commission he would deliver to the Secretary for filing the non-interest affidavits in behalf of the management group and the Trustee, and other such affidavits which would be obtained from all those with whom the Commission should thereafter enter into contracts. There was no objection.

The Chairman handed the executed Trust Agreement to Secretary-Treasurer Allen and instructed him to attest thereon the signatures of the Chairman and to affix thereon the seal of the Commission. Mr. Allen refused to do so and stated that he had consulted with his attorney and that if there was any statement to be made his attorney would make it. Thereupon

Mr. William E. Knepper stated that Mr. Allen was represented by the Columbus law firm of Knepper, White and Dempsey; that Mr. Allen had consulted with that firm in relation to the matter; that on the advice of his attorney he would refuse, he would then refuse, and he would continue to refuse to attest any of these documents or to affix the seal of the Commission to any of them for constitutional reasons which he and his attorney believed made the proceedings unlawful. Mr. Allen agreed that Mr. Knepper had reported his view.

The Chairman presented the temporary bonds to the Secretary-Treasurer and directed that he affix the seal of the Commission to each of them and attest them. Mr. Allen refused on the same grounds mentioned before and refused to seal or attest the bonds. Mr. Knepper stated that Mr. Allen would continue to refuse for the same reasons stated before.

The Chairman requested Mr. Dunbar as General Counsel and Mr. Crawford as Bond Counsel on behalf of the Commission and with its consent and in the absence of objection to advise the Commission what action it should take. After consultation among counsel, Mr. Crawford recommended that the Commission authorize its General Counsel and Bond Counsel to take such legal proceedings as may be necessary, including the institution of such action as counsel may deem advisable in the Supreme Court of Ohio for a writ compelling the Secretary-Treasurer to execute the Trust Agreement and the bonds and a determination of the constitutional questions to which reference has been made. Mr. Dunbar concurred in the recommendation.

A motion was made by Mr. Teagarden, seconded by Mr. McKay, that General Counsel and Bond Counsel for the Commission be authorized and directed to take whatever legal action they deem appropriate in the courts of Ohio to compel the Secretary-Treasurer to perform the action which is required to be performed before the Trust Agreement and the bonds have been finally executed. A vote by ayes and nays was taken and all members present responded to roll call and voted aye except Mr. Allen who was not voting. The vote was as follows:

Ayes, Teagarden, Kauer, McKay, Shocknessy.

Nays, None.

The Chairman declared the motion adopted and instructed counsel to proceed with legal action.

The Chairman reviewed the deliberations which the Commission had had in the matter of appraisal and negotiation for the land required for the turn-pike project. He reminded the Commission that it had agreed informally in January, 1952, in response to a recommendation of Mr. McKay, that it will secure an appraisal advisor to the Commission so that in appraisal and land acquisition matters, before receiving the approval of the Commission and authorization of the Commission to proceed with the completion of the acquisition action upon the recommendation of the field organization, it would also be fortified by a recommendation and approval by such appraisal advisor based upon a proper examination of the valuation made by the field organization. Mr. Teagarden reported as chairman of a sub-committee to investigate the

several proposals previously submitted to the Commission that he was prepared to submit resolutions to retain two firms for the appraisal and negotiation work.

A motion was made by Mr. Teagarden, seconded by Mr. Kauer, that the following resolution (No. 31-1952) be adopted:

"RESOLVED that the Commission accept the proposal today submitted to it by Max J. Rudolph, Roy C. Carpenter, Donald C. Dunlap, and Robert L. Free, under date of June 2, 1952, to perform the services in said proposal specified in connection with the acquisition of the rights-of-way for that portion of Ohio Turnpike Project No. 1 which lies between the boundary line between Lorain and Erie Counties, Ohio, and the Ohio-Pennsylvania boundary line, and the Chairman is authorized and directed to execute the Commission's acceptance thereof."

Mr. McKay stated that the informal agreement of the Commission to secure an appraisal advisor to the Commission had removed his major objection stated in January with respect to the contracts for appraisal and negotiation and that he was willing, based upon the statement of the Chairman and the intention of the members of the Commission, to vote for the resolution. A vote by ayes and nays was taken and all members present responded to roll call. The vote was as follows:

Ayes, Teagarden, Allen, Kauer, McKay, Shocknessy.

Nays, None.

The Chairman declared the motion adopted.

A motion was made by Mr. Teagarden, seconded by Mr. Kauer, that the following resolution (No. 32-1952) be adopted:

"RESOLVED that the Commission accept the proposal today submitted to it by William S. Edgemon, Herbert Fast, Carl A. Mayer, and Albert J. Mayer, Jr., under date of June 2, 1952, to perform the services in said proposal specified in connection with the acquisition of the rights-of-way for that portion of Ohio Turnpike Project No. 1 which lies between the boundary line between Lorain and Erie Counties, Ohio, and the Ohio-Indiana boundary line, and the Chairman is authorized and directed to execute the Commission's acceptance thereof."

Mr. McKay stated that the informal agreement of the Commission to secure an appraisal advisor to the Commission had removed his major objection stated in January with respect to contracts for appraisal and negotiation and that he was willing, based upon the statement of the Commission and the intention of the members of the Commission, to vote for the resolution. A vote by ayes and nays was taken and all members present responded to roll call. The vote was as follows:

Ayes, Teagarden, Allen, Kauer, McKay, Shocknessy.

Nays, None.

The Chairman declared the motion adopted.

A motion was made by Mr. McKay, seconded by Mr. Teagarden,

that the following resolution (No. 33-1952) be adopted:

"WHEREAS the Ohio Turnpike Commission has by resolution duly adopted on June 3, 1952, authorized the issuance of 326 million dollars principal amount of 3-1/4% Turnpike Revenue Bonds, Project No. 1 of the State of Ohio, dated June 1, 1952, and has this day passed a resolution accepting a proposal addressed to the Commission by Blyth & Co., Inc., B. J. Van Ingen & Co., Inc., The Ohio Company, Braun, Bosworth & Co., McDonald & Company, Prescott & Co., and The Weil, Roth & Irving Co., dated June 3, 1952, for the purchase of said bonds; and

WHEREAS it is necessary that this Commission deliver an official statement to the aforesaid firms who signed said proposal, describing the Ohio Turnpike Commission, its Project No. 1, the reports of the engineers, and the terms and provisions of the bonds and of the Trust Agreement under which they are to be issued, a form of which statement has been presented to this meeting for approval;

NOW, THEREFORE, BE IT RESOLVED by the Ohio Turnpike Commission that the form of such official statement presented to this meeting this date be and the same hereby is approved by execution by the Chairman of the Commission and for delivery to Blyth & Co., Inc., B. J. VanIngen & Co., Inc., The Ohio Company, Braun, Bosworth & Co., McDonald & Company, Prescott & Co., and the Weil, Roth & Irving Co., and the Secretary-Treasurer is hereby authorized and instructed to place a copy of said official statement, suitably identified, in the files of the Commission; and

FURTHER RESOLVED that the Commission hereby authorizes the firms and corporations which are in the aforesaid proposal designated as "Purchasers" to use said official statement and the information therein contained in connection with the sale of the State of Ohio Turnpike Revenue Bonds, Project No. 1."

A vote by ayes and nays was taken and all members present responded to roll call and voted aye except Mr. Allen who was not voting. The vote was as follows:

Ayes: Teagarden, McKay, Kauer, Shocknessy.

Nays: None.

The Chairman declared the motion adopted.

The Chairman and Mr. H. H. Allen of J. E. Greiner Company and Mr. Lawrence Waterbury of Parsons, Brinckerhoff, Hall and Macdonald then signed the official statement for the offering of the bonds.

The Chairman announced that he had received a copy of a petition in mandamus which counsel for the Commission had filed in the Supreme Court of Ohio and which had been docketed as Case No. 33129 in that court.

The Chairman next received the non-interest affidavit of G. S. Young of the Land Title Guarantee and Trust Company and executed the contract for services of the Land Title Guarantee and Trust Company. Thereupon Mr. Dunbar presented to the Commission a performance bond which he said had been tendered by The Land Title Guarantee and Trust Company and which he said he had examined and found to be satisfactory.

A motion was made by Mr. Teagarden, seconded by Mr. McKay, that the following resolution (No. 34-1952) be adopted:

"RESOLVED that the performance bond today tendered by The Land Title Guarantee and Trust Company, conditioned upon the faithful performance of the contract between said company and the Commission entered into on June 4, 1952, is hereby approved."

A vote by ayes and nays was taken and all members present responded to roll call and voted aye except Mr. Allen who was not voting. The vote was as follows:

Ayes, Teagarden, McKay, Kauer, Shocknessy.

Nays, None.

The Chairman declared the motion adopted.

The Chairman received non-interest affidavits from Mr. William S. Edgemon representing Messrs. Edgemon, Fast, Mayer and Mayer and from Mr. Max J. Rudolph representing Messrs. Rudolph, Carpenter, Dunlap and Free. He then executed the contracts with these two firms for right-of-way appraisal and negotiation services.

Mr. Crawford stated that the Clerk of the Supreme Court of Ohio had announced that the case newly filed had been set for argument on the merits at 9:00 a. M. on June 10, 1952.

A motion was made by Mr. McKay, seconded by Mr. Teagarden, that the following resolution (No. 35-1952) be adopted:

"RESOLVED that the Chairman of the Commission be and he hereby is authorized, in his discretion, to require the Commission's counsel to prepare specifications for bids for the printing of temporary bonds to be issued under the Trust Indenture between the Commission and The Ohio National Bank of Columbus as Trustee, and the National City Bank of New York as Co-Trustee, the execution and delivery of which has been this day authorized by the Commission, and in his discretion, to cause advertisement for such bids to be published according to law in a newspaper of general circulation in Franklin County, Ohio, and in a newspaper of general circulation in New York, New York."

A vote by ayes and nays was taken and all members present responded to roll call and voted aye except Mr. Allen who was not voting. The vote was as follows:

Ayes, Teagarden, McKay, Kauer, Shocknessy.

Nays, None.

The Chairman declared the motion adopted.

The Chairman paid the special respects of himself and the Commission to Colonel Smith, Director Kauer, Mr. Crawford, Mr. Dunbar, J. E. Greiner Company, the press, the banking group, the Ohio General Assembly, and the Governor of Ohio and other state officials who had contributed to the success of

the turnpike project.

Mr. Teagarden paid tribute to the superb service and devotion which the Chairman had given to the Commission. Mr. McKay, Mr. Allen and Mr. Kauer expressed agreement with the statement of Mr. Teagarden.

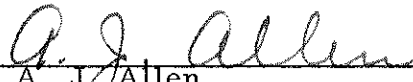
The Chairman expressed the gratitude of the Commission to the members of the citizens' advisory committee and the Secretary-Treasurer was instructed to extend expressions of gratitude to the members of that committee.

There being no further business to come before the meeting a motion was made by Mr. Allen, seconded by Mr. Teagarden, that the meeting adjourn subject to call of the Chairman. A vote by ayes and nays was taken and all members present responded to roll call. The vote was as follows:

Ayes, Allen, Teagarden, McKay, Kauer, Shocknessy.

Nays, None.

The Chairman declared the meeting adjourned. The time of adjournment was 11:30 o'clock A. M.


A. J. Allen
Secretary-Treasurer