

MINUTES OF MEETING
SOUTHWESTERN BOARD OF DIRECTORS
MARCH 3, 1925.

A called meeting of the Board of Directors of Southwestern was held Tuesday March 3d at 9 a.m. Chisca Hotel, Memphis, pursuant to the following call:

February 23, 1925.

My dear Sir:

Mr. E.B. LeMaster, Chairman of our Executive Committee, requests me to call a meeting of the Board of Directors of Southwestern at the Chisca Hotel, Memphis, Tuesday, March 3d at nine a.m. for the purpose of considering and acting upon the following items:

(a) A revision of our contract with the Mississippi Valley Trust Company.

(b) A possible change in the agreement entered into at our meeting on January 28th between the Board of Directors of Southwestern and Mayor Rowlett Paine and his Committee.

(c) The possibility of increasing our loan from the Mississippi Valley Trust Company.

(d) Any other matters affecting the conduct of the institution and the plans for opening it in Memphis in September.

It is important that we have a full meeting of the Board, and we earnestly hope that you can and will be present.

Very sincerely yours,

(Signed) Chas. E. Diehl.

Those present were President Chas. E. Diehl, A.B. Curry and Dunbar H. Ogden (Ala.); W. McF. Alexander and D.M. Pipes (La.); J.D. Duncan, F.R. Graves, C.T. Thomson and G.G. Tayloe (Miss.); Moore Moore and B.A. Patch (Term.); E.B. LeMaster (La.), came in at 1 p.m.

Prayer was offered by Dr. W. McF. Alexander.

Excuse for the absence of Dr. Vance was presented and accepted.

Dr. C.T. Thomson stated that A.A. Little had sent to him, as Moderator of the Synod of Mississippi, his resignation as Director of Southwestern, and that as Moderator he had appointed Dr. F.R. Graves to serve in the place of Dr. Little until the next meeting of Synod.

The minutes for the last meeting were read for information.

Mr. G.G. Tayloe requested that the minutes of this meeting show that he does not favor the resolution adopted January 27th, 1925 instructing Acting Treasurer Bailey to provide up to \$35,000 for financing Southwestern to June 1925, insofar as he shall encroach on endowment funds. Also that he does not favor recommendation 17 in the report of the Finance Committee adopted January 27th, 1925.

President Diehl stated that the meeting of the Board was called at the request of the Executive Committee for:

(a) A revision of our contract with the Mississippi Valley Trust Company.

(b) A possible change in the agreement entered into at our meeting on January 28th between the Board of Directors of Southwestern and Mayor Rowlett Paine and his committee.

(c) The possibility of increasing our loan from the Mississippi Valley Trust Company.

(d) Any other matters affecting the conduct of the institution and the plans for opening it in Memphis in September.

For the information of the new members present, Dr. Diehl gave a resumé of our plans to finance the institution and made a statement with regard to recent developments.

Treasurer Tayloe reported on his trip to St. Louis in the interest of the loan.

Mayor Paine and members of his committee, Messrs. Frank Fisher, T.K. Riddick and T.H. Tutwiler, by invitation came before the Board to confer with regard to Southwestern opening in Memphis in September 1925.

Upon motion of Dr. Alexander, the following resolution adopted at the meeting of the Board January 27th, 1925 was rescinded:

"BE IT RESOLVED:

1. That the Memphis Committee be and they are hereby requested to cease their prosecution of the endowment campaign and that in lieu of pressing the endowment campaign to its goal, they undertake to raise \$150,000.00 in cash to be paid before September 1st, 1925.

2. That the Board of Directors hereby pledges the Memphis Committee that if they raise \$150,000.00 as requested, that the Board will open the College in Memphis in September 1925 and operate the same through the school year ending June 1926".

The following action was taken regarding the loan:

There was presented and read to the meeting by Mr. Tayloe, the Treasurer, letter of February 19th, 1925 from John R. Longmire, Vice President and officer of the Bond Department of the Mississippi Valley Trust Company of St. Louis, following which Mr. LeMaster offered the following resolutions:

BE IT RESOLVED: That the agreement between the Mississippi Valley Trust Company and Mr. G.G. Tayloe, our Treasurer, as set forth in the letter of the former, dated February 19th, 1925, being the letter presented and read by Mr. Tayloe, be and the same is hereby ratified. Said letter is as follows:

"February 19th, 1925.

"Mr. George G. Tayloe, Treasurer,
Southwestern College,
Memphis, Tennessee.

Dear Mr. Tayloe:

Confirming our conversation this morning at which Dr. Crowe of St. Louis was present, we have agreed with you in connection with loan to your college as follows:

By referring to our contract under date of September 9th, we are agreeable to the following changes:

In the event the issue of \$500,000 is sued, we are agreeable to paying the money over to you on March 1st, 1925, interest beginning then.

In regard to the prepayment clause, we have agreed to reduce this from 102 1/2 to 102.

With respect to serial maturities, it is agreeable to begin these either September 1928 or October 1928 with the understanding that one half of the loan will be matured by the tenth year, and with the further understanding that 5% will be paid 1928 and that the payments may be gradually increased so that at the end of the tenth year, not over one half of the total loan remains outstanding.

In regard to the clause requiring the payment of 1/80 of 1% to be paid out of insurance collected in case of fire, we are agreeable to waiving this altogether.

With respect to tornado insurance, it is agreeable for us to accept your judgment as to the amount to be carried.

With respect to a larger amount of loan, we are agreeable to increasing the amount to \$700,000.00.

In regard to the price mentioned in our contract of 95, as agreed I will present to our Executive Committee your desire that we endeavor to increase the price to be paid for the bonds to 97, and your reasons therefor.

In the event of your desiring to borrow \$50,000 or \$100,000 prior to credit to your account of the proceeds of loan, we shall be pleased to lend this to you, to be secured by contract between us for the purchase of the bonds and as an advance of proceeds therefor.

Very truly yours,

(Signed) John R. Longmire,
Vice President & Bond Officer".

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That the loan be made \$700,000.00 instead of \$500,000.00 to be evidenced by bonds or notes of Southwestern, payable as set out in said letter, and in a form and in the denominations, and with the maturities as agreed upon between the Executive Committee and the Mississippi Valley Trust Company, to be sold to the Mississippi Valley Trust Company at 95% of their face value net to said company, to be secured by a first mortgage deed of trust on property of Southwestern, being the same property described in and conveyed by the trust deed formerly executed by Southwestern securing the \$500,000.00 issue, and that the President and Secretary of the corporation are hereby authorized to execute, acknowledge and deliver said first real estate mortgage deed of trust on said property of Southwestern, together with the improvements thereon, and to be erected.

That the President of Southwestern is directed to execute in the name of Southwestern, all of said notes, with his printed or lithographed fac simile signature on all interest coupons, representing interest at the rate of 6% per annum, payable semi annually.

That when said new note issue of not to exceed \$700,000.00 is properly made and secured by said mortgage deed of trust, the existing issue of \$500,000.00 and the mortgage securing the same, shall be cancelled and destroyed.

That the Trustee shall be authorized to validate the bonds in accordance with the provisions of said trust deed, and after validation to deliver them to such party or parties as may be directed by resolution of Executive Committee.

The Board then adjourned for lunch with Mayor Paine and his committee as their guests, to reconvene at 2:30 p.m.

The meeting was called to order at 2:30 p.m.

Those present were President Chas. E. Diehl, W. McF. Alexander, J.D. Duncan, F.R. Graves, E.B. LeMaster, Moore Moore, Dunbar H. Ogden,

D.M. Pipes, B.A. Patch, G.G. Tayloe and C.T. Thomson.

Upon motion of Dr. Ogden, the following action was taken:

RESOLVED that in view of the changed financial plans relative to the opening of the College in Memphis, the Board hereby rescinds its action touching a special offering on the second Sunday of April.

Further, that the Board, through its President, its Executive Committee and its individual members, put forth renewed efforts to have every congregation in the controlling synods place the current expenses of the College on its budget, or, failing in that, to make one offering each year for this cause.

It was voted that the tuition and fees for sons and daughters of ministers be referred to the Executive Committee.

Upon motion of Dr. Thomson, the Board adopted the following resolution:

WHEREAS the total funds subscribed for Southwestern in the four synods are hardly adequate for imperative initial needs, for the full amount of which funds we are already obligated;

WHEREAS it is not desirable or opportune at this time to launch a campaign for additional funds;

WHEREAS, though these subscriptions, generally speaking, were made by individuals and not by churches, yet the total subscriptions of the members of each church are listed and carried in the name of the church; and

WHEREAS as Presbyterians we take a proper pride in the fact that we meet our obligations and that we pay our pledges in full, therefore, be it

RESOLVED:

1. That the Board of Directors of Southwestern earnestly request the pastor and officers of each church

(a) That they assist us in collecting all the subscriptions which are credited to that church;

(b) That, in cases of death or bankruptcy or removal, or other causes which would make it impossible to collect some of the pledges, they be asked to provide in some way for this deficit to the end that the total amount of the subscriptions carried for that church be received at the Memphis office; and

2. That the President of the College be directed to communicate this action to the pastors of the various churches in the four controlling synods.

The minutes of this meeting were read and approved.

Upon motion of Dr. Alexander, the meeting adjourned, and was closed with prayer by Dr. Ogden.


Secretary.

Approved:

President.