

GOVERNMENT CODE

CHAPTER 1206. REPLACEMENT FOR DAMAGED, DESTROYED, LOST, OR STOLEN
PUBLIC SECURITIES

SUBCHAPTER A. REPLACEMENT PROCEDURES IN ABSENCE OF PROCEDURES
PRESCRIBED IN ORIGINAL BOND RESOLUTION, ORDER, OR ORDINANCE

Sec. 1206.001. DEFINITION. In this subchapter, "issuer" means this state, a department, agency, or instrumentality of this state, or a municipal corporation or other political subdivision of this state that is authorized to borrow money and issue bonds. Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1206.002. ISSUANCE OF REPLACEMENT BOND. (a) An issuer may, without an election, issue a bond:

- (1) to be exchanged for a damaged bond; or
- (2) to replace a destroyed, lost, or stolen bond.

(b) A replacement bond may be issued under this subchapter only for a bond that is outstanding and that was lawfully issued.

(c) A replacement bond issued under Subsection (a)(2) must be issued on indemnity satisfactory to:

- (1) the issuer; and
- (2) the trustee if the bond being replaced is secured by a trust indenture.

(d) An issuer may require an affidavit or another form of evidence satisfactory to the issuer to establish ownership and the circumstances of the damage, destruction, loss, or theft of the bond.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1206.003. EFFECT AND FORM OF REPLACEMENT BOND. (a) A replacement bond issued under this subchapter must be of like tenor and effect as the bond that it is issued to replace.

(b) A replacement bond issued under this subchapter must bear a date specified by the issuer and must be signed as provided by law by the officers of the issuer holding office when the replacement bond is issued.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1206.004. ATTORNEY GENERAL APPROVAL. (a) A replacement bond issued under this subchapter must be submitted to the attorney general for approval.

(b) If the attorney general finds that the replacement bond has been issued in accordance with this subchapter, the attorney general shall:

- (1) approve the bond; and
- (2) send the bond to the comptroller for registration.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1206.005. REGISTRATION. (a) The comptroller shall register a replacement bond received under Section 1206.004 in the same manner as the original bond was registered, giving it the same registration number as the original bond, except that the registration number must be preceded by the letter "R."

(b) The comptroller shall date the registration certificate as of the date of registration of the replacement bond.

(c) Before registering a bond issued to replace a damaged bond, the comptroller shall cancel the bond being replaced and return that bond to the issuer. The comptroller shall register another bond authorized under this subchapter on certification from the attorney general that the bond is being issued to replace a lost, stolen, or destroyed bond.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1206.006. FORM AND IDENTITY CHANGES. (a) An applicant to the comptroller for replacement under this subchapter of a bond that is damaged, destroyed, lost, or stolen and that, as described in the application, does not appear in the comptroller's records in the form and bear the identity originally registered by the comptroller must provide to the comptroller a chronology of the changes from the original, registered form and identity.

(b) The chronology must enable the comptroller, under the comptroller's rules, to trace the changes in form and identity of the bond to the original, registered form and identity.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

SUBCHAPTER B. REPLACEMENT PROCEDURES AS PRESCRIBED IN ORIGINAL
PUBLIC SECURITY AUTHORIZATION

Sec. 1206.021. DEFINITIONS. In this subchapter, "issuer," "public security," and "public security authorization" have the meanings assigned by Section 1201.002.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1206.022. PRESCRIPTION OF PROCEDURES IN ORIGINAL PUBLIC

SECURITY AUTHORIZATION. The governing body of an issuer may provide procedures for the replacement of lost, stolen, destroyed, or mutilated public securities or interest coupons in the manner prescribed in the public security authorization.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1206.023. EXCEPTION TO APPROVAL REQUIREMENT. (a) If the duty to replace a public security or interest coupon is imposed on a corporate trustee under a trust agreement or indenture or on a paying agent for the public security, the attorney general is not required to approve and the comptroller is not required to register:

(1) the replacement public security or interest coupon; or

(2) the public security delivered on exchange of the previously issued public security.

(b) A replacement public security or interest coupon is valid and incontestable in the same manner and with the same effect as the previously issued public security.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.