

IC 21-35-6

Chapter 6. Revenue Bonds; Vincennes University

IC 21-35-6-1

Applicability of chapter

Sec. 1. This chapter applies to Vincennes University.

As added by P.L.2-2007, SEC.276.

IC 21-35-6-2

Applicable property

Sec. 2. This chapter applies to all property acquired or improved for Vincennes University.

As added by P.L.2-2007, SEC.276.

IC 21-35-6-3

Issuance and sale of bonds

Sec. 3. For the purpose of:

- (1) raising funds for improving property;
- (2) acquiring property;
- (3) the interim financing of the cost of any such improvement or acquisition;
- (4) the reimbursing of the trustees for funds expended or advanced for interim financing of the cost of any such improvement or acquisition, or, subject to existing covenants and agreements with the holders of outstanding bonds, for funding or refunding bonds issued under this chapter; or
- (5) for any one (1) or more of the activities described in subdivisions (1) through (4);

the board of trustees may issue and sell revenue bonds.

As added by P.L.2-2007, SEC.276.

IC 21-35-6-4

Security of bonds

Sec. 4. The revenue bonds and the interest on revenue bonds of Vincennes University may be secured in any one (1) or more of the following ways, as the board of trustees may determine:

- (1) By pledge or mortgage of any property, real or personal, used or acquired or to be acquired and used for the purposes of Vincennes University and the improvements made or to be made on the property.
- (2) By pledge or mortgage of the net income from the property.
- (3) By the pledge or mortgage of the unobligated net revenues of any one (1) or more other properties of the board of trustees.
- (4) In the case of revenue bonds issued under this chapter for interim financing of any property, by pledge of the funds derived from the sale of the bonds issued and sold under this chapter for the permanent financing of property.

As added by P.L.2-2007, SEC.276.

IC 21-35-6-5

Liens

Sec. 5. (a) The lien of a pledge or mortgage under section 4 of this chapter, as determined and provided by the board of trustees and as authorized by this chapter, shall be a first and primary lien for the payment of the bonds and the interest on the bonds. In authorizing the issuance of the revenue bonds for any particular property or properties, the board of trustees may:

- (1) limit the amount of bonds that may be issued as a first lien and charge against the property or properties and the net income from the properties; or
- (2) subsequently authorize the issuance periodically of additional obligations secured by the same lien:
 - (A) to provide funds for the completion of the property or properties on account of which the original bonds were issued;
 - (B) for any other purpose for which Vincennes University has authority to issue bonds; or
 - (C) for purposes of both clauses (A) and (B).

(b) Additional bonds:

- (1) shall be issued on the terms and conditions that the board of trustees determines; and
- (2) may be secured equally and ratably, without preference, priority, or distinction, with the original issue of bonds or may be made junior to the original bonds.

As added by P.L.2-2007, SEC.276. Amended by P.L.3-2008, SEC.143.

IC 21-35-6-6

Authority to exchange funding or refund bonds

Sec. 6. If the board of trustees determines that it would be advantageous to Vincennes University to exchange funding or refunding bonds for bonds being refunded, the exchange may be made, if the actual interest cost is not increased.

As added by P.L.2-2007, SEC.276.

IC 21-35-6-7

Maximum amount of bonds

Sec. 7. Bonds authorized under this chapter may be issued in an amount or amounts as the board of trustees determines. However, the bonds may not exceed:

- (1) the total estimated cost of any proposed building, facility, work, act, or undertaking authorized, including interest during construction, incidental expenses, debt service reserves, and financing costs; or
- (2) the amount required to effect any proposed funding or refunding operation.

As added by P.L.2-2007, SEC.276.

IC 21-35-6-8**Bonds; form; terms and conditions; rates of interest**

Sec. 8. The bonds authorized under this chapter may be issued in the form, upon the terms and conditions, at the rates of interest, and in the denominations (which may be made convertible into different denominations) determined by:

- (1) the adoption of a resolution;
- (2) approval of a form of trust indenture between Vincennes University and a designated corporate trustee; or
- (3) both subdivisions (1) and (2).

As added by P.L.2-2007, SEC.276.

IC 21-35-6-9**Resolution and indenture for bonds; contents**

Sec. 9. The resolution or the indenture for bonds authorized under this chapter may include:

- (1) provisions for protecting and enforcing the rights and remedies of the holders of the bonds being issued;
- (2) covenants setting forth the duties of Vincennes University and its officers in relation to the acquisition, construction, operation, maintenance, use, abandonment, insurance to be carried on its property, and the maintenance of fees and charges to be collected on account of its property;
- (3) provisions for the custody, safeguarding, application of all money, and the rights and remedies of the trustee and the holders of the bonds being issued;
- (4) provisions for the issuance of additional bonds as provided in the resolution or indenture; and
- (5) other terms, conditions, limitations, and covenants as the board of trustees of Vincennes University considers proper.

As added by P.L.2-2007, SEC.276.

IC 21-35-6-10**Public sale of bonds**

Sec. 10. The bonds authorized under this chapter shall be sold at public sale or negotiated sale to the highest bidder as provided by IC 21-32-3. All bonds and the interest coupons appertaining to the bonds issued under this chapter are negotiable instruments within the meaning and for all purposes under the laws of Indiana, subject only to the provisions of the bonds for registration as to principal, or as to principal and interest. Any bonds registered as to principal and interest may be made convertible to bearer bonds with coupons.

As added by P.L.2-2007, SEC.276.

IC 21-35-6-11**Actions to contest validity of bonds**

Sec. 11. An action to contest the validity of any bonds issued under this chapter may not be brought after the fifteenth day

following:

- (1) the first publication of notice of the sale or intent to sell the bonds under IC 21-32-3 if the bonds are sold at public sale; or
- (2) the publication one (1) time in newspapers described in IC 21-32-3-3 of notice of execution and delivery of the contract of sale for the bonds if the bonds are sold at negotiated sale.

As added by P.L.2-2007, SEC.276.

IC 21-35-6-12

Bonds; notice of sale

Sec. 12. Vincennes University shall publish notice under section 11(2) of this chapter if it sells bonds at negotiated sale not later than thirty (30) days after the execution of the contract of sale for the bonds.

As added by P.L.2-2007, SEC.276.

IC 21-35-6-13

Bonds; rates of interest

Sec. 13. The rate or rates of interest of the bonds may be fixed or variable. Variable rates are determined under the procedures set forth in the resolution or indenture authorizing the issuance of the bonds. Bonds bearing a variable rate of interest may be converted to bonds bearing a fixed rate or rates of interest as set forth in the resolution or indenture. The interest may be payable semiannually, annually, or at other intervals provided in the resolution or indenture, or the interest may be compounded and paid at maturity or at any other time specified in the resolution or indenture.

As added by P.L.2-2007, SEC.276.

IC 21-35-6-14

Bonds and coupons; seal

Sec. 14. The bonds and coupons pertaining to the bonds shall be executed in the corporate name by the manual or facsimile signatures of the officer or officers of Vincennes University that the board of trustees designates. The signature of at least one (1) designated officer on each bond must be a manual signature. The seal or a facsimile of Vincennes University must be affixed, imprinted, engraved, or otherwise reproduced on each bond. In case any officer whose manual or facsimile signature appears on any bond or coupon ceases to be a designated officer before the delivery of the bonds, the signature is valid and sufficient for all purposes as if the officer had remained in office until delivery. The resolution or trust agreement under which the bonds are issued may provide for the authentication of the bonds by the trustee designated in the resolution of trust agreement.

As added by P.L.2-2007, SEC.276.

IC 21-35-6-15

Bonds; eligible investments

Sec. 15. Any bonds issued under this chapter are eligible investments for the funds of any kind or character of every financial institution, insurance company, or private trust. The bonds are eligible for deposit by any financial institution, insurance company, or trustee under any law of Indiana providing for the deposit of securities or funds.

As added by P.L.2-2007, SEC.276.

IC 21-35-6-16**Liability of institution limited**

Sec. 16. Indebtedness, a bond, or an obligation incurred or created under the authority of this chapter may not be or become a lien, charge, or liability against Vincennes University or against the property or funds of Vincennes University except to the extent authorized by this chapter.

As added by P.L.2-2007, SEC.276.

IC 21-35-6-17**Tax exemption**

Sec. 17. All bonds issued under the authority of this chapter together with the interest on the bonds are exempt from taxation as provided by IC 6-8-5.

As added by P.L.2-2007, SEC.276.