

198A.110 Pledge of corporate assets on obligations of the corporation.

The pledge of any assets or revenues of the corporation to the payment of the principal of or the interest on any obligations of the corporation shall be valid and binding from the time when the pledge is made and any such assets or revenues shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the corporation, irrespective of whether such parties have notice thereof. Nothing herein shall be construed to prohibit the corporation from selling any assets subject to any such pledge except to the extent that any such sale may be restricted by the trust agreement or resolution providing for the issuance of such obligations.

History: Created 1972 Ky. Acts ch. 70, sec. 12.