

353.762 Discretionary securing of bonds by trust indentures.

In the discretion of the authority, any bonds issued under KRS 353.750 to 353.776 may be secured by a trust indenture or trust indentures by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company in or outside of Kentucky. The trust indenture or the proceedings providing for the issuance of the bonds may:

- (1) Pledge or assign the rents and other revenues to be received from a particular series of bonds as it relates to a trust indenture;
- (2) Contain provisions for protecting and enforcing the rights and remedies of the bondholders that are reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the acquisition or sale of property and the construction, improvement, maintenance, repair, and insurance of the project or projects in connection with which the bonds are authorized; the rates or rental charges; and the custody, safeguarding, and application of all moneys;
- (3) Restrict the individual right of action by bondholders; and
- (4) Contain any other provisions as the authority may deem reasonable and proper for the security of the bondholders.

It is lawful for any bank or trust company which may act as depository of the proceeds of bonds or of revenues to furnish indemnifying bonds or pledge securities as may be required by the rights and remedies of the bondholders and of the trustee. All expenses incurred in carrying out the provisions of the trust indenture or proceedings may be treated as a part of the cost of the project or projects.

Effective: June 20, 2005

History: Created 2005 Ky. Acts ch. 155, sec. 7, effective June 20, 2005.