§ 20.17. Bonds and notes of a trust. 1. A trust shall have the power and is hereby authorized to issue from time to time its bonds and notes in such principal amounts as the trust shall determine to be necessary for achieving any of its corporate purposes, including: (a) the payment of all or any part of the cost of developing cultural facilities or the institutional portion of combined-use facilities; (b) developing facilities for not-for-profit cultural organizations; (c) the making of loans pursuant to this article to not-for-profit cultural organizations and to participating cultural institutions; (d) the payment of interest on bonds and notes of the trust; (e) the establishment of reserves to secure such bonds and notes of the trust; (f) the payment of expenses incurred in connection with the issuance of the bonds and notes of the trust; and (g) during the period of development of a combined-use facility or a cultural facility or other facility authorized by this article, the payment of other expenses but, except in the case of a trust created prior to the effective date of this section, such expenses shall not include operating expenses of the participating cultural institution. All bonds or notes and the interest coupons applicable thereto whether or not in negotiable form are hereby made and shall be construed to be negotiable instruments and investment securities under article eight of the uniform commercial code.

2. A trust shall have the power to issue from time to time (a) notes to renew notes, (b) bonds to pay notes, including the interest thereon and redemption premium, if any, (c) bonds to refund any bonds of the trust then outstanding, including the payment of any redemption premium thereon and any interest accrued or to accrue to the earliest or subsequent date of redemption, purchase or maturity of such bonds. The refunding bonds may be exchanged for the bonds to be refunded or sold and the proceeds applied to the purchase, redemption or payment of such bonds, and pending such purchase, redemption or payment, such proceeds may be invested and reinvested in obligations of or guaranteed by the United States, the state, or any political subdivision of the state, or any agency or instrumentality of any of them, secured in such manner as the trust shall determine, maturing at such time or times as shall be appropriate to assure the prompt payment, as to the principal, interest and redemption premium, if any, on the outstanding bonds to be refunded.

A trust shall have power out of any funds available therefor to purchase (as distinguished from the power of redemption herein provided) any bonds or notes of the trust, and all bonds so purchased shall be cancelled.

3. With respect to notes or bonds issued or renewed on and after the effective date of this title, no note or renewal thereof shall mature more than five years from and after the date of the original issue of such note, and no bond or bond issued to refund such bond shall mature more than thirty years from and after the date of the original issue of such bond, provided, however, no bond issued to refund bonds issued prior to the effective date of this section shall mature more than fifty years from and after the date of the original issue of any such bond. Notwithstanding the foregoing, notes issued by a trust for the purpose of repaying advances from a participating cultural institution which uses or occupies the institutional portion of a combined-use facility the cost of development of which was paid with the proceeds of bonds of the trust which were issued prior to September first, nineteen hundred ninety-one, shall mature no later than seven years from and after the date of original issue of such note, and bonds issued by a trust for such purpose, including bonds issued to refund such notes, shall mature no later than fifty years from and after the date of original issue of such bonds.

4. The issuance of bonds and notes by a trust shall be authorized by resolution of the trust without further authorization or approval, which resolution shall be a part of the contract with the holders of the bonds or notes thereby authorized. Such resolution may provide that such bonds and notes may be registered or registrable as to principal and interest or as to interest alone and that such bonds and notes may be payable at such place or places, within or without the state, may bear interest at such rate or rates, may be payable and mature at such time or times, may be in such form and evidenced in such manner, may be in such denominations, and may contain such other provisions not inconsistent with this article, including provisions as to reserve or sinking funds, payment, redemption or refunding of bonds or notes, security therefor, events of default, remedies of bondholders or noteholders, appointment

of trustees, as distinguished from members of the board of trustees of a trust for cultural resources, or fiscal agents, custody, collection, securing, investment and payment of any money and amendment or abrogation of such provisions, all as the trust may determine; provided that such resolution may provide for the manner of determining any or all of the foregoing provisions for such bonds and notes in lieu of determining such provisions.

5. Bonds may be issued in one or more series as serial bonds, or as term bonds, or as a combination thereof. Any signature, manual or facsimile, of an officer of the trust appearing on bonds or notes or coupons shall be valid and sufficient for all purposes whether or not such officer shall then be in office. The trust may also provide for the authentication of the bonds or notes by a trustee (as distinguished from a member of the board of trustees of a trust for cultural resources) or fiscal agent.

6. The bonds or notes of a trust may be sold at such prices at a public or private sale, in such manner and from time to time, as may be determined by the trust, and the trust may pay all expenses, premiums and commissions which it may deem necessary or advantageous in connection with the issuance and sale thereof. No bonds or notes of a trust may be sold at a private sale unless such sale and the terms thereof have been approved in writing by the comptroller of the state and the chief fiscal officer of the municipality or county in which the combined-use facility or cultural facility for which such bonds or notes are issued is located.

7. Neither the trustees, officers or employees of a trust, nor any participating cultural institution or the members, directors, trustees, officers or employees of such institution, nor any person executing or authenticating the bonds or notes of the trust shall be liable on the bonds or notes or be subject to any personal or other liability or accountability by reason of the issuance thereof.