§ 20.19. Security for bonds or notes. 1. The principal of and interest on any bonds or notes issued by a trust may be secured by a pledge of any revenues and receipts of the trust, including without limitation the receipt of sums as tax-equivalency payments or loan repayments, and may be secured by a lease, loan agreement, mortgage, pledge, security interest or other instrument covering all or any part of a combined-use facility or cultural facility as authorized by this article, including any additions, improvements, extensions to or enlargements of such a facility thereafter made. Bonds or notes issued for a combined-use facility or cultural facility as authorized by this article may also be secured by an assignment of any lease of such combined-use facility or cultural facility as authorized by this article and by an assignment of the revenues and receipts of a trust from any such lease and by the assignment of any loan agreement with a participating cultural institution and by an assignment of the revenues and receipts of a trust from any such loan agreement and by the assignment of any mortgage, pledge, security interest or other instrument covering a combine-use facility or cultural facility.

2. A trust may provide in any proceedings under which bonds or notes may be authorized for the time and manner of and the requisites for disbursements for the cost of a combined-use facility or cultural facility authorized by this article, and for all certificates and approvals of construction and disbursements as the trust shall deem necessary.

3. Any pledge by a trust of, or security interest granted in, earnings, revenues or other monies, including tax-equivalency payments, accounts, contract rights, general intangibles or other personal property shall be valid and binding from the time when the pledge is made; the earnings, revenues or other monies so pledged and thereafter received by the trust shall immediately be subject to the lien of such pledge or other security interest, without any physical delivery of the collateral thereof or further act, and the lien of any such pledge or other security interest shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the trust irrespective of whether such parties have notice thereof. No

resolution or any other instrument by which a pledge or other security interest is created need be recorded, and no notice thereof need be filed in any public office.

4. In the discretion of a trust, the bonds may be secured by a trust indenture, which may contain any lawful provisions for protecting and enforcing the rights and remedies of the bondholders, by and between the trust and a corporate trustee, as distinguished from a member of the board of trustees of a trust, which may be any trust company or bank having the powers of a trust company in the state. A trust may provide by such trust indenture for the payment of the proceeds of the bonds and the revenues of a combined-use facility or cultural facility authorized by this article to the trustee under such trust indenture or other depository, and for the method of disbursement thereof, with such safeguards and restrictions as it may determine. If the bonds shall be secured by a trust indenture the bondholders shall have no authority to appoint a separate trustee to represent them.