§ 60.10. Sale of obligations to certain banks and trust companies authorized. a. The agency selling notes of a municipality, school district or district corporation may sell such notes at private sale to a bank or trust company of which an officer or employee of the municipality, school district or district corporation has an interest which is otherwise prohibited by the provisions of article eighteen of the general municipal law, without limitation as to rate of interest, provided that at least two other banks are unwilling or unable to purchase the notes at a rate of interest equal to or less than that at which the bank in which the officer or employee has an interest proposes to purchase such notes. Disclosure of any such actual or prospective sale shall be made as provided in section eight hundred three of the general municipal law. Where any such relationship exists, however, no such sales shall be authorized in the event that:

1. During the current fiscal year of the municipality, school district or district corporation the bank or trust company has purchased, or by virtue of the sale would purchase, at private sales from the municipality, school district or district corporation, notes of such issuer, the aggregate principal amount of which is or would exceed, one hundred thousand dollars; or

2. The bank or trust company then is, or by virtue of the sale would become, the holder of notes of the municipality, school district or district corporation, purchased at private sale from such issuer, the aggregate principal amount of which is, or would exceed, one hundred thousand dollars.

The foregoing limitations of this paragraph a shall not be applicable to notes renewed at private sale where such notes were originally sold at public sale, pursuant to the requirements of former section 60.20 of this chapter, and are renewed by the original buyer thereof at the same or lower rate of interest.

b. The agency selling bonds of a municipality, school district, or district corporation may, subject to the limitations of section 63.00 of this chapter, sell such bonds at private sale to a bank or trust company

of which an officer or employee of the municipality, school district or district corporation has an interest which is otherwise prohibited by the provisions of article eighteen of the general municipal law. Disclosure of any such actual or prospective sale shall be made as provided in section eight hundred three of the general municipal law. Where any such relationship exists, however, no such sales shall be authorized in the event that the bank or trust company then is, or by virtue of the sale would become, the holder of bonds of the municipality, school district or district corporation, purchased at private sale from such issuer, the aggregate principal amount of which is, or would exceed one hundred thousand dollars.

c. Any officer of a municipality, school district or district corporation who wilfully participates in authorizing the sale of, or in selling, obligations of the municipality, school district or district corporation in violation of the foregoing provisions of this section shall be guilty of a misdemeanor.