§ 1021-i. Bonds, notes and other obligations of the authority. 1. The authority shall have power and is hereby authorized from time to time to issue its bonds, notes or other obligations, in an aggregate amount not to exceed one hundred twenty-five million dollars, for the purpose of financing any capital project authorized by this title, including but not limited to, the acquisition of any real or personal property or facilities deemed necessary by the authority, development and professional expenses, and funding any capital or other reserve funds established in connection with the authority's operations or issuances, in such principal amount as the directors shall determine necessary to perform its corporate duties and further its purposes as authorized in this title. The maximum maturity of any such bond shall not exceed thirty years from its date of issuance. The maximum maturity of any such note or other obligation shall not exceed five years from its date of issuance.

2. Except as may be otherwise expressly provided by the authority, the issuance of bonds, notes or other obligations, shall be general obligations of the authority payable out of any moneys or revenues of the authority, subject only to any agreements with the holders of particular bonds, notes or other obligations pledging any particular moneys or revenues.

3. The authority shall have power from time to time, whenever it deems refunding expedient, to refund any bonds, notes or other obligations by the issuance of new bonds, notes or other obligations, up to one hundred twenty-five million dollars in the aggregate, whether the bonds, notes or other obligations to be refunded have or have not matured, and may issue bonds, notes or other obligations partly to refund bonds, notes or other obligations then outstanding and partly for any other purpose described in this section. Refunding bonds, notes or other obligations may be exchanged for the bonds, notes or other obligations to be refunded, with such cash adjustments as may be agreed, or may be sold with the proceeds applied to the purchase or payment of the bonds to be refunded.

4. Bonds may be issued either in a series with multiple discrete

maturity dates or as term bonds with a single maturity date. The bonds, notes or other obligations shall be authorized by resolution of the directors and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, payable annually or semi-annually, be in such denominations, be in such form, carry such registration privileges, be executed in such manner, be payable in lawful money of the United States of America at such place or places, and be subject to such terms of redemption, as such resolution or resolutions may provide. In the event that term bonds, notes or other obligations are issued, the resolution authorizing the same may make such provisions for the establishment and management of adequate sinking funds for the payment thereof, as the authority may deem necessary.

5. The bonds, notes or other obligations of the authority may be sold at public or private sale for such price or prices as the authority shall determine. For a private sale of its securities, the authority shall obtain the written approval of the terms of such sale from the comptroller if such sale is to a party other than the comptroller, or from the director of the budget where such sale is to the comptroller, in either case prior to closing the issuance transaction.

6. Any resolution authorizing any issuance of bonds, notes or other obligations may contain provisions, which shall be a part of the contract between the authority and the holders of the issued securities, as to:

(a) pledging all or any part of the revenues of the authority or its projects or any revenue producing contract or contracts made by the authority with any individual, partnership, limited liability company, corporation or association to secure the payment of the bonds, notes or other obligations, subject to such agreements with holders of securities of the authority;

(b) pledging, assigning or creating a lien on all or any part of assets of the authority, including mortgages and obligations security mortgages, to secure the payment of the bonds, subject to such agreements with holders of securities of the authority;

(c) the setting aside of reserves or sinking funds, and the regulation and disposition thereof;

(d) establishment of special funds for deposit of moneys received from the proceeds of the issuance of securities as the directors shall determine, consistent with the authorizing resolution and the provisions of this title;

(e) limitations on the purpose to which the proceeds of sale of any issuance of bonds, notes or other obligations then or thereafter to be issued may be applied and pledging such proceeds to secure the payment of the bonds, notes or other obligations;

(f) limitations of the issuance of additional bonds, notes or other obligations; the terms upon which additional bonds, notes or other obligations may be issued and secured; and the refunding of outstanding bonds, notes or other obligations;

(g) the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given;

(h) providing for the appointment and powers of a trustee for holders of securities, and the rights, powers and duties of such trustee as the directors may determine;

(i) limitations on the amount of moneys derived from a project to be expended for operating, administrative or other expenses of the authority;

(j) defining the acts or omissions to act which shall constitute a default in the duties of the authority to holders of its obligations and providing the rights and remedies of such holders in the event of a default provided, however, that such rights and remedies shall not be inconsistent with the laws of the state and the other provisions of this article; and provided, further, however, that nothing contained in this article shall be deemed to restrict the right of the state or of any municipality to amend, modify or otherwise alter statutes, local laws, ordinances, resolutions or agreements imposing or relating to taxes or fees or appropriations relating thereto; and there shall not be included in any resolution or contract or agreement with the holders of the bonds, notes or other obligations authorized by this article any provision which provides that a default shall occur as a result of the state or of a municipality exercising its right to amend, modify or otherwise alter laws, ordinances, resolutions or agreements imposing or

relating to taxes or fees or appropriations relating thereto; and

(k) any other provisions not inconsistent with those enumerated in this subdivision and necessary to effect its issuances of bonds, notes or other obligations and the rights of the holders of its securities, or otherwise in furtherance of its corporate purposes.

7. Notwithstanding any other provision of this title, any such resolution or resolutions shall contain a covenant by the authority that it will at all times maintain rates, fees or charges sufficient to pay, and that any contracts entered into by the authority for the sale or distribution of power shall contain rates, fees or charges sufficient to pay the costs of operation and maintenance of the project, the principal of and interest on any obligations issued pursuant to such resolution as the same severally become due and payable, and to maintain any debt service coverage ratios and any reserves required by the terms of such resolution or resolutions. Provided however, that the total rates, fees, and charges shall not exceed the prevailing electric rate in the North Country. The prevailing electric rate in the North Country shall mean the average of the total rates, fees, and charges paid by customers of National Grid and New York State Electric and Gas, or any successors, in St. Lawrence, Franklin, and Jefferson counties. Compliance with the prevailing electric rates in the North Country shall be left to the sole determination of the public service commission.

8. It is the intent of this title that any pledge of revenues or other moneys or of a revenue producing contract or contracts made by the authority shall be valid and binding from the time when the pledge is made; that the revenues or other moneys or proceeds of any contract or contracts so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act; and that 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 authority irrespective of whether such parties have notice thereof. Neither the resolution nor any other instrument by which a pledge is created need be recorded.

9. Neither the directors of the authority nor any person executing the

bonds, notes or other obligations shall be liable personally on the bonds, notes or other obligations or be subject to any personal liability or accountability by reason of the issuance thereof.

10. The authority shall have the power out of any funds available therefor to purchase bonds, notes or other obligations. The authority may hold, pledge, cancel or resell such bonds, notes or other obligations, subject to and in accordance with agreements with bondholders.

11. Any bonds, notes or other obligations issued by the authority are hereby made securities in which all public officers and bodies of this state and all municipalities and municipal subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, and all other persons whatsoever who are authorized to invest in bonds, notes or other obligations of the state, may properly and legally invest funds including capital in their control or belonging to them; subject to the provisions of any other general or special law to the contrary.

12. The authority is authorized to obtain from any department or agency of the United States of America or the state or any nongovernmental insurer or financial institution any insurance, guaranty or other credit support device, to the extent available, as to, or for the payment or repayment of interest or principal, or both, or any part thereof, on any bonds, notes or other obligations issued by the authority and to enter into any agreement or contract with respect to any such insurance or guaranty, except to the extent that the same would in any way impair or interfere with the ability of the authority to perform and fulfill the terms of any agreement made with the holders of outstanding bonds, notes or other obligations of the authority.

13. In addition to the powers conferred in this section upon the authority to secure its bonds, notes or other obligations, the authority

shall have the power in connection with the issuance of bonds, notes or other obligations to enter into such agreements as the authority may deem necessary, convenient or desirable concerning the use or disposition of its revenues or other moneys or property, and for the acquisition, alteration or disposition of its property, real and personal, including the mortgaging of any of its properties and the entrusting, pledging or creation of any other security interest in any such revenues, moneys or properties and the doing of any act, including refraining from doing any act, which the authority would have the right to do in the absence of such agreements. The authority shall have the power to enter into amendments of any such agreements within the powers granted to the authority by this title and to perform such agreements. The provisions of any such agreements may be made a part of the contract with the holders of bonds, notes or other obligations of the authority.

14. All bonds, notes and other obligations issued by the authority under the provisions of this title are hereby declared to have all the qualities and incidents of negotiable instruments under the applicable laws of the state.

15. Nothing in this subdivision shall be deemed to allow the authority to exceed its one hundred twenty-five million dollar aggregate debt limit.