**§ 1187. Bonds of the authority.** 1. The authority shall have power and is hereby authorized from time to time to issue its negotiable bonds in conformity with applicable provisions of the uniform commercial code for any of its corporate purposes. The total amount of bonds issued and outstanding at any one time shall not exceed in the aggregate the sum of five hundred million dollars, excluding bonds or notes for the payment or redemption of which there has been set aside and held in trust either moneys, or direct and general obligations of, or obligations guaranteed by, the United States of America, or obligations secured by such obligations, or any combination thereof, which are or will be sufficient to pay when due the principal or applicable redemption price and all accrued interest thereon and, if such bonds or notes are to be redeemed, for which notice of redemption has been given or satisfactory provision has been made for the giving of such notice. The authority shall have power from time to time, whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured or are then subject to redemption, and may issue bonds partly to refund bonds then outstanding and partly for any of its corporate purposes.

2. The bonds shall be authorized by resolution of the board and shall bear such date or dates, mature at such time or times not exceeding forty years from their respective dates, bear interest at such rate or rates per annum payable at such time or times, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment at such place or places, and be subject to such terms of redemption, with or without premium, as such resolution or resolutions may provide. The bonds may be sold at public or private sale for such price or prices as the authority shall determine, provided that bonds, exclusive of notes, shall not be sold at private sale unless the board of the authority makes a written determination, setting forth the reason therefore, that a private sale is in the best interest of the authority and such determination, private sale and the terms thereof have been approved in writing by (a) the state comptroller, where such sale is not to the state comptroller, or (b) the state director of the budget, where such sale is to the state comptroller. The foregoing provisions shall be

applicable to bonds issued by the authority notwithstanding the provisions of any other general, special or local law to the contrary.

3. Any resolution or resolutions authorizing any bonds may contain provisions, which shall be a part of the contract with the holders of the bonds, as to

(a) pledging all or any part of the gross or net revenues of the authority to secure the payment of the bonds;

(b) the rates, rentals and other charges to be imposed and the amounts to be raised in each year by such rates, rentals and charges and the use and disposition thereof and of any other revenues;

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

(d) limitations on the right of the authority to restrict and regulate the use of its facilities;

(e) limitations on the purpose to which the proceeds of sale of any issue of bonds then or thereafter to be issued may be applied;

(f) limitations on the issuance of additional bonds;

(g) the time when the project shall be deemed to be completed, or the method of determining such time, and the time when the certificate provided for in section fourteen hundred four of this chapter shall be filed;

(h) 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.

(i) the refunding of outstanding or other bonds;

(j) the creation of special funds into which any earnings or revenues of the authority may be deposited;

(k) vesting in a trustee or trustees such properties, rights, powers and duties in trust as the authority may determine which may include any or all of the rights, powers and duties of the trustee appointed by the bondholders pursuant to section eleven hundred ninety-two hereof, and limiting or abrogating the right of the bondholders to appoint a trustee under such section or limiting the rights, duties and powers of such trustee;

(l) the payment of the proceeds of bonds and revenues of the

properties to a trustee or other depositary, and for the method of disbursement thereof with such safeguards and restrictions as the authority may determine;

4. Neither the members of the board nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof.

5. The authority shall have power out of any funds available therefor to purchase any bonds issued by it at a price not more than the principal amount thereof and the accrued interest. All bonds so purchased shall be cancelled.

6. It is the intention of the legislature that any pledge of earnings, revenues or other moneys made by the authority shall be valid and binding from the time when the pledge is made; that the earnings, revenues or other moneys 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.