§ 2046-g. Bonds and notes. 1. The agency shall have the power and is hereby authorized from time to time to issue bonds and notes, in conformity with applicable provisions of the uniform commercial code, in such principal amounts as it may determine to be necessary to pay the cost of any project or for any other corporate purpose, including incidental expenses in connection therewith provided such bonds and notes shall in no event exceed fifty million dollars in outstanding indebtedness at any time, except as any such higher amount has been approved in advance of issuance by the qualified voters of the town of Islip at a public referendum conducted pursuant to the rules and regulations of the state board of elections. The agency shall have power and is hereby authorized to enter into such agreements and perform such acts as may be required under any applicable federal legislation to secure a federal guarantee of any bonds or notes. The agency shall have power from time to time to refund any bonds or notes by the issuance of new bonds or notes whether the bonds or notes to be refunded have or have not matured, and may issue bonds or notes partly to refund bonds or notes then outstanding and partly for any other corporate purpose. Bonds or notes issued by the agency may be general obligations secured by the faith and credit of the agency or may be special obligations payable solely out of particular revenues or other moneys as may be designated in the proceedings of the agency under which the bonds or notes shall be authorized to be issued and subject to any agreements with the holders of outstanding bonds and notes pledging any particular revenues or moneys.

2. The bonds and notes shall be authorized by resolution of the governing body, shall bear such date or dates, shall mature at such time or times, shall bear interest at such rate or rates, 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 as such resolution or resolutions may provide, provided that no note or any renewal thereof shall mature more than five years after the date of issue of the original note and provided that no bond shall mature more than forty years after the date of the original issuance. The bonds and notes of the agency may be sold by the agency at

public or private sale at such price or prices as the agency shall determine, provided that the terms of any private sale of bonds shall be approved in writing by the state comptroller where such sale is not to the state comptroller, or by the director of the division of the budget where such sale is to the state comptroller. The agency may pay all expenses, premiums and commissions which it may deem necessary or advantageous in connection with the issuance and sale thereof.

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

(a) pledging all or any part of the moneys or revenues derived by the agency from the ownership or operation of, or otherwise in connection with, any project or projects or any part or parts thereof to secure the payment of the bonds or notes or of any issue thereof, subject to such agreements with bondholders or noteholders as may then exist;

(b) the amount, use and disposition of the rates, rentals, fees and other charges to be fixed and collected by the agency;

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

(d) limitations on the right of the agency to restrict and regulate the use of the properties in connection with which such bonds or notes are issued;

(e) limitations on the purpose to which the proceeds of sale of bonds or notes may be applied;

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

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

(h) the creation of special funds into which any moneys or revenues of the agency may be deposited;

(i) the terms and provisions of any mortgage or trust deed or indenture securing the bonds or notes or under which the bonds or notes may be issued;

(j) vesting in a trustee or trustees such property, rights, powers and duties in trust as the agency may determine which may include any or all of the rights, powers and duties of the trustee appointed by the bondholders or noteholders pursuant to this title, and limiting or abrogating the right of the bondholders or noteholders to appoint a trustee under this title or limiting the rights, powers and duties of such trustee;

(k) defining the acts or omissions to act which shall constitute a default in the obligations and duties of the agency to the bondholders or noteholders and providing the rights and remedies of the bondholders or noteholders in the event of such default, including as a matter of right the appointment of a receiver, provided, however, that such rights and remedies shall not be inconsistent with the general laws of the state and other provisions of this title;

(l) limitations on the power of the agency to sell or otherwise dispose of its properties;

(m) limitations on the amount of money derived from the properties to be expended for operating, administrative or other expenses of the agency;

(n) the protection and enforcement of the rights and remedies of the bondholders or noteholders;

(o) the obligations of the agency in relation to the construction, maintenance, operation, repairs and insurance of the properties of the agency, the safeguarding and application of all moneys and the requirements for the supervision and approval of consulting engineers in connection with construction, maintenance and operation of such properties;

(p) the payment of the proceeds of bonds and notes and other moneys and revenues of the agency to a trustee or other depositary, and for the method of disbursement thereof with such safeguards and restrictions as the agency may determine;

(q) any other matters, of like or different character which in any way affect the security or protection of the bonds and notes.

4. In addition to the powers herein conferred upon the agency to secure its bonds and notes, the agency shall have power in connection with the issuance of bonds and notes to enter into such agreements as

the agency may deem necessary, convenient or desirable concerning the use or disposition of its moneys or property including the mortgaging of only such property and the entrusting, pledging or creation of any other security interest in any such moneys or property and the doing of any act, including refraining from doing any act, which the agency would have the right to do in the absence of such agreements. The agency shall have power to enter into amendments of any such agreements within the powers granted to the agency 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 the bonds and notes of the agency.

5. Any provision of the uniform commercial code to the contrary notwithstanding, any pledge of or other security interest in revenues, moneys, accounts, contract rights, general intangibles or other personal property made or created by the agency shall be valid, binding and perfected from the time when such pledge is made or other security interest attaches without any physical delivery of the collateral or further act, and the lien of any such pledge or other security interest shall be valid, binding and perfected against all parties having claims of any kind in tort, contract or otherwise against the agency irrespective of whether or not such parties have notice thereof. No instrument by which such a pledge or security interest is created nor any financing statement need be recorded or filed.

6. Whether or not the bonds or notes are of such form and character as to be negotiable instruments under the terms of the uniform commercial code, the bonds and notes are hereby made negotiable instruments within the meaning of and for all the purposes of the uniform commercial code, subject only to the provisions of the bonds and notes for registration.

7. Neither the directors of the agency nor any person executing the bonds or notes shall be liable personally on the bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof.

8. The agency, subject to such agreements with bondholders or noteholders as may then exist, shall have power out of any funds

available therefor to purchase bonds or notes of the agency, which shall thereupon be cancelled, at a price not exceeding (a) if the bonds or notes are then redeemable, the redemption price then applicable plus accrued interest to the next interest payment thereon, or (b) if the bonds or notes are not then redeemable, the redemption price applicable on the first date after such purchase upon which the bonds or notes become subject to redemption plus accrued interest to such date.