*** § 2469. Security for bonds or notes; construction and acquisition of sports facilities.** 1. The principal of and interest on any bonds or notes issued by the authority may be secured by a pledge of any revenues and receipts of the authority and may be secured by a lease or other instrument covering all or any part of a sports facility, including any additions, improvements, extensions to or enlargements of any sports facilities thereafter made.

2. Bonds or notes issued for the acquisition, construction, reconstruction, construction of additions to, rehabilitation, or improvement of a sports facility may also be secured by an assignment of any lease of such sports facility and by an assignment of the revenues and receipts derived by the authority from any such lease.

3. Each pledge, agreement, mortgage or other instrument made for the benefit or security of any of the bonds or notes of the authority shall continue effective until the principal of and interest on the bonds or notes for the benefit of which the same were made shall have been fully paid, or until provisions shall have been made for such payment in the manner provided in the resolution or resolutions under which the same may be authorized.

4. The authority may provide in any proceedings under which bonds or notes may be authorized that any sports facility or part thereof may be constructed, reconstructed, rehabilitated or improved by the authority, or any participating municipality, and may also provide in such proceedings for the time and manner of and requisites for disbursements to be made for the cost of such construction, and for all such certificates and approvals of construction and disbursements as the authority shall deem necessary and provide for in such proceedings.

5. 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.

6. In the discretion of the authority, the bonds may be secured by a trust indenture by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company in the state of New York. Such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the acquisition, construction, reconstruction, construction of additions to, improvement and maintenance and operation, repair and insurance of the sports facilities, and the custody, safeguarding and application of all moneys. The authority may provide by such trust indenture for the payment of the proceeds of the bonds and the revenues of the project 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. All expenses incurred in carrying out such trust indenture may be treated as a part of the cost of maintenance, operation and repairs of the project. If the bonds shall be secured by a trust indenture the bondholders shall have no authority to appoint a separate trustee to represent them.

* NB (Disbanded March, 1980)