**§ 365. Notes or bonds of the authority.** 1. (a) Subject to the provisions of section three hundred sixty-six of this title, the authority shall have the power and is hereby authorized from time to time to issue its negotiable notes and bonds in conformity with applicable provisions of the uniform commercial code in such principal amount as, in the opinion of the authority, shall be necessary to provide sufficient moneys for achieving the corporate purposes thereof, including construction, reconstruction and improvement of the thruway sections and connections, and highway connections herein described, together with suitable facilities and appurtenances, the payment of all indebtedness to the state, the cost of acquisition of all real property, the expense of maintenance and operation, interest on notes and bonds during construction and for a reasonable period thereafter, establishment of reserves to secure notes or bonds, and all other expenditures of the authority incident to and necessary or convenient to carry out its corporate purposes and powers.

(b) The authority shall have power from time to time to issue renewal notes, to issue bonds to pay notes, and 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, and may issue bonds partly to refund bonds then outstanding and partly for any other purpose. The refunding bonds shall be sold and the proceeds applied to the purchase, redemption or payment of the bonds to be refunded.

(c) Except as may otherwise be expressly provided by the authority, every issue of the notes or bonds shall be general obligations payable out of any moneys or revenues of the authority, subject only to any agreements with the holders of notes or bonds pledging any receipts or revenues.

2. The notes and bonds shall be authorized by resolution of the board, shall bear such date or dates and mature at such time or times, in the case of notes and any renewals thereof within five years after their respective dates and in the case of bonds not exceeding forty years from their respective dates, as such resolution or resolutions may provide. The notes and bonds 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. Bonds and notes shall be sold by the authority, at public or private sale, at such price or prices as the authority may determine. Bonds and notes of the authority shall not be sold by the authority at private sale unless such sale and the terms thereof have been approved in writing by the comptroller, where such sale is not to the comptroller, or by the director of the budget, where such sale is to the comptroller.

3. Any resolution or resolutions authorizing any notes or bonds 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 fees, charges, gifts, grants, rents, revenues or other moneys received or to be received and leases or agreements to secure the payment of the notes or bonds or of any issue thereof subject to such agreements with bondholders as may then exist;

(b) The rates of the fees or charges to be established, and the amounts to be raised in each year thereby and the use and disposition of the fees, charges, gifts, grants, rents, revenues or other moneys received or to be received;

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

(d) limitations on the purpose to which the proceeds of sale of any issue of notes or bonds then or thereafter to be issued may be applied and pledging such proceeds to secure the payment of the notes or bonds or of any issue thereof;

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

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

(g) limitations on the amount of moneys to be expended by the authority for operating, administrative or other expenses of the authority;

(h) in the case of notes or bonds not guaranteed by the state, vesting

in a trustee or trustees such property, 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 this title, and limiting or abrogating the right of the bondholders to appoint a trustee under this title or limiting the rights, duties and powers of such trustee;

(i) the acquisition of jurisdiction over, and of property for, thruways, and the construction, reconstruction, improvement, maintenance or operation thereof;

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

4. Whenever the authority pledges its revenues under a resolution authorized by this section, such resolution shall not prohibit the authority from financing for additional corporate transportation purposes authorized by law secured by an additional pledge of such revenues. Such additional pledge of revenues may, in the discretion of the authority, be subordinate to the pledge of such revenues securing other bonds, notes or other evidence of indebtedness of the authority. Provided, however, the authority shall not make any such additional pledge if the security of the bonds, notes or other evidences of indebtedness previously issued will be impaired as a result thereof.

5. It is the intention hereof that any pledge made by the authority shall be valid and binding from the time when the pledge is made; that the 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. Neither the members of the board nor any person executing the notes or bonds shall be liable personally on the notes or bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

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