§ 508. Issuance of bonds and notes by a corporation. 1. Each corporation shall have the power and is hereby authorized, from time to time, to issue negotiable bonds and notes in such aggregate principal amounts as shall, in the opinion of the corporation, be necessary together with such other moneys or funds as may be available to the corporation, to provide funds sufficient to enable the corporation to carry out its corporate purposes, including the acquisition, construction, maintenance and repair of personal and real property, the payment of interest on and amortization of or payment of such bonds and notes, the establishment of reserves or sinking funds to secure such bonds and notes, and all other expenditures of the corporation incident to and necessary or desirable for the carrying out of its corporate purposes and the exercise of its powers. Except as may otherwise be expressly provided by the corporation, every issue of its bonds and notes shall be general obligations of the corporation payable out of any revenues or moneys of the corporation, subject only to any agreements with the holders of particular bonds or notes pledging any particular revenues or moneys. Whether or not the bonds or notes are of such form and character as to be negotiable instruments under the provisions of article eight of the uniform commercial code, the bonds and notes shall be and are hereby made negotiable instruments within the meaning of and for all purposes of article eight of the uniform commercial code, subject only to the provisions of the bonds or notes for registration.

2. The corporation shall have the power and is hereby authorized, from time to time, to issue renewal notes, and to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and to issue bonds to pay notes or partly to refund bonds then outstanding.

3. The said bonds and notes shall be authorized by resolution or resolutions of the board of directors and shall mature as such resolution or resolutions may provide. Bonds and notes 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 may be sold by the corporation at public or private sale at such price or prices as the corporation shall determine; provided, however, that no such bonds or notes may be sold at a private sale unless the sale and the terms thereof have been approved by the comptroller in writing.

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

a. Pledging all or any part of the moneys or revenues or other assets of the corporation to secure the payment of such bonds or notes;

b. The setting aside of reserves or sinking funds and the regulation or disposition thereof;

c. Limitations on the purposes to which the proceeds of the sale of any issue of bonds or notes then or thereafter to be issued may be applied and pledging such proceeds to secure the payment of the bonds or notes or any issue thereof;

d. Limitations on the issuance of additional bonds or notes; the terms upon which such additional bonds or notes may be issued and secured; the refunding of outstanding bonds or notes;

e. The procedures, if any, by which the terms of any contract with the holders of bonds or notes may be extended 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;

f. The creation of special funds into which any moneys or revenues of the corporation may be deposited;

g. Limitations on the amounts that the corporation may expend for administrative or other expenses thereof;

h. Vesting in a trustee such properties, rights, powers and duties in

trust as the corporation may determine which may include any or all of the rights, powers and duties of the trustees appointed by the holders of the bonds or notes pursuant to section five hundred twelve of this article and limiting or abrogating the right of the holders of the bonds or notes to appoint a trustee under such section of limiting the rights, duties and powers of such trustee;

i. Defining the acts or omissions to act which shall constitute a default in the obligations and duties of the corporation to the holders of the bonds or notes and providing for the rights and remedies of the holders of the bonds or notes 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 the other provisions of this article; and

j. Any other matters of like or different character that in any way affect the security or protection of the holders of the bonds or notes.

5. Any pledge of revenues, moneys or property made by the corporation shall be valid and binding from the time when the pledge is made; the revenues, moneys or property so pledged and thereafter received by the corporation shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and 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 corporation irrespective of whether such parties have notice thereof. Neither the resolution or resolutions nor any other instrument by which a pledge is created need be recorded.

6. Neither the directors of the corporation nor any other person executing such bonds or notes shall be subject to any personal liability or accountability by reason of the issuance thereof.

7. The corporation, subject to such agreements with the holders of bonds or notes as may then exist, shall have the power out of any funds available therefor to purchase any bonds or notes issued by it at a price not exceeding the redemption price thereof, which price shall be:

a. If the bonds or notes are then redeemable, the redemption price then applicable plus accrued interest to the next interest payment date 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 bonds or notes become subject to redemption plus accrued interest to such date. All bonds or notes so purchased shall be cancelled.