

181.740 Trustee may be selected -- Provisions of trust indenture -- Expenses of indenture.

- (1) The commission may secure any issue of bonds by a trust indenture between the city and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or outside of the state, or such corporate trustee and an individual as cotrustee.
- (2) The trust indenture may contain provisions for protecting and enforcing the rights and remedies of the bondholders, including covenants setting forth the duties of the commission in relation to the acquisition, construction, improvement, maintenance, operation and insurance of the bridge, and the custody, safeguarding and application of all money.
- (3) The trust indenture may also provide that the bridge shall be acquired, constructed, or partly acquired and partly constructed, and paid for under the supervision and approval of consulting engineers or other persons employed or designated by the commission and satisfactory to the bondholders, who may be given the right to require that the security given by contractors and by any depository of the proceeds of the bonds or revenues of the bridge or other money pertaining thereto be satisfactory to them.
- (4) The indenture may set forth the rights and remedies of the bondholders and trustee, restricting the individual right of action of bondholders as is customary in trust indentures securing bonds and debentures of corporations.
- (5) The commission may provide by resolution or by trust indenture for the payment of the proceeds of the sale of the bonds and revenues of the bridge to such officer, board or depository as it may determine for the custody thereof, and may provide the method of disbursement thereof, with such safeguards and restrictions as it finds best.
- (6) All expenses incurred in carrying out the trust indenture may be treated as a part of the cost of maintenance and operation of the bridge affected by the indenture.

Effective: October 1, 1942

History: Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 3235g-19.