

96.700 Power of board to make provisions to secure payment of bonds.

In order to secure the payment of any of the bonds issued pursuant to KRS 96.550 to 96.900, and interest thereon, or in connection with such bonds, the board of any municipality shall have power as to such bonds, to the extent not inconsistent with the mandatory provisions of KRS 96.550 to 96.900:

- (1) To pledge all or any part of the net revenues derived from sale of electric service;
- (2) To provide for the terms, form, registration, exchange, execution and authentication of any bonds;
- (3) To provide for the replacement of lost, destroyed, or mutilated bonds;
- (4) To covenant as to the use and disposition of the proceeds from the sale of such bonds;
- (5) To covenant as to the rates and charges of the electric plant;
- (6) To redeem such bonds, and to covenant for their redemption and to provide the terms and conditions thereof;
- (7) To covenant and prescribe as to what happenings or occurrences shall constitute "events of default," and the terms and conditions upon which any or all of such bonds shall become or may be declared due before maturity and as to the terms and conditions upon which such declaration and its consequences may be waived;
- (8) To covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition or obligation;
- (9) To vest in a trustee or trustees the right to receive all or any part of the net income and revenue pledged and assigned to, or for the benefit of, the holder or holders of bonds issued hereunder, and to hold, apply and dispose of the same, and the right to enforce any covenant made to secure or pay or in relation to the bonds; to execute and deliver a trust agreement or trust agreements which may set forth the powers and duties and the remedies available to such trustee or trustees and limiting the liabilities thereof and describing what occurrences shall constitute "events of default," and prescribing the terms and conditions upon which such trustee or trustees or the holder or holders of bonds of any specified amount or percentage may exercise such rights and enforce any and all such covenants and resort to such remedies as may be appropriate;
- (10) To make covenants other than, and in addition to, the covenants herein authorized of like or different character, necessary or advisable to effectuate the purpose of KRS 96.550 to 96.900; and
- (11) To execute all instruments necessary or convenient in the exercise of the powers herein granted or in the performance of its covenants or duties.

History: Created 1942 Ky. Acts ch. 18, sec. 11.