

Maine Revised Statutes
Title 30-A: MUNICIPALITIES AND COUNTIES
Chapter 225: MAINE MUNICIPAL BOND BANK

§6003. BONDS AND NOTES OF THE BANK

1. Bonds authorized. The bank may issue its bonds from time to time in any principal amounts that it considers necessary to provide funds for any of the purposes authorized by this chapter, including:

A. The making of loans; [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

A-1. The making of deposits to the revolving loan fund; [1989, c. 48, §§23, 31 (NEW).]

B. The payment, funding or refunding of the principal of, or interest or redemption premiums on, any bonds issued by the bank, whether the bonds or interest to be funded or refunded have or have not become due or subject to redemption before maturity in accordance with their terms; [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. The establishment or increase of reserves to secure or to pay bonds or interest on the bonds; and [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

D. All other costs or expenses of the bank incident to and necessary or convenient to carry out its corporate purposes and powers. [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 48, §§23, 31 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD) .]

2. Bonds as general obligation bonds; additional security. Except as expressly provided otherwise in this chapter or by the bank, every issue of bonds shall be general obligations of the bank payable out of any revenues or funds of the bank, subject only to any agreements with the holders of particular bonds pledging any particular revenues or funds. Bonds that are not general obligations of the bank shall be special obligations of the bank payable solely from any revenues or funds of the bank pledged for that purpose and subject only to any agreements with the holders of particular notes and bonds pledging any particular revenues or funds. Any bonds may be additionally secured by a pledge of any grants, subsidies, contributions, funds or money from the Federal Government, the State, any governmental unit, any person or a pledge of any income or revenues, funds or money of the bank from any source.

[1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 48, §§22, 31 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD) .]

3. Bank notes authorized. The bank may issue its notes for any corporate purpose of the bank from time to time, in any principal amounts that it considers necessary and renew or pay and retire or refund the notes from the proceeds of bonds or of other notes, or from any other funds or money of the bank available or to be made available for that purpose in accordance with any contract between the bank and the noteholders, not otherwise pledged.

A. The notes shall be issued in the same manner as bonds. The notes and the resolution or resolutions authorizing the notes may contain any provisions, conditions or limitations which the bonds or a bond resolution of the bank may contain. [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Unless provided otherwise in any contract between the bank and the noteholders, and unless the notes have been otherwise paid, funded or refunded, the proceeds of any bonds of the bank issued, among other things, to fund such outstanding notes, shall be held, used and applied by the bank to the payment and retirement of the principal of these notes and the interest due and payable on the notes. [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. The bank may make contracts for the future sale from time to time of the notes, under which the purchaser is committed to purchase the notes from time to time on terms and conditions stated in the contracts. The bank may pay any consideration that it determines proper for these commitments. [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD) .]

4. Bonds and notes made negotiable instruments. Whether or not the bonds or notes of the bank are of such form and character as to be negotiable instruments under the Uniform Commercial Code, article 8, the bonds and notes shall be and are made negotiable instruments within the meaning of and for all the purposes of the Uniform Commercial Code, subject only to the provisions of the bonds and notes for registration.

[1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD) .]

5. General characteristics. Bonds or notes of the bank shall be authorized by resolution of the bank and may be issued in one or more series. The resolution or resolutions may provide:

A. The date or dates the bonds or notes will bear; [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. The time or times the bonds or notes will mature; [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. The rate or rates of interest per year the bonds or notes will bear; [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

D. The denomination or denominations of the bonds or notes; [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

E. The form of the bonds or notes, either coupon or registered; [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

F. The conversion or registration privileges carried by the bonds or notes; [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

G. The rank or priority of the bonds or notes; [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

H. The manner of execution of the bonds or notes; [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

I. The sources, medium and place or places, within or outside the State, of payment; and [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

J. The terms of redemption of the bonds or notes, with or without premium. [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD) .]

6. Manner of sale. Bonds or notes of the bank may be sold at public or private sale at the time or times and at the price or prices determined by the bank.

[1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD) .]

7. No further conditions required. Bonds or notes of the bank may be issued under this chapter without obtaining the consent of any department, division, commission, board, bureau or agency of the State, and without any other proceeding or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required by this chapter.

[1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD) .]

8. Payment of notes. The bank may from time to time issue its notes as provided under this chapter and pay and retire or fund or refund those notes from proceeds of bonds or of other notes, or from any other funds or money of the bank available or to be made available for those purposes in accordance with any contract between the bank and the noteholders. Unless provided otherwise in any contract between the bank and the holders of notes, and unless the notes have been otherwise paid, funded or refunded, the proceeds of any bonds of the bank issued among other things, to fund those outstanding notes, shall be held, used and applied by the bank to the payments and retirement of the principal of the notes and the interest due and payable on the notes.

[1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD) .]

9. Taxation of interest. The bank may covenant and consent, at or before the issuance of its bonds or notes, to the inclusion of interest on any of its bonds or notes, under the United States Internal Revenue Code of 1986 or any subsequent corresponding internal revenue law of the United States, in the gross income of the

holders of any such bonds or notes to the same extent and in the same manner that the interest on bills, bonds, notes or other obligations of the United States is includable in the gross income of the holders of the bonds or notes under the United States Internal Revenue Code or any such subsequent law.

[1989, c. 48, §§23, 31 (NEW) .]

SECTION HISTORY

1987, c. 737, §§A2,C106 (NEW). 1989, c. 6, (AMD). 1989, c. 9, §2 (AMD).
1989, c. 48, §§21-23,31 (AMD). 1989, c. 104, §§C8,10 (AMD).

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