



Ohio Revised Code

Section 761.09 Trust agreements securing bonds.

Effective: February 21, 1967

Legislation: House Bill 1 - 107th General Assembly

Bonds issued under sections 761.04 to 761.14, inclusive, of the Revised Code, may be secured by a trust agreement between the municipal corporation and a corporate trustee, which trustee may be any trust company or bank having the powers of a trust company within or without the state.

Any such trust agreement may pledge or assign payments of principal of and interest on loans, charges, fees, and other revenue to be received by the municipal corporation, all rentals received under leases made by the municipal corporation, and all proceeds of the sale or other disposition of property of the municipal corporation under sections 761.01 to 761.14, inclusive, of the Revised Code, and may provide for the holding in trust by the trustee to the extent provided for in the ordinances authorizing such bonds, of all such moneys, and of moneys payable into the sinking fund or funds referred to in section 761.10 of the Revised Code, but shall not convey or mortgage any of the real or personal property of the municipal corporation or any part thereof. Any such trust agreement, or any ordinance providing for the issuance of such bonds, may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as are reasonable and proper and not in violation of law, including covenants setting forth the duties of the municipal corporation in relation to the acquisition of property, and the construction, improvement, maintenance, repair, and insurance of projects, the making of leases and the terms and provisions thereof, and the custody, safeguarding, investment, and application of all moneys and provisions for the employment of consulting engineers or other consultants in connection with the making of leases and the construction or operation of any project. Any bank or trust company incorporated under the laws of this state which may act as trustee or as depository of the proceeds of bonds or of revenue may furnish such indemnifying bonds or may pledge such securities as are required by the municipal corporation. Any such trust agreement may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action by bondholders as is customary in trust agreements or trust indentures securing bonds or debentures of corporations. Such trust agreement may contain such other provisions as the municipal corporation deems reasonable and proper for the security of the bondholders.