



Ohio Revised Code

Section 5540.10 Securing bonds by trust agreement.

Effective: June 30, 1993

Legislation: House Bill 154 - 120th General Assembly

(A) In the discretion of the board of trustees of a transportation improvement district any bonds may be secured by a trust agreement between the board and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the state but authorized to exercise trust powers within this state.

(B) Any trust agreement may pledge or assign the revenues to be received, but shall not convey or mortgage any project or any part thereof. Any such trust agreement or other bond proceedings 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 board in relation to the acquisition of property, and the construction, maintenance, and repair of the project or projects in connection with which such bonds are authorized and the custody, safeguarding, and application of all moneys, and provisions for the employment or retention of the services of consulting engineers in connection with the construction, maintenance, or repair of the project or projects. Any bank or trust company incorporated under the laws of this state which may act as depository of the proceeds of bonds or of revenues may furnish such indemnifying bonds or may pledge such securities as are required by the board. Any such trust agreement may set forth the rights and remedies of the bondholders and of the trustee, may restrict the individual right of action by bondholders as is customary in revenue bond trust agreements of public bodies, and may contain such other provisions as the board considers reasonable and proper for the security of the bondholders. All expenses incurred in entering into or carrying out the provisions of any such trust agreement may be treated as a part of the cost of the project or projects. Chapter 135. of the Revised Code shall not apply to investments made pursuant to any such trust agreement.