

MICHIGAN BROADBAND DEVELOPMENT AUTHORITY ACT (EXCERPT)
Act 49 of 2002

484.3212 Notes or bonds; contents of resolutions.

Sec. 12. A resolution relating to authorizing notes or bonds may contain any of the following provisions, which shall be a part of the contract with the holders of the notes or bonds:

(a) Pledging all or any part of the revenues of the authority, and all or any part of the money received in payment of loans and interest on loans, and other money received or to be received to secure the payment of the notes or bonds.

(b) Pledging all or any part of the assets of the authority, including mortgages and obligations obtained by the authority in connection with its programs, to secure the payment of the notes or bonds.

(c) Pledging any loan, grant, or contribution from a government entity.

(d) The use and disposition of the gross income from contracts and leases of the authority.

(e) The setting aside of reserves or sinking funds and the regulation and disposition of reserves or sinking funds.

(f) Limitations on the purpose to which the proceeds of sale of notes or bonds may be applied and pledging proceeds to secure the payment of the notes or bonds.

(g) Limitations on the issuance of additional notes or bonds, the terms upon which additional notes or bonds may be issued and secured, and the refunding of outstanding or other notes or bonds.

(h) The procedure, if any, by which the terms of any contract with noteholders or bondholders may be amended or abrogated, the amount of notes or bonds the holders of which shall consent to the amendment or abrogation, and the manner in which the consent is to be given.

(i) Vesting in a trustee or trustees property, rights, powers, and duties in trust as the authority may determine, which may include any of the rights, powers, and duties of the trustee appointed by the bondholders under this act and limiting or abrogating the right of the bondholders to appoint a trustee under this section or limiting the rights, powers, and duties of the trustee.

(j) Establishing a contractual right to require mandatory tender for purchase of the notes or bonds in an instrument separate from the notes or bonds. The instrument may be issued or sold by the authority to investors.

(k) Except as otherwise prohibited by this act, any other provision that may affect the security or protection of the notes or bonds.

(l) Delegating to an officer or other employee of the authority, or an agent designated by the authority, for a period of time as the authority determines, the power to cause the issue, sale, and delivery of the notes or bonds within limits on those notes or bonds established by the authority as to any of the following:

(i) The form.

(ii) The maximum interest rate or rates.

(iii) The maturity date or dates.

(iv) The purchase price.

(v) The denominations.

(vi) The redemption premiums.

(vii) The nature of the security.

(viii) The selection of the applicable interest rate index.

(ix) Other terms and conditions with respect to issuance of the notes or bonds as the authority shall prescribe.

History: 2002, Act 49, Imd. Eff. Mar. 14, 2002.

Compiler's note: For transfer of powers and duties of Michigan broadband development authority from department of treasury to department of labor and economic growth by Type I transfer, see E.R.O. No. 2003-1, compiled at MCL 445.2011.