

(II) FOR RESERVES; AND

(III) FOR RENEWAL, REPLACEMENT, EXTENSION, ENLARGEMENT, AND IMPROVEMENT OF A DEVELOPMENT OR PROJECT.

(4) THE LIEN OF THE PLEDGE OF REVENUES UNDER PARAGRAPH (2) OF THIS SUBSECTION IS VALID AND BINDING:

(I) FROM THE TIME THE PLEDGE IS MADE; AND

(II) AGAINST EACH PARTY WITH A CLAIM AGAINST THE AUTHORITY IN TORT, CONTRACT, OR OTHERWISE, REGARDLESS OF WHETHER THE PARTY HAS NOTICE OF THE LIEN.

[(n)](M) In the discretion of the Authority, the revenue bonds may be secured by a trust indenture by and between the Authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or outside of the State. Such trust indenture may pledge or assign revenues to be received from the development or project, but it shall not convey or mortgage the development or project or any part or parts thereof except with the express consent of the Board of Public Works. The trust indenture may provide that any money realized from the sale or the disposition of any of the land, buildings, structures, facilities, equipment and other property of a development or project may be used to pay the interest on and principal of the revenue bonds. Either the resolution providing for the issuance of bonds or the trust indenture may contain provisions for protecting and enforcing the rights and remedies of the bondholders as reasonable and proper, not in violation of law, including covenants setting forth the duties of the Authority in relation to the construction, acquisition, improvement, installation, maintenance, operation, repairs, and insurance of the development or project and the custody, safeguarding, and application of all moneys[; and may provide that the development or project be constructed and paid for under the supervision and approval of consulting engineers employed or designated by the Authority and satisfactory to the original purchasers of the bonds issued hereunder; and may further provide that the security given by contractors and by any depository of the proceeds of the bonds or revenues of the development or project or other moneys pertaining thereto be satisfactory to the purchasers]. It shall be lawful for any bank or trust company incorporated under the laws of this State to act as depository of the proceeds of the bonds or revenue and to furnish such indemnity bonds or to pledge such securities as may be required by the Authority.

The resolution or trust indenture may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action of bondholders as is customary in trust indentures securing bonds and debentures of corporations. Except as in this subtitle otherwise provided, the Authority may provide by resolution or by the trust indenture for the [payment] DEPOSIT of the proceeds of the sale of the bonds and the revenue of a development or project to such officer, board, or depository as it determines for the custody thereof, and for the method of disbursement thereof, with such safeguards and restrictions as it determines. All expenses incurred in carrying out such trust indenture may be treated as a part of the cost of maintenance, operation and repair of a development or project.