

(2) PRIOR TO AND DURING CONSTRUCTION AND FOR 1 YEAR AFTER COMPLETION OF CONSTRUCTION OF ANY AUXILIARY FACILITIES FOR WHICH BONDS HAVE BEEN ISSUED, THE INTEREST ON THE BONDS MAY BE PAID OUT OF THE PROCEEDS OF THE BONDS OR OUT OF OTHER MONEYS ALLOCATED FOR THAT PURPOSE.

(J) (1) THE SYSTEM MAY PROVIDE, FROM TIME TO TIME, FOR THE ISSUANCE AND SALE OF ITS BOND ANTICIPATION NOTES IN ACCORDANCE WITH THE PROCEDURES SET FORTH IN THIS TITLE FOR THE ISSUANCE OF BONDS. THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THE NOTES SHALL BE PAYABLE OUT OF THE FIRST PROCEEDS OF SALE OF ANY SERIES OF BONDS ISSUED UNDER THE PROVISIONS OF THIS TITLE OR ANY OTHER SOURCES FROM WHICH BONDS ISSUED HEREUNDER COULD BE PAID.

(2) BOND ANTICIPATION NOTES MAY BE ISSUED IN SERIES AS FUNDS ARE REQUIRED AND MAY BE RENEWED OR EXTENDED AT MATURITY WITH OR WITHOUT RESALE. ALL SUCH NOTES SHALL BE SOLD AND EXECUTED IN THE SAME MANNER AS PROVIDED FOR BONDS ISSUED PURSUANT TO THIS TITLE.

(3) EXCEPT WHERE THE PROVISIONS OF THIS TITLE WOULD BE INAPPLICABLE TO BOND ANTICIPATION NOTES, THE TERM "BONDS" USED IN THIS TITLE SHALL INCLUDE BOND ANTICIPATION NOTES, INCLUDING (WITHOUT IN ANY WAY LIMITING THE FOREGOING) THE PROVISIONS PERTAINING TO THE EXEMPTION FROM TAXATION BY THE STATE AND ITS POLITICAL SUBDIVISIONS.

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(A) ANY BONDS ISSUED UNDER THE PROVISIONS OF THIS TITLE MAY BE SECURED BY A TRUST AGREEMENT BETWEEN A SYSTEM AND A CORPORATE TRUSTEE, WHICH MAY BE ANY TRUST COMPANY OR BANK HAVING THE POWERS OF A TRUST COMPANY WITHIN OR WITHOUT THE STATE.

(B) ANY TRUST AGREEMENT MAY PLEDGE OR ASSIGN THE INCOME, FEES, RENTS, CHARGES, AND OTHER REVENUES TO BE RECEIVED FROM THE USE OF AUXILIARY FACILITIES.

(C) ANY TRUST AGREEMENT OR ANY RESOLUTION PROVIDING FOR THE ISSUANCE OF BONDS MAY CONTAIN PROVISIONS FOR PROTECTING AND ENFORCING THE RIGHTS AND REMEDIES OF THE BONDHOLDERS REASONABLE AND PROPER AND NOT IN VIOLATION OF LAW, INCLUDING COVENANTS WHICH SHALL INCLUDE BUT NOT BE LIMITED TO:

(1) THE DUTIES OF THE SYSTEM IN RELATION TO THE ACQUISITION OF PROPERTY, AND THE CONSTRUCTION, IMPROVEMENT, MAINTENANCE, REPAIR, OPERATION, USE, AND INSURANCE OF ANY AUXILIARY FACILITIES;

(2) THE DUTIES OF THE SYSTEM IN RELATION TO AUXILIARY FACILITIES FEES;