

IC 5-1.4-9

Chapter 9. Miscellaneous Provisions

IC 5-1.4-9-1

Limitation of actions

Sec. 1. (a) No action to contest the validity of any bonds or notes of the bank may be brought after the fifteenth day following the adoption of the resolution authorizing the sale of the bonds or notes. No action to contest the validity of any bond sale under this chapter may be brought after the fifth day following the bond sale.

(b) If an action challenging the bonds or notes of the bank is not brought within the time prescribed by subsection (a), all bonds or notes of the bank shall be conclusively presumed to be fully authorized and issued under the laws of Indiana, and a person or a qualified entity is estopped from questioning their authorization, sale, issuance, execution, or delivery by the bank.

(c) Insofar as this article is inconsistent with the provisions of any other law, general, special, or local, this article shall be controlling. *As added by P.L.42-1985, SEC.1. Amended by P.L.2-1989, SEC.13.*

IC 5-1.4-9-2

Bank property exempt from levy and sale; judgment against bank not charge or lien on property; rights of holders of bonds or notes

Sec. 2. All property of the bank is exempt from levy and sale by virtue of an execution and no execution or other judicial process may issue against the property. A judgment against the bank may not be a charge or lien upon its property. However, nothing in this section applies to or limits the rights of the holder of bonds or notes to pursue a remedy for the enforcement of a pledge or lien given by the bank on its revenues or other money.

As added by P.L.42-1985, SEC.1.

IC 5-1.4-9-3

Pledge of revenues or money

Sec. 3. A pledge of revenues or other money made by the bank is binding from the time the pledge is made. Revenues or other money pledged and thereafter received by the bank are immediately subject to the lien of the pledge without any further act, and the lien of a pledge is binding against all parties having claims of any kind in tort, contract, or otherwise against the bank, regardless of whether the parties have notice of the lien. Neither the resolution nor any other instrument by which a pledge is created needs to be filed or recorded except in the records of the bank.

As added by P.L.42-1985, SEC.1.

IC 5-1.4-9-4

Insurance or guaranty for payment

Sec. 4. The bank may obtain from a department or agency of the United States or a nongovernmental insurer available insurance or guaranty for the payment or repayment of interest or principal, or

both, or any part of interest or principal, on bonds or notes issued by the bank or on securities purchased or held by the bank.

As added by P.L.42-1985, SEC.1.

IC 5-1.4-9-5

Authority to receive appropriations or grants from federal government; disposition

Sec. 5. The chairman of the board of the bank is authorized to receive from the United States or any department or agency thereof any amount of money as and when appropriated, allocated, granted, turned over, or in any way provided for the purposes of the bank or this article. Those amounts shall, unless otherwise directed by the federal authority, be credited to and deposited in the general fund and be available to the bank.

As added by P.L.42-1985, SEC.1.

IC 5-1.4-9-6

Undertaking by financial institution to keep and pay over funds deposited with it

Sec. 6. (a) A financial institution may give to the bank a good and sufficient undertaking, with such sureties as are approved by the bank, to the effect that the financial institution shall faithfully keep and pay over to the order of or upon the warrant of the bank or its authorized agent all those funds deposited with it by the bank and agreed interest, at such times or upon such demands as may be agreed with the bank. However, in lieu of these sureties, the financial institution may deposit with the bank or its authorized agent or a trustee for the holders of bonds, as collateral, those securities as the board may approve.

(b) The deposits of the bank may be evidenced by an agreement in the form and upon the terms and conditions that may be agreed upon by the bank and the financial institution.

As added by P.L.42-1985, SEC.1.

IC 5-1.4-9-7

Agreements with financial institutions; care and custody of securities or other investments

Sec. 7. The board may enter into agreements or contracts with a financial institution inside or outside the state as may be necessary, desirable, or convenient in the opinion of the board for rendering services in connection with the care, custody, or safekeeping of securities or other investments held or owned by the bank, for rendering services in connection with the payment or collection of amounts payable as to principal or interest, and for rendering services in connection with the delivery to the bank of securities or other investments purchased by it or sold by it and to pay the cost of those services. The board may also, in connection with any of the services to be rendered by a financial institution as to the custody and safekeeping of its securities or investments, require security in the form of collateral bonds, surety agreements, or security agreements

in such form and amount as, in the opinion of the board, is necessary or desirable.

As added by P.L.42-1985, SEC.1.

IC 5-1.4-9-8

Financial institutions and fiduciaries; investment in bonds or notes

Sec. 8. Notwithstanding the restrictions of any other law, all financial institutions, investment companies, insurance companies, insurance associations, executors, administrators, guardians, trustees, and other fiduciaries may legally invest sinking funds, money, or other funds belonging to them or within their control in bonds or notes issued under this article.

As added by P.L.42-1985, SEC.1.

IC 5-1.4-9-9

Nature of bank property; bonds and notes; exemption from taxation

Sec. 9. All property of the bank is public property devoted to an essential public and governmental function and purpose and is exempt from all taxes and special assessments of the state or a political subdivision of the state. All bonds or notes issued under this article are issued by a body corporate and public of this state, but not a state, city, or county agency, and for an essential public and governmental purpose. The bonds and notes, the interest thereon, the proceeds received by a holder from the sale of the bonds or notes to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of the interest and proceeds shall be exempt from taxation in the state for all purposes except the financial institutions tax imposed under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.

As added by P.L.42-1985, SEC.1. Amended by P.L.21-1990, SEC.5; P.L.254-1997(ss), SEC.5.

IC 5-1.4-9-10

Officers and departments of state; rendering of services to bank; costs and expenses

Sec. 10. All officers, departments, boards, agencies, divisions, and commissions of the city shall render services to the bank that are within the area of their respective governmental functions and that may be requested by the board and must comply promptly with any reasonable request by the board relating to the making of a study or review as to desirability, need, cost, expense, or financial feasibility with respect to a public project, purpose, or improvement, or the financial or fiscal responsibility or ability of a qualified entity making application for the purchase by the bank of securities to be issued by that qualified entity. The cost and expense of a service requested by the board, at the request of the officer, department, board, agency, division, or commission rendering the service, shall be paid by the bank.

As added by P.L.42-1985, SEC.1.

IC 5-1.4-9-11

Dissolution of bank; assets and property of bank

Sec. 11. Upon the dissolution of the bank, all interest in the assets and property of the bank reverts to the city.

As added by P.L.42-1985, SEC.1.