

11-17-4 Bonds -- Limitations -- Form and provisions -- Sale -- Negotiability.

- (1) All bonds issued by a municipality or county under this chapter shall be limited obligations of the municipality or county. Bonds and interest coupons issued under this chapter may not constitute nor give rise to a general obligation or liability of the municipality or county or a charge against its general credit or taxing powers. Such limitation shall be plainly stated upon the face of such bonds.
- (2) The bonds referred to in Subsection (1) may be authorized by resolution of the governing body, and may:
 - (a) be executed and delivered at any time and from time to time;
 - (b) be in such form and denominations;
 - (c) be of such tenor;
 - (d) be in registered or bearer form either as to principal or interest or both;
 - (e) be payable in such installments and at such time or times as the governing body may deem advisable;
 - (f) be payable at such place or places either within or without the state of Utah;
 - (g) bear interest at such rate or rates, payable at such place or places, and evidenced in such manner;
 - (h) be redeemable prior to maturity, with or without premium;
 - (i) be convertible into equity positions in any asset or assets acquired or developed with the proceeds of the sale of the bonds; and
 - (j) contain such other provisions not inconsistent with this chapter as shall be deemed for the best interests of the municipality or county and provided for in the proceedings of the governing body under which the bonds shall be authorized to be issued.
- (3) Any bonds issued under this chapter may be sold at public or private sale in such manner and at such time or times as may be determined by the governing body to be most advantageous. The municipality or county may pay all expenses, premiums, and commissions which the governing body may deem necessary or advantageous in connection with the authorization, sale, and issuance of such bonds from the proceeds of the sale of such bonds or from the revenues of the project or projects.
- (4) All bonds issued under this chapter and all interest coupons applicable thereto shall be construed to be negotiable instruments, despite the fact that they are payable solely from a specified source.

Amended by Chapter 378, 2010 General Session