

MICHIGAN FAMILY FARM DEVELOPMENT ACT (EXCERPT)
Act 220 of 1982

285.271 General reserve fund.

Sec. 21. The authority shall create and establish a special fund, referred to as a general reserve fund, and, subject to agreements with bondholders and noteholders, shall pay into the fund all fees and charges collected by the authority on loans made from and mortgages acquired with the proceeds of the sale of bonds and any money which the authority transfers from the capital reserve fund. That money and any other money paid into the general reserve fund, in the discretion of the authority but subject to agreements with bondholders and noteholders, may be used by the authority for any of the following:

(a) For the repayment of advances from the state in accordance with the provisions of repayment agreements between the authority and the director of the department of management and budget.

(b) To pay all costs, expenses, and charges of financing, including fees and expenses of trustees and paying agents.

(c) For transfers to the capital reserve fund.

(d) For the payment of the principal of and interest on bonds or notes issued by the authority when they shall become due whether at maturity or on call for redemption and for the payment of a redemption premium required to be paid if the bonds or notes are redeemed prior to their stated maturities, and to purchase bonds or notes.

(e) For other corporate purposes of the authority as the authority in its discretion shall determine and provide.

History: 1982, Act 220, Imd. Eff. July 10, 1982.