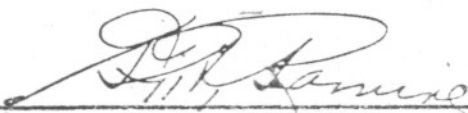
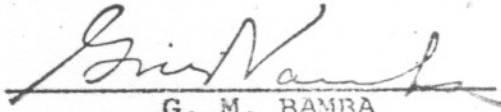


CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Bill No. 347, "An Act to amend Sections 53607.02(d), 53607.07, 53607.08(a), 53607.16, 53607.20, 53607.22, and 53607.29 of, and to add Sections 53607.34 and 53607.35 to, Title LIV of the Government Code of Guam, authorizing Guam Economic Development Authority Mortgage Revenue Bonds", was on the 2nd day of April, 1971, duly and regularly passed.

  
\_\_\_\_\_  
F. T. RAMIREZ  
Speaker

ATTESTED:

  
\_\_\_\_\_  
G. M. BAMBA  
Legislative Secretary

-----  
This Act was received by this Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 1971 at \_\_\_\_\_ o'clock \_\_\_\_ M.

/s/ VINCENT T. PEREZ  
VINCENT T. PEREZ  
Attorney General of Guam

APPROVED:

/s/ Carlos G. Camacho  
CARLOS G. CAMACHO  
Governor of Guam

DATED: APR 28 1971  
5:00 P.M.

*Public Law*  
11-34

Bill No. 347

Introduced by

Committee on Agriculture,  
Resources and Development.

AN ACT TO AMEND SECTIONS 53607.02(d), 53607.07,  
53607.08(a), 53607.16, 53607.20, 53607.22, AND  
53607.29 OF, AND TO ADD SECTIONS 53607.34 AND  
53607.35 TO, TITLE LIV OF THE GOVERNMENT CODE  
OF GUAM, AUTHORIZING GUAM ECONOMIC DEVELOPMENT  
AUTHORITY MORTGAGE REVENUE BONDS.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

2 Section 1. Section 53607.03(d) of the Government Code of  
3 Guam is hereby amended to read as follows:

4 "(d) The revenues and other funds provided in the  
5 indenture shall constitute a trust fund for the security  
6 and payment of the bonds and the interest and premiums  
7 thereon."

8 Section 2. Section 53607.07 of the Government Code of Guam  
9 is hereby amended to read as follows:

10 "Section 53607.07. Issues, series and divisions of  
11 bonds. An indenture may provide for one or several issues  
12 of bonds and that bonds may be issued in series or that any  
13 issue may be divided into one or more divisions with dif-  
14 ferent maturities or dates of issue, different rates of  
15 interest, or different terms and conditions for the bonds  
16 of the several series or divisions. It is not necessary  
17 that all bonds of the same authorized issue be of the same  
18 kind or character, have the same security, or be of the  
19 same interest rate, but the terms thereof shall in each  
20 case be provided for by the Board, with the approval of  
21 the Governor, at or prior to the issue thereof."

22 Section 3. Section 53607.08(a) of the Government Code of  
23 Guam is hereby amended to read as follows:

24 "(a) Bonds shall bear interest at a rate of  
25 not to exceed seven per cent per annum, payable  
26 annually or semiannually or in part annually and

1 in part semiannually, except that the first coupon  
2 on any bond may be payable twelve months or any  
3 number of months less than twelve after the date  
4 of such bond."

5 Section 4. Section 53607.16 of the Government Code of  
6 Guam is hereby amended to read as follows:

7 "Section 53607.16. Guam Economic Development  
8 Authority Mortgage Fund. The proceeds from the sale  
9 of all bonds authorized by this Chapter shall be  
10 deposited forthwith to the credit of a fund to be  
11 designated as the Guam Economic Development Authority  
12 Mortgage Fund, which fund is hereby created, and  
13 shall be expended for the purposes authorized by  
14 this Chapter and the indenture, subject to any  
15 limitations provided therein."

16 Section 5. Section 53607.20 of the Government Code of  
17 Guam is hereby amended to read as follows:

18 "Section 53607.20. Sale of bonds; maximum  
19 discount. Bonds authorized to be issued under this  
20 Chapter shall be sold by the Board for cash, in  
21 accordance with the provisions of a resolution pro-  
22 viding for such sale adopted by the Board and  
23 approved by the Governor. Such resolution by the  
24 Board may provide that the bonds shall be sold at  
25 either public or private sale upon such notice as  
26 shall be specified in such resolution, may fix terms  
27 and conditions for the sale or other disposition of  
28 the bonds and may provide that the bonds shall be  
29 sold at less than their par or face value, except  
30 that the discount on any bonds so sold shall not  
31 exceed five per cent of the par value thereof  
32 without the written consent of the Governor.

1 Before any bonds are delivered to the purchaser  
2 thereof, all coupons, if any, which have matured  
3 on or before the date of such delivery shall be  
4 detached therefrom and cancelled."

5 Section 6. Section 53607.22 of the Government Code of  
6 Guam is hereby amended to read as follows:

7 "Section 53607.22. Payments which may be made  
8 out of proceeds of sale of bonds. The proceeds of  
9 sale of any bonds may be expended for any one or  
10 more of the following purposes, all as provided in  
11 the indenture relating to such bonds:

12 (a) For the acquisition of notes of  
13 any person secured by a mortgage and a  
14 guaranty of any governmental instrumentality,  
15 to accomplish any lawful purpose of the  
16 Authority;

17 (b) For the payment of legal and fiscal  
18 fees and costs relating to the issuance and  
19 sale of the bonds;

20 (c) For payment of any other costs or  
21 expenses relating to the authorization,  
22 issuance or sale of bonds;

23 (d) For deposit in any one or more  
24 reserve funds or accounts or in any working  
25 capital fund or account or contingency fund  
26 or account relating to mortgage acquisition  
27 pursuant to any provision of any indenture;

28 (e) For payment of interest on bonds  
29 during the period of actual mortgage  
30 acquisition;

31 (f) For payment of trustees' fees and  
32 costs and fees incurred by it;



1 (g) For payment of the principal of and  
2 interest on any indebtedness incurred pursuant  
3 to this Chapter that is by its terms repayable  
4 from the proceeds of sale of bonds."

5 Section 7. Section 53607.29 of the Government Code of  
6 Guam is amended to read as follows:

7 "Section 53607.29. Title in Authority subject  
8 to trust in favor of bondholders. Title to the Guam  
9 Economic Development Authority Mortgage Fund and the  
10 revenues and income therefrom is in the Authority.  
11 The title to any moneys, revenues, bond reserve  
12 funds and other funds and accounts created by this  
13 Chapter or any indenture and the income thereof  
14 pledged to the payment of the principal or interest  
15 of any bonds is subject to any trusts declared in  
16 favor of the bondholders."

17 Section 8. Section 53607.34 is added to Title LIV of the  
18 Government Code of Guam, to read as follows:

19 "Section 53607.34. Validity of bonds, recital  
20 or issuance pursuant to Chapter. Any indenture author-  
21 izing bonds may provide that the bonds shall recite that  
22 they are issued pursuant to this Chapter and bonds  
23 containing such recital are conclusively deemed valid  
24 and issued in conformity with this Chapter."

25 Section 9. Section 53607.35 is added to Title LIV of the  
26 Government Code of Guam, to read as follows:

27 "Section 53607.35. Publication of notice of  
28 adoption of resolution. Statute of limitations on  
29 actions involving bonds. Within fifteen days of the  
30 adoption of a resolution by the Board constituting  
31 an indenture providing for the issuance of bonds  
32 under this Chapter, the Board shall publish notice

1 of adoption of the resolution, stating the aggregate  
2 principal amount of bonds proposed to be issued,  
3 once in a newspaper of general circulation in Guam.  
4 No action attacking, questioning or affecting in  
5 any way the validity of any bonds issued under such  
6 a resolution, or seeking to enjoin the issuance of  
7 such bonds, may be commenced by any person more  
8 than sixty days after the date of publication of  
9 the notice of adoption of such resolution."

10 Section 10. This Act is an urgency measure.