

MAINE STATE LEGISLATURE

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September 13, 1955. 720

To Brewster D. Doggett, Treasurer
Westport-Wiscasset Bridge District
Re: Refunding of the District's Bonds

Section 4 of Chapter 103 of the Private and Special Laws of 1947 provided that the Resolutions in regard to the issuance of bonds could provide "for redemption prior to maturity".

Section 3.06 of the Resolutions (providing for the issuance of the original bonds) states:

"The bonds are redeemable prior to maturity at the option of the District for refunding purposes on any interest payment date. . ."

These bonds were sold as liable to redemption "prior to maturity at the option of the District", and therefore were always "redeemable within three months".

The original bonds carried an interest rate of $3\frac{1}{2}$ percent per annum. The refunding bond provided for in the Refunding Resolution carries an interest rate of $\frac{1}{2}$ of one percent per annum, which is "at least $\frac{1}{2}$ of one percent less than the interest rate borne by the bonds to be refunded".

Section 3.06 also provided that a premium of 5% of the par value be paid in addition to the par value and interest accrued on any interest date. The Resolutions properly provide for this provision.

The Resolution also provides for the proper notice of redemption in full accord with the original resolution.

It is my opinion that the District has carefully fulfilled every requirement of the statute and the Resolution of the District for the original issuance of the bonds.

L. Smith Dunnack
Assistant Attorney General

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