

powered to borrow on the credit of said City an amount not exceeding the sum of twenty-five thousand dollars, and to issue bonds of said City in payment of the sum so borrowed. The said bonds shall be for sums not less than one hundred dollars nor more than one thousand dollars each, to be signed by the Mayor and countersigned by the City Treasurer with the corporate seal of said City thereto affixed; and if registered bonds are issued, said bonds shall be registered by the City Clerk in a separate book to be specially provided for that purpose. The said bonds shall be issued at such time as the Mayor and City Council shall determine; they shall bear interest at the rate of not more than five per cent. per annum, payable semi-annually, at such place as the Mayor and City Council shall designate, beginning six months from the date of the issue; said bonds shall be payable as to the principal thereof in thirty years from the date of their issue and shall be forever exempt from all County and Municipal taxation for any purpose, and shall have printed on them a distinct reference to the Act of Assembly authorizing the issue thereof and the said bonds shall not be sold for less than their par or face value. The proceeds of the sale of said bonds shall be applied first, to paying and liquidating the present floating debt of said City. And the balance of said proceeds, if any there be, shall be covered into the City Treasury. After the expiration of ten years from the issue of said bonds the Mayor and City Council may, from time to time, redeem them or any part of them, and if they determine to redeem and pay only a part of said issue, then they shall proceed to determine by lot which of said bonds are to be redeemed, and when said bonds are thus selected for redemption the Mayor and City Council shall give notice by advertisement in the several newspapers published in said City of the number or numbers of said bonds called in, and when and where they are to be paid, and interest shall cease on said called-in bonds from and after the date fixed for their redemption.

The Mayor and City Council of Havre de Grace shall at all times preserve and keep as a sinking fund for the payment of the principal and interest of all the bonds of said City, including those bonds which may be issued in pursuance of this Act, all the money which under Section one hundred and ninety-two of Chapter one hundred and eighty of the Acts of eighteen hundred and ninety, they are authorized to receive, and the said Mayor and City Council are hereby authorized and empowered to incorporate into the bonds issued under authority of this Act, as a part of the contract between the Corporation of Havre de Grace and the purchaser of said bonds as security for the payment of the principal and interest thereof as the same shall mature, a pledge of the money authorized to be paid to them under Section one hundred and ninety-two of Chapter one hundred and eighty of the Acts of eighteen hundred and ninety, and the purchasers and holders of said bonds shall have the right to rely and insist upon said security pledged to them until the said bonds are fully paid.