

the date of their issue, and shall be exempt from State and county and municipal taxation.

Exchange at
par.

SEC. 2. *And be it enacted*, That the Governor, Comptroller and Treasurer, or a majority of them, be and are hereby authorized to issue and to exchange at par for the certificates of debt or bonds of the State called "The Defence Loan," and to sell at the best advantage and to the highest cash offer, after the Treasurer of the State shall have first given notice in one or more newspapers of not less than thirty days, inviting proposals, which proposals shall be opened by him in the presence of the Governor and the Comptroller; any or all of said certificates of debt or bonds to be called "The Defence Redemption Loan," to the amount of said loan, or so much of it as may be necessary to carry out the object and purpose of this act, whenever they, or a majority of them, shall deem it to be advisable to do so; and provided that no certificate of debt or bond issued under this act shall be issued for a less sum than one hundred dollars, or for any multiple thereof, and no such certificate shall be sold at less than its par value.

Proviso.

Rate of in-
terest.

SEC. 3. *And be it enacted*, That whenever the certificates of debt or bonds to be issued under this act shall be exchanged or sold, as herein provided, the Governor, Comptroller and Treasurer, or the majority of them making such exchange or sale, shall fix and determine and set forth in the body of the certificates or bonds so exchanged or sold, or in the coupons that may be thereto attached, the rate of interest which said certificates or bonds shall bear; provided such interest shall not exceed four and a half per centum per annum, as herein before declared.

Proceeds—
how applied.

SEC. 4. *And be it enacted*, That the proceeds of the sale or sales of said certificates of debt or bonds shall be paid to the Treasurer on the warrant of the Comptroller, and are hereby appropriated to be disbursed and used exclusively for the redemption and payment of the certificates of debts or bonds of the State called "The Defence