

powered to borrow upon the faith and credit of said city a sum or sums not to exceed a total of Three Hundred Thousand Dollars (\$300,000), from time to time, and to issue and sell coupon serial bonds not exceeding said amount.

SEC. 2. *And be it further enacted*, That the Mayor and Aldermen of Frederick shall by resolution prescribe the form and tenor of such bonds, the rate of interest, not exceeding four per centum per annum, to be paid thereon; the date or dates of issue, and the time and place at which interest is to be paid. Such bonds shall be in coupon form, shall be in denominations of \$100.00 or any multiple thereof, and may be made registerable as to principal. Such bonds shall be issued upon the serial maturity plan in such manner as said Mayor and Aldermen may by resolution prescribe and a portion thereof shall be retired annually; provided that all of said bonds shall be retired within forty (40) years from the date of their issuance.

SEC. 3. *And be it further enacted*, That such bonds shall be signed by the Mayor of Frederick, countersigned by the City Register, and the corporate seal of the city shall be attached thereto by the clerk to the Aldermen, and the interest coupons attached to each of such bonds shall bear the facsimile signature of the City Register printed, lithographed or engraved thereon.

SEC. 4. *And be it further enacted*, That any bonds issued under the provisions of this Act shall be issued and sold in the manner prescribed by Sections 35 and 36 of Article 31 of the Annotated Code of Maryland (1939 Edition), and any amendments thereto at such time or times as the Mayor and Aldermen of Frederick may deem proper.

SEC. 5. *And be it further enacted*, That the entire proceeds arising from the sale of any bonds issued under the provisions of this Act, after the payment of the costs of engraving and all other incidental costs and expenses connected with the issuance of said bonds shall be used for constructing, extending and improving the water system of Frederick City by the said Mayor and Aldermen.

SEC. 6. *And be it further enacted*, That for the purpose of paying the interest on such bonds as may be issued under the provisions of this Act, and redeeming them as they mature, the Mayor and Aldermen of Frederick shall include in the levy for the year after their issuance and each year thereafter until they mature and have been redeemed, an amount