

July in each and every year, until the said bonds are paid; said bonds shall be forever exempt from all taxation whatsoever, except for State purposes, and shall have printed on them a distinct reference to the act and the election directing their issue, and any subsequent transfer of said bonds may be registered or not at the option of any purchaser or purchasers.

SEC. 4. *And be it enacted*, That said bonds shall be issued in eighteen series each consisting of one thousand dollars of the said amount and shall be redeemable as follows: One thousand dollars thereof in ten years from the date of their issue and thereafter, annually, one thousand dollars in each and every year until the whole amount so issued shall have been paid; and said bonds shall be sold at public or private sale in the discretion of said Mayor and Council; provided, that none of said bonds shall be sold at less than par. Redemption  
of bonds.

SEC. 5. *And be it enacted*, That for the purpose of redeeming said bonds at their maturity, and for securing the prompt payment of the interest thereon, the said Mayor and Council are hereby empowered and directed to apply all net income arising from water rents after paying all necessary expenses for maintaining a proper and sufficient supply of water and for betterments and repairs, first, to the payment of the interest on said bonds, and secondly, as to the remainder, if there be any, the same to be invested in a sinking fund for the payment of said bonds as they respectively mature, the coupons on said bonds shall be receivable by said Mayor and Council in payment of taxes due to said town. In the event that the net amount received from said water rents after deducting the aforesaid expenses referred to in this section shall not be sufficient in amount to pay the interest on said bonds and the principal thereof as it shall become due, the said Mayor and Council shall annually levy on the taxable property of said town, such sums of money as shall, in their discretion, be necessary for the prompt payment of the interest on said bonds, and the principal thereof, when the same may become due, and any surplus on hand at any time arising from such levy shall be by the said Mayor and Council invested in some safe securities as a sinking fund, which shall not at any time be diverted from the purposes of this act. Payment of  
interest and  
principal.

SEC. 6. *And be it enacted*, That the money arising from the sale of said bonds shall be paid to the Mayor and Council of said town, and by them be deposited in the First National Bank of Snow Hill, and shall only be drawn therefrom on Registry of  
bonds to be  
kept.