

and regulations therefor, and for the proper protection of said works and water supply.

Payment
of interest.

SEC. 3. *And be it enacted*, That after repairs and running expenses are paid out of the water rents, the money received therefor shall be applied to the payment of the interest on the bonds issued for the purchase of said water works, as said interest may mature, and all surplus revenue from said water works accruing prior to the date when said bonds shall be redeemable as hereinafter provided, shall constitute a sinking fund, to be invested by the said Commissioners in the name of the Commissioners of Chestertown, in some safe security, to be applied to the redemption of said bonds when redeemable.

Issue coupon
bonds.

SEC. 4. *And be it enacted*, That the Commissioners of Chestertown are hereby authorized and empowered to issue coupon bonds of Chestertown, Kent county, Maryland, to an amount not exceeding twenty-five thousand dollars, to be designated as Chestertown Water Bonds, which bonds shall be signed by the president of the Commissioners of Chestertown, and by the clerk to said Commissioners, and attested with the corporate seal of said town, to bear interest not exceeding five per cent. per annum payable semi-annually, to be issued in denominations not exceeding five hundred dollars each, and to be payable twenty-five years after date, and redeemable at the pleasure of the Commissioners of Chestertown in whole or in part at any time after five years from their date, which bonds and coupons shall be payable in current money of the United States.

Advertise for
bids.

SEC. 5. *And be it enacted*, That the Commissioners of Chestertown are authorized to advertise for bids for the purchase of said bonds, and may sell the same and purchase said water works for cash, or exchange said bonds for said water works, whichever they may deem most advantageous.

Levy a tax.

SEC. 6. *And be it enacted*, That should the revenues or water rents of Chestertown be insufficient in any year to pay the interest on said bonds and one twenty-fifth part of the principal, then the Commissioners of Chestertown are hereby authorized and levy and collect annually a tax upon the taxable property in Chestertown for a sum as will, with the net water rents provide for the payment of the interest on said bonds as the same matures, and one-twenty-fifth part of the principal of said bonded debt then outstanding, so the whole of the said bonds and interest may be provided for and paid in twenty-five years from the date of their issue.