

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That the Commissioners of St. Michaels be and they are hereby authorized and empowered to erect, construct, equip, maintain and operate a plant for manufacturing and supplying electric current for lighting the streets, avenues, lanes, alleys, squares and ways of St. Michaels and for other municipal purposes, and for supplying light, heat and power to the citizens of St. Michaels and vicinity and to fix rates and make contracts for supplying the same.

SEC. 2. That for the purpose of paying for said plant and appurtenances thereto the Commissioners of St. Michaels are authorized and directed to borrow on the faith and credit of the town of St. Michaels not exceeding the sum of Eight Thousand Dollars (\$8,000), and to issue coupon bonds therefor in sums of Five Hundred Dollars (\$500) each, to be signed by the Commissioners of St. Michaels and countersigned by the Town Clerk thereof, attested by the corporate seal of said town; said bonds to be designated as St. Michaels Electric Bonds, and shall be consecutively numbered from one to sixteen, and shall bear interest at the rate not exceeding six per centum per annum, payable semi-annually, on the first day of January and July in each year accounting from July 1, 1916, and shall be forever exempt from all taxation for State, county and municipal purposes, and shall have printed on them a distinct reference to this Act authorizing their issue.

SEC. 3. That the said bonds to be issued under this Act shall mature in numerical order to the amount of Five Hundred Dollars (\$500) every two years beginning July 1, 1921; and that the said bonds with interest thereon shall be paid and cancelled by the said Commissioners of St. Michaels to the amount of Five Hundred Dollars (\$500) every two years, beginning as aforesaid, until the whole of said bonds shall have been paid; and the date of issue shall be the same on all bonds issued under this Act; to wit, July 1, 1916, and the same shall be advertised by the said Commissioners of St. Michaels, and sold to the highest bidder for cash, provided that the same shall be sold for not less than their par value and accrued interest.

SEC. 4. That for the purpose of redeeming said bonds at maturity and for securing the prompt payment of the interest thereon, the Commissioners of St. Michaels shall apply any surplus which may be received from time to time from the