

bered consecutively from one (1) to seventy-five (75), both inclusive, and each bond shall have thereon a distinct reference to this Act authorizing the issue thereof, and shall be exempt from all State, County and Municipal taxes in the State of Maryland.

SEC. 3. *And be it enacted*, That the Mayor and Commissioners of Westernport shall sell said bonds at not less than their par value and any accrued interest at either private or public sale with or without previous advertisement in the discretion of the said Mayor and Commissioners and they are hereby directed to cause the proceeds from those bonds designated "Water System Series" to be specifically used for the payment of eighty-five thousand dollars (\$85,000.00) of the "Westernport General Improvement Bonds" hereby provided to be paid off and cancelled, being the amount originally realized to install said water system, and they shall specifically apply the balance of the proceeds therefrom to the repair, improvement and extension of said water system, and shall set up and keep separate upon their books these and all other capital expenditures incurred for said water system. They shall cause the proceeds realized from the bonds designated "Refunding and Improvement Series" to be specifically applied to pay off and cancel the residue of the outstanding "Westernport General Improvement Bonds" as heretofore provided and shall apply the balance to the payment of the floating debt, then to the repair and extension of the water system and other proper municipal improvements and expenditures as may be determined by them.

SEC. 4. *And be it enacted*, That for the purpose of redeeming said bonds and in order to promptly pay the interest accruing thereon, the Mayor and Commissioners of Westernport shall have authority to apply thereto and of the receipts from taxes, licenses, water rents, fines or other income not specifically otherwise applied by law and they shall levy a tax on all of the assessable property within the corporate limits of Westernport for such a sum as may be necessary from time to time to pay the interest on said bonds and to redeem the same through the sinking fund, hereinafter provided for, and to pay off the same when they become due and payable. The said, The Mayor and Commissioners of Westernport shall set aside annually from the revenues of the town of Westernport a sinking fund of not less than three thousand