

SEC. 3. *And be it further enacted*, That before issuing any of such bonds the Mayor and Aldermen of the City of Annapolis shall, by ordinance, determine the purposes for which funds are required, and the bonds issued for the respective purposes above authorized shall not exceed the limitations heretofore set forth for said purposes, and the money so borrowed, or the indebtedness incurred, in evidence of which said bonds shall be issued, shall be used by the Municipality exclusively and solely for the project or purposes described in said ordinance. If the funds derived from the sale of any issue of such bonds shall exceed the amount needed to finance the projects or purposes described in the ordinance, the excess funds shall be set apart by the Municipality and applied in payment of the first principal maturity of the bonds so issued.

SEC. 4. *And be it further enacted*, That all of the bonds issued under the provisions of this Act shall be issued upon the full faith and credit of the City of Annapolis, and shall be payable from unlimited *ad valorem* taxes levied upon all assessable property within the corporate limits of the City of Annapolis. In each and every fiscal year that any bonds issued pursuant to the authority of this Act are outstanding the Municipality shall levy, or cause to be levied, *ad valorem* taxes upon all the assessable property within the corporate limits of the City of Annapolis in rate and amount sufficient to provide for the payment, when due, of the interest and principal of all such bonds maturing in each such fiscal year. In the event the proceeds from the taxes levied in any such fiscal year shall prove inadequate for the above purposes, additional taxes shall be levied in the succeeding fiscal year to make up any such deficiency.

SEC. 5. *And be it further enacted*, That all bonds issued pursuant to the authority of this Act, and the interest thereon, and the income derived therefrom, in the hands of the holders thereof from time to time, shall be and are hereby declared to be exempt from State, County and Municipal taxation of every kind and nature whatsoever in the State of Maryland.

SEC. 6. *And be it further enacted*, That the provisions of this Act are severable, and if any of its provisions shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions. It is hereby declared to be the legislative intent that this Act would have been adopted had such unconstitutional provisions not been included therein.