

and shall not be a pledge of or involve the full faith and credit or taxing power of Montgomery County, and shall not pledge, convey or mortgage any real property owned by Montgomery County, and shall not constitute a debt of Montgomery County, within the meaning of the Constitution of Maryland, or within the meaning of any other constitutional, statutory, or charter provisions, limiting or restricting the sale or issuance of bonds, notes or other obligations of Montgomery County.

9. Revenue Bonds—Tax Exempt—Security.

Revenue bonds issued under the provisions of this Act are declared to be issued for an essential public and governmental purpose and the principal and interest thereon, and income therefrom, shall be exempt from all taxes as provided in Sec. 6 (d) of this Act. Such revenue bonds shall be made payable, as to both principal and interest, solely from the income, proceeds, revenues, and funds of Montgomery County derived from or held in connection with its undertaking and carrying out of urban renewal projects under this Act: Provided, however, that payment of such bonds, both as to principal and interest, may be further secured by a pledge of any loan, grant or contribution from the Federal Government or other source, in aid of any urban renewal projects of Montgomery County under this Act, and by a mortgage on any such urban renewal projects or any part thereof, title to which is in Montgomery County.

10. Bonds—How Issued.

Both the revenue bonds and general obligation serial bonds issued under this section shall be authorized by resolution of the County Council for Montgomery County and may be issued in one or more series and shall bear such date or dates, be payable upon demand or mature at such time or times, bear interest at such rate or rates, not exceeding six per centum per annum, be in such denomination or denominations, be in such form either with or without coupon or registered, carry on such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption (with or without premium), be secured in such manner, and have such other characteristics, as may be provided by such resolution or trust indenture or mortgage issued pursuant thereto. Such bonds shall not be subject to the provisions of Sec. 9, 10 and 11 of Article 31, Maryland Code, 1957 Edition, as amended.

11. Bonds—How Sold.

Both the revenue bonds and general obligation serial bonds may be sold at not less than par at public sales held after notice published prior to such sale in a newspaper having a general circulation in the County and in such other medium of publication as the Council may determine, or may be exchanged for other bonds on the basis of par: Provided, that such bonds may be sold to the Federal Government at private sale at not less than par, and, in the event less than all of the authorized principal amount of such bonds is sold to the Federal Government, the balance may be sold at private sale at not less than par at an interest cost to the County not to exceed the interest of the portion of the bonds sold to the Federal Government.