

the borrowing of additional funds for any such system or sewers, provided the resolution for authorizing the additional bonds shall so recite. But if the funds derived from the sale of any issue of said bonds will exceed the amount needed to finance the system or sewers described in said resolution, the excess funds so borrowed and not expended by the Town Commissioners shall be returned to the general funds of the Town and applied by the said Town in payment of the next principal maturity of the bonds so issued, or to the redemption of any part of said bonds, if the same shall have been made redeemable, unless the said Town shall adopt a resolution allocating such excess funds to some other part of the water system or sewer construction program of the said Town.

SEC. 5. *And be it further enacted,* That the bonds hereby authorized, shall constitute and they shall so recite an irrevocable pledge of the full faith and credit and unlimited taxing power of the Town to the payment of the maturing principal and interest of such bonds as and when the same respectively mature. In each and every fiscal year that any of said bonds are outstanding, the Town shall levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the Town in rate and amounts sufficient to provide for the payment when due of the interest and principal of all said bonds maturing in each such fiscal year. And in the event the proceeds from the taxes so 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. The Town may apply to the payment of principal and interest of any bonds issued hereunder any funds received by it from the State of Maryland or the United States of America, any agency or instrumentality thereof, or from any other source. If such funds are granted for the purpose of assisting the Town in sewer construction and to the extent of any such funds received or receivable in any fiscal year, the taxes hereby required to be levied may be reduced proportionately.

SEC. 6. *And be it further enacted,* That the Town is hereby further authorized and empowered at any time and from time to time to issue its bonds in a manner hereinbefore described for the purpose of refunding upon purchase or redemption any bonds issued hereunder. The validity of any such refunding bonds shall in no way be dependent upon or related to the validity or invalidity of the obligation so refunded. The powers herein granted with respect to the issuance of bonds and also the limitations herein on such powers shall be applicable to the issuance of refunding bonds. Said refunding bonds may be issued by the Town for the purpose of providing it with funds to purchase in the open market any of its outstanding bonds issued hereunder prior to the maturity thereof, or for the purpose of providing it with funds for the redemption prior to maturity of any outstanding bonds issued hereunder which are by their terms redeemable. The resolution authorizing the issue of any such refunding bonds shall describe the issue or issues of bonds of the Town so to be refunded and no issue of such refunding bonds shall exceed an amount the par amount of such bond so described in said resolution. No such refunding bond shall actually be delivered to the purchaser or purchasers thereof more than six months in advance of the re-