

less than par. Any bonds sold under the authority hereby conferred shall be exempted from the provisions of Sections 10 and 11 of Article 31 of the Annotated Code of Maryland (1971 Replacement Volume), and such bonds and the coupons attached thereto and the interest payable thereon shall be and remain forever exempt from State, County and Municipal taxation in the State of Maryland.

SECTION 4. AND BE IT FURTHER ENACTED, That the proceeds of the sale of such bonds shall be paid to the Treasurer of the County Commissioners of Calvert County and shall be placed in a special fund by the Treasurer, and shall be paid out by the Treasurer only on warrants from the Board of County Commissioners of Calvert County. Such proceeds net of any expenses of issuance and sale of said bonds shall be loaned at one time or in increments from time to time to Calvert Memorial Hospital of Calvert County for the purposes specified in Section 1 of this Act for such term and upon such terms, conditions, and documentation and secured by such collateral as the County Commissioners of Calvert County may by resolution provide, except that the term of any such loan shall not exceed forty years from the date of the first advance on any such loan, and the interest rate thereon shall not exceed the rate payable on the bonds the proceeds of which are being loaned.

SECTION 5. AND BE IT FURTHER ENACTED, That for the purpose of paying the principal of and interest on any bonds issued hereunder, as they mature, the County Commissioners of Calvert County shall provide by resolution for the pledging of all proceeds of any loan to Calvert Memorial Hospital of Calvert County, or so much thereof as may be necessary, and all collateral therefor to the payment of the principal of and interest on such bonds. For the purpose of paying the principal of and interest on such bonds, or so much thereof as may not be provided for from other sources, the County Commissioners of Calvert County are authorized, empowered and directed to levy in each year so long as any of such bonds are outstanding and unpaid, an ad valorem tax on all property subject to taxation within Calvert County, sufficient in rate and amount to pay the interest payable in that year on all outstanding bonds and the principal of all bonds maturing in that year, the proceeds of such tax to be kept in a special fund and in no case to be used for any other purpose. In case such bonds shall be issued in any year after the making of the regular levy for that year, then the County Commissioners of Calvert County are empowered, authorized and directed to pay any and all interest becoming due before the next levy, out of any other funds at their disposal, and to levy at the next succeeding levy an amount sufficient to reimburse such other funds.