

Upon delivery of any bonds to the purchaser or purchasers, payment therefor shall be made to the County Treasurer of Garrett County or such other official of the County as may be designated to receive such payment in a resolution passed by the Board of County Commissioners of Garrett County before such delivery.

SECTION 4. AND BE IT FURTHER ENACTED, That the net proceeds of the sale of bonds shall be used and applied exclusively and solely for the hospital improvements for which the bonds were sold and shall be paid by the Treasurer to or for the benefit of Garrett County Memorial Hospital as and when and under such conditions as the County directs in accordance with the terms and conditions of its agreement with the Board and the terms of this Act. If the net proceeds of the sale of any issue of bonds exceeds the amount needed to finance the hospital improvements described in the resolution, the excess funds so borrowed and not expended shall be applied to the payment of the next principal maturity of the bonds, or to the redemption of any part of the bonds which have been made redeemable, or to the purchase and cancellation of bonds, as the County may determine to be in its best interests.

The authority granted under this Act shall not be exercised, nor shall any of the proceeds of the sale of bonds be used or applied, in any manner which would cause any bonds, refunding bonds, or temporary bonds issued hereunder to be deemed "industrial development bonds" or "arbitrage bonds" within the meaning of Section 103 of the Internal Revenue Code of 1954 or the regulations prescribed thereunder.

SECTION 5. AND BE IT FURTHER ENACTED, That the County and the Board shall enter into an agreement or agreements providing the terms and conditions under which the net proceeds of the sale of the bonds shall be loaned to the Board, and providing the terms and conditions under which the Board shall provide from its own sources of revenues for the timely payment of the maturing principal of and interest on the bonds. However, the bonds shall constitute, and they shall so recite, an irrevocable pledge of the full faith and credit and unlimited taxing power of the County to the payment of the maturing principal of and interest on the bonds as and when they become payable. In each and every fiscal year that any of the bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County in rate and amount sufficient to provide for or assure the payment, when due, of the principal of, and interest on, all the bonds maturing in each such fiscal year, and, if the revenues received by the County from the Board or the proceeds from the taxes so levied in any such fiscal year prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any such deficiency. The County may apply to the payment