

officer, officially, as held by him for the purpose for which said securities shall be purchased.

12.

(a) Any public body and any municipal corporation, including the Mayor and City Council of Baltimore and those municipal corporations subject to the provisions of Article XI-E of the [State] MARYLAND Constitution, now or hereafter authorized to issue its bonds or other obligations for any proper public purpose, at one time or from time to time may issue and sell its bond anticipation notes, in aggregate amount not greater than the authorized amount of the bonds in anticipation of the sale of which the notes are issued and sold, the principal of and interest on the notes to be made payable to the bearer or registered holder thereof out of the first proceeds of sale of the bonds, or from the tax or other revenue which the public body or municipal corporation shall have previously determined to apply to the payment of the bonds and the interest thereon. The proceeds of sale of the notes, after payment from the proceeds of the expenses of the issuance of the notes, shall be expended only on the public purposes for which the bonds are authorized. Twelve months' interest on the notes, or any renewal thereof, may be paid from the proceeds, or from the proceeds of the sale of the bonds, accounting from the initial date of issue thereof. The notes shall be authorized by ordinance, resolution, or other form of official action customarily used by the public body or municipal corporation, which shall cite the authority for the notes and bonds and the amount authorized, shall fix the maturities, interest rates or the manner of determining the same, and other terms of such bond anticipation notes, the price or prices at which the notes will be sold, which may be at, above or below the face value thereof, or the manner of determining the price or prices at which the notes will be sold and the manner of their sale, which may be by private negotiation by the public body or municipal corporation with a prospective purchaser or purchasers if deemed by the public body or municipal corporation to be for its best interest. The resolution or ordinance may provide for the issuance of the notes, pursuant to the sale, in series as funds are required, and may also provide for the renewal of the notes at maturity with or without resale. All such notes shall be signed, endorsed or guaranteed in the same manner as shall be provided by law for the bonds in anticipation of which the notes are issued, and no such notes shall be issued under this subsection unless so signed, endorsed, or guaranteed. Bond anticipation notes authorized by [this § 12(a)] SUBSECTION (A) OF THIS SECTION may be issued as notes in the nature of commercial paper and, if so issued, may, in the discretion of the public body or municipality issuing the notes, be secured by a trust indenture with a corporate trustee or trustees, which may be any trust company or bank having the powers of a trust company within or without the State, and by a letter of credit, line of credit, or other credit arrangement from or with a bank or other lending institution. The letter of credit, line of credit, or other credit arrangement may be made payable out of the first