BE PLACED IN ESCROW TO BE APPLIED TO THE PURCHASE OR RETIREMENT AT MATURITY OR REDEMPTION ON A DATE DETERMINED BY THE AUTHORITY.

(B) (1) ANY ESCROWED PROCEEDS, PENDING USE, MAY BE INVESTED AND REINVESTED IN DIRECT OBLIGATIONS OF THE UNITED STATES OF AMERICA OR IN ANY OTHER OBLIGATIONS PERMITTED BY THE BOND RESOLUTION PURSUANT TO WHICH THE REFUNDED BONDS WERE ISSUED, MATURING AT A TIME OR TIMES APPROPRIATE TO ASSURE THE PROMPT PAYMENT OF THE PRINCIPAL OF AND INTEREST AND REDEMPTION PREMIUM, IF ANY, ON THE OUTSTANDING BONDS TO BE REFUNDED.

(2) THE INTEREST, INCOME, AND PROFITS, IF ANY, EARNED OR REALIZED ON ANY INVESTMENT MAY ALSO BE APPLIED TO THE PAYMENT OF THE OUTSTANDING BONDS TO BE REFUNDED.

(3) AFTER THE TERMS OF THE ESCROW HAVE BEEN FULLY SATISFIED AND CARRIED OUT, ANY BALANCE OF PROCEEDS AND INTEREST, INCOME, AND PROFITS, IF ANY, EARNED OR REALIZED ON THE INVESTMENTS SHALL BE RETURNED TO THE AUTHORITY FOR DISPOSITION AS PROVIDED IN THE BOND RESOLUTION PURSUANT TO WHICH THE REFUNDED BONDS WERE ISSUED OR OTHERWISE IN ACCORDANCE WITH LAW.

(C) REFUNDING BONDS SHALL BE SUBJECT TO THIS SUBTITLE IN THE SAME MANNER AND TO THE SAME EXTENT AS OTHER BONDS ISSUED UNDER THIS SUBTITLE.

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(A) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBTITLE OR, WITH RESPECT TO THE PROCEEDS OF THE SALE OF BONDS OR OTHER MONEYS HELD IN CONNECTION WITH AN ISSUE OF BONDS, THE BOND RESOLUTION PURSUANT TO WHICH SUCH BONDS WERE ISSUED, THE AUTHORITY MAY INVEST FUNDS IN:

(1) DIRECT OBLIGATIONS OF THE UNITED STATES;

(2) OBLIGATIONS AS TO WHICH THE TIMELY PAYMENT OF PRINCIPAL AND INTEREST IS FULLY GUARANTEED BY THE UNITED STATES;

(3) OBLIGATIONS OF THE FEDERAL INTERMEDIATE CREDIT BANKS, FEDERAL BANKS FOR COOPERATIVES, FEDERAL LAND BANKS, FEDERAL HOME LOAN BANKS, FEDERAL NATIONAL MORTGAGE ASSOCIATION, GOVERNMENT NATIONAL MORTGAGE ASSOCIATION;

(4) CERTIFICATES OF DEPOSIT OR TIME DEPOSITS CONSTITUTING DIRECT OBLIGATIONS OF ANY BANK AS DEFINED BY THE LAWS OF THIS STATE, HOWEVER, INVESTMENTS MAY BE MADE ONLY IN THOSE CERTIFICATES OF DEPOSIT OR TIME DEPOSITS IN BANKS WHICH ARE INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION IF THEN IN EXISTENCE;

(5) IN WITHDRAWABLE CAPITAL ACCOUNTS OR DEPOSITS OF STATE OR FEDERAL CHARTERED SAVINGS AND LOAN ASSOCIATIONS WHICH ARE INSURED BY THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION OR THE MARYLAND DEPOSIT INSURANCE FUND CORPORATION; AND