

(4) The special fund and any sinking fund established by any municipal corporation to provide for the payment of the principal of or interest on any bonds issued by the municipal corporation under the provisions of this section may not be invested by the fiscal officer of the municipal corporation having custody of the special fund and any sinking fund except in the manner prescribed by Article 31, §§ 6 and 7 of the Code. Any such fiscal officer having custody of the proceeds of sale of any such bonds may invest the proceeds, pending the expenditure thereof, as prescribed under the provisions of Article 95, § 22 of the Code.

(h) The principal amount of the bonds, the interest payable on the bonds, their transfer, and any income derived from the transfer, including any profit made in the sale or transfer of the bonds, shall be exempt from taxation by the State and by the counties and municipal corporations of the State but shall be included, to the extent required under Title 8, Subtitle 2 of the Tax - General Article, in computing the net earnings of financial institutions.

(i) (1) All bonds may be in bearer form or in coupon form or may be registrable as to principal alone or as to both principal and interest. Each of the bonds shall be deemed to be a security as defined in § 8-102 of the Commercial Law Article, whether or not it is either one of a class or series or by its terms is divisible into a class or series of instruments.

(2) All bonds shall be signed manually or in facsimile by the chief executive officer of the municipal corporation, and the seal of the municipal corporation shall be affixed to the bonds and attested by the clerk or other similar administrative officer of the municipal corporation. If any officer whose signature or countersignature appears on the coupons ceases to be such officer before delivery of the bonds, the officer's signature or countersignature shall nevertheless be valid and sufficient for all purposes the same as if the officer had remained in office until delivery.

(3) All bonds shall mature not later than 30 years from their date of issuance.

(4) All bonds shall be sold in the manner, either at public or private sale, and upon the terms as the governing body of the municipal corporation deems best. Any contract for the acquisition of property may provide that payment shall be made in bonds. Bonds issued under this section are not subject to Article 31, §§ 9, 10, and 11 of the Code.

(j) Bonds issued under this section are securities:

(1) In which all public officers and public bodies of the State and its political subdivisions, all insurance companies, State banks and trust companies, national banking associations, savings banks, savings and loan associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them; and

(2) Which may properly and legally be deposited with and received by any State or municipal officer or any agency or political subdivision of the State for any purpose for which the deposit of bonds or obligations of the State is now or may hereafter be authorized by law.