

(1) BONDS ARE LIMITED OBLIGATIONS AND ARE NOT A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE PUBLIC BODY.

(2) BONDS ISSUED BY AN AUTHORITY ARE ISSUED ON BEHALF OF THE PUBLIC BODY THAT ESTABLISHED THE AUTHORITY.

(3) BONDS ISSUED BY THE MARYLAND INDUSTRIAL DEVELOPMENT FINANCING AUTHORITY:

(I) ARE ISSUED ON BEHALF OF THE STATE; AND

(II) SHALL BE ISSUED IN ACCORDANCE WITH THE MARYLAND INDUSTRIAL DEVELOPMENT FINANCING AUTHORITY ACT, TITLE 5, SUBTITLE 7 OF THIS ARTICLE.

(D) FORM; EXECUTION; MATURITY.

(1) A BOND:

(I) MAY BE IN BEARER FORM;

(II) MAY BE REGISTRABLE AS TO PRINCIPAL ALONE OR AS TO BOTH PRINCIPAL AND INTEREST; AND

(III) IS A "SECURITY" AS DEFINED BY § 8-102 OF THE COMMERCIAL LAW ARTICLE, WHETHER OR NOT THE BOND IS ONE OF A CLASS OR SERIES OR IS DIVISIBLE INTO A CLASS OR SERIES OF INSTRUMENTS.

(2) (I) A BOND SHALL BE SIGNED BY THE CHIEF EXECUTIVE OR BY AN OFFICER DESIGNATED BY RESOLUTION OF THE PUBLIC BODY.

(II) A BOND MAY BE EXECUTED BY FACSIMILE SIGNATURE IN ACCORDANCE WITH § 2-303 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(III) THE SEAL OF THE PUBLIC BODY SHALL BE AFFIXED TO THE BOND AND ATTESTED BY THE CLERK OR SIMILAR ADMINISTRATIVE OFFICER OF THE PUBLIC BODY DESIGNATED BY RESOLUTION.

(IV) AN OFFICER'S SIGNATURE OR COUNTERSIGNATURE ON A BOND OR COUPON REMAINS VALID EVEN IF THE OFFICER LEAVES OFFICE BEFORE THE BOND IS DELIVERED.

(3) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, A BOND SHALL MATURE NOT LATER THAN 30 YEARS AFTER ITS DATE OF ISSUE.

(II) IF A BOND IS SECURED BY A MORTGAGE INSURED BY A UNIT OF THE FEDERAL GOVERNMENT, THE BOND SHALL HAVE A TERM OF MATURITY THAT DOES NOT EXCEED THE TERM OF THE INSURANCE.

(E) ACQUISITION AND IMPROVEMENT OF FACILITIES.

(1) A PUBLIC BODY MAY ACQUIRE OR IMPROVE A FACILITY WITH BOND PROCEEDS: