

between successive holders, all the qualities and incidents of negotiable instruments under the negotiable instruments law of the State to the extent provided by Section 33 of Article 31, Code of Public General Laws of Maryland (1939 Edition). Provision may be made for the registration of any of the bonds in the name of the owner as to principal alone and also as to both principal and interest, and for the reconversion of any of the bonds registered as to both principal and interest into coupon bonds. Such bonds may be issued without regards to any limitation on indebtedness prescribed by any other law and shall not be included in the amount of bonds which the City may be authorized to issue under any statute or under its charter. The City may sell such bonds in such manner and for such price as it may determine to be for the best interests of the City, but no such sale shall be made at a price so low as to require the payment of interest on the money received therefor at more than four per centum per annum, computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values, excluding, however, from such computation the amount of any redemption premium. Such bonds shall not be subject to the provisions of Sections 34, 35 and 36 of Article 31, Code of Public General Laws of Maryland (1939 Edition).

The proceeds of such bonds shall be used solely for the payment of the costs of acquisition or construction of the project they are issued to defray, or applied to the sinking fund created for the payment of such bonds, and such proceeds shall be disbursed in such manner and under such restrictions, if any, as the City may provide. There shall be and there hereby is created and granted a lien upon such moneys until so used in favor of the holders of such bonds or the trustee hereinafter provided for in respect of such bonds. If the proceeds of such bonds, by error of calculation or otherwise, shall be less than said costs, additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the ordinance or in the trust agreement hereinafter mentioned, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority over the bonds first issued for the project. If the proceeds of bonds issued for the project shall exceed said costs the surplus shall be paid into the fund hereinafter provided for the payment of principal and interest of such bonds.

Prior to the preparation of definitive bonds, the City may, under like restrictions, issue interim receipts, interim certificates, or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds have been