

transmission lines and system, and to that end to purchase and operate existing lines now being served by the St. Michaels Utilities Commission within the limits of Talbot County, from time to time, in such manner as it may deem best for the interest of said town of St. Michaels, and as it shall by Ordinance prescribe.

SEC. 2. *Be it enacted*, That in order to pay for such extension, enlargement or improvement, The Commissioners of St. Michaels be and it is hereby authorized and empowered to borrow on the faith and credit of the town of St. Michaels upon the promissory notes or coupon bonds of said town, such sums of money as may be necessary to make such extensions, enlargements and improvements; provided, however, that the aggregate sums of money which may be borrowed for such purpose shall not exceed fifteen thousand dollars (\$15,000), and, provided further, that the rate of interest on such promissory note or notes shall not exceed six per centum per annum. The said bonds shall be coupon bonds and designated as "St. Michaels Electric Extension Bonds" and shall be of the denomination of five hundred dollars (\$500), to be signed by the President of The Commissioners of St. Michaels and countersigned by the Town Clerk thereof, with the corporate seal of said The Commissioners of St. Michaels affixed thereto, to be consecutively numbered from one to thirty, both inclusive, and to bear interest at a rate to be determined by Ordinance of The Commissioners of St. Michaels, but not to exceed five per centum per annum, payable semi-annually on the first day of January and July in each year accounting from July 1st, 1931, at such place as The Commissioners of St. Michaels shall designate, and said bonds shall have printed on them a distinct reference to this Act authorizing their issue, and shall be exempt from all taxation for State, County and Municipal purposes.

SEC. 3. *Be it enacted*, That the said bonds to be issued under this Act shall mature in numerical order to the amount of one thousand dollars (\$1,000) in each and every year, beginning July 1st, 1932, and that the said bonds, with interest thereon, shall be paid and cancelled by the said The Commissioners of St. Michaels to the amount of one thousand dollars (\$1,000) during each and every year beginning as aforesaid, until the whole of the said bonds shall have been paid, and the date of issue shall be same on all bonds issued under this Act, which date shall be July 1st, 1931; and the said bonds in such amounts, from time to time, as may be determined by Ordinance of said The Commissioners of St. Michaels, shall be advertised by The Commissioners of St. Michaels and sold to the highest bidder for cash, provided that the same shall be sold for not less than their par value and accrued interest.