

Bonds
cancelled.

purchase and redemption of any of said bonds as may be offered for sale and redemption, and upon the purchase of any such bonds by the said Mayor and City Council of Laurel they shall be immediately cancelled by stamping across their face "Cancelled by the Sinking Fund," and no portion of said sinking fund so levied for shall ever be diverted to any other purpose than to the purchase and liquidation of said bonds, and should the said Mayor and City Council, or any other person having charge of said sinking fund, suffer or permit the same or any part thereof to be diverted from or applied to any other purpose than the investment for the purchase and redemption of said bonds, the party so offending shall be deemed guilty of a misdemeanor, and on conviction thereof before a justice of the peace shall be subject to a fine of not less than the amount so misapplied or diverted. The money collected each year by the Treasurer on account of taxes to the extent of the said sum of five hundred dollars shall be set apart for said sinking fund, and a separate account be kept by the said Mayor and City Council of Laurel and deposited to the credit of said fund, and no part of which shall be chargeable to insolvencies on account of failure of assessment or collections.

Sum of money
for sinking
fund.

Money from
sale of
bonds.

SEC. 6. *And be it enacted,* That the money arising from the sale of said bonds (which said bonds shall be sold either at auction or by sealed bids, after due advertisement thereof, to the highest responsible bidder,) shall be deposited in bank to the credit of the said Water Board of Laurel, and subject to the check of the said Water Board, or three-fourths of the members thereof, and the clerk to said Mayor and City Council and the Treasurer of said town shall each keep in a book or books, to be specially provided for the purpose, a full registry of the bonds sold, the serial number of the bonds, and the names and addresses of the purchasers and amount realized on sales, and any transfers or assignments of the same

Authority
to pay for
construction.

SEC. 7. *And be it enacted,* That the fund realized from the sale of said bonds shall be applied to the purposes of this Act, and shall be paid by check, signed by the said Water Board, or three-fourths of the members thereof, and the said Water Board of Laurel is hereby authorized and empowered to pass such orders for the payment of moneys due for the construction of the said water works, or to the contractor or contractors for the construction of the same as shall from time to time be due or earned by the contractor or contractors in the prosecution of the said works, and also from