

ARTICLE XC.

SURETIES.

Counter Security.

8A. State depository; collateral security in lieu of surety bond.

Bonds to State to Protect Sub-Contractors.

13. For labor and materials; provisos.

Counter Security.

1916, ch. 115.

8A. When the surety or sureties on the bond of any bank or trust company used as a depository for the funds of the State Treasurer shall notify the Governor and the State Treasurer of their or its desire to be relieved from further liability as such surety, as provided in the preceding section of this article, or when any new bond shall be given by any bank or trust company, that may be used as a depository for the funds of the State by the State Treasurer, it shall be lawful for the State Treasurer to receive from such bank or trust company, its bond, conditioned, as provided by law, and, as surety collateral to the said bond, instead of the surety heretofore provided by law, registered public stock of the United States or of the State of Maryland or of Baltimore City or the bonds of any county or municipal corporation of this state which shall be approved by the State Treasurer to the amount, in value, of the penalty of the bond, and said amount shall be at all times maintained by said bank or trust company; which stock must be registered in the name of said Treasurer, officially, as held in trust under and pursuant to this section and the same shall be held by said Treasurer in trust to secure the performance of the conditions of the said bond. Any such bank or trust company that may heretofore have given the bond, as heretofore provided by law, may at any time secure the cancellation of said bond and the substitution of a bond with such securities as are hereinbefore provided for, and any such bank or trust company may at any time, withdraw from the State Treasurer such collateral securities with the bond to which the securities are attached and file, in lieu thereof, such bonds as have heretofore been accepted by the State Treasurer; provided that no substitution of a bond with collateral or a bond with other securities for a bond with collateral shall be made oftener than once in each twelve months.

Bonds to State to Protect Sub-Contractors.

1918, ch. 127.

13. In all cases where any bond or undertaking, conditioned for the faithful performance of any contract for construction, installation or