

An. Code, 1924, sec. 9. 1912, sec. 8A. 1916, ch. 115. 1933 (Special Sess.), ch. 110.
1935, ch. 492.

9. 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 and/or bonds 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, or of the Home Owners' Loan Corporation, a corporation created by an Act of the Congress of the United States, approved June 13, 1933, 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 and/or bonds 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; provided, however, said Treasurer may, in his discretion, accept as surety collateral any of said stock and/or bonds in unregistered form upon such conditions as he may prescribe with respect thereto. 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 the bond with collateral or a bond with other securities for the bond with collateral shall be made oftener than once in each twelve months.

1933, ch. 237.

10. In the event of a default upon a bond of any bank or trust company, the stocks and bonds held as collateral, as provided in Section 9 hereof, shall be sold by the State Treasurer, at public or private sale, upon the consent of the banking institution pledging the same or of the receiver or other official in charge of the affairs of said bank at the best price obtainable by him, and the purchaser of said stocks and bonds may pay for the same either at the time of the transfer of said stocks and bonds or over such period or periods of time and upon such terms as may be fixed by the State Treasurer, and the State Treasurer, by and with the consent of the Board of Public Works, is hereby empowered at any time after the first payment on account to compromise or cancel any sum or sums remaining unpaid by the purchaser of said stocks and bonds so sold by the State Treasurer.