tutions which shall agree to pay interest upon the monthly balance of such deposits at a rate equal to one-half of one per cent less than the Baltimore Clearing House interest rates on reserve bank deposits; provided, however, that the Board of County Commissioners shall require from each and every bank or banking institution receiving deposits of public funds a bond in form satisfactory to the Board of County Commissioners executed by satisfactory surety or guaranty company, qualified to transact business in the State of Maryland, in an amount equal to the amount of public funds so deposited. Said bond to run to the State of Maryland for the benefit of Montgomery County and to be conditioned upon the safekeeping and forthcoming when required of all deposits made during the term of such designation. In the event any banking institution shall be unable or unwilling to provide a surety or guaranty company bond satisfactory to the Board of County Commissioners as hereinbefore provided the said board may in its discretion, by proper resolution accept in lieu of such surety or guaranty company bond as to all or any part of such deposit, bonds of the United States Government, or bonds or certificates of indebtedness of the State of Maryland, or bonds, certificates of indebtedness or notes of any county or municipality or political subdivision in said State, or bonds or notes secured by a first mortgage or deed of trust on real property located in Montgomery County and satisfactory to said Board, or a bond signed by three or more personal sureties. Said board shall be empowered to make any rules or regulations relative to the deposit or safekeeping of any security deposited for its benefit by any bank or banking institution. Said board, by a majority vote of all its members, may designate any bank or banking institution in the City of Baltimore, Maryland, or in the City of Washington, District of Columbia, or in the City of New York, having a combined capital and surplus of not less than One Million Dollars ($1,000,000.00) and may exempt any bank or banking institution so designated from complying with the provisions hereinabove set forth for the security of such funds as may be deposited with it but no funds in excess of five per cent of the combined capital and surplus of any such bank shall be deposited by any officer of Montgomery County.

All interest received by the Treasurer on county funds so deposited shall be segregated by him into a special fund and each year prior to the making up of the annual levy by the County Commissioners, the Treasurer shall make report of such sum to the County Commissioners, who shall