

Redemption
of bonds.

SEC. 7. *And be it enacted*, That for the purpose of redeeming said bonds at their maturity, and for securing the prompt payment thereof, the school commissioners and school examiner of Anne Arundel county shall, for the year eighteen hundred and ninety-six, and annually thereafter, reserve the sum of four hundred dollars of the principal of said debt, as aforesaid; said four hundred dollars so annually reserved by the school commissioners and school examiner of Anne Arundel county, shall be kept by them entirely separate and distinct from the school funds, and shall be accounted for by said examiner in his annual statement to the County Commissioners, and shall be held by said County School Commissioners as a sinking fund for the redemption of said bonds at their maturity; and the said county school examiner shall, from time to time, in each year, deposit in the Annapolis Saving Institution, on interest for the benefit of said fund, all moneys belonging to said sinking fund, to be used in the purchase of any of said bonds that may be offered for sale and for the redemption thereof at maturity; and upon the purchase of any of such bonds, or the redemption of the same at maturity by the school examiner, they shall be immediately cancelled by stamping across their face and upon each coupon thereof "cancelled by the sinking fund;" and no portion of said sinking fund so set apart shall ever be diverted to any other purpose than to the purchase and liquidation or redemption of said bonds; and should the said school examiner 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 thereof for the purchase of said bonds, and the purchase and redemption of the same, then the person or party so offending shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be subject to a fine of not less than the amount so misapplied or diverted, or to imprisonment in the House of Correction for a period of not less than six months nor more than three years, or to both such fine and imprisonment, at the discretion of the court.

Account to
be kept.

SEC. 8. *And be it enacted*, That the examiner shall keep a separate account of the money collected each year by him for and applied toward the payment of the interest, and deposited to meet the principal of said bonds at maturity, and no part thereof shall be chargeable with insolvencies allowed the treasurer on account of failure of assessments or collections.