

accompanied by such payment it shall be the duty of the said Department to immediately communicate with the Commissioner of Motor Vehicles or other proper officer of the State, district, county or city named in such application inquiring as to the facts in said application set forth, which inquiry, when practical, may be made by telephone or telegraph.

(e) Where the request for such title is made through a bona fide registered dealer of this State, as defined in this Article, the applicant may anticipate the result of such inquiry by furnishing to the Department satisfactory indemnity bond to the State of Maryland in the penalty of a sum equal to the fair value of the said motor vehicle as estimated by the said Department and guaranteeing to the purchaser of said motor vehicle the right of the applicant to sell the said motor vehicle and to pass a good and marketable title thereto.

(f) Upon receipt of satisfactory information or upon the filing of a satisfactory bond as aforesaid, the Department shall issue the said title over the signature of the Commissioner and the seal of his office, appropriately describing therein the vehicle so to be sold, which said title must be delivered by the vendor to the vendee at the time such sale is made; and such title shall be surrendered by the vendee to the Department when application is made for a new certificate of title and registration of said vehicle.

(g) In the event the applicant so furnishing such bond transfers a defective title to such motor vehicle under such permit, it shall be the duty of the Department to assign the said bond to the person or persons who may have been injured by reason of such defective title, and such assignee shall then have the same rights thereunder as would have attended had the said bond been given to such assignee.

(h) Violation of this section shall be deemed to be a misdemeanor and upon conviction shall be punishable by a fine of not less than One (\$1.00) Dollar nor more than Five Hundred (\$500.00) Dollars or by imprisonment for not more than five (5) years, or both.

SEC. 2. *And be it further enacted*, That this Act shall take effect June 1, 1952.

Approved March 28, 1952.