

(4) Contributions returned as above provided shall be paid in lump sums or in installments as the member may elect, subject, however, to such reasonable rules and regulations as may be prescribed by the retirement board.

SEC. 16. *And be it further enacted*, That that portion of the salary or wages of a member deducted or to be deducted under this Act, the right of a member to an annuity or allowance hereunder, and all his rights in the funds of the retirement system, shall be exempt from taxation, and from the operation of any laws relating to bankruptcy or insolvency, and shall not be attached or taken upon execution or other process of any court. No assignment by a member of any part of such funds to which he is or may be entitled, or of any right to or interest in such funds, shall be valid.

SEC. 17. *And be it further enacted*, That (1) all funds of the retirement systems shall be in the custody and charge of the State Treasurer, who shall invest and reinvest such funds as are not required for current disbursements in accordance with the laws of the State governing the investment of the assets of savings institutions.

(2) The State Treasurer shall make such payments to the members of the retirement association from the annuity fund as the retirement board shall order to be paid in accordance with the provisions hereof.

(3) On or before the first day of August in each year, the State Treasurer shall file with the Insurance Commissioner and with the secretary of the retirement board a sworn statement exhibiting the financial condition of the retirement system on the thirtieth day of June in each year, and its financial transactions for the year ending on such date. Such statement shall be in the form prescribed by the retirement board, and shall be published with the report of the State Treasurer.

SEC. 18. *And be it further enacted*, That a reserve fund is hereby created, to consist of gifts and receipts from sources other than those herein specified, returns to the State of its contributions to the annuity fund as hereinbefore provided, and balances that may accrue on account of interest, savings or otherwise, which fund shall be maintained and used, in the discretion of the retirement board, for unforeseen contingencies, expenses of administration, or any other purpose within the scope of the retirement system.