

retirement system. Any additional amount required to meet the interest on the funds of the retirement system shall be paid by the State, and any excess of earnings over such amount required shall be deductible from the amounts to be contributed by the State.

Regular interest shall mean such per centum rate to be compounded annually as shall be determined by the Board of Trustees to be equitable, in its judgment, to both the employees and taxpayers of the State, after taking into consideration the actual interest earnings of the system for the preceding years and of the probable earnings of the system to be made in the future. Such rate shall be limited to a minimum of three per centum and a maximum of four per centum, with the latter rate applicable during the first year after the date of establishment.

(3) The State Treasurer shall be the custodian of the several funds. All payments from said funds shall be made by him or by a Deputy Treasurer, only upon vouchers signed by two persons designated by the Board of Trustees. A duly attested copy of a resolution of the Board of Trustees designating such persons and bearing on its face specimen signatures of such persons shall be filed with the Treasurer as his authority for making payments upon such vouchers. No vouchers shall be drawn unless it has previously been authorized by resolutions of the Board of Trustees.

(4) For the purpose of meeting disbursements for pensions, annuities, and other payments, there may be kept available cash, not exceeding ten per centum of the total amount in the several funds of the retirement system, on deposit in one or more banks or trust companies in the State of Maryland, organized under the laws of the State of Maryland, or of the United States, provided that the sum on deposit in any one bank or trust company shall not exceed twenty-five per centum of the paid up capital and surplus of such bank or trust company.

(5) Except as otherwise herein provided, no trustee and no employee of the Board of Trustees shall have any direct interest in the gains or profits of any investment made by the Board of Trustees. No trustee or employee of the Board shall, directly or indirectly, for himself or as an agent, in any manner use the same except to make such current and necessary payments as are authorized by the Board of Trustees; nor shall any trustee or employee of the Board of Trustees become an endorser or surety, or in any manner an obligor, for moneys loaned to or borrowed from the Board as Trustees.