

## 15-405. DELEGATION OF INVESTMENT MANAGEMENT.

EXCEPT AS OTHERWISE PROVIDED BY THE APPLICABLE GIFT INSTRUMENT OR BY APPLICABLE LAW RELATING TO GOVERNMENTAL INSTITUTIONS OR FUNDS, THE GOVERNING BOARD MAY (1) DELEGATE TO ITS COMMITTEES, OFFICERS, OR EMPLOYEES OF THE INSTITUTION OR THE FUND, OR AGENTS, INCLUDING INVESTMENT COUNSEL, THE AUTHORITY TO ACT IN PLACE OF THE BOARD IN INVESTMENT AND REINVESTMENT OF INSTITUTIONAL FUNDS, (2) CONTRACT WITH INDEPENDENT INVESTMENT ADVISORS, INVESTMENT COUNSEL OR MANAGERS, BANKS, OR TRUST COMPANIES, SO TO ACT, AND (3) AUTHORIZE THE PAYMENT OF COMPENSATION FOR INVESTMENT ADVISORY OR MANAGEMENT SERVICES.

## 15-406. STANDARD OF CONDUCT.

IN THE ADMINISTRATION OF THE POWERS TO APPROPRIATE APPRECIATION, TO MAKE AND RETAIN INVESTMENTS, AND TO DELEGATE INVESTMENT MANAGEMENT OF INSTITUTIONAL FUNDS, MEMBERS OF A GOVERNING BOARD SHALL EXERCISE ORDINARY BUSINESS CARE AND PRUDENCE UNDER THE FACTS AND CIRCUMSTANCES PREVAILING AT THE TIME OF THE ACTION OR DECISION. IN SO DOING THEY SHALL CONSIDER LONG AND SHORT TERM NEEDS OF THE INSTITUTION IN CARRYING OUT ITS EDUCATIONAL, RELIGIOUS, CHARITABLE, OR OTHER ELEEMOSYNARY PURPOSES, ITS PRESENT AND ANTICIPATED FINANCIAL REQUIREMENTS, EXPECTED TOTAL RETURN ON ITS INVESTMENTS, PRICE LEVEL TRENDS, AND GENERAL ECONOMIC CONDITIONS.

## 15-407. RELEASE OF RESTRICTIONS ON USE OR INVESTMENT.

## (A) WRITTEN CONSENT.

WITH THE WRITTEN CONSENT OF THE DONOR, THE GOVERNING BOARD MAY RELEASE, IN WHOLE OR IN PART, A RESTRICTION IMPOSED BY THE APPLICABLE GIFT INSTRUMENT ON THE USE OR INVESTMENT OF AN INSTITUTIONAL FUND.

## (B) WRITTEN CONSENT UNOBTAINABLE.

IF WRITTEN CONSENT OF THE DONOR CANNOT BE OBTAINED BY REASON OF HIS DEATH, DISABILITY, UNAVAILABILITY, OR IMPOSSIBILITY OF IDENTIFICATION, THE GOVERNING BOARD MAY APPLY IN THE NAME OF THE INSTITUTION TO THE CIRCUIT COURT OF A COUNTY OR TO AN EQUITY COURT OF BALTIMORE CITY, DEPENDING UPON THE LOCATION OF THE OFFICE OF THE GOVERNING BOARD, FOR RELEASE OF A RESTRICTION IMPOSED BY THE APPLICABLE GIFT INSTRUMENT ON THE USE OR INVESTMENT OF AN INSTITUTIONAL FUND. THE ATTORNEY GENERAL SHALL BE NOTIFIED OF THE APPLICATION AND GIVEN AN OPPORTUNITY TO BE HEARD. IF THE COURT FINDS THAT THE RESTRICTION IS OBSOLETE, INAPPROPRIATE, OR IMPRACTICABLE, IT MAY BY ORDER RELEASE THE RESTRICTION IN WHOLE OR IN PART. A RELEASE UNDER THIS SUBSECTION MAY NOT CHANGE AN ENDOWMENT