

WHICH WERE ACTUALLY AND REASONABLY INCURRED BY HIM IN CONNECTION WITH THE PROCEEDING.

(D) EFFECT OF TERMINATION OF ANY SUIT OR PROCEEDING. —THE TERMINATION OF ANY SUIT OR PROCEEDING, IN ANY MANNER, DOES NOT, OF ITSELF, CREATE A PRESUMPTION THAT THE PERSON DID NOT ACT IN GOOD FAITH AND IN A MANNER HE REASONABLY BELIEVED TO BE IN OR NOT OPPOSED TO THE BEST INTEREST OF THE TEACHERS' RETIREMENT SYSTEM, AND WITH RESPECT TO A CRIMINAL ACTION OR PROCEEDING, HAD REASONABLE CAUSE TO BELIEVE THAT HIS CONDUCT WAS UNLAWFUL.

(E) EXCEPTIONS TO INDEMNIFICATION. —INDEMNIFICATION MAY NOT BE MADE (1) WITH RESPECT TO ANY SUIT, CLAIM, OR MATTER AS TO WHICH THE PERSON WAS ADJUDGED TO BE LIABLE FOR GROSS NEGLIGENCE OR WILFUL MISCONDUCT IN THE PERFORMANCE OF HIS DUTY TO THE TEACHERS' RETIREMENT SYSTEM; OR (2) FOR AN INDEPENDENT CONTRACTOR FURNISHING SERVICES TO THE TEACHERS' RETIREMENT SYSTEMS.

(F) INSURANCE PROVIDED. —THE STATE SHALL PROVIDE INSURANCE FOR EVERY PERSON ELIGIBLE FOR INDEMNIFICATION UNDER THIS SECTION AGAINST ANY LIABILITY ASSERTED AGAINST HIM OR INCURRED BY HIM ARISING OUT OF HIS STATUS AS A FIDUCIARY. THE STATE MAY PROVIDE SELF-INSURANCE FOR THIS PURPOSE, IN WHOLE OR IN PART, UNDER TERMS AND CONDITIONS SATISFACTORY TO THE STATE TREASURER. IF THE STATE FAILS TO PROVIDE ADEQUATE INSURANCE COVERAGE, OR IF THE STATE FAILS TO PROVIDE INDEMNIFICATION PURSUANT TO THIS SECTION, A FIDUCIARY MAY NOT BE REQUIRED TO PAY AMOUNTS ATTRIBUTABLE TO LIABILITY DESCRIBED IN THIS SECTION BY REASON OF THE FAILURE OF THE STATE TO PROVIDE THE INDEMNIFICATION.

88. MANAGEMENT OF FUNDS.

(1) POWER AND LIMITATIONS OF BOARD. —THE BOARD OF TRUSTEES SHALL BE THE TRUSTEES OF THE SEVERAL FUNDS CREATED BY THIS SUBTITLE AS PROVIDED IN §89 OF THIS SUBTITLE, AND SHALL HAVE FULL POWER TO INVEST AND REINVEST SUCH FUNDS, SUBJECT TO ALL THE TERMS, CONDITIONS, LIMITATIONS AND RESTRICTIONS IMPOSED BY THE LAW OF MARYLAND UPON LIFE INSURANCE COMPANIES IN THE MAKING AND DISPOSING OF THEIR INVESTMENTS; EXCEPT THAT THE BOARD MAY INVEST A MAXIMUM OF 50 PERCENT OF THE TOTAL FUNDS OF THE RETIREMENT SYSTEM IN COMMON STOCKS, OF WHICH NOT MORE THAN 5 PERCENT MAY BE IN NONDIVIDEND PAYING COMMON STOCKS. AND SUBJECT TO LIKE TERMS, CONDITIONS, LIMITATIONS AND RESTRICTIONS, SAID TRUSTEES SHALL HAVE FULL POWER TO HOLD, PURCHASE, SELL, ASSIGN, TRANSFER AND DISPOSE OF ANY OF THE SECURITIES AND INVESTMENTS IN WHICH ANY OF THE FUNDS CREATED HEREIN SHALL HAVE BEEN INVESTED, AS WELL AS THE PROCEEDS OF SAID INVESTMENTS AND ANY MONEY BELONGING TO SAID FUNDS. NOTWITHSTANDING ANY OTHER PROVISIONS OF THE LAW TO THE CONTRARY, THAT GROUND RENT REDEMPTION DEEDS, RELEASES OR REASSIGNMENT OF MORTGAGES, SATISFACTIONS OR REASSIGNMENT OF NOTES, CONVEYING, RELEASING OR REASSIGNING ANY INTEREST OWNED BY THE STATE OF MARYLAND FOR THE USE OF THE TEACHERS' RETIREMENT SYSTEM OF THE STATE OF MARYLAND, SHALL BE