

PENSION 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, IF THE SUM ON DEPOSIT IN ANY ONE BANK OR TRUST COMPANY DOES NOT EXCEED 25 PERCENT OF THE PAID-IN CAPITAL AND SURPLUS OF THE BANK OR TRUST COMPANY.

(5) EXCEPT AS OTHERWISE HEREIN PROVIDED, A TRUSTEE OR EMPLOYEE OF THE BOARD OF TRUSTEES MAY NOT HAVE ANY DIRECT INTEREST IN THE GAINS OR PROFITS OF ANY INVESTMENT MADE BY THE BOARD OF TRUSTEES. A TRUSTEE OR EMPLOYEE OF THE BOARD, DIRECTLY OR INDIRECTLY, FOR HIMSELF OR AS AN AGENT, MAY NOT USE, IN ANY MANNER, THE SAME EXCEPT TO MAKE THE CURRENT AND NECESSARY PAYMENTS AS ARE AUTHORIZED BY THE BOARD OF TRUSTEES. A TRUSTEE OR EMPLOYEE OF THE BOARD OF TRUSTEES MAY NOT BECOME AN ENDORSER, SURETY, OR, IN ANY MANNER, AN OBLIGOR, FOR MONEY LOANED TO OR BORROWED FROM THE BOARD OF TRUSTEES.

149. INDEMNIFICATION OF PERSON SERVING IN FIDUCIARY CAPACITY.

(1) THE STATE SHALL INDEMNIFY EVERY PERSON WHO IS MADE, OR IS THREATENED TO BE MADE, A PARTY TO ANY ACTION, SUIT, OR PROCEEDING INCLUDING ADMINISTRATIVE AND INVESTIGATIVE PROCEEDINGS BECAUSE OF HIS SERVICE IN A FIDUCIARY CAPACITY TO THIS PENSION SYSTEM, IN ACCORDANCE WITH AND SUBJECT TO THIS SECTION.

(2) (A) IN THIS SECTION, "SERVICE IN A FIDUCIARY CAPACITY" MEANS THE EXERCISE OF ANY DISCRETIONARY AUTHORITY OR CONTROL CONCERNING:

(I) THE MANAGEMENT OR ADMINISTRATION OF THIS PENSION SYSTEM; OR

(II) THE MANAGEMENT OR DISPOSITION OF THE ASSETS OF THIS SYSTEM.

(B) "SERVICE IN A FIDUCIARY CAPACITY" INCLUDES:

(I) MEMBERSHIP ON THE BOARD OF TRUSTEES OF THIS PENSION SYSTEM;

(II) MEMBERSHIP ON THE ADVISORY INVESTMENT COMMITTEE; AND

(III) SERVICE AS INVESTMENT ADMINISTRATOR OR ON HIS STAFF.

(C) IF, WITH RESPECT TO A CIVIL, ADMINISTRATIVE, OR INVESTIGATIVE ACTION, SUIT, OR PROCEEDING, A PERSON ACTED IN GOOD FAITH AND IN A MANNER HE REASONABLY BELIEVED TO BE IN OR NOT OPPOSED TO THE BEST INTEREST OF THIS PENSION SYSTEM, AND, WITH RESPECT TO A CRIMINAL ACTION, HAD NO REASONABLE CAUSE TO BELIEVE HIS CONDUCT WAS UNLAWFUL, THEN INDEMNIFICATION SHALL BE AGAINST THOSE EXPENSES, INCLUDING