

A PENSION SYSTEM IS ESTABLISHED AND PLACED UNDER THE MANAGEMENT OF THE BOARD OF TRUSTEES TO PROVIDE RETIREMENT ALLOWANCES AND OTHER BENEFITS UNDER THIS SUBTITLE, FOR EMPLOYEES OF THE STATE OF MARYLAND. THIS PENSION SYSTEM SHALL BE ESTABLISHED AS OF JANUARY 1, 1980, AND IT SHALL BE PART OF THE DEPARTMENT OF PERSONNEL. IT SHALL HAVE THE POWERS AND PRIVILEGES OF A CORPORATION, AND SHALL BE KNOWN AS THE "PENSION SYSTEM FOR EMPLOYEES OF THE STATE OF MARYLAND," AND SHALL TRANSACT ALL OF ITS BUSINESS BY THIS NAME. THE BOARD OF TRUSTEES MAY AUTHORIZE THE STATE TREASURER TO PLACE SECURITIES HELD BY THE BOARD IN THE NAME OF A PARTNERSHIP TO BE FORMED UNDER THE LAWS OF MARYLAND FOR THE SOLE PURPOSE OF HOLDING THESE SECURITIES AS THE NOMINEE OF THE BOARD OF TRUSTEES. THERE SHALL BE THREE (3) PARTNERS IN THIS PARTNERSHIP: THE STATE TREASURER, THE CHIEF DEPUTY TREASURER, AND THE INVESTMENT ADMINISTRATOR, ANY ONE OF WHOM MAY EXECUTE DOCUMENTS ON BEHALF OF THE PARTNERSHIP THAT MAY BE NECESSARY OR PROPER TO TRANSFER ANY OF THESE SECURITIES. THE ARTICLES OF PARTNERSHIP AND ANY AGREEMENT BETWEEN THE PARTNERSHIP AND THE BOARD OF TRUSTEES SHALL BE PREPARED BY THE ATTORNEY GENERAL AND SHALL PROVIDE THAT THIS PARTNERSHIP MAY ACT ONLY AS THE AGENT OF THE BOARD OF TRUSTEES, AND SHALL CONTAIN ANY OTHER TERMS AND CONDITIONS AS THE ATTORNEY GENERAL MAY CONSIDER APPROPRIATE. THE PARTNERSHIP MAY ENTER INTO AGREEMENTS WITH VARIOUS BANKS OR OTHER FINANCIAL INSTITUTIONS TO GUARANTEE THE SIGNATURES MADE ON BEHALF OF THE PARTNERSHIP.

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THE MEMBERSHIP OF THE PENSION SYSTEM SHALL CONSIST OF THE FOLLOWING INDIVIDUALS:

(1) ANY PERSON WHO BECOMES AN EMPLOYEE ON OR AFTER THE DATE THIS PENSION SYSTEM IS ESTABLISHED IS A MEMBER OF THIS PENSION SYSTEM.

(2) ANY PERSON WHO, ON OR AFTER JANUARY 1, 1980, IS AN EMPLOYEE AND IS A MEMBER OF THE RETIREMENT SYSTEM IS ENTITLED TO BE A MEMBER IN THIS PENSION SYSTEM, AND MAY BECOME A MEMBER AS OF THAT DATE, OR THE FIRST DAY OF EACH MONTH THEREAFTER THROUGH AND INCLUDING JULY 1, 1980, OR ANY SUBSEQUENT JULY 1, BY FILING WITH THE BOARD OF TRUSTEES AN EXECUTED WAIVER OF ALL BENEFITS WHICH MIGHT INURE TO HIM UNDER THE RETIREMENT SYSTEM.

(3) (A) MEMBERSHIP SHALL BE OPTIONAL FOR AN ELECTED OR APPOINTED OFFICIAL, AN EMPLOYEE OF THE GOVERNOR'S OFFICE, OR A DESK OFFICER OR EMPLOYEE OF EITHER HOUSE OF THE GENERAL ASSEMBLY WHO RECEIVES AN ANNUAL SALARY AS HIS COMPENSATION FOR HIS EMPLOYMENT. AN OFFICIAL WHO IS ELECTED OR APPOINTED ON OR AFTER JANUARY 1, 1980, MAY BECOME A MEMBER OF THIS SYSTEM BY APPLYING AT ANY TIME AFTER HIS ELECTION OR APPOINTMENT AND BEFORE HIS TERM EXPIRES. THE OFFICIAL IS ENTITLED TO CREDIT FOR PREVIOUS SERVICE RENDERED BY HIM TO THE STATE, OR A PARTICIPATING MUNICIPAL CORPORATION,