

word "of" in the former phrase was intended to limit former Art. 95, § 19 to, e.g., a quasi-public corporation or whether, in fact, the phrase "in this State" was intended. However, in light of the purpose of this section, a reason for distinction among these entities is not apparent and, therefore, the former phrase is deleted.

Subsection (d) of this section is revised to state affirmatively that a safe deposit company may permit access only in the 3 enumerated situations. This revision avoids the former stipulation that "the Treasurer alone shall not ... have access", which failed to account for the other enumerated officers or for other individuals.

2-603. LOANS OF SECURITIES.

(A) AUTHORIZED.

SUBJECT TO THE LIMITATIONS IN THIS SECTION AND NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE TREASURER MAY LEND TO A BANK OR SECURITIES BROKER ANY SECURITY THAT IS OWNED BY THE STATE AND IS IN THE CUSTODY OF THE TREASURER.

(B) CONTRACT.

(1) THE TREASURER AND THE BANK OR BROKER TO WHOM A LOAN IS TO BE MADE UNDER THIS SECTION SHALL MAKE A WRITTEN CONTRACT THAT GOVERNS THE LOAN.

(2) THE CONTRACT SHALL SET FORTH:

(I) THE TERM OF THE LOAN;

(II) THE CONSIDERATION FOR THE LOAN;

(III) ANY PROVISIONS THAT THE TREASURER DETERMINES ARE NEEDED TO PROTECT THE INTERESTS OF THE STATE; AND

(IV) ANY OTHER CONDITIONS OF THE LOAN.

(C) CONSIDERATION.

CONSIDERATION FOR A LOAN UNDER THIS SECTION MAY NOT BE LESS THAN THE CURRENT MARKET LENDING RATE FOR THE SECURITIES ON LOAN.

(D) COLLATERAL.

(1) THE BANK OR BROKER TO WHOM A LOAN IS TO BE MADE UNDER THIS SECTION SHALL DEPOSIT WITH THE TREASURER COLLATERAL WITH A VALUE THAT EQUALS OR EXCEEDS THE VALUE OF THE SECURITIES ON LOAN.

(2) COLLATERAL THAT MAY BE USED UNDER THIS SECTION SHALL BE: