

to and kept on file by the State Investment Agency for all securities so deposited. The safekeeping receipt shall describe the securities covered and be payable on demand, without conditions, to the State Investment Agency or to any designated fund under the control of the Agency or to the State Treasurer.

(11) (a) Except as provided in paragraph (d) of this subsection (11), the State Investment Agency may invest and reinvest assets of a fund, subject to the terms, conditions, limitations, and restrictions imposed by the Board of Trustees; except that not more than 15 percent of the assets that are invested in common stocks may be invested in nondividend paying common stocks. Subject to like terms, conditions, limitations, and restrictions, the Agency shall have full power to hold, purchase, sell, assign, transfer, and dispose of any of the securities and investments in which any fund shall have been invested, as well as the proceeds of the investments and any moneys belonging to the funds. Ground rent redemption deeds, releases or reassignments of mortgages, satisfactions or reassignments of notes conveying, releasing, or reassigning any interest owned by the State of Maryland for the use of a fund shall be executed by any 2 of the following: Treasurer of the State of Maryland, executive director of the State Investment Agency, or another employee of the State Investment Agency as designated by the executive director and approved by the Board of Trustees.

(b) In setting the terms, conditions, limitations, and restrictions on the Agency's investment powers, the Board of Trustees is governed by the standards of care that are stipulated under § 74 of this article.

(c) The terms, conditions, limitations, and restrictions that are adopted by the Board of Trustees are included in the operations manual that is required under subsection (4)(c)(iii) of this section.

(d) (i) The Board of Trustees shall require the external investment managers, from July 1, 1985 until June 30, 1987, not to make any new investments from net new funds allocated to the managers in any stock, security, or other obligation of any company that does business in or with the Republic of South Africa and that does not qualify for exemption under paragraph (ii) of this subsection.

(ii) The investment prohibition established under paragraph (i) of this subsection does not apply to any company that does business in or with the Republic of South Africa if the company in the conduct of its business in South Africa:

1. Has agreed to abide by the following principles: