

(ii) The management or disposition of the assets of the [Program] TRUST.

(b) A fiduciary shall discharge the fiduciary's duties with respect to the [Program] TRUST:

(1) Solely in the interest of the participants;

(2) For the exclusive purposes of providing benefits to the participants and providing reasonable expenses of administering the [Program] TRUST;

(3) With the care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims;

(4) By diversifying the investments of the [Program] TRUST so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so;

(5) In accordance with the laws governing the [Program] TRUST; and

(6) In accordance with the documents and instruments governing the [Program] TRUST to the extent that the documents and instruments are consistent with this subtitle.

(c) In exercising authority, control, or discretion with respect to the [Program] TRUST, a fiduciary may not:

(1) Use the assets of the [Program] TRUST for the fiduciary's own interest or account;

(2) Act in a transaction involving the [Program] TRUST on behalf of a person, or represent a person, if the interests of the person are adverse to the interests of the [Program] TRUST or the interests of participants;

(3) Receive any consideration for the fiduciary's own account from a person dealing with the [Program] TRUST in connection with a transaction involving the assets of the [Program] TRUST; or

(4) Become an endorser or surety or, in any manner, an obligor, for money lent to or borrowed from the Board.

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(a) The Board shall purchase a bond for each fiduciary in accordance with Title 9, Subtitle 17 of the State Government Article.

(b) Unless a fiduciary is bonded, the fiduciary may not exercise custody or control of any assets of the [Program] TRUST.

(c) A fiduciary may not allow another fiduciary to act in violation of this section.