

account of the cemetery or its burial lot owners or both] A PERSON WHO ANNUALLY PROVIDES, WITH THE TRUST REPORT, THE PROOF OF A FIDELITY BOND THAT MEETS THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION FROM A RECOGNIZED BONDING INSTITUTION AUTHORIZED TO DO BUSINESS IN THE STATE IN AN AMOUNT EQUAL TO THE TRUST FUND.

(B) THE FIDELITY BOND PROVIDED UNDER SUBSECTION (A)(5) OF THIS SECTION SHALL BE:

(1) FOR THE BENEFIT OF THE TRUST ACCOUNT OF THE CEMETERY OR ITS BURIAL ~~LOT SPACE~~ OWNERS OR BOTH;

(2) CONDITIONED SUCH THAT THE APPLICANT SHALL COMPLY WITH ALL MARYLAND LAWS AND REGULATIONS RELATING TO TRUST ACCOUNTS; AND

(3) SUBJECT TO THE APPROVAL OF THE DIRECTOR.

(C) A TRUSTEE MAY NOT:

(1) ~~BE A REGISTRANT, PERMIT HOLDER, AN ENTITY OWNED OR UNDER THE CONTROL OF A REGISTRANT OR PERMIT HOLDER, OR A SPOUSE, CHILD, PARENT, OR SIBLING OF A REGISTRANT; OR~~

(2) USE ANY PERPETUAL CARE TRUST FUNDS REQUIRED TO BE HELD IN TRUST IN ACCORDANCE WITH THIS SUBTITLE TO:

(1) PURCHASE AN INTEREST IN ANY CONTRACT OR AGREEMENT TO WHICH THE REGISTRANT OR PERMIT HOLDER OR ANY ENTITY OWNED OR UNDER THE CONTROL OF A REGISTRANT, PERMIT HOLDER, OR A SPOUSE, CHILD, PARENT, OR SIBLING OF A REGISTRANT IS A PARTY OR INVEST, DIRECTLY OR INDIRECTLY, IN THE REGISTRANT'S OR PERMIT HOLDER'S BUSINESS OPERATIONS; OR

(2) ~~EXCEPT UPON WRITTEN APPROVAL OF THE DIRECTOR, A TRUSTEE MAY NOT USE ANY PERPETUAL CARE TRUST FUNDS TO~~

(1) MAKE ANY LOAN OR DIRECT OR INDIRECT INVESTMENT OF ANY KIND:

(1) (I) TO ANY REGISTRANT; OR PERMIT HOLDER; OR PARTY OWNING 10% OR MORE OF THE CEMETERY TO WHICH THE TRUST PERTAINS; OR TO ANY SPOUSE, CHILD, PARENT, OR SIBLING OF A REGISTRANT;

(2) (II) TO OR IN ANY ENTITY OR BUSINESS OPERATIONS OWNED OR UNDER THE CONTROL OF A REGISTRANT, PERMIT HOLDER, OR A SPOUSE, CHILD, PARENT, OR SIBLING OF A REGISTRANT;

(3) (III) ON OR IN ANY ~~PRODUCTIVE OR UNPRODUCTIVE~~ REAL ESTATE; OF A CEMETERY; OR

(4) (IV) IN ANY PERMANENT IMPROVEMENTS OF A CEMETERY OR ITS FACILITIES, OR ANY NOTE, BOND, MORTGAGE, OR DEED OF TRUST IN WHICH ANY REGISTRANT, PERMIT HOLDER, OR PARTY OWNING 10% OR MORE OF A CEMETERY HAS A FINANCIAL INTEREST.