

**TITLE 1: GOVERNMENT**  
**DIVISION 8: PUBLIC EMPLOYMENT**

**§ 8371. Investment of Funds.**

(a) The reserves of the fund in excess of requirements for current operations shall be invested and reinvested by or under authority of the Board of Trustees. At its discretion, the board may designate its chairman or an investment committee consisting of two or more members of the board to supervise this function. In either case, references to “the Board” in this section shall be deemed to refer to the individual or committee exercising this investment function.

(b) The board shall have full power to manage the investments as, in its considered judgment, seems most appropriate to the requirements and objectives of the fund, including, but not limited to, the power to hold, purchase, sell, convey, assign, transfer, dispose of, lease, subdivide, or partition any assets held or proceeds thereof; to execute or cause to be executed relevant documents; to enter into protective agreements, execute proxies, or grant consent; and to do all other things necessary or appropriate to its position as an owner or creditor.

(c) All proceeds and income from investments, of whatever nature, shall be credited to the account of the fund. Transactions in marketable securities shall be carried out at prevailing market prices.

(d) The board may commingle securities and monies subject to the crediting of receipts and earnings and charging of payments to the appropriate accounts established by this part.

(e) No member of the board and no employee of the board shall have any direct or indirect interest in the income, gains or profits on any investment made by the board, nor shall any such person receive any pay or emolument for services in connection with any investment made by the board. Participation in the fund under the terms of this part shall not be construed to include interest, pay or emolument within the meaning of this subsection.

(f) No member of the board, employee or agent shall become an endorser or surety or in any manner an obligator of investments made by the fund, nor shall any member, employee or agent be held liable for actions taken in good faith and in performance of his or her duties.

(g) Investments may be held in bearer form, or may be registered either in the name of the fund or nominee of the custodian.

(h) Due bills may be accepted from the brokers against payment for securities purchased, pending delivery within a reasonable period of time of certificates representing such investments.

(i) The board may, for the purpose of protecting the fund, and at its discretion, purchase insurance on the lives of the members of the fund.

(j) Notwithstanding any other provision of this section, no member shall be excluded from participating in a Home Mortgage Loan Program of the fund.

(k) The board shall under no circumstances allow investments in a corporation, business enterprises, or other investment securities of such business entities it knows to be engaged in any form or degree whatsoever in the ocean disposal of nuclear wastes.

**Source:** PL 6-17, ch. 5, § 8351; PL 6-41, § 12.