



Sen. Susan Garrett

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09500SB2090sam001

LRB095 19185 AMC 48124 a

1 AMENDMENT TO SENATE BILL 2090

2 AMENDMENT NO. _____. Amend Senate Bill 2090 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Section 1-110 as follows:

6 (40 ILCS 5/1-110) (from Ch. 108 1/2, par. 1-110)

7 Sec. 1-110. Prohibited Transactions.

8 (a) A fiduciary with respect to a retirement system or
9 pension fund shall not cause the ~~the~~ retirement system or
10 pension fund to engage in a transaction if he or she knows or
11 should know that such transaction constitutes a direct or
12 indirect:

13 (1) Sale or exchange, or leasing of any property from
14 the retirement system or pension fund to a party in
15 interest for less than adequate consideration, or from a
16 party in interest to a retirement system or pension fund

1 for more than adequate consideration.

2 (2) Lending of money or other extension of credit from
3 the retirement system or pension fund to a party in
4 interest without the receipt of adequate security and a
5 reasonable rate of interest, or from a party in interest to
6 a retirement system or pension fund with the provision of
7 excessive security or an unreasonably high rate of
8 interest.

9 (3) Furnishing of goods, services or facilities from
10 the retirement system or pension fund to a party in
11 interest for less than adequate consideration, or from a
12 party in interest to a retirement system or pension fund
13 for more than adequate consideration.

14 (4) Transfer to, or use by or for the benefit of, a
15 party in interest of any assets of a retirement system or
16 pension fund for less than adequate consideration.

17 (b) A fiduciary with respect to a retirement system or
18 pension fund established under this Code shall not:

19 (1) Deal with the assets of the retirement system or
20 pension fund in his own interest or for his own account;

21 (2) In his individual or any other capacity act in any
22 transaction involving the retirement system or pension
23 fund on behalf of a party whose interests are adverse to
24 the interests of the retirement system or pension fund or
25 the interests of its participants or beneficiaries; or

26 (3) Receive any consideration for his own personal

1 account from any party dealing with the retirement system
2 or pension fund in connection with a transaction involving
3 the assets of the retirement system or pension fund.

4 (c) Nothing in this Section shall be construed to prohibit
5 any trustee from:

6 (1) Receiving any benefit to which he may be entitled
7 as a participant or beneficiary in the retirement system or
8 pension fund.

9 (2) Receiving any reimbursement of expenses properly
10 and actually incurred in the performance of his duties with
11 the retirement system or pension fund.

12 (3) Serving as a trustee in addition to being an
13 officer, employee, agent or other representative of a party
14 in interest.

15 (Source: P.A. 88-535.)".