

**NATIONAL EXECUTIVE COMMITTEE
OF
THE AMERICAN LEGION
INDIANAPOLIS, INDIANA
May 7-8, 2008**

Resolution No. 2: American Legion Retirement Plan For Employees of the National Headquarters and Subordinate Groups Thereof—Plan Amendment to Offer a COLA Increase of Pensioner Benefits Effective 1/1/09

Submitted by: Finance Commission

WHEREAS, The American Legion Retirement Plan for Employees of the National Headquarters and Subordinate Groups Thereof (hereinafter “Plan”) was approved and adopted by the National Executive Committee in November, 1944, and amended in June 1946, May 1954, October 1954, October 1975, May 1983, May 1985, October 1986, October 1987, October 1993, October 1994, October 1995, May 2000, May 2003, May 2005, and May 2006; and

WHEREAS, The actuaries for The American Legion Retirement Plan for Employees of the National Headquarters and Subordinate Groups Thereof have advised that the cost of offering a COLA increase to retirees at this time can be offset against the credit balance of each subordinate group in The American Legion Retirement Plan for Employees of the National Headquarters and Subordinate Groups Thereof without impacting the general assets of the organization for most of these groups; and

WHEREAS, The National Retirement Committee of The American Legion has recommended to the National Finance Commission that an increase in benefits should be granted to all employees retired under The American Legion Retirement Plan for Employees of the National Headquarters and Subordinate Groups Thereof by reason of the fact that there has been no increase for such retirees since January 1, 1999; and

WHEREAS, The National Finance Commission recommends to the National Executive Committee that all employees retired under The American Legion Retirement Plan as of January 1, 2009 be granted an increase in their pension annuity benefits based upon the following formula:

- a) Any employee who has been retired for less than five (5) years as of January 1, 2009 would receive a 5% increase in pension.
- b) Any employee who as been retired for more than five (5) years as of January 1, 2009 would receive an increase of 5% plus an additional 1% for each year in excess of five (5) years;

now, therefore, be it

RESOLVED, By the National Executive Committee of The American Legion in regular meeting assembled in Indianapolis, Indiana, on May 7-8, 2008, That the National Judge Advocate is hereby authorized and directed to draft any and all amendments to The American Legion Retirement Plan for Employees of The National Headquarters and Subordinate Groups thereof (hereinafter the “Plan”) necessary to comply with all applicable federal statutes and regulations; and, be it further

RESOLVED, That all employees retired under the Plan, as of January 1, 2009, be granted an increase in their retirement annuity based upon the following formula:

- a) Any employee who has been retired for less than five (5) years as of January 1, 2009 would receive a 5% increase in pension.**
- b) Any employee who as been retired for more than five (5) years as of January 1, 2009 would receive an increase of 5% plus an additional 1% for each year in excess of five (5) years;**

and, be it further

RESOLVED, That the National Judge Advocate is hereby authorized and directed to draft any and all required documents to accomplish the changes set forth in this resolution and to insure that the Plan remains in full compliance with all applicable laws and regulations; and, be it finally

RESOLVED, That the National Commander be and he is hereby authorized and directed to execute any and all documents presented to him by the National Judge Advocate in connection with the revision of the Plan and the National Adjutant be and he is hereby authorized and directed to attest the same.