NATIONAL EXECUTIVE COMMITTEE MEETING
OF THE
THE AMERICAN LEGION
INDIANAPOLIS, INDIANA
OCTOBER 14-15, 1998

Resolution No. 15: American Legion Endowment Fund
Origin: American Legion Endowment Fund Corporation
Submitted By: National Finance Commission

WHEREAS, The American Legion Endowment Fund Corporation, a charitable trust corporation (hereinafter referred to as the "Fund"), was established by proper resolution of the National Executive Committee in Convention assembled in 1925 to create and maintain a perpetual endowment for rehabilitation and child welfare purposes; and

WHEREAS, The American Legion is the principal donor of monies to the Fund; and

WHEREAS, Under the provisions of Article VIII of the Trust Indenture Document establishing the fund, the principal of the fund was to be invested "in interest bearing bonds or obligations of the United States of America and its possessions or instrumentalities, in obligations of a state or any political subdivision thereof or the District of Columbia, or first mortgages on improved real estate in an amount not over forty percentum (40%) of the appraised value thereof, unless otherwise expressly provided by the donor or the donors thereof"; and

WHEREAS, Under the provisions of Article III the Fund as the Trustee must "use due diligence to invest promptly, and keep invested, any and all monies belonging to the principal of the trust..."; and

WHEREAS, The return on the Fund from its investment in "interest bearing bonds, or obligations of the United States of America" has been declining in recent years; and

WHEREAS, The Board of Directors of the Fund at its regular meeting assembled on October 13, 1998, has voted to invest all or a portion of the principal of the Fund in high grade corporate bonds, to increase the income to the Fund and thus enhance the Fund's contribution on an annual basis to the rehabilitation and child welfare programs of The American Legion; and

WHEREAS, This resolution has been reviewed and approved by the Board of Directors of the American Legion Endowment Fund Corporation, and reviewed by the National Finance Commission which recommends its adoption; now, therefore, be it

RESOLVED, By the National Executive Committee of The American Legion in regular meeting assembled in Indianapolis, on October 14-15, 1998, That it does concur with the Board of Directors of The American Legion Endowment Fund Corporation and does hereby authorize it to invest all, or a portion of the holdings of the Fund, in high grade corporate bonds as recommended by its investment counselor.