NATIONAL EXECUTIVE COMMITTEE
OF
THE AMERICAN LEGION
INDIANAPOLIS, INDIANA
MAY 7 – 8, 2014

Resolution No. 7: Authority for The American Legion to Enter into Agreement with Founding Fathers Products
Origin: Revenue Enhancement Committee
Submitted by: Finance Commission

WHEREAS, The American Legion is interested in strategic alliances to enhance and sustain our programs, events and projects in a manner that is in keeping with the goals and principles of The American Legion; and

WHEREAS, Founding Fathers Products LLC (Founding Fathers) is a corporation that has developed an American made beer that meets or exceeds the quality of the leading national brands and is dedicated to donating 50% of all net profits to organizations that support America's veterans and their families; and

WHEREAS, Founding Fathers wants to establish a strategic alliance with The American Legion; and

WHEREAS, Founding Fathers has committed to support The American Legion with a royalty payment for the use of The American Legion emblem based upon product sold through American Legion posts; and

WHEREAS, Founding Fathers is prepared to name The American Legion as one of two national charities to receive donations from all product sold in retail establishments (grocery stores, military exchanges, restaurants, etc.) following a full roll-out in mid-2014; and

WHEREAS, Upon approval of the Ad Hoc Marketing Group in January 2014, The American Legion executed a test agreement with Founding Fathers that authorized a beginning "sell-in" process to American Legion posts in a nine state area to gauge interest at the department and post levels; and

WHEREAS, Founding Fathers divided the test departments into two tiers and has completed their initial marketing efforts (email, direct mail, telephone calls and visitations) on the Tier 1 states (Minnesota, Pennsylvania and North Dakota) by contacting 730 posts; and

WHEREAS, 365 posts in the Tier 1 market placed product orders with distributors, 150 posts requested additional information/are consulting with their leadership, and 222 posts committed to distributor follow-up or desire sampling; and

WHEREAS, Founding Fathers has initiated contact in the 626 posts in the Tier 2 market and 23 posts have already committed to orders; and

WHEREAS, These product orders illustrate post interest and demonstrate favorable test results; and

WHEREAS, This resolution has the approval of your Revenue Enhancement Committee, your Finance Commission and the Subcommittee on Resolutions; 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, 2014, That The American

Legion be authorized to enter into an agreement by and between Founding Fathers Products LLC (Founding Fathers) and The American Legion; and, be it further

RESOLVED, That The American Legion may send notifications of the agreement at the appropriate time to all departments and posts; and, be it further

RESOLVED, That The American Legion shall share in the profits generated from Founding Fathers products sold through American Legion posts by payments of royalties in return for use of The American Legion emblem designating The American Legion as a charitable beneficiary of the company; and, be it finally

RESOLVED, That the National Commander, after review and approval by the National Judge Advocate, be and is hereby authorized and directed to execute said agreement and the National Adjutant be and is hereby authorized and directed to attest to same.