

# UNITED STATES OF AMERICA REPUBLIC

1<sup>st</sup> Continental Congress Assembled



## PUBLIC LAW 011-04

Amended: 8 October 2017

### ADOPTION OF THE U.S.A.R. PRUDENT MANAGEMENT OF INSTITUTIONAL FUNDS ACT

Pursuant to the United States of America Republic Constitution Amendment 19, Section 2, Clause 2, wherein it states; *“The United States of America Republic shall make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States of America Republic, or any Department or Officer thereof”*, there shall hereby be designated “Adoption of the U.S.A.R. Prudent Management of Institutional Funds Act” provisions to serve this purpose. This amendment shall go into immediate force.

Introduced as **Senate Joint Resolution 04**, with **63** co-sponsors and as **House Joint Resolution 04** with **63** co-sponsors, a request was delivered before the Continental Congress to honor and therefore establish laws for the “Adoption of the U.S.A.R. Prudent Management of Institutional Funds Act”.

The resolution suffered no amendments, no exclusions, no demands that it became law.

**The 1<sup>st</sup> Continental Congress of the United States of America Republic publicly declared 2015 the national “Year of the United States of America Republic”.** The document known as Public Law **PUBLIC LAW 011-04** was signed and enacted into law on **8 October 2017** by the following **SIGNATORIES to this Legislative Act in Attendance;**

**General Congress Assembled, United States of America Republic**

1. *President, Province of Illinois, Christopher-Cannon: Bey*
2. *Speaker of the House, Province of Missouri, Sharon-Green: El*
3. *USAR Secretary of State, Province of Missouri, Ross Woody Jr.: Bey*
4. *U.S.A.R. Attorney General - Province of Kansas, Nathaniel Chizer-Beh*
5. *U.S.A.R. Assistant Atty. General, Province of Khalifa, Antogneo Robinson: El*
6. *U.S.A.R. Treasurer, Province of Arizona, Michelle-Bravo: Bey*
7. *Treasurer, Province of Alabama, Derek-Hill: Bey*
8. *Chief Justice, Province of Illinois, Romulus Dorsey: El*
9. *Chief Justice, Province of Illinois, Emmett-Marshall: Bey*
10. *Chief Justice, Province of Illinois, Taiwan Smith: Bey*
11. *Atty. General - Province of Illinois - Larry Taylor: Bey*
12. *Atty. General - Province of Alabama - Eric-Ingram: Bey*
13. *Atty. General - Province of Virginia - Harvetta Lassiter*
14. *Foreign Affairs Minister, Province of Texas, Rafael-Vazquez: El*
15. *Office of Inspector General, Province of Illinois, Steven Segura: Bey*
16. *Dir. of Business Development, Province of Khalifa, Dadrian Anderson: Bey*
17. *Dir. of BMV, Province of Ohio, Andwele Montgomery: Bey*
18. *Governor, Province of Alabama, D. Maurice Parham: Bey*
19. *Governor, Province of Alaska, Bobby-Green: El*
20. *Governor, Province of Colorado, Kakuyon: El*
21. *Governor, Province of Florida, Albert Terraine-Griffin: Bey*
22. *Governor, Province of Georgia, Mandel Williams: El*
23. *Governor, Province of Indiana, Dexter-Johnson: Bey*
24. *Governor, Province of Khalifa, G. Riller: El*
25. *Governor, Province of Louisiana, Eric Wannamaker: Bey*
26. *Governor, Province of Maryland - Altie Archer: Bey*
27. *Governor, Province of Minnesota, Vicie Christine-Williams: Bey*
28. *Governor, Province of New Jersey, Colin Hylton: El*
29. *Governor, Province of Texas, LaShawn-Earl: Bey*
30. *Governor, Province of Virginia, Darnell Brown: Bey*
31. *Lt. Governor, Province of Georgia, Timothy Jackson: El*
32. *Lt. Governor, Province of Tennessee, Javon-Curry: Bey*
33. *Assistant Governor, Province of Georgia, Christopher Hill: Bey*
34. *Assistant Governor, Province of Virginia, Joseph-Middleton: Bey*

35. *Secretary of State, Province of Arizona, Stephanie-Clark: Bey*
36. *Secretary of State, Province of Khalifa, Demeitric Mason: El*
37. *Secretary of State, Province of Georgia, Maureen Willis: El*
38. *Secretary of State, Province of Illinois, Lewanda Hazelett: Bey*
39. *Secretary of State, Province of Michigan, Napoleon-Kendall: Bey*
40. *Secretary of State, Province of No. Carolina, Trevis-Haskins: El*
41. *Secretary of State, Province of Virginia, Rich Wilson: Bey*
42. *Public Minister, Province of Florida, William L.-Salter III,: Bey*
43. *Public Minister, Province of Missouri, Linda Ann-Bashful: El*
44. *Public Minister, Province of Ontario, Canada, Steven Richards: Bey*
45. *Representative, Province of Colorado, Ajoa Nash-Conner: Bey*
46. *Representative, Province of Florida, Octavia-Barnes: Bey*
47. *Representative, Province of Minnesota, Yashmall: Bey (Kevin Scaife: Bey)*
48. *Representative, Province of Ohio, Nia-Evans: Bey*
49. *Representative, Province of Tennessee, James Earl-Harris: Bey*
50. *Senator, Province of Georgia, Sonja-Flanigan: Bey*
51. *Senator, Province of Georgia, Ronnell-Gray: Bey*
52. *Senator/Liaison, Province of Georgia, Tara-Hill: Bey*
53. *Senator, Province of Illinois, Clayton Ronald-Henderson: El*
54. *Senator, Province of Illinois, J. Sept: El*
55. *Senator, Province of Michigan, George-Bond: Bey*
56. *Vicegerent Commissioner, Province of Illinois, Leslie-Atkins: El*
57. *Vicegerent Chief, Province of Indiana, Saadiq: Bey*
58. *Vicegerent, Province of Arizona, Jorge-Bravo: Bey*
59. *Vicegerent, Province of Colorado, Evelyn-Gordon: Bey*
60. *Vicegerent Commissioner, Province of Michigan, Damon-Lewis: El*
61. *Vicegerent Commissioner, Province of Minnesota, Bryce Lee-Williams: Bey*
62. *Vicegerent, Province of Ohio, Dana-Coggins: Bey*
63. *Vicegerent, Province of Ohio, Daryl Van-Brown: Bey*

It reads as follows:

**PUBLIC LAW PUBLIC LAW 011-04, on 8 October 2017**

**JOINT RESOLUTION**

### **Authorizing and requesting the President**

**to proclaim and** establish provisions in accordance with the **Constitution** and **Laws** of the **United States of America Republic**.

**WHEREAS**, the United States of America Republic, being a perpetual corporation is an autonomous State government lawfully incorporated and chartered for the benefit and protection of “We The Moorish American People”, by its Declaration, National Constitution and By-Laws, and aforementioned Chapters;

**WHEREAS** the United States of America Republic’s official language is the English language;

**WHEREAS** the Moorish American People have made a unique contribution in shaping the United States of America Republic as a distinctive and blessed nation of people and citizens;

**WHEREAS** the Moorish American People are a People of deeply-held religious convictions springing from the Holy Scriptures of the Holy Koran of the Moorish Science Temple of America and the Learning, Teachings and Truth of the Holy Prophet Noble Drew Ali. The Holy Prophet Noble Drew Ali led his People back to the Principles and standards of their ancient forefathers’ Free National Principles and Standards;

**WHEREAS** the Principles of Love, Truth, Peace, Freedom and Justice inspired concepts of civil government that are contained in our Declaration of Independence and Constitution of the United States of America Republic;

**WHEREAS the Moorish American People**, are now in great comprehension that, as a Nation of People being Nationwide in scope to achieve peace as well as unity as a single harmonious Nation, there must be uniform Laws for the Nation. The **Constitution** and **Laws** of the **United States of America Republic** are “*the Rock on which our Republic rests*”;

**WHEREAS** the history of our Nation clearly illustrates the value of a Nation to be able to create and pass its own Laws are beneficial to a Society to Enforce the Laws of the Nation. This is not to remove or change **The Moorish American People** from voluntarily applying and extending the learning, teachings and truth of the Holy Koran of the Moorish Science Temple of America in the lives of individuals, families, or in their society as a nation of People;

**WHEREAS** this Nation now faces great challenges that will test this Nation as it has never been tested before; and

**WHEREAS** that renewing our knowledge of Law, Divine and National and having faith in Our Universal Creator through Holy Scriptures of the Holy Koran of the Moorish Science Temple of America, the Holy Bible and the Great Qu’ran of Mohammed as we honor all the divine Prophets Jesus, Mohammed, Buddha and Confucius. Therefore, the **Constitution and Laws of the United States of America Republic** and knowledge of the aforementioned Holy Scriptures can only strengthen our nation. I, President Christopher H- Cannon: Bey, therefore establish with the consent of the Continental Congress the provisions as the **Laws** of the **United States of America Republic**:

**NOW, THEREFORE, be it Resolved** by the Continental Congress of the United States of America Republic in Continental Congress assembled, That the President is

authorized and requested to designate the administration of said laws and **RESOLVE** to adopt the “**U.S.A.R. PRUDENT MANAGEMENT OF INSTITUTIONAL FUNDS ACT**”.

LEGISLATIVE HISTORY **011 Res.04**  
CONGRESSIONAL RECORD, Vol. #**(2017)**:

**8 October 2017** considered  
and passed by the Continental  
Congress.

**PUBLIC LAW 011-04****ADOPTION OF THE U.S.A.R. PRUDENT MANAGEMENT OF INSTITUTIONAL FUNDS ACT**

<b><u>Section No.</u></b>	<b><u>Description</u></b>
<b>X</b>	<b>Purpose</b>
<b>1.</b>	<b>Short Title.</b>
<b>2.</b>	<b>Definitions. In This [Act]:</b>
<b>3.</b>	<b>Standard of Conduct In Managing And Investing Institutional Fund.</b>
<b>4.</b>	<b>Appropriation For Expenditure Or Accumulation Of Endowment Fund; Rules Of Construction.</b>
<b>5.</b>	<b>Delegation of Management and Investment Functions.</b>
<b>6.</b>	<b>Release or Modification of Restrictions On Management, Investment, Or Purpose.</b>
<b>7.</b>	<b>Reviewing Compliance.</b>
<b>8.</b>	<b>Application to Existing Institutional Funds.</b>
<b>9.</b>	<b>Relation to Electronic Signatures In Global And National Commerce Act.</b>
<b>10.</b>	<b>Uniformity of Application and Construction.</b>
<b>11.</b>	<b>Effective Date.</b>
<b>12.</b>	<b>Repeal.</b>

## **PUBLIC LAW 011-04**

### **ADOPTION OF THE U.S.A.R. PRUDENT MANAGEMENT OF INSTITUTIONAL FUNDS ACT (UPMIFA)**

#### **PURPOSE:**

The funding of accounts/endowment funds are for uplifting fallen humanity through charitable purposes to: relieve poverty; advance education or religion; promote health; promote governmental purposes or any other purpose the achievement of which is beneficial to the Moorish American society(ies).

**Desirous** to relieve poverty; advance education or religion; promote health; promote governmental purposes or any other purpose the achievement of which is beneficial to the Moorish American society(ies);

**DESIRING** to establish an agency for the effectiveness compliance and prudence in the management of institutional funds for the benefit of the Moorish American Society;

**RECOGNIZING** the NATIONAL CONFERENCE OF COMMISSIONERS ON UNIFORM STATE LAWS (hereafter "NCCUSL") IS COMPRISED of practicing lawyers, judges, legislators and legislative staff and law professors, who have been appointed by state governments as well as the District of Columbia, Puerto Rico and the U.S. Virgin Islands to research, draft and promote enactment of uniform state laws in areas of state law where uniformity is desirable and practical;

- NCCUSL is a state-supported organization that represents true value for the states, providing services that most states could not otherwise afford or duplicate.
- NCCUSL strengthens the federal system by providing rules and procedures that are consistent from state to state but that also reflect the diverse experience of the states.
- NCCUSL statutes are representative of state experience, because the organization is made up of representatives from each state, appointed by state government.
- NCCUSL keeps state law up-to-date by addressing important and timely legal issues.
- NCCUSL's efforts reduce the need for individuals and businesses to deal with different laws as they move and do business in different states.
- NCCUSL's work facilitates economic development and provides a legal platform for foreign entities to deal with U.S. citizens and businesses;

The following outline is of our adoptive structure and conformity to said Articles of the "Uniform Prudent Management of Institutional Funds Act":

The Uniform Prudent Management of Institutional Funds Act (UPMIFA) is an update to the Uniform Management of Institutional Funds Act (UMIFA) which dates back to 1972. UPMIFA applies to funds held for charitable purposes by nonprofit, charitable institutions. The three principal issues addressed are: scope of coverage, investment obligations and expenditure of funds. Abolished is the concept of historic dollar value as a floor beneath which an endowment can be spent. The new rule allows a prudent use of

total return expenditure. An optional provision allows a state to flag a total return expenditure of more than 7% of total return measured by a three-year average as presumed imprudent.

**SECTION 1. SHORT TITLE.** This [act] may be cited as the Uniform Prudent Management of Institutional Funds Act.

**SECTION 2. DEFINITIONS. In this [act]:**

- (1) “Charitable purpose” means the relief of poverty, the advancement of education or religion, the promotion of health, the promotion of a governmental purpose, or any other purpose the achievement of which is beneficial to the community.
- (2) “Endowment fund” means an institutional fund or part thereof that, under the terms of a gift instrument, is not wholly expendable by the institution on a current basis. The term does not include assets that an institution designates as an endowment fund for its own use.
- (3) “Gift instrument” means a record or records, including an institutional solicitation, under which property is granted to, transferred to, or held by an institution as an institutional fund.
- (4) “Institution” means:
  - (A) a person, other than an individual, organized and operated exclusively for charitable purposes;
  - (B) a government or governmental subdivision, agency, or instrumentality, to the extent that it holds funds exclusively for a charitable purpose; or
  - (C) a trust that had both charitable and non-charitable interests, after all non-charitable interests have terminated.
- (5) “Institutional fund” means a fund held by an institution exclusively for charitable purposes. The term does not include:
  - (A) program-related assets;
  - (B) a fund held for an institution by a trustee that is not an institution; or
  - (C) a fund in which a beneficiary that is not an institution has an interest, other than an interest that could arise upon violation or failure of the purposes of the fund.
- (6) “Person” means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, public corporation, government or governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.
- (7) “Program-related asset” means an asset held by an institution primarily to accomplish a charitable purpose of the institution and not primarily for investment.
- (8) “Record” means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.



**SECTION 3. STANDARD OF CONDUCT IN MANAGING AND INVESTING INSTITUTIONAL FUND.**

(a) Subject to the intent of a donor expressed in a gift instrument, an institution, in managing and investing an institutional fund, shall consider the charitable purposes of the institution and the purposes of the institutional fund.

(b) In addition to complying with the duty of loyalty imposed by law other than this [act], each person responsible for managing and investing an institutional fund shall manage and invest the fund in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

(c) In managing and investing an institutional fund, an institution:

- (1) may incur only costs that are appropriate and reasonable in relation to the assets, the purposes of the institution, and the skills available to the institution; and
- (2) shall make a reasonable effort to verify facts relevant to the management and investment of the fund.

(d) An institution may pool two or more institutional funds for purposes of management and investment.

(e) Except as otherwise provided by a gift instrument, the following rules apply:

- (1) In managing and investing an institutional fund, the following factors, if relevant, must be considered:
  - (A) general economic conditions;
  - (B) the possible effect of inflation or deflation;
  - (C) the expected tax consequences, if any, of investment decisions or strategies;
  - (D) the role that each investment or course of action plays within the overall investment portfolio of the fund;
  - (E) the expected total return from income and the appreciation of investments;
  - (F) other resources of the institution;
  - (G) the needs of the institution and the fund to make distributions and to preserve capital; and
  - (H) an asset's special relationship or special value, if any, to the charitable purposes of the institution.

(2) Management and investment decisions about an individual asset must be made not in isolation but rather in the context of the institutional fund's portfolio of investments as a whole and as a part of an overall investment strategy having risk and return objectives reasonably suited to the fund and to the institution.

(3) Except as otherwise provided by law other than this [act], an institution may invest in any kind of property or type of investment consistent with this section.

(4) An institution shall diversify the investments of an institutional fund unless the institution reasonably determines that, because of special circumstances, the purposes of the fund are better served without diversification.

(5) Within a reasonable time after receiving property, an institution shall make and carry out decisions concerning the retention or disposition of the property or to rebalance a portfolio, in order to bring the institutional fund into compliance with the purposes, terms, and distribution requirements of the institution as necessary to meet other circumstances of the institution and the requirements of this [act].

(6) A person that has special skills or expertise, or is selected in reliance upon the person's representation that the person has special skills or expertise, has a duty to use those skills or that expertise in managing and investing institutional funds.

#### **SECTION 4. APPROPRIATION FOR EXPENDITURE OR ACCUMULATION OF ENDOWMENT FUND; RULES OF CONSTRUCTION.**

(a) Subject to the intent of a donor expressed in the gift instrument [and to subsection (d)], an institution may appropriate for expenditure or accumulate so much of an endowment fund as the institution determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established. Unless stated otherwise in the gift instrument, the assets in an endowment fund are donor-restricted assets until appropriated for expenditure by the institution. In making a determination to appropriate or accumulate, the institution shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, and shall consider, if relevant, the following factors:

- (1) the duration and preservation of the endowment fund;
- (2) the purposes of the institution and the endowment fund;
- (3) general economic conditions;
- (4) the possible effect of inflation or deflation;
- (5) the expected total return from income and the appreciation of investments;
- (6) other resources of the institution; and
- (7) the investment policy of the institution.

(b) To limit the authority to appropriate for expenditure or accumulate under subsection (a), a gift instrument must specifically state the limitation.

(c) Terms in a gift instrument designating a gift as an endowment, or a direction or authorization in the gift instrument to use only "income", "interest", "dividends", or "rents, issues, or profits", or "to preserve the principal intact", or words of similar import:

- (1) create an endowment fund of permanent duration unless other language in the gift instrument limits the duration or purpose of the fund; and
- (2) do not otherwise limit the authority to appropriate for expenditure or accumulate under subsection (a).

[(d) The appropriation for expenditure in any year of an amount greater than seven percent of the fair market value of an endowment fund, calculated on the basis of market values determined at least quarterly and averaged over a period of not less than three years immediately preceding the year in which the appropriation for expenditure is made, creates a rebuttable presumption of imprudence. For an endowment fund in existence for fewer than three years, the fair market value of the endowment fund must be calculated for the period the endowment fund has been in existence. This subsection does not:

- (1) apply to an appropriation for expenditure permitted under law other than this [act] or by the gift instrument; or
- (2) create a presumption of prudence for an appropriation for expenditure of an amount less than or equal to seven percent of the fair market value of the endowment fund.]

**SECTION 5. DELEGATION OF MANAGEMENT AND INVESTMENT FUNCTIONS.**

(a) Subject to any specific limitation set forth in a gift instrument or in law other than this [act], an institution may delegate to an external agent the management and investment of an institutional fund to the extent that an institution could prudently delegate under the circumstances. An institution shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, in:

- (1) selecting an agent;
- (2) establishing the scope and terms of the delegation, consistent with the purposes of the institution and the institutional fund; and
- (3) periodically reviewing the agent's actions in order to monitor the agent's performance and compliance with the scope and terms of the delegation.

(b) In performing a delegated function, an agent owes a duty to the institution to exercise reasonable care to comply with the scope and terms of the delegation.

(c) An institution that complies with subsection (a) is not liable for the decisions or actions of an agent to which the function was delegated.

(d) By accepting delegation of a management or investment function from an institution that is subject to the laws of this state, an agent submits to the jurisdiction of the courts of this state in all proceedings arising from or related to the delegation or the performance of the delegated function.

(e) An institution may delegate management and investment functions to its committees, officers, or employees as authorized by law of this state other than this [act].]

**SECTION 6. RELEASE OR MODIFICATION OF RESTRICTIONS ON MANAGEMENT, INVESTMENT, OR PURPOSE.**

(a) If the donor consents in a record, an institution may release or modify, in whole or in part, a restriction contained in a gift instrument on the management, investment, or purpose of an institutional fund. A release or modification may not allow a fund to be used for a purpose other than a charitable purpose of the institution.

(b) The court, upon application of an institution, may modify a restriction contained in a gift instrument regarding the management or investment of an institutional fund if the restriction has become impracticable or wasteful, if it impairs the management or investment of the fund, or if, because of circumstances not anticipated by the donor, a modification of a restriction will further the purposes of the fund. The institution shall notify the [Attorney General] of the application, and the [Attorney General] must be given an opportunity to be heard. To the extent practicable, any modification must be made in accordance with the donor's probable intention.

(c) If a particular charitable purpose or a restriction contained in a gift instrument on the use of an institutional fund becomes unlawful, impracticable, impossible to achieve, or wasteful, the

court, upon application of an institution, may modify the purpose of the fund or the restriction on the use of the fund in a manner consistent with the charitable purposes expressed in the gift instrument. The institution shall notify the [Attorney General] of the application, and the [Attorney General] must be given an opportunity to be heard.

(d) If an institution determines that a restriction contained in a gift instrument on the management, investment, or purpose of an institutional fund is unlawful, impracticable, impossible to achieve, or wasteful, the institution, [60 days] after notification to the [Attorney General], may release or modify the restriction, in whole or part, if:

- (1) the institutional fund subject to the restriction has a total value of less than [\$25,000];
- (2) more than [20] years have elapsed since the fund was established; and
- (3) the institution uses the property in a manner consistent with the charitable purposes expressed in the gift instrument.

**SECTION 7. REVIEWING COMPLIANCE.** Compliance with this [act] is determined in light of the facts and circumstances existing at the time a decision is made or action is taken, and not by hindsight.

**SECTION 8. APPLICATION TO EXISTING INSTITUTIONAL FUNDS.** This [act] applies to institutional funds existing on or established after [the effective date of this act]. As applied to institutional funds existing on [the effective date of this act] this [act] governs only decisions made or actions taken on or after that date.

**SECTION 9. RELATION TO ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT.** This [act] modifies, limits, and supersedes the federal Electronic Signatures in Global and National Commerce Act, 15 U.S.C. Section 7001, et seq., but does not modify, limit, or supersede Section 101(c) of that act, 15 U.S.C. Section 7001(c), or authorize electronic delivery of any of the notices described in Section 103(b) of that act, 15 U.S.C. Section 7003(b).

**SECTION 10. UNIFORMITY OF APPLICATION AND CONSTRUCTION.** In applying and construing this uniform act, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it.

**SECTION 11. EFFECTIVE DATE.** This [act] takes force and effect immediately.

**SECTION 12. REPEAL.** The following acts and parts of acts are repealed:

- (a) [The Uniform Management of Institutional Funds Act]

**[End of Resolution]**