

LAW, THE TERMS OF THE APPLICABLE GIFT INSTRUMENT, OR THE CHARTER OF THE INSTITUTION.

15-403. RESTRICTION IN GIFT INSTRUMENT.

SECTION 15-402 DOES NOT APPLY IF THE APPLICABLE GIFT INSTRUMENT INDICATES THE INTENTION OF THE DONOR THAT NET APPRECIATION SHALL NOT BE EXPENDED. A RESTRICTION UPON THE EXPENDITURE OF NET APPRECIATION MAY NOT BE IMPLIED FROM A DESIGNATION OF A GIFT AS AN ENDOWMENT, OR FROM A DIRECTION OF AUTHORIZATION IN THE APPLICABLE GIFT INSTRUMENT TO USE ONLY "INCOME," "INTEREST," "DIVIDENDS," OR "RENTS, ISSUES OR PROFITS," OR "TO PRESERVE THE PRINCIPAL INTACT," OR A DIRECTION WHICH CONTAINS OTHER WORDS OF SIMILAR IMPORT. THIS RULE OF CONSTRUCTION APPLIES TO GIFT INSTRUMENTS EXECUTED OR IN EFFECT BEFORE OR AFTER THE EFFECTIVE DATE OF THIS ACT.

15-404. INVESTMENT AUTHORITY.

IN AN ADDITION TO AN INVESTMENT OTHERWISE AUTHORIZED BY LAW OR BY THE APPLICABLE GIFT INSTRUMENT, AND WITHOUT RESTRICTION TO INVESTMENTS A FIDUCIARY MAY MAKE, THE GOVERNING BOARD, SUBJECT TO ANY SPECIFIC LIMITATIONS SET FORTH IN THE APPLICABLE GIFT INSTRUMENT OR IN THE APPLICABLE LAW OTHER THAN LAW RELATING TO INVESTMENTS BY A FIDUCIARY, MAY:

(1) INVEST AND REINVEST AN INSTITUTIONAL FUND IN ANY REAL OR PERSONAL PROPERTY DEEMED ADVISABLE BY THE GOVERNING BOARD, WHETHER OR NOT IT PRODUCES A CURRENT RETURN, INCLUDING MORTGAGES, STOCKS, BONDS, DEBENTURES, AND OTHER SECURITIES OF PROFIT OR NONPROFIT CORPORATIONS, SHARES IN OR OBLIGATIONS OF ASSOCIATIONS, PARTNERSHIPS, OR INDIVIDUALS, AND OBLIGATIONS OF ANY GOVERNMENT OR SUBDIVISION OR INSTRUMENTALITY THEREOF;

(2) RETAIN PROPERTY CONTRIBUTED BY A DONOR TO AN INSTITUTIONAL FUND FOR AS LONG AS THE GOVERNING BOARD DEEMS ADVISABLE;

(3) INCLUDE ALL OR ANY PART OF AN INSTITUTIONAL FUND IN ANY ECCELLED OR COMMON FUND MAINTAINED BY THE INSTITUTION; AND

(4) INVEST ALL OR ANY PART OF AN INSTITUTIONAL FUND IN ANY OTHER POOLED OR COMMON FUND AVAILABLE FOR INVESTMENT, INCLUDING SHARES OR INTERESTS IN REGULATED INVESTMENT COMPANIES, MUTUAL FUNDS, COMMON TRUST FUNDS, INVESTMENT PARTNERSHIPS, REAL ESTATE INVESTMENT TRUST, OR SIMILAR ORGANIZATIONS IN WHICH FUNDS ARE COMMINGLED AND INVESTMENT DETERMINATIONS ARE MADE BY PERSONS OTHER THAN THE GOVERNING BOARD.