2. The trustees of the Light Bulb Trust hereby elect Jane Light Bulb as the fourth trustee. She is hereby authorized to conduct all necessary acts required of trustees subject only to the limitations set forth in prior minutes and in the trust agreement.

3. The trustees of the Light Bulb Trust hereby authorize A. J. Light Bulb and Jane Light Bulb, trustees, to open a checking account at the Light Bulb National Bank in the name of the trust and to conduct all trust business through this account. The designated trustees are hereby empowered to do all things necessary to accomplish said acts.

4. The trustees hereby elect A. J. Light Bulb as managing trustee and appoint him with all powers to preserve and protect trust property for the coming year. Mr. Light Bulb, the designated managing trustee, will be compensated for all expenses incurred in said management duties and will be authorized to do all things necessary to carry out his duties.

From the above examples it is clear that the trustees can authorize much more sweeping and significant acts for the trust in one minute of few words than a corporation can through its board of directors. The trustees are not subject to many state laws. Of course, the board of trustees must conform to state criminal laws; that is, they cannot accomplish anything that is illegal, but except for the trust agreement there is nothing that prevents a board of trustees from authorizing any legal or proper act.

Most trust minutes should be authorization minutes rather than ratification minutes; that is, contemplation of most transactions should be accomplished prior to the act rather than reflection after it.

Some transactions, however, are accomplished by trustees without actual authorization. In these cases, ratification by the board of trustees is important and should be accomplished as soon as possible. Some examples of ratification minutes are as follows:

1. The board of trustees of the Light Bulb Trust hereby ratify the actions of A. J. Light Bulb, trustee, in purchasing the Empire State Building two weeks prior to this meeting. The actions of Mr. Light Bulb, trustee, are expressly ratified and approved and the trust assumes all liabilities and responsibilities for these acts.

2. The board of trustees of the Light Bulb Trust hereby approve and ratify the filing of income tax return Form 1041 for the fiscal year 1966 by Arthur Andersen & Associates, Certified Public Accountants.

(The above resolution is only an example of the ratification and would probably not be necessary for the particular act used as an illustration.)