

In clause (1), the words “apply, and alter” and “not inconsistent with the laws of the United States of America or any State in which the corporation is to operate” are omitted as [un]necessary.

In clause (2), the word “use” is omitted as unnecessary.

In clause (5), the words “make contracts” are substituted for “contract and be contracted with” to eliminate unnecessary words.

Clause (6) is substituted for “take and hold by lease, gift, purchase, grant, devise, bequest or otherwise any property real, personal, or mixed, necessary or convenient for attaining the objects of the corporation” and “transfer, lease, or convey real or personal property” for consistency in the revised title and to eliminate unnecessary words. The words “subject, however, to applicable provisions of law of any State, (a) governing the amount or kind of real and personal property which may be held by, or, (b) otherwise limiting or controlling the ownership of real and personal property by, a corporation operating in such State” are omitted as unnecessary.

In clause (7), the words “issue instruments of indebtedness, and secure its obligations by granting security interests in its property” are substituted for “issue bonds or other evidences of indebtedness therefor and secure the same by mortgage or pledge” for consistency in the revised title. The words “for the purposes of the corporation” and “subject to applicable Federal or State laws” are omitted as unnecessary.

In clause (8), the words “complain and defend in any court of competent jurisdiction” are omitted as unnecessary.

§ 40506. Restrictions

(a) STOCK AND DIVIDENDS.—The corporation may not issue stock or declare or pay a dividend.

(b) POLITICAL ACTIVITIES.—The corporation or a director or officer as such may not contribute to, support, or participate in any political activity or in any manner attempt to influence legislation.

(c) DISTRIBUTION OF INCOME OR ASSETS.—The income or assets of the corporation may not inure to the benefit of, or be distributed to, a director, officer, or member as such during the life of the corporation or on its dissolution or final liquidation. This subsection does not prevent the payment of—

- (1) expenses of officers of the corporation in amounts approved by the board of directors; or
- (2) appropriate aid to individuals to whom the Medal of Honor has been awarded, their widows, or their children, to carry out the purposes of the corporation.

(d) LOANS.—The corporation may not make a loan to a director, officer, or employee. Directors and officers who vote for or assent to making a loan to a director, officer, or employee, and officers who participate in making the loan, are jointly and severally liable to the corporation for the amount of the loan until it is repaid.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1334.)

HISTORICAL AND REVISION NOTES

| <i>Revised Section</i> | <i>Source (U.S. Code)</i> | <i>Source (Statutes at Large)</i> |
|------------------------|---------------------------|--|
| 40506(a) | 36:802. | Aug. 14, 1958, Pub. L. 85–642, §§9(a) (1st sentence words before last comma, last sentence), (b), 10, 12, 72 Stat. 599, 600. |

HISTORICAL AND REVISION NOTES—Continued

| <i>Revised Section</i> | <i>Source (U.S. Code)</i> | <i>Source (Statutes at Large)</i> |
|------------------------|--|-----------------------------------|
| 40506(b) | 36:800. | |
| 40506(c) | 36:799(a) (1st sentence words before last comma, last sentence). | |
| 40506(d) | 36:799(b). | |

In subsection (a), the words “any shares of” are omitted as unnecessary.

In subsection (b), the words “support” and “any” are added for consistency in the revised title. The words “directly or indirectly, local or national” are omitted as unnecessary and for consistency in the revised title.

In subsection (c), before clause (1), the words “inure to the benefit of” are substituted for “inure to” for consistency in the revised title. In clause (1), the words “bona fide” are omitted as unnecessary.

§ 40507. Principal office

The principal office of the corporation shall be in the District of Columbia or another place decided by the board of directors. However, the activities of the corporation are not confined to the place where the principal office is located but may be conducted throughout the States, territories, and possessions of the United States.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1334.)

HISTORICAL AND REVISION NOTES

| <i>Revised Section</i> | <i>Source (U.S. Code)</i> | <i>Source (Statutes at Large)</i> |
|------------------------|---------------------------|---|
| 40507 | 36:795(a). | Aug. 14, 1958, Pub. L. 85–642, §5(a), 72 Stat. 598. |

The word “various” is omitted as unnecessary. The word “States” is added for clarity and consistency in the revised title.

§ 40508. Records and inspection

(a) RECORDS.—The corporation shall keep—

- (1) correct and complete records of account;
- (2) minutes of the proceedings of its members, board of directors, and committees having any of the authority of its board of directors; and
- (3) at its principal office, a record of the names and addresses of its members entitled to vote.

(b) INSPECTION.—A member entitled to vote, or an agent or attorney of the member, may inspect the records of the corporation for any proper purpose, at any reasonable time.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1334.)

HISTORICAL AND REVISION NOTES

| <i>Revised Section</i> | <i>Source (U.S. Code)</i> | <i>Source (Statutes at Large)</i> |
|------------------------|---------------------------|---|
| 40508 | 36:803. | Aug. 14, 1958, Pub. L. 85–642, §13, 72 Stat. 600. |

The word “records” is substituted for “books and records” for consistency in the revised title and with other titles of the United States Code.

§ 40509. Service of process

The corporation shall have a designated agent in the District of Columbia to receive service of process for the corporation. Notice to or service

on the agent, or mailed to the business address of the agent, is notice to or service on the corporation.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1334.)

HISTORICAL AND REVISION NOTES

| Revised Section | Source (U.S. Code) | Source (Statutes at Large) |
|-----------------|--------------------|---|
| 40509 | 36:795(b). | Aug. 14, 1958, Pub. L. 85–642, §5(b), 72 Stat. 598. |

The words “at all times” are omitted as unnecessary. The words “service of process” are substituted for “service and process” for consistency in the revised title.

§ 40510. Liability

(a) LIABILITY OF CORPORATION.—The corporation is liable for the acts of its officers and agents acting within the scope of their authority.

(b) IMMUNITY OF INDIVIDUALS.—A member or private individual is not liable for the obligations of the corporation.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1335.)

HISTORICAL AND REVISION NOTES

| Revised Section | Source (U.S. Code) | Source (Statutes at Large) |
|-----------------|--|---|
| 40510(a) | 36:801. | Aug. 14, 1958, Pub. L. 85–642, §§9(a) (1st sentence words after last comma), 11, 72 Stat. 599, 600. |
| 40510(b) | 36:799(a) (1st sentence words after last comma). | |

§ 40511. Distribution of assets on dissolution or final liquidation

On dissolution or final liquidation of the corporation, any assets remaining after the discharge of all liabilities shall be distributed as provided by the board of directors, but in compliance with the bylaws.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1335.)

HISTORICAL AND REVISION NOTES

| Revised Section | Source (U.S. Code) | Source (Statutes at Large) |
|-----------------|--------------------|---|
| 40511 | 36:805. | Aug. 14, 1958, Pub. L. 85–642, §15, 72 Stat. 600. |

The word “satisfaction” is omitted as included in “discharge”, and the word “obligations” is omitted as included in “liabilities”. The words “outstanding” and “all Federal and State laws applicable thereto” are omitted as unnecessary.

CHAPTER 407—CORPORATION FOR THE PROMOTION OF RIFLE PRACTICE AND FIREARMS SAFETY

SUBCHAPTER I—CORPORATION

- Sec. 40701. Organization.
- 40702. Governing body.
- 40703. Powers.
- 40704. Restrictions.
- 40705. Duty to maintain tax-exempt status.
- 40706. Distribution of assets on dissolution.
- 40707. Nonapplication of audit requirements.

Sec. SUBCHAPTER II—CIVILIAN MARKSMANSHIP PROGRAM

- 40721. Responsibility of corporation.
- 40722. Functions.
- 40723. Eligibility for participation.
- 40724. Priority of youth participation.
- 40725. National Matches and small-arms firing school.
- 40726. Allowances for junior competitors.
- 40727. Army support.
- 40728. Transfer of firearms, ammunition, and parts.
- 40728A. Recovery of excess firearms, ammunition, and parts granted to foreign countries and transfer to corporation.
- 40729. Reservation of firearms, ammunition, and parts.
- 40730. Surplus property.
- 40731. Issuance or loan of firearms and supplies.
- 40732. Sale of firearms and supplies.
- 40733. Applicability of other law.

AMENDMENTS

2006—Pub. L. 109–364, div. A, title III, §354(b), Oct. 17, 2006, 120 Stat. 2162, added item 40728A.

SUBCHAPTER I—CORPORATION

§ 40701. Organization

(a) FEDERAL CHARTER.—Corporation for the Promotion of Rifle Practice and Firearms Safety (in this chapter, the “corporation”) is a federally chartered corporation.

(b) NON-GOVERNMENTAL STATUS.—The corporation is a private corporation, not a department, agency, or instrumentality of the United States Government. An officer or employee of the corporation is not an officer or employee of the Government.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1335.)

HISTORICAL AND REVISION NOTES

| Revised Section | Source (U.S. Code) | Source (Statutes at Large) |
|-----------------|--|---|
| 40701(a) | 36:5501(a) (less “private, nonprofit”). | Feb. 10, 1996, Pub. L. 104–106, title XVI, §1611(a) (less “nonprofit”), (b)(1), 110 Stat. 515, 516. |
| 40701(b) | 36:5501(a) (related to private), (b)(1). | |

Subsection (a) is substituted for the source provision for consistency in the revised title.

In subsection (b), the words “is not” are substituted for “shall not be considered to be” for clarity and to eliminate unnecessary words.

CONTINUATION OF ELIGIBILITY FOR CERTAIN CIVIL SERVICE BENEFITS FOR FORMER FEDERAL EMPLOYEES OF CIVILIAN MARKSMANSHIP PROGRAM

Pub. L. 104–106, div. A, title XVI, §1622, Feb. 10, 1996, 110 Stat. 521 [former 36 U.S.C. 5522], provided that:

“(a) CONTINUATION OF ELIGIBILITY.—Notwithstanding any other provision of law, a Federal employee who is employed by the Department of Defense to support the Civilian Marksmanship Program as of the day before the date of the transfer of the Program to the Corporation and is offered employment by the Corporation as part of the transition described in section 1612(d) [former 36 U.S.C. 5502(d)] may, if the employee becomes employed by the Corporation, continue to be eligible during continuous employment with the Corporation for the Federal health, retirement, and similar benefits (including life insurance) for which the employee would have been eligible had the employee continued to be employed by the Department of Defense. The employ-