

(Pub. L. 87-128, title III, §384N, as added Pub. L. 107-171, title VI, §6029, May 13, 2002, 116 Stat. 400.)

§ 2009cc-14. Unlawful acts and omissions; breach of fiduciary duty

(a) Parties deemed to commit a violation

Whenever any rural business investment company violates this subchapter (including any rule, regulation, order, or participation agreement under this subchapter), by reason of the failure of the rural business investment company to comply with this subchapter or by reason of its engaging in any act or practice that constitutes or will constitute a violation of this subchapter, the violation shall also be deemed to be a violation and an unlawful act committed by any person that, directly or indirectly, authorizes, orders, participates in, causes, brings about, counsels, aids, or abets in the commission of any acts, practices, or transactions that constitute or will constitute, in whole or in part, the violation.

(b) Fiduciary duties

It shall be unlawful for any officer, director, employee, agent, or other participant in the management or conduct of the affairs of a rural business investment company to engage in any act or practice, or to omit any act or practice, in breach of the fiduciary duty of the officer, director, employee, agent, or participant if, as a result of the act or practice, the rural business investment company suffers or is in imminent danger of suffering financial loss or other damage.

(c) Unlawful acts

Except with the written consent of the Secretary, it shall be unlawful—

(1) for any person to take office as an officer, director, or employee of any rural business investment company, or to become an agent or participant in the conduct of the affairs or management of a rural business investment company, if the person—

(A) has been convicted of a felony, or any other criminal offense involving dishonesty or breach of trust; or

(B) has been found liable in a civil action for damages, or has been permanently or temporarily enjoined by an order, judgment, or decree of a court of competent jurisdiction, by reason of any act or practice involving fraud or breach of trust; and

(2) for any person to continue to serve in any of the capacities described in paragraph (1), if—

(A) the person is convicted of a felony or any other criminal offense involving dishonesty or breach of trust; or

(B) the person is found liable in a civil action for damages, or is permanently or temporarily enjoined by an order, judgment, or decree of a court of competent jurisdiction, by reason of any act or practice involving fraud or breach of trust.

(Pub. L. 87-128, title III, §384O, as added Pub. L. 107-171, title VI, §6029, May 13, 2002, 116 Stat. 400.)

§ 2009cc-15. Removal or suspension of directors or officers

Using the procedures established by the Secretary for removing or suspending a director or an officer of a rural business investment company, the Secretary may remove or suspend any director or officer of any rural business investment company.

(Pub. L. 87-128, title III, §384P, as added Pub. L. 107-171, title VI, §6029, May 13, 2002, 116 Stat. 401.)

§ 2009cc-16. Repealed. Pub. L. 110-234, title VI, § 6027(e), May 22, 2008, 122 Stat. 1183, and Pub. L. 110-246, § 4(a), title VI, § 6027(e), June 18, 2008, 122 Stat. 1664, 1944

Section, Pub. L. 87-128, title III, §384Q, as added Pub. L. 107-171, title VI, §6029, May 13, 2002, 116 Stat. 401, related to interagency agreement to carry out day-to-day management and operation of the program.

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 repealed this section. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246.

EFFECTIVE DATE OF REPEAL

Repeal of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of this title.

§ 2009cc-17. Regulations

The Secretary may promulgate such regulations as the Secretary considers necessary to carry out this subchapter.

(Pub. L. 87-128, title III, §384R, as added Pub. L. 107-171, title VI, §6029, May 13, 2002, 116 Stat. 401.)

§ 2009cc-18. Authorization of appropriations

There is authorized to be appropriated to carry out this subchapter \$50,000,000 for the period of fiscal years 2008 through 2012.

(Pub. L. 87-128, title III, §384S, as added Pub. L. 110-234, title VI, §6027(f), May 22, 2008, 122 Stat. 1183, and Pub. L. 110-246, §4(a), title VI, §6027(f), June 18, 2008, 122 Stat. 1664, 1944.)

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 enacted identical sections. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246.

PRIOR PROVISIONS

A prior section 2009cc-18, Pub. L. 87-128, title III, §384S, as added Pub. L. 107-171, title VI, §6029, May 13, 2002, 116 Stat. 402; amended Pub. L. 109-171, title I, §1403(a), Feb. 8, 2006, 120 Stat. 6, related to subchapter funding through fiscal year 2006, prior to repeal by Pub. L. 110-234, title VI, §6027(f), May 22, 2008, 122 Stat. 1183, and Pub. L. 110-246, §4, title VI, §6027(f), June 18, 2008, 122 Stat. 1664, 1944, effective May 22, 2008.

EFFECTIVE DATE

Enactment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as a note under section 8701 of this title.