

The word “may” is substituted for “are authorized to” for consistency in the revised title and to eliminate unnecessary words. The words “at their discretion” and “such” are omitted as unnecessary. The words “they prescribe” are substituted for “as they shall prescribe” to eliminate unnecessary words.

CHAPTER 1541—NAVAL SEA CADET CORPS

- Sec.
- 154101. Organization.
- 154102. Purposes.
- 154103. Membership.
- 154104. Governing body.
- 154105. Powers.
- 154106. Exclusive right to name, insignia, emblems, badges, marks, and words.
- 154107. Restrictions.
- 154108. Principal office.
- 154109. Records and inspection.
- 154110. Service of process.
- 154111. Liability for acts of officers and agents.
- 154112. Annual report.
- 154113. Distribution of assets on dissolution or final liquidation.

§ 154101. Organization

(a) FEDERAL CHARTER.—Naval Sea Cadet Corps (in this chapter, the “corporation”) is a federally chartered corporation.

(b) PERPETUAL EXISTENCE.—Except as otherwise provided, the corporation has perpetual existence.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1432.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
154101	36:1041. 36:1044(1).	Sept. 10, 1962, Pub. L. 87–655, §§1, 4(1), 76 Stat. 530, 531.

This section is substituted for the source provisions for consistency in the revised title and to eliminate unnecessary and executed words.

§ 154102. Purposes

The purposes of the corporation are, through organization and cooperation with the Department of the Navy—

- (1) to encourage and aid American young people to develop an interest and skill in basic seamanship and in its naval adaptations;
- (2) to train them in seagoing skills; and
- (3) to teach them patriotism, courage, self-reliance, and kindred virtues.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1432.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
154102	36:1042.	Sept. 10, 1962, Pub. L. 87–655, §2, 76 Stat. 531; Nov. 29, 1974, Pub. L. 93–504, 88 Stat. 1575.

The word “objects” is omitted as included in “purposes”.

§ 154103. Membership

Except as provided in this chapter, eligibility for membership in the corporation and the rights, privileges, and designation of classes of

members are as provided in the constitution and bylaws of the corporation.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1432.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
154103	36:1046.	Sept. 10, 1962, Pub. L. 87–655, §6, 76 Stat. 532.

§ 154104. Governing body

(a) BOARD OF DIRECTORS.—(1) The board of directors is the governing body of the corporation. The board is responsible for the general policies and program of the corporation and the control of all funds of the corporation.

(2) The number of directors, their manner of selection (including the filling of vacancies), and their term of office are as provided in the constitution and bylaws. However, the board shall have at least 10 but not more than 25 directors.

(b) OFFICERS.—(1) The officers of the corporation are a president, one or more vice presidents as provided in the constitution and bylaws, a secretary, a treasurer, and other officers as provided in the constitution and bylaws.

(2) The manner of election, term of office, and duties of the officers are as provided in the constitution and bylaws.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1432.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
154104(a)	36:1047.	Sept. 10, 1962, Pub. L. 87–655, §§7, 8, 76 Stat. 532.
154104(b)	36:1048.	

Subsection (a) is substituted for the source provision for consistency in the revised title. The text of 36:1047(a) and the word “Thereafter” in 36:1047(b) are omitted as obsolete.

§ 154105. Powers

The corporation may—

- (1) adopt and amend a constitution and bylaws for the management of its property and the regulation of its affairs;
- (2) adopt and alter a corporate seal;
- (3) choose officers, managers, employees, and agents as the activities of the corporation require;
- (4) make contracts;
- (5) acquire, own, lease, encumber, and transfer property as necessary or convenient to carry out the purposes of the corporation;
- (6) borrow money, issue instruments of indebtedness, and secure its obligations by granting security interests in its property; and
- (7) sue and be sued.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1432.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
154105	36:1044(2)–(9). 36:1043. 36:1057.	Sept. 10, 1962, Pub. L. 87–655, §§3, 4(2)–(9), 17, 76 Stat. 531, 534.

In this section, the text of 36:1043 and 1057 is omitted as executed and obsolete.

In clause (1), the word “alter” is omitted as unnecessary. The words “not inconsistent with the laws of the United States or any State in which the corporation is to operate” are omitted as unnecessary.

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

In clause (4), the words “make contracts” are substituted for “contract and be contracted with” for consistency in the revised title and to eliminate unnecessary words.

Clause (5) is substituted for “to take by lease, gift, purchase, grant, devise, or bequest from any private corporation, association, partnership, firm or individual and to hold any property, real, personal or mixed, necessary or convenient for attaining the objects and carrying into effect the purposes of the corporation” and “transfer, convey, lease, sublease, encumber and otherwise alienate real, personal, or mixed 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 property which may be held by or (B) otherwise limiting or controlling the ownership of property by, a corporation operating in such State” are omitted as unnecessary.

In clause (6), the words “for the purposes of the corporation” are omitted as unnecessary. The words “issue instruments of indebtedness, and secure its obligations by granting security interests in its property” are substituted for “issue bonds therefor, and secure the same by mortgage, deed of trust, pledge or otherwise” for consistency in the revised title. The words “subject in every case to all applicable provisions of Federal and State laws” are omitted as unnecessary.

In clause (7), the words “complain and defend in any court of competent jurisdiction” are omitted as unnecessary.

§ 154106. Exclusive right to name, insignia, emblems, badges, marks, and words

The corporation has the exclusive right to use the name “Naval Sea Cadet Corps” and distinctive insignia, emblems, and badges, descriptive or designating marks, and words or phrases required to carry out the duties and powers of the corporation. This section does not affect any vested rights.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1433.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
154106	36:1056.	Sept. 10, 1962, Pub. L. 87–655, § 16, 76 Stat. 533.

The words “sole”, “to have and”, and “in carrying out its purposes” are omitted as unnecessary. The words “required to carry out the duties and powers of the corporation” are substituted for “as may be required in the furtherance of its functions” for consistency in the revised title and with other titles of the United States Code. The words “This section does not affect any vested rights” are substituted for “No powers or privileges granted shall, however, interfere or conflict with established or vested rights” for consistency in the revised title and to eliminate unnecessary words.

§ 154107. 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 assist a political party or candidate for public office.

(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 during the life of the corporation or on its dissolution or final liquidation. This subsection does not prevent the payment of compensation to an officer in an amount approved by the board of directors.

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

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1433.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
154107(a)	36:1052.	Sept. 10, 1962, Pub. L. 87–655, §§ 9, 10, 12, 76 Stat. 532, 533.
154107(b)	36:1050.	
154107(c)	36:1049(a).	
154107(d)	36:1049(b).	

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

In subsection (c), the words “inure to the benefit of” are substituted for “inure to” for consistency in the revised title.

In subsection (d), the words “or advance” are added in 2 places for consistency in the subsection.

§ 154108. Principal office

The principal office of the corporation shall be in Tacoma, Washington, 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. 1433.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
154108	36:1045(a).	Sept. 10, 1962, Pub. L. 87–655, § 5(a), 76 Stat. 531.

The word “various” is omitted as unnecessary.

§ 154109. 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. 1433.)