

profit corporation incorporated in Pennsylvania, is a federally chartered corporation.

(b) EXPIRATION OF CHARTER.—If the corporation does not comply with any provision of this chapter, the charter granted by this chapter expires.

(Pub. L. 105-225, Aug. 12, 1998, 112 Stat. 1347; Pub. L. 106-398, §1 [[div. A], title X, §1087(g)(4)], Oct. 30, 2000, 114 Stat. 1654, 1654A-294.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
70102(a)	36:5601.	Sept. 23, 1996, Pub. L. 104-201, title XVIII, §§1801, 1814 (related to termination of charter), 1815, 110 Stat. 2760, 2762.
70102(b)	36:5613 (related to termination of charter). 36:5614.	

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

AMENDMENTS

2000—Subsec. (a). Pub. L. 106-398 substituted “Pennsylvania” for “Delaware”.

§ 70103. Purposes

(a) GENERAL.—The purposes of the corporation are as provided in its articles of incorporation and bylaws and include—

- (1) upholding and defending the Constitution of the United States;
- (2) aiding and maintaining an adequate naval defense for the United States;
- (3) assisting the recruitment of the best personnel available for the United States Navy, United States Marine Corps, and United States Coast Guard;
- (4) providing for the welfare of the personnel who serve in the United States Navy, United States Marine Corps, and United States Coast Guard;
- (5) continuing to loyally serve the United States Navy, United States Marine Corps, and United States Coast Guard;
- (6) preserving the spirit of shipmanship by providing assistance to shipmates and their families; and
- (7) instilling love of the United States and its flag, and promoting soundness of mind and body, in the youth of the United States.

(b) CORPORATE FUNCTION.—The corporation shall function as an educational, patriotic, civic, historical, and research organization under the laws of Delaware.

(Pub. L. 105-225, Aug. 12, 1998, 112 Stat. 1347; Pub. L. 105-354, §1(7), Nov. 3, 1998, 112 Stat. 3244.)

HISTORICAL AND REVISION NOTES
PUB. L. 105-225

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
70103(a)	36:5603.	Sept. 23, 1996, Pub. L. 104-201, title XVIII, §§1803, 1808(f), 110 Stat. 2760, 2761.
70103(b)	36:5608(f).	

PUB. L. 105-354

This amends section 70103(b) of title 36 to correct an inconsistency in the revised title.

AMENDMENTS

1998—Subsec. (b). Pub. L. 105-354 struck out “the State of” before “Delaware”.

TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 468(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

§ 70104. Membership

(a) ELIGIBILITY.—Except as provided in this chapter, eligibility for membership in the corporation and the rights and privileges of members are as provided in the articles of incorporation and bylaws.

(b) NONDISCRIMINATION.—The terms of membership may not discriminate on the basis of race, color, religion, sex, disability, age, or national origin.

(Pub. L. 105-225, Aug. 12, 1998, 112 Stat. 1348.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
70104(a)	36:5605.	Sept. 23, 1996, Pub. L. 104-201, title XVIII, §§1805, 1808(g) (related to membership), 110 Stat. 2761.
70104(b)	36:5608(g) (related to membership).	

In subsection (a), the words “Except as provided in this chapter” are substituted for “Except as provided in section 5608(g) of this title” for consistency in the revised title.

In subsection (b), the words “The terms of membership” are substituted for “In establishing the conditions of membership in the association” for consistency in the revised title and to eliminate unnecessary words.

§ 70105. Governing body

(a) BOARD OF DIRECTORS.—The board of directors and the responsibilities of the board are as provided in the bylaws and articles of incorporation.

(b) OFFICERS.—The officers and the election of officers are as provided in the bylaws and articles of incorporation.

(c) NONDISCRIMINATION.—The requirements for serving as a director or officer may not discriminate on the basis of race, color, religion, sex, disability, age, or national origin.

(Pub. L. 105-225, Aug. 12, 1998, 112 Stat. 1348.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
70105(a)	36:5606.	Sept. 23, 1996, Pub. L. 104-201, title XVIII, §§1806, 1807, 1808(g) (related to directors and officers), 110 Stat. 2761.
70105(b)	36:5607.	

HISTORICAL AND REVISION NOTES—Continued

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
70105(c)	36:5608(g) (related to directors and officers).	

In subsections (a) and (b), the words “and in conformity with the laws of the State of Delaware” are omitted as unnecessary.

In subsection (c), the words “The requirements for serving as a director or officer” are substituted for “in determining the requirements for serving on the board of directors or as an officer of the association” for consistency in the revised title and to eliminate unnecessary words.

§ 70106. Powers

The corporation has only the powers provided in its bylaws and articles of incorporation filed in each State in which it is incorporated.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1348.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
70106	36:5602.	Sept. 23, 1996, Pub. L. 104–201, title XVIII, §1802, 110 Stat. 2760.

The words “each State in which it is incorporated” are substituted for “the State of Delaware” for consistency in the revised title. The words “and subject to the laws of such State” are omitted as unnecessary.

§ 70107. Restrictions

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

(b) 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 charter granted by this chapter. This subsection does not prevent the payment of reasonable compensation to an officer or employee or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(c) LOANS.—The corporation may not make a loan to a director, officer, employee, or member.

(d) CLAIM OF GOVERNMENTAL APPROVAL OR AUTHORITY.—The corporation may not claim congressional approval or the authority of the United States Government for any of its activities.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1348.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
70107(a)	36:5608(c).	Sept. 23, 1996, Pub. L. 104–201, title XVIII, §1808(a)–(d), 110 Stat. 2761.
70107(b)	36:5608(a).	
70107(c)	36:5608(b).	
70107(d)	36:5608(d).	

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

In subsection (b), the words “This subsection does not” are substituted for “Nothing in this subsection may be construed to” for consistency in the revised title.

In subsection (d), the words “by virtue of this chapter” are omitted as unnecessary.

§ 70108. Duty to maintain corporate and tax-exempt status

(a) CORPORATE STATUS.—The corporation shall maintain its status as a corporation incorporated under the laws of Pennsylvania.

(b) TAX-EXEMPT STATUS.—The corporation shall maintain its status as an organization exempt from taxation under the Internal Revenue Code of 1986 (26 U.S.C. 1 et seq.).

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1348; Pub. L. 106–398, §1 [[div. A], title X, §1087(g)(4)], Oct. 30, 2000, 114 Stat. 1654, 1654A–294.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
70108(a)	36:5608(e).	Sept. 23, 1996, Pub. L. 104–201, title XVIII, §§1808(e), 1814 (related to duty to maintain status), 110 Stat. 2761, 2762.
70108(b)	36:5613 (related to duty to maintain status).	

In subsection (a), the words “organized and” and “the State of” are omitted as unnecessary.

AMENDMENTS

2000—Subsec. (a). Pub. L. 106–398 substituted “Pennsylvania” for “Delaware”.

§ 70109. 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. 1349.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
70109	36:5610.	Sept. 23, 1996, Pub. L. 104–201, title XVIII, §1810, 110 Stat. 2762.

The word “records” is substituted for “books and records” for consistency in the revised title and with other titles of the United States Code. The words “This section may not be construed to contravene any applicable State law” are omitted as unnecessary.

§ 70110. Service of process

The corporation shall comply with the law on service of process of each State in which it is incorporated and each State in which it carries on activities.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1349.)