

constitute a quorum at such meetings authorized to transact business. At this meeting or an adjourned meeting thereof a code of bylaws for the corporation shall be adopted by a majority of the voting shares represented at the meeting.

(b) Questions for determination only by stockholders

The following questions shall be determined only by the stockholders at a stockholders' meeting:

- (1) Adoption of the bylaws;
- (2) Amendments to the articles of incorporation or bylaws;
- (3) Authorization of the sale of the entire business of the corporation or of an independent branch of such business;
- (4) Authorization of the voluntary dissolution of the corporation; and
- (5) Authorization of application for the extension of the period of duration of the corporation.

(c) Authorization of amendments to articles of incorporation

The adoption of any such amendment or authorization shall require the approval of at least two-thirds of the voting shares. No amendment to the articles of incorporation or authorization for dissolution or extension shall take effect until (1) the corporation files a certificate with the Secretary stating the action taken, in such manner and form as shall be by regulation prescribed, and (2) such amendment or authorization is found and certified by the Secretary to conform to the requirements of this chapter.

(d) Filing of bylaws and amendments and minutes of stockholders' meetings with registrar

A certified copy of the bylaws and amendments thereof and of the minutes of all stockholders' meetings of the corporation shall be filed with the registrar.

(Sept. 19, 1922, ch. 346, §10, 42 Stat. 852; Feb. 26, 1925, ch. 345, §9, 43 Stat. 996.)

AMENDMENTS

1925—Subsec. (a). Act Feb. 26, 1925, inserted “, represented in person or by proxy,” in third sentence.

§ 151. Directors

The directors designated in the articles of incorporation shall, until their successors take office, direct the exercise of all powers of a China Trade Act corporation except such as are conferred upon the stockholders by law or by the articles of incorporation or bylaws of the corporation. Thereafter the directors elected in accordance with the bylaws of the corporation shall direct the exercise of all powers of the corporation except such as are so conferred upon the stockholders. In the exercise of such powers the directors may appoint and remove and fix the compensation of such officers and employees of the corporation as they deem advisable.

(Sept. 19, 1922, ch. 346, §11, 42 Stat. 852.)

§ 152. Reports; records for public inspection

(a) For the purposes of this chapter the fiscal year of a China Trade Act corporation shall cor-

respond to the calendar year. The corporation shall make and file with the registrar, in such manner and form and at such time as shall be by regulation prescribed, a report of its business for each such fiscal year and of its financial condition at the close of the year. The corporation shall furnish a true copy of the report to each of its stockholders.

(b) The registrar shall file with the Secretary copies of all reports, certificates, and certified copies received or issued by the registrar under the provisions of this chapter. The Secretary shall file with the registrar copies of all applications for a certificate of incorporation, and certificates received or issued by the Secretary under the provisions of this chapter. All such papers shall be kept on record in the offices of the registrar and the Secretary, and shall be available for public inspection under such regulations as may be prescribed.

(Sept. 19, 1922, ch. 346, §12, 42 Stat. 853.)

§ 153. Dividends

Dividends declared by a China Trade Act corporation shall be derived wholly from the surplus profits of its business.

(Sept. 19, 1922, ch. 346, §13, 42 Stat. 853.)

§ 154. Investigations by registrar; revocation of certificate of incorporation

The registrar may, in order to ascertain if the affairs of a China Trade Act corporation are conducted contrary to any provision of this chapter, or any other law, or any treaty of the United States, or the articles of incorporation or bylaws of the corporation, investigate the affairs of the corporation. The registrar, whenever he is satisfied that the affairs of any China Trade Act corporation are or have been so conducted, may institute in the United States Court for China proceedings for the revocation of the certificate of incorporation of the corporation. The court may revoke such certificate if it finds the affairs of such corporation have been so conducted. Pending final decision in the revocation proceedings the court may at any time, upon application of the registrar or upon its own motion, make such orders in respect to the conduct of the affairs of the corporation as it deems advisable.

(Sept. 19, 1922, ch. 346, §14, 42 Stat. 853.)

REFERENCES IN TEXT

United States Court for China, referred to in text, has been abolished. See Codification note set out under section 142 of this title.

§ 155. Authority of registrar in obtaining evidence

(a) Subpena for attendance of witness and production of records, etc.

For the efficient administration of the functions vested in the registrar by this chapter, he may require, by subpoena issued by him or under his direction, (1) the attendance of any witness and the production of any book, paper, document, or other evidence from any place in China at any designated place of hearing in China, or, if the witness is actually resident or

temporarily sojourning outside of China, at any designated place of hearing within fifty miles of the actual residence or place of sojourn of such witness, and (2) the taking of a deposition before any designated person having power to administer oaths. In the case of a deposition, the testimony shall be reduced to writing by the person taking the deposition or under his direction, and shall then be subscribed by the deponent. The registrar, or any officer, employee, or agent of the United States authorized in writing by him, may administer oaths and examine any witness. Any witness summoned or whose deposition is taken under this section shall be paid the same fees and mileage as are paid witnesses in the courts of the United States.

(b) Aid of Federal district court

In the case of failure to comply with any subpoena or in the case of the contumacy of any witness before the registrar or any individual so authorized by him, the registrar or such individual may invoke the aid of any Federal district court. Such court may thereupon order the witness to comply with the requirements of such subpoena and to give evidence touching the matter in question. Any failure to obey such order may be punished by such court as a contempt thereof.

(c) Repealed. Pub. L. 91-452, title II, § 217, Oct. 15, 1970, 84 Stat. 929

(d) Access of registrar or his employee to books and records

For the efficient administration of the functions vested in the registrar by this chapter, he, or any officer, employee, or agent of the United States authorized in writing by him, shall at all reasonable times, for the purpose of examination, have access to and the right to copy any book, account, record, paper, or correspondence relating to the business or affairs of a China Trade Act corporation. Any person who upon demand refuses the registrar, or any duly authorized officer, employee, or agent, such access or opportunity to copy, or hinders, obstructs, or resists him in the exercise of such right, shall be liable to a penalty of not more than \$5,000 for each such offense. Such penalty shall be recoverable in a civil suit brought in the name of the United States.

(Sept. 19, 1922, ch. 346, § 15, 42 Stat. 853; Pub. L. 91-452, title II, § 217, Oct. 15, 1970, 84 Stat. 929.)

AMENDMENTS

1970—Subsec. (c). Pub. L. 91-452 struck out subsec. (c) which granted immunity from prosecution for any natural person testifying in obedience to a subpoena.

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91-452 effective on sixtieth day following Oct. 15, 1970, see section 260 of Pub. L. 91-452, set out as an Effective Date; Savings Provision note under section 6001 of Title 18, Crimes and Criminal Procedure.

SAVINGS PROVISION

Amendment by Pub. L. 91-452 not to affect any immunity to which any individual is entitled under this section by reason of any testimony given before the sixtieth day following Oct. 15, 1970, see section 260 of Pub. L. 91-452, set out as an Effective Date; Savings Provi-

sion note under section 6001 of Title 18, Crimes and Criminal Procedure.

§ 156. Dissolution of corporation; trustees

In case of the voluntary dissolution of a China Trade Act corporation or revocation of its certificate of incorporation, the directors of the corporation shall be trustees for the creditors and stockholders of the corporation; except that upon application to the United States Court for China by any interested party, or upon the motion of any court of competent jurisdiction in any proceeding pending before it, the court may in its discretion appoint as the trustees such persons, other than the directors, as it may determine. The trustees are invested with the powers, and shall do all acts, necessary to wind up the affairs of the corporation and divide among the stockholders according to their respective interests the property of the corporation remaining after all obligations against it have been settled. For the purposes of this section the trustees may sue and be sued in the name of the corporation and shall be jointly and severally liable to the stockholders and creditors of the corporation to the extent of the property coming into their hands as trustees.

(Sept. 19, 1922, ch. 346, § 16, 42 Stat. 854.)

REFERENCES IN TEXT

United States Court for China, referred to in text, has been abolished. See Codification note set out under section 142 of this title.

§ 157. Regulations and fees; disposition of fees and penalties

(a) The Secretary is authorized to make such regulations as may be necessary to carry into effect the functions vested in him or in the registrar by this chapter.

(b) The Secretary is authorized to prescribe and fix the amount of such fees (other than the incorporation fee) to be paid him or the registrar for services rendered by the Secretary or the registrar to any person in the administration of the provisions of this chapter. All fees and penalties paid under this chapter shall be covered into the Treasury of the United States as miscellaneous receipts.

(Sept. 19, 1922, ch. 346, § 17, 42 Stat. 854.)

§ 158. False or fraudulent statements prohibited; penalties

No stockholder, director, officer, employee, or agent of a China Trade Act corporation shall make, issue, or publish any statement, written or oral, or advertisement in any form, as to the value or as to the facts affecting the value of stocks, bonds, or other evidences of debt, or as to the financial condition or transactions, or facts affecting such condition or transactions, of such corporation if it has issued or is to issue stocks, bonds, or other evidences of debt, whenever he knows or has reason to believe that any material representation in such statement or advertisement is false. No stockholder, director, officer, employee, or agent of a China Trade Act corporation shall, if all the authorized capital stock thereof has not been paid in, make, issue, or publish any written statement or advertise-