

of all contributed funds as may be raised by the corporation” to eliminate unnecessary words.

§ 151905. Powers

The corporation may—

- (1) adopt and amend a constitution and by-laws 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. 1408.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
151905	36:604(2)–(9). 36:616.	Aug. 28, 1954, ch. 1036, §§ 4(2)–(9), 16, 68 Stat. 892, 895.

In this section, the text of 36:616 is omitted as executed and obsolete.

In clause (1), the word “alter” is omitted as included in “amend”. 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 (3), the word “activities” is substituted for “business” for consistency in the revised title.

Clause (5) is substituted for “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.

§ 151906. 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. 1409.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
151906(a)	36:612.	Aug. 28, 1954, ch. 1036, §§ 9, 10, 12, 68 Stat. 894.
151906(b)	36:610.	
151906(c)	36:609(a).	
151906(d)	36:609(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. The words “This subsection does not” are substituted for “Nothing in this subsection, however, shall be construed to” for consistency in the revised title and to eliminate unnecessary words.

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

§ 151907. Principal office

The principal office of the corporation shall be in New York, New York, 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. 1409.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
151907	36:605(a).	Aug. 28, 1954, ch. 1036, § 5(a), 68 Stat. 893.

The word “various” is omitted as unnecessary.

§ 151908. 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.