HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
20104(a)	36:977.	Aug. 31, 1960, Pub. L. 86–680, §§7, 8, 74 Stat. 575.
20104(b)	36:978.	

In subsection (a), the text of 36:977(a) is omitted as executed and obsolete. In paragraph (3), the words ''and exercise'' are omitted as unnecessary.

§ 20105. Powers

The corporation may—

(1) adopt and amend bylaws for the management of its property and the regulation of its affairs;

(2) adopt and alter a corporate seal;

(3) choose officers, managers, agents, and employees 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. 1285.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
20105	36:974(2)–(9).	Aug. 31, 1960, Pub. L. 86–680, §§4(2)–(9), 17, 74 Stat. 574, 577.
	36:987.	

In this section, the text of 36:987 is omitted as executed and obsolete.

In clause (1), the words ''and alter'' 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'' to eliminate unnecessary words.

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'' in 36:974(7) and ''transfer, convey, lease, sublease, encumber and otherwise alienate real, personal or mixed property'' in 36:974(8) 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'' in 36:974(7) are omitted as unnecessary.

In clause (6), 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 and to eliminate unnecessary words. The words ''for the purposes of the corporation'' and ''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.

§ 20106. Restrictions

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

(b) POLITICAL ACTIVITIES.—The corporation or a governor, officer, employee, or member 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 governor, officer, or member as such 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 or employee in an amount approved by the board of governors.

(d) LOANS.—The corporation may not make a loan or advance to a governor, officer, employee, or member. Governors who vote for or assent to making a loan or advance to a governor, officer, employee, or member, 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.

(e) CONTRIBUTIONS TO CERTAIN ORGANIZATIONS.—None of the principal or interest of a fund referred to in section 20102(1) of this title may be contributed to an organization if—

(1) a substantial part of its activities is carrying on propaganda or attempting to influence legislation; or

(2) any part of its net earnings benefits a private shareholder or individual.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1285.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
20106(a)	36:982.	Aug. 31, 1960, Pub. L. 86–680, §§3(A) (1st sentence proviso), 9, 10, 12, 74 Stat. 573, 575, 576.
20106(b)	36:980.	
20106(c)	36:979(a).	
20106(d)	36:979(b).	
20106(e)	36:973(A) (proviso).	

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

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

§ 20107. Principal office

The principal office of the corporation shall be in Kansas City, Kansas, or another place decided by the board of governors. 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. 1285.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
20107	36:975(a).	Aug. 31, 1960, Pub. L. 86–680, §5(a), 74 Stat. 574.

The word ''various'' is omitted as unnecessary.