

(2) termination of its membership by the board of directors of the corporation as provided in the constitution.

(Pub. L. 105-225, Aug. 12, 1998, 112 Stat. 1327.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
31103(a)	36:696(a) (1st sentence).	Aug. 6, 1956, ch. 976, §6, 70 Stat. 1053.
31103(b)	36:696(a) (last sentence).	
31103(c)	36:696(b).	

In subsection (a), the words “are as provided in the constitution and bylaws of the corporation” are substituted for “shall . . . be determined as the constitution and bylaws of the corporation may provide” for consistency in the revised title and to eliminate unnecessary words.

In subsection (b), the words “the right to” are omitted as unnecessary.

In subsection (c), the words “on termination of membership, whether by” are substituted for “either upon” for clarity. The words “in the event that” and “canceled or otherwise” are omitted as unnecessary.

§ 31104. Governing body

(a) BOARD OF DIRECTORS.—(1) The board of directors is the governing body of the corporation. The powers, duties, and responsibilities of the board are as provided in the constitution and bylaws of the corporation.

(2) The number of directors is as provided in the constitution of the corporation. Their manner of selection (including the filling of vacancies) and their term of office are as provided in the constitution and bylaws.

(b) OFFICERS.—(1) The officers of the corporation are a chairman of the board of directors, a president, one or more vice presidents as provided in the constitution and bylaws, a secretary, a treasurer, and one or more assistant secretaries and assistant treasurers 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. 1327.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
31104(a)	36:697.	Aug. 6, 1956, ch. 976, §§7, 8, 70 Stat. 1053.
31104(b)	36:698.	

In subsection (a)(1), the word “governing” is substituted for “managing” for consistency in the revised title. The text of 36:697(a) is omitted as executed and obsolete.

§ 31105. 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, 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. 1327.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
31105	36:694(2)-(9). 36:706.	Aug. 6, 1956, ch. 976, §§4(2)-(9), 16, 70 Stat. 1052, 1056.

In this section, the text of 36:706 is omitted as executed and obsolete.

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

§ 31106. 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 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 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 em-