

the objects and carrying into effect the purposes of the corporation, 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;

(8) to transfer, convey, lease, sublease, encumber and otherwise alienate real, personal or mixed property; and

(9) to borrow money for the purposes of the corporation, issue bonds therefor, and secure the same by mortgage, deed of trust, pledge, or otherwise, subject in every case to all applicable provisions of Federal and State laws.

(Aug. 6, 1956, ch. 976, § 4, 70 Stat. 1052.)

**§ 695. Principal office; territorial scope of activities; agent for service of process**

(a) The principal office of the corporation shall be located in New York City, New York, or in such other place as may be later determined by the board of directors, but the activities of the corporation shall not be confined to that place, but may be conducted throughout the various States, Territories, and possessions of the United States.

(b) The corporation shall have in the District of Columbia at all times a designated agent authorized to accept service of process for the corporation; and notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.

(Aug. 6, 1956, ch. 976, § 5, 70 Stat. 1053.)

**§ 696. Membership; voting rights; benefits of member organizations**

(a) Eligibility for membership in the corporation and the rights, privileges, and designation of classes of members shall, except as provided in this chapter, be determined as the constitution and bylaws of the corporation may provide. Each member of the corporation shall have the right to one vote on each matter submitted to a vote at all meetings of the members of the corporation.

(b) Each organization which is a member of the corporation as provided in the constitution thereof shall be entitled to all the benefits of incorporation under this chapter, but such benefits shall cease immediately either upon its resignation from the corporation, or in the event that its membership in the corporation is canceled or otherwise terminated by the board of directors, as provided in the constitution of the corporation.

(Aug. 6, 1956, ch. 976, § 6, 70 Stat. 1053.)

**§ 697. Governing body**

**(a) Composition**

Upon the enactment of this chapter the membership of the initial board of directors of the corporation shall consist of the present members of the board of directors of the Boys' Clubs of America, the corporation described in section 706 of this title, or such of them as may then be living and are qualified members of said board of

directors, to wit: Hoyt Ammidon, New York, New York; Wendell W. Anderson, Detroit, Michigan; Sewell L. Avery, Chicago, Illinois; Richard E. Berlin, New York, New York; Arthur T. Burger, Boston, Massachusetts; Hendry S. M. Burns, New York, New York; John L. Burns, New York, New York; Peter Capra, New York, New York; James B. Carey, Washington, District of Columbia; Colby M. Chester, New York, New York; Frederic C. Church, Boston, Massachusetts; Albert L. Cole, Pleasantville, New York; Carle C. Conway, New York, New York; Donald K. David, New York, New York; Morse G. Dial, New York, New York; Robert W. Dowling, New York, New York; Kempton Dunn, New York, New York; Gilbert D. Eaton, Oakland, California; Julius Epstein, Chicago, Illinois; James A. Farley, New York, New York; Horace C. Flanigan, New York, New York; E. E. Fogelson, Dallas, Texas; Philip G. Geiger, Pawtucket, Rhode Island; M. Preston Goodfellow, Washington, District of Columbia; J. Peter Grace, Junior, New York, New York; John S. Griswold, New York, New York; Powell C. Groner, Kansas City, Missouri; Edgar A. Guest, Detroit, Michigan;

William Edwin Hall, New York, New York; Robert B. Heppenstall, Pittsburgh, Pennsylvania; William Edwin Hill, New York, New York; Allan Hoover, New York, New York; Herbert Hoover, New York, New York; J. Edgar Hoover, Washington, District of Columbia; Arthur Huck, New York, New York; Austin S. Iglehart, New York, New York; Ernest Ingold, San Francisco, California; Edward Ingraham, Bristol, Connecticut; Gordon Jeffery, Toledo, Ohio; Frank R. Jelleff, Washington, District of Columbia; Grant Keehn, New York, New York; James S. Kemper, Chicago, Illinois; Major William G. Kiefer, Louisville, Kentucky; Philip Le Boutillier, New York, New York; Philip Le Boutillier, Junior, Toledo, Ohio; James A. Linen, New York, New York; John D. Lockton, New York, New York; Fred Loock, Milwaukee, Wisconsin; David I. McCahill, Pittsburgh, Pennsylvania; Charles P. McCormick, Baltimore, Maryland; Everett McCullough, Wichita Falls, Texas; Ira McGuire, Muncie, Indiana; Charles R. Messier, Newark, New Jersey; Jeremiah Milbank, New York, New York; Theodore G. Montague, New York, New York; W. R. Nicholson, Junior, Philadelphia, Pennsylvania; Nicholas H. Noyes, Indianapolis, Indiana; Harry L. Olden, Cincinnati, Ohio; Frank Pace, Junior, New York, New York; August K. Paeschke, Milwaukee, Wisconsin; H. Bruce Palmer, Newark, New Jersey; Richard S. Perkins, New York, New York; Samuel F. Pryor, New York, New York; Stanley Resor, New York, New York; Captain E. V. Rickenbacker, New York, New York; Victor F. Ridder, New York, New York; Fredric E. Schluter, Trenton, New Jersey; George A. Scott, San Diego, California;

Irving J. Scher, Milwaukee, Wisconsin; Grant G. Simmons, New York, New York; P. C. Spencer, New York, New York; Clifford L. Strang, Tonawanda, New York; Edward K. Straus, New York, New York; Lewis L. Strauss, Washington, District of Columbia; Kenneth C. Towe, New York, New York; Maxwell M. Upson, New York, New York; Virgil P. Warren, Atlanta, Georgia; Albert C. Wedemeyer, New York, New York;

Morgan W. Wheelock, New York, New York; J. Dugald White, New York, New York; Myron A. Wick, Junior, Stamford, Connecticut; Alfred G. Wilson, Detroit, Michigan; William S. Wilson, New York, New York; Matthew Woll, New York, New York; General Robert E. Wood, Chicago, Illinois; Gordon J. Wormal, Santa Barbara, California; E. A. Wright, Detroit, Michigan; Paul S. Young, Schenectady, New York; William Zeigler, Junior, New York, New York.

**(b) Tenure**

Thereafter the board of directors of the corporation shall consist of such number as may be prescribed in the constitution of the corporation, and the members of such board shall be selected in such manner (including the filling of vacancies), and shall serve for such terms, as may be prescribed in the constitution and bylaws of the corporation.

**(c) Duties**

The board of directors shall be the managing body of the corporation and shall have such powers, duties, and responsibilities as may be prescribed in the constitution and bylaws of the corporation.

(Aug. 6, 1956, ch. 976, § 7, 70 Stat. 1053.)

**§ 698. Officers**

(a) The officers of the corporation shall be a chairman of the board of directors, a president, one or more vice presidents (as may be prescribed in the constitution and bylaws of the corporation), a secretary, and a treasurer, and one or more assistant secretaries and assistant treasurers as may be provided in the constitution and bylaws.

(b) The officers of the corporation shall be elected in such manner and for such terms and with such duties as may be prescribed in the constitution and bylaws of the corporation.

(Aug. 6, 1956, ch. 976, § 8, 70 Stat. 1055.)

**§ 699. Distribution of income or assets to members; loans**

(a) No part of the income or assets of the corporation shall inure to any of its members, directors, or officers as such, or be distributable to any of them during the life of the corporation or upon its dissolution or final liquidation. Nothing in this subsection, however, shall be construed to prevent the payment of compensation to officers of the corporation in amounts approved by the board of directors of the corporation.

(b) The corporation shall not make loans to its officers, directors, or employees. Any director who votes for or assents to the making of a loan or advance to an officer, director, or employee of the corporation, and any officer who participates in the making of such a loan or advance, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

(Aug. 6, 1956, ch. 976, § 9, 70 Stat. 1055.)

**§ 700. Nonpolitical nature of corporation**

The corporation, and its officers and directors as such, shall not contribute to or otherwise

support or assist any political party or candidate for public office.

(Aug. 6, 1956, ch. 976, § 10, 70 Stat. 1055.)

**§ 701. Liability for acts of officers and agents**

The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

(Aug. 6, 1956, ch. 976, § 11, 70 Stat. 1055.)

**§ 702. Prohibition against issuance of stock or payment of dividends**

The corporation shall have no power to issue any shares of stock or to declare or pay any dividends.

(Aug. 6, 1956, ch. 976, § 12, 70 Stat. 1055.)

**§ 703. Books and records; inspection**

The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors, and committees having any authority under the board of directors; and it shall also keep at its principal office a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member entitled to vote, or his agent or attorney, for any proper purpose, at any reasonable time.

(Aug. 6, 1956, ch. 976, § 13, 70 Stat. 1055.)

**§ 704. Repealed. Pub. L. 88-504, § 4(26), Aug. 30, 1964, 78 Stat. 637**

Section, act Aug. 6, 1956, ch. 976, § 14, 70 Stat. 1055, related to audit of financial transactions and report of such audit to Congress. See sections 1101 to 1103 of this title.

**§ 705. Use of assets on dissolution or liquidation**

Upon dissolution or final liquidation of the corporation, after discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets, if any, of the corporation shall be distributed in accordance with the determination of the board of directors of the corporation and in compliance with the constitution and bylaws of the corporation and all Federal and State laws applicable thereto.

(Aug. 6, 1956, ch. 976, § 15, 70 Stat. 1056.)

**§ 706. Acquisition of assets and liabilities of existing corporation**

The corporation may acquire the assets of the Boys' Clubs of America, a corporation organized under the laws of the Commonwealth of Massachusetts, upon discharging or satisfactorily providing for the payment and discharge of all of the liability of such corporation and upon complying with all laws of the Commonwealth of Massachusetts applicable thereto.

(Aug. 6, 1956, ch. 976, § 16, 70 Stat. 1056.)

**SECTION REFERRED TO IN OTHER SECTIONS**

This section is referred to in section 697 of this title.

**§ 707. Reservation of right to amend or repeal chapter**

The right to alter, amend, or repeal this chapter is expressly reserved.