

agement, not inconsistent with this chapter or other provisions of law.

(b) To establish, regulate, and terminate State, regional, local, and overseas councils, organizations, chapters, or affiliates in such manner and by such rules as it deems appropriate so as to enable it to carry out its powers and accomplish the objects and purposes set forth in section 1302 of this title.

(c) To solicit and raise funds for the accomplishment of its purposes, and to accept gifts, legacies, devises, and support in furtherance thereof.

(d) To acquire, hold, and dispose of such real and personal property as may be necessary to carry out the corporate purposes; to sell, mortgage, or lease any of its real property if authorized by its board of governors.

(e) To make and enter into contracts.

(f) To borrow money for the purposes of the corporation, issue bonds therefor, and secure the same by mortgage, subject in every case to all applicable provisions of Federal and State law.

(g) To adopt and alter a corporate seal, emblems, and marks.

(h) To choose such officers, representatives, and agents as may be necessary to carry out the corporate purposes.

(i) To establish and maintain offices for the conduct of the affairs of the corporation.

(j) To publish a newspaper, magazine, or other publications.

(k) To sue and be sued in any court.

(l) To do any and all acts and things necessary and proper to accomplish the foregoing specifically enumerated purposes.

(Pub. L. 96-165, § 3, Dec. 29, 1979, 93 Stat. 1269.)

§ 1304. Restrictions

(a) Political activities

The corporation shall be nonpolitical and, as an organization, shall not furnish financial aid or assistance to, or otherwise promote the candidacy of, any person seeking elective public office. No substantial part of the activities of the corporation shall involve carrying on propaganda, or otherwise attempting to influence legislation.

(b) Issuance of stock; dividends

The corporation shall have no power to issue any shares of capital stock, or to declare or pay any dividends. It shall also have no power to engage in any business activity for pecuniary profit unless the activity is substantially related to the carrying out of its objects and purposes, as set forth in section 1302 of this title, or the raising of funds for the accomplishment of said purposes.

(c) Use of assets on dissolution or liquidation

The property of the corporation is irrevocably dedicated to charitable purposes. Upon dissolution or final liquidation of the corporation, after discharge or satisfaction of all outstanding obligations and liabilities, its remaining assets, if any, shall be distributed in accordance with the determination of its board of governors, in compliance with its bylaws and all Federal and State laws applicable thereto: *Provided, however*, That its property shall not, in any event, inure

to the benefit of any private person except a fund, foundation, association, or corporation operated exclusively for charitable purposes.

(d) Distribution of income or assets to members

No part of the income or assets of the corporation shall inure to any member, governor, officer, or employee of the corporation or be distributable to any person during the life of the corporation or upon its dissolution or liquidation. Nothing in this subsection, however, shall be construed to prevent the payment of reasonable compensation for services rendered to officers and employees of the corporation and other persons, or to prevent their reimbursement for actual necessary expenses in amounts approved by the corporation's board of governors.

(e) Loans

The corporation shall not make loans to its members, officers, governors, or employees.

(Pub. L. 96-165, § 4, Dec. 29, 1979, 93 Stat. 1269.)

§ 1305. Governance of corporation

(a) Membership

The persons listed in section 1301 of this title are the present members of United Service Organizations, Incorporated, a corporation organized under the Not-for-Profit Corporation Law of the State of New York (hereinafter "the New York Corporation"). Upon the enactment of this charter, and for not more than one year thereafter, the said persons shall be the members of the corporation hereunder. They shall adopt bylaws and perform all other acts necessary to complete the organization of the corporation. Thereafter, the members of the corporation shall consist of nine persons designated by the President of the United States, and such representatives of the organizations listed in section 1302 of this title and of the public at large as shall be specified in the bylaws. The rights, privileges, and designations of the classes of members shall also be as specified in the bylaws.

(b) Board of governors

The management of the corporation shall be entrusted to a board of governors, which shall be responsible for the general policies and program of the corporation and for the control of its affairs and property. Upon the enactment of this charter and for not more than one year thereafter, the membership of the initial board of governors of the corporation created hereunder shall consist of the present members of the board of governors of the New York corporation. Thereafter, the board of governors shall be elected by the members of the corporation for such terms and in such classes as shall be specified in the bylaws, and shall include the following persons:

(1) Six members appointed by the President of the United States.

(2) The Secretary of Defense, or his designee.

(3) Such representatives of the organizations listed in section 1302 of this title and of the public at large as shall be specified in the bylaws.

(c) Other governing bodies

The corporation shall have such other governing bodies and committees as may be provided for in its bylaws.