

War period, through the establishment of scholarship programs at the National and State levels, the presentation of American flags to youth groups and newly naturalized citizens, and the sponsorship of contests of educational merit.

(5) Caring for veterans of all wars through volunteer programs in Department of Veterans Affairs medical centers and in homes and other institutions maintained by the States for the welfare of American veterans.

(6) Participating, in a spirit of cooperation and reciprocity, in programs with other societies devoted to American history, veterans' affairs, or community interests.

The corporation shall function as a veterans' and patriotic organization as authorized by the laws of the State or States in which it is incorporated.

(Pub. L. 99-172, § 3, Dec. 9, 1985, 99 Stat. 1020; Pub. L. 102-54, § 13(n)(8), June 13, 1991, 105 Stat. 278.)

#### AMENDMENTS

1991—Par. (5). Pub. L. 102-54 substituted "Department of Veterans Affairs" for "Veterans' Administration".

### § 3704. Service of process

With respect to service of process, the corporation shall comply with the laws of the States in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

(Pub. L. 99-172, § 4, Dec. 9, 1985, 99 Stat. 1021.)

### § 3705. Membership

Eligibility for membership in the corporation and the rights and privileges of members of the corporation shall be as provided in the constitution and bylaws of the corporation.

(Pub. L. 99-172, § 5, Dec. 9, 1985, 99 Stat. 1021.)

### § 3706. Board of directors

The composition of the board of directors of the corporation and the responsibilities of such board shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

(Pub. L. 99-172, § 6, Dec. 9, 1985, 99 Stat. 1021.)

### § 3707. Officers

The positions of officers of the corporation and the election of members to such positions shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

(Pub. L. 99-172, § 7, Dec. 9, 1985, 99 Stat. 1021.)

### § 3708. Restrictions

#### (a) Distribution of income or assets to members

No part of the income or assets of the corporation may inure to the benefit of any member, officer, or director of the corporation or be distributed to any such individual during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable

compensation to the officers of the corporation or reimbursement for actual and necessary expenses in amounts approved by the board of directors.

#### (b) Loans

The corporation may not make any loan to any officer, director, or employee of the corporation.

#### (c) Political activities

(1) The corporation may not contribute to, support, or otherwise participate in any political activity or attempt in any manner to influence legislation.

(2) No officer or director of the corporation, acting as such officer or director, may commit any act prohibited under paragraph (1) of this subsection.

#### (d) Issuance of stock; dividends

The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

#### (e) Claim of approval or authorization

The corporation shall not claim congressional approval or the authorization of the Federal Government for any of its activities.

(Pub. L. 99-172, § 8, Dec. 9, 1985, 99 Stat. 1021.)

### § 3709. Liability for acts of officers and agents

The corporation shall be liable for the acts of its officers and agents whenever such officers and agents have acted within the scope of their authority.

(Pub. L. 99-172, § 9, Dec. 9, 1985, 99 Stat. 1022.)

### § 3710. Books and records; inspection

The corporation shall keep correct and complete books and records of account and minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep, at its principal office, a record of the names and addresses of all members having the right to vote in any proceeding of the corporation. All books and records of such corporation may be inspected by any member having the right to vote in any corporation proceeding, or by any agent or attorney of such member, for any proper purpose at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

(Pub. L. 99-172, § 10, Dec. 9, 1985, 99 Stat. 1022.)

### § 3711. Annual report

The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as the report of the audit required by section 1101(70) of this title. The report shall not be printed as a public document.

(Pub. L. 99-172, § 12, Dec. 9, 1985, 99 Stat. 1022.)

#### REFERENCES IN TEXT

Section 1101(70) of this title, referred to in text, was in the original "section 11 of this Act", meaning sec-