

4555.

APPROVAL, BONDS OF BURBANK VILLAGE SCHOOL DISTRICT,  
WAYNE COUNTY, OHIO—\$1,200.00.

COLUMBUS, OHIO, August 8, 1932.

*Retirement Board, State Teachers Retirement System, Columbus, Ohio.*

4556.

CORPORATION—ORGANIZED UNDER LAWS OF FOREIGN STATE AS  
"CORPORATION FOR PROFIT"—MAY NOT QUALIFY IN OHIO AS  
"CORPORATION NOT FOR PROFIT."

*SYLLABUS:*

*A corporation organized under the laws of a foreign state for profit may not qualify to do business in Ohio under the Foreign Corporation Act of Ohio, as a corporation not for profit, even though by virtue of an agreement between its stockholders it is operated as a corporation not for profit.*

COLUMBUS, OHIO, August 9, 1932.

HON. CLARENCE J. BROWN, *Secretary of State, Columbus, Ohio.*

DEAR SIR:—I am in receipt of your request for opinion as to whether a corporation organized for profit under the laws of the State of Illinois which by virtue of an agreement between its stockholders pays whatever profits, if any, earned by such corporation to a voluntary unincorporated association of life insurance companies which operates not for profit may obtain a license to do business in Ohio under the Ohio foreign corporation act as a corporation not for profit.

You enclose with your request a copy of the articles of incorporation of such corporation together with photostatic copies of the amendments thereto, together with correspondence addressed to you from such corporation. From these enclosures it is evident that the A. \_\_\_\_\_ Service Bureau is organized under the Illinois Act entitled, "An Act in Relation to Corporations for Pecuniary Profit." It is elemental that the nature of this corporation must be determined by the law of the state creating it, since a corporation is a legal entity and has no existence except by virtue of statute.

In 10 O. J., Section 847, page 1118, the author distinguishes between corporations not for profit and corporations for profit as follows:

"Corporations not for profit may, in general, be said to embrace all the different classes of corporations organized for purposes other than for pecuniary profit to the members—the membership corporation. Associations not for profit may be religious, fraternal, charitable, or benevolent associations. Corporations for profit, within the meaning of the statute, are those which are formed for the prosecution of business enterprises with a view to realizing gains to be distributed as dividends among the shareholders in proportion to their contributions to the capital stock."