§ 516. Restrictions on officers, directors and other employees. No officer, director, clerk or other employee of any investment company, and no person in any way interested or concerned in the management of its affairs, shall as individuals discount, or directly or indirectly, make any loan upon any note or other evidence of debt, which he shall know to have been offered for discount to such corporation, and to have been refused. Every person violating the provisions of this subdivision, shall, for each offense, forfeit to the people of the state twice the amount of the loan which he shall have made.

No executive officer or director of any investment company shall borrow, directly or indirectly, from such investment company any sum of money if the transaction would not be permissible pursuant to subdivision eight of section one hundred three of this chapter in the case of an executive officer or director, as the case may be, of a bank or trust company.

Vacancies in the board of directors occasioned by resignations, deaths or other cause shall be reported by each investment company to the superintendent within ten days after the event; and the investment company shall likewise report each election by the board to fill such vacancy with the name, address and occupation of the person elected and the name of the person whose place he fills.