

[SEC, September 13, 1990]

RULES ON REGISTRATION OF FOUNDATIONS

The Commission, pursuant to the powers vested in it under Section 143 of the Corporation Code, hereby promulgates the following rules on the registration of Foundations in addition to the ordinary registration requirements for non-stock corporations:

1. Only non-stock non-profit corporations organized for charitable, religious, educational, professional, cultural, literary, scientific purposes, civic services or similar purposes shall be allowed to use the word "Foundation" as part of their corporate name;
2. A proposed Foundation shall have an initial capital contribution of at least P50,000.00 at the time of incorporation evidenced by a Certificate of Bank Deposit;
3. Public fund raising initiated by the Foundation may be conducted subject to applicable laws, rules and regulations implemented by the appropriate government agency;
4. All registered Foundations shall submit to the Commission a cash flow statement in the form prescribed by the Commission which shall form part of the annual financial statements required to be submitted by non-stock corporations under existing regulations.

Failure to comply with any of the requirements of these rules or any violation of the provisions hereof shall render the guilty corporation liable to pay a fine of not less than One Thousand (P1,000.00) Pesos but not more than Ten Thousand (P10,000.00) Pesos as may be determined by the Commission. In serious cases, the Commission, may after due notice and hearing, suspend and/or revoke the registration of the corporation.

These rules shall take effect immediately after publication in two newspapers of general circulation.

Adopted: 13 Sept. 1990

(SGD.) ROSARIO N. LOPEZ
Chairman
