

Moldova

LAW

on Foundations

The Parliament shall enact this organic law.

This law shall regulate the order of formation, functioning and cessation of foundations' activity.

Chapter I

GENERAL PROVISIONS

Article I. Concept of Foundation.

Foundation is a noncommercial organization which has no membership and established on the basis of constitutive document by one or by several physical and/or juridical persons possessing property, which is isolated and separated from the property of founders, and which is designed for accomplishing noncommercial objectives prescribed by Statute.

Article 2. Legal Status of Foundation

From the moment of its registration foundation shall acquire the status of juridical person.

Article 3. Legislation on Foundations

Activities of foundations, representations, and branches in foreign foundations, established within the territory of Republic of Moldova shall be regulated by the Constitution, current legislation, other normative acts, as well as international conventions and agreements in which either part is represented by the Republic of Moldova.

Article 4. Foundation Users

(1) Users of foundation shall be physical and juridical persons in favor of whom some payments could be exercised, services could be provided or, according to the statute of foundation, some part of foundation property could be transferred.

(2) In respect to foundation user, i. e. juridical person, the activity of foundation shall be socially useful only in case if this person is a noncommercial organization which is prescribed by points a) and b) in part (1) of article 52 of the Tax Code and conforms to the requirements of part (2) of this article.

Article 5. Public Foundations

Public foundations are foundations activity of which is directed to the protection of human rights, democratic development, receiving and dissemination of knowledge, upbringing, development of education and science, culture and art, physical training and amateur sport, health care, social protection, environmental protection, propagation of values common to all mankind, religion support, as well as other fields having socially useful nature.

Chapter II

ESTABLISHMENT OF FOUNDATION

Article 6. Founders of Foundation

(1) Foundation may be established on initiative of one or several physical and/or juridical persons (further - *founder, founders*).

(2) Founders, i. e. physical persons, can be any citizens of the Republic of Moldova capable of functioning, persons without citizenship and foreign citizens as well.

(3) Foundation can be established on the basis of testamentary disposition.

(4) Founders of foundation cannot be central or local governmental bodies and budget organizations.

Article 7. Title and Symbols of Foundation

(1) Title of foundation must necessarily contain the word “foundation”.

(2) If the title of foundation contains the name of physical person, then the foundation must submit agreement of this person with respect to the title of the foundation to the Ministry of Justice, but in case if physical person whose name was used in the title of foundation is dead, then foundation must present agreement of husband (wife), parents and children of the full legal age of the dead person.

(3) Foundations may have emblems, flags, pennants. Symbols of foundation shall be approved by its governing bodies and registered in the Ministry of Justice.

(4) Title and symbols of foundation have to differ from titles and symbols of other juridical persons, including those liquidated under the decision of court or those terminated their functioning.

(5) Symbols of foundation must not coincide with national symbols of the Republic of Moldova and other states. Using the national coat of arms in attributes of foundation shall be prohibited.

Article 8. Location of Foundation

(1) Location of foundation shall be assigned to the seat of its governing bodies.

(2) Location of foundation may be place of residence of either of its founders.

Article 9. Foundation Property and Responsibilities

(1) Starting capital of foundation shall consist of material and/or financial funds devolved to it by founder.

(2) Property devolved to foundation by founder shall be in ownership of foundation.

(3) Foundation capital must provide implementation of objectives determined by statute. Starting capital of foundation must amount a total sum of not less than two hundred minimum wages which may not be reduced in the process of foundation functioning.

(4) Resources of formation of foundation funds may be:

a) founders' fees;

b) donations from physical and juridical persons;

c) allocations from national public budget and off-budget funds;

d) grants;

e) revenues from operations of foundation and its enterprises;

f) money received as a result of activity aimed at accumulation of capital (drives aimed at attraction of money; cultural, sport, and other events, entertainments).

(5) Public funds can be allocated to support activities performed by foundation only on competitive basis and only in case if foundation is certified as public. In doing so, public funds cannot be allocated on covering administrative expenditures of foundation.

(6) Foundation property cannot be used for the benefit of its founder, staff of governing bodies of foundation, as well as foundation staff.

(7) Founder shall not bear responsibility on obligations of foundation, as well as foundation shall not bear responsibility on obligations of founder.

Article 10. Foundation Establishment Act

(1) Founder (founders) shall sign Act on Establishment of Foundation which may be a decision on establishment, if founder is one person, or an agreement on establishment, if founders are two or more persons.

(2) Act on Foundation Establishment shall be certified by notary and must include:

a) information about founder (founders): for physical persons - family name,

first name, date of birth, place of residence, citizenship, number and series of a document certifying a person; for juridical persons - number and date of issue of certificate on national registration, location, bank's requisites, family name and first name of head;

b) title of foundation;

- c) aims of foundation;
- d) categories of potential users of foundation;
- e) term of foundation activities;
- f) starting capital of foundation and order of its devolution;
- g) usage of property in case of liquidation of foundation and procedure specifying this usage;
- h) procedure of appointment and recall of staff of Foundation Board and their identification data;
- I) signature of founder (founders).

(3) If foundation is established on the basis of testamentary disposition, the decision on establishment of foundation shall be signed by executor in accordance with the Certificate on Right of Succession and shall contain identification data of executor of testamentary disposition, family name and name of founder and data prescribed in part (2) of this article, excluding points a) and i). In Certificate on Right of Succession issued by notary to the executor of testamentary disposition the obligation to register foundation within a month on behalf of testator in accordance with current legislation shall be declared. If executor of testamentary disposition avoids from execution of obligations prescribed by testamentary disposition, then on demand of notary or the Ministry of Justice a judicial body shall take a decision obliging the executor to exercise these obligations.

(4) If foundation was established on the basis of testamentary disposition, then heirs at law and creditors of founder shall have the same rights on foundation as well as on any other property devised.

Article 11. Statute of Foundation

(1) Statute of Foundation shall be approved by founder (founders). If foundation is established on the basis of testamentary disposition, then its Statute shall be approved by executor of testamentary disposition in accordance to the Certificate on Right of Succession.

(2) Statute of Foundation must include:

- a) the title of foundation;
- b) location of foundation;
- c) aims of foundation and ways of their accomplishment;
- d) identification data about founder (founders);
- e) procedure of devolution of property rights to foundation;
- f) procedure of management foundation property and its disposal;
- g) categories of potential users of foundation;
- h) term of foundation activities;
- i) procedure of appointment and recall of staff of Foundation Board, powers of Board, as well as procedure of decision-making;
- j) organizational structure of foundation, titles of its structural subdivisions, if any, and their powers;
- k) order of cessation of foundation activities, specifying conditions under which foundation can be liquidated;
- l) usage of property in case of liquidation of foundation;
- m) other special conditions which don't contradict legislation.

(3) In case if provisions of Foundation Statute contradict provisions of legislation, then provisions of legislation shall be applied.

(4) Governing bodies of foundation can make changes in Foundation Statute if possibility of such changes is specified by Statute. If preserving Statute in unchanged form results in some consequences which couldn't be predicted at the moment of foundation establishment, or if changes are not made by authorized persons, then the right to make changes shall be devolved to judicial institution on request of foundation bodies or the Ministry of Justice.

Article 12. Registration of Foundations, Branches, and Representations in Foreign Foundations

(1) Registration of foundations, branches, representations in foreign foundations shall be exercised by the Ministry of Justice.

(2) In order to register foundation, it is necessary, within one month from the day of signing act on foundation establishment by founder (founders) to present the following documents, number of which cannot be enlarged:

a) Application on Registration including information about aims of foundation, evaluation of costs required to accomplish them, as well as the order of formation of these funds. Application shall be signed by all staff of Foundation Board specifying the place of residence of each staff member;

b) Foundation Statute in two copies;

c) Act on Foundation Establishment in two copies;

d) bank document, proving payment of registration fees;

e) documents proving devolution of property to foundation;

f) written agreement of persons listed in part (2) article 7 of the current law in case of using the name of physical person in foundation title;

g) document proving location of foundation;

h) document proving the correctness of foundation title;

I) registration list assigning foundation a national identification code given to organizations.

(3) In order to register branches and representations in foreign foundations it is necessary to present decision of governing board of foundation on establishment of branch or representation specifying a person authorized by foundation to present the latter in the Republic of Moldova, Statute of Foundation translated into national language, as well as documents specified in points a), b), d), e), g), h), and i) in part (2) of this article.

(4) Amendments and supplements introduced into Foundation Statute shall subject to registration according to the order and in terms prescribed for registration of foundation.

(5) Registration fees in the amount of three minimum wages shall be charged for registration of statute, as well as amendments and supplements introduced into it. Registration fee shall not be charged for changes and supplements caused by changes in legislation.

(6) Document proving registration of foundation shall be Registration Certificate. Format of Registration Certificate shall be approved by Registry Office.

Article 13. Decision on Registration of Foundation

(1) The Ministry of Justice within one month from the date of submission of the documents for registration of a foundation shall be obliged to make one of the following decisions:

- a) to register a foundation and issue a certificate of registration;
- b) to postpone the registration of a foundation;
- c) to refuse to register a foundation.

(2) Founder as well as his/her successors can not withdraw the property of a foundation after its registration.

Article 14. Postponement of Registration of Foundation

(1) Registration of a foundation may be postponed within three-month period in case of:

- a) discrepancies between the documents submitted for registration and provisions of law;
- b) violation of the order of establishment of a foundation envisaged by this Law.

(2) The decision to postpone the registration of a foundation shall be notified to an applicant within 3 days.

Article 15. Refusal to Register a Foundation

(1) The refusal to register a foundation shall be possible in case of:

- a) the goals of a foundation are unlawful or its activity may damage principles of constitutional state, sovereignty, independence and territorial integrity of the Republic of Moldova as well as law order or moral norms;
- b) requirements related in the decision to postpone the registration were not fulfilled within three months period;
- c) the registering authority ascertained that documents submitted by a foundation contained inauthentic data;
- d) early it was registered a foundation with the same name.

(2) The decision on refusal to register a foundation shall be notified to an applicant within three days.

(3) The decision on the refusal to register a foundation within the established term or for reasons which an applicant considers as groundless may be appealed in a judicial instance within one month from the date of its adoption.

(4) The refusal to register a foundation owing to inexpediency of its establishment shall not be allowed.

(5) The refusal to register a foundation is not the encumbrance to submit documents for the registration repeatedly after elimination of reasons which have been the grounds for the refusal. The re-examination of the documents is proceeded in the established order and levied with a registration fee.

Article 16. Registration of Symbols of Foundation

(1) To register the symbols of a foundation it shall be submitted:

- a) application for the registration of the symbols signed by the head of a foundation;
- b) decision of managerial body of a foundation on the confirmation of the symbols;
- c) description and graphic image of the symbols.

(2) The application for registration of the symbols of a foundation shall be examined within one month from the day of its submission to make a decision on registration of the symbols or on refusal to register them.

(3) In case of registration of the symbols the certificate of registration shall be issued to a foundation in accordance with a sample established by the Ministry of Justice.

Article 17. Refusal to Register the Symbols of a Foundation

(1) The decision on refusal to register the symbols of a foundation shall be made in case of the symbols:

- a) are identical with the registered ones;
- b) represent the State emblem, flag or official name of the State, governmental awards and other distinctions;
- c) contain names or portraits of natural persons without their permission;
- d) conflict with the moral principles.

(2) The decision on the refusal to register a foundation shall be notified to an applicant. On the request it shall be presented in writing form and may be appealed in judicial instance in the established order.

Article 18. Subsidiaries and Representative Offices of a Foundation

(1) A foundation shall have a right to establish its subsidiaries and representative offices within the territory of the Republic of Moldova.

(2) The establishment of subsidiaries and representative offices in other states shall be regulated by laws of these states.

(3) The subsidiary shall represent a division of a foundation established by the decision of its body authorized to that by the Articles or other constituent document of a foundation. The subsidiary shall dispose outside the location of a foundation, have a specified location and carry out the same kind of activity that do a foundation.

(4) The representative office shall represent a division of a foundation established by the decision of its body authorized to that by the Articles or other constituent document of a foundation. The representative office shall dispose outside the location of a foundation, have a specified location, represent and protect interests of a foundation, and conclude bargains on behalf of a foundation.

(5) Subsidiaries and representative offices of a foundation shall not be corporate bodies and act on a basis of the regulation to be adopted by a foundation. Foundation shall allocate a share of its property to the subsidiaries and representative offices. The property of the subsidiaries and representative offices shall be on their own balances and balance of a foundation which established them.

(6) Heads of the subsidiaries and representative offices of a foundation shall be assigned by the decision of its body authorized to that by the Articles or other constituent document of a foundation and act on the basis of the letter of attorney.

(7) The subsidiaries and representative offices shall act on behalf of a foundation which established them and the latter shall account for their activities.

(8) In the departure of the part (5) of this article the subsidiaries and representative offices of foreign foundations established within the territory of the Republic of Moldova shall be the corporate bodies.

(9) The heads of the subsidiaries and representative offices of foreign foundations may be persons who reside in territory of the Republic of Moldova and assigned in conformity with the Articles of a foundation.

(10) The name of the subsidiary or representative office must contain the name of a foundation which established them.

Article 19. Certification of Foundations

(1) For the purpose of receiving partial or total immunity from specified taxes, dues and other payments for the benefit of the State as well as privileges provided in conformity with this Law and other legislations, foundations - in order to confirm the socially useful character of their activities - shall have the right to the certification according to the Articles 34-37 of the Law on Civic Associations.

(2) When the certification has been carried out a foundation shall receive the state certificate.

(3) Foundation which has not the state certificate can not enjoy tax and other privileges envisaged for non-profit organizations which carry out socially useful activities.

Chapter III

RIGHTS, DUTIES AND CONDITIONS OF ACTIVITY OF FOUNDATION

Article 20. Rights of Foundation

In conformity with its statutory purposes a foundation shall have the right to:

- a) support materially the activities of natural persons and corporate bodies provided by article 4 of this Law;
- b) freely disseminate information on its activities;
- c) establish its own mass media;
- d) carry out the publishing activity for the purpose of popularization of its activity;
- e) receive from public authorities an information necessary for the fulfillment of statutory activity;
- f) establish subsidiaries and representative offices;
- g) make uni- and multilateral bargains with natural persons and corporate bodies for research, technical, economic, financial and manufacturing cooperation, for performing work and providing services to achieve statutory objectives;
- h) carry out scientific researches and design work;
- i) support free realization of cultural and educational initiatives proposed by natural persons and corporate bodies as well as initiatives in political science, economics, mass media, public administration and other areas of science, art and culture;
- j) develop and finance specific educational and training programs in the country and abroad for citizens regardless of their social status and level of proficiency through the scholarship, grants, financial assistance, technologies, etc.;
- k) develop cultural, educational and scientific contacts between the Republic of Moldova and other nations on the basis of free exchange of ideas and information in the spirit of democracy and liberty;
- l) encourage and support materially a development of mass media and educational activity through organization of symposia, conferences and exhibitions both in the Republic of Moldova and abroad.

m) support non-profit governmental, civic and private institutions, universities and schools of the Republic of Moldova.

Article 21. Right to International Contacts

In accordance with this Law and provisions of its Articles, a foundation may become a member of international non-governmental organizations and associations, establish and promote contacts with them, complete proper agreements and take part in actions which are not contradicting to the international obligations of the Republic of Moldova as a subject of international law.

Article 22. Duties of Foundation

(1) Foundation shall be bound to:

- a) comply with the Constitution, this Law, other legislations and Article of a foundation;
- b) insert necessary changes in the constituent documents in a case of introduction of amendments in legislation or finding out contradictions between constituent documents and legislation;
- c) annually, submit to the Ministry of Justice the report which must contain data on activities of a foundation, fulfilled programs, sources of funding, total amount of funds used during the fiscal year, users of a foundation, amount of administrative costs. The report also must contain information on names of Board members and employees of a foundation, their relatives of I-III relationship degrees who used its funds and services in the reporting period as well as information on location of a foundation and identification data of its Head;
- d) within 15 days, notify the Ministry of Justice on location of a foundation if it has been changed;

(2) Failure to submit the information provided by point c) of part (1) of this Article within two years shall result in deletion a foundation from the State Register of Non-Profit organization on the grounds of court decision by the request of the Ministry of Justice.

Article 23. Conditions of Activities of Foundation

(1) Foundation shall have the right to carry out economic activity directly connected with the achievement of its statutory purposes.

(2) Any other economic activity of a foundation shall be carried out through its own enterprises which have a status of corporate body. The enterprises established by a foundation shall carry out their activities in conformity with the Law on Entrepreneurship and Enterprises, this Law and Articles of a Foundation.

(3) Records of administrative expenditures of a foundation must be kept separately from other expenditures. The administrative expenditures of a foundation of socially useful purpose must not exceed 20 % of its total payments. Administrative expenditures of a foundation shall include, in particular, assets related expenses, current expenses, expenditures on personnel, rewards for the Board members, trustees and auditor. Wages of employees of socially useful foundation must not exceed well those ones of governmental sector employees of the same qualification.

(4) The enterprises established by a foundation shall transfer payments to the budget in accordance with the procedure determined by legislation.

(5) The enterprises set up by a foundation shall register in accordance with the established procedure. Foundation and enterprises set up by it must obtain licenses for activities to be licensed.

Chapter IV

MANAGERIAL BODIES OF FOUNDATION

Article 24. Foundation Board (Board of Directors)

- (1) Higher managerial body of a foundation shall represent the Board.
- (2) The procedure of assignment and recalling of the members of the Board, their authorities as well as the procedure of the activities of the Board shall be provided by the Articles of a foundation.
- (3) First membership of the Board of a foundation shall be assigned by the founder or the executor if the members are not listed by name in the will.

Article 25. Members of Foundation Board

- (1) The members of the Foundation Board may be capable persons.
- (2) The founders of the Foundation who are physical persons, as well as the directors of the founders who are juridical persons, must not be members of the Board or other bodies of the Foundation.
- (3) No less than a half of members of the Foundation Board must be citizens of the Republic of Moldova.
- (4) Members of the Government and public servants whose functions include the conduct of the State policy in areas which are of top priority for the Foundation according to its statute must not be members of the Board and other bodies of the Foundation.
- (5) Members of the Foundation Board must not be members of other bodies of the Foundation.
- (6) The Head of the Foundation shall be appointed in accordance with the procedure envisaged by the Statute of the Foundation.

Article 26. Decisions of the Foundation Board

- (1) Decisions of the Foundation Board shall be adopted in accordance with the procedure envisaged by the Statute of the Foundation.
- (2) In the event that the Foundation Board discusses a matter related to property or other interests of a Board member or his/her first through third relations at its meeting, this Board member shall not participate in the voting, and the corresponding record shall be entered in the minutes of the meeting. The records of all the cases of adoption decisions in favour of staff-members of the foundation shall also be entered in the minutes.

Article 27. Functions of the Foundation Board

(1) The Foundation Board shall:

- (a) elaborate the strategy of Foundation development;
- (b) approve the budget and its changes, financial reports, and annual reports on Foundation activities;
- (c) manage property (assets) of the Foundation and the procedure of merger with other foundations unless such merger is prohibited by the Foundation statute;
- (d) elect new members of the Foundation Board and adopt decisions on the recall of Foundation Board members;
- (e) establish other bodies of the Foundation;
- (f) direct activities on the enlargement of Foundation property;
- (g) adopt decisions on all the matters of Foundation activities;
- (h) assure observance of the ethic norms of the non-commercial sector by the Foundation.

(2) The Foundation Board shall have the access to all the documents of the Foundation and be entitled to control the accounting and property record-keeping as well as legality of operation execution by the Foundation.

Article 28. Remuneration of Foundation Board Members' Labour

As a rule, Foundation Board members exercise their responsibilities without remuneration, it is only expenses connected with exercising their responsibilities that shall be compensated for.

Article 29. Other Bodies of the Foundation

(1) The Foundation may have a trustee council which controls foundation activities. Public foundations whose property value or assets exceed 1 million leus must have a trustee council. The trustee council shall exercise oversight of the compliance of Foundation activities with the legislation, the Foundation Statute, and ethic norms, as well as oversight of the accounting record-keeping; it shall exercise audit of annual financial reports and annual reports on Foundation activities; it shall point out the defects and suggest the Foundation Board the ways of their elimination; no less than once a year, it shall submit an account of its activities to the Foundation Board. The trustee council shall be entitled to examine documents of the Foundation and call special meetings of its Board. Members of the trustee council shall be entitled to participate in Foundation Board meetings.

(2) The Foundation may also have other bodies exercising executive functions.

(3) The bodies envisaged by points (1) and (2) shall be established by the founders or the Foundation Board. The order of establishment and functions of these bodies are specially envisaged by the Foundation Statute.

ACCOUNTING, SUPERVISION, AND OPENNESS OF THE FOUNDATION ACTIVITIES

Article 30. Accounting and Financial Reports

The Foundation shall be obligated to assure accounting management in compliance with the Law on the Accounting as well as with the national accounting standards and submit financial accounts in accordance with the legislation.

Article 31. Supervisory Body

(1) Supervisory Body shall be appointed by the Foundation Board. A revisory commission or auditor may act as a supervisory body.

(2) Supervisory Body members must be neither members of any other Foundation body, nor users of the Foundation.

Article 32. Supervision of Foundation Activities.

(1) Supervision of Foundation activities in terms of their compliance with statutory objectives shall be exercised by the Ministry of Justice. Officials of the Ministry of Justice shall be entitled to obtain information about all the aspects of Foundation activities, to look through Foundation documents, and to participate in all its events.

(2) Supervision of the financial activity of the Foundation shall be exercised by State financial and tax offices according to the procedure envisaged by the legislation.

(3) In the event that the founder or the person in whose interests the Foundation exercises its activities considers that some actions of the Foundation Board contradict the Foundation Statute, he/she shall be entitled to appeal to the Ministry of Justice with the request to eliminate these drawbacks.

Article 33. Openness of Foundation Activities.

(1) Upon the consummation of each accounting year, but no later than in six-month period since its expiration day, the Foundation shall publish the report on its activities, which must include: the total amount of finances and materials used for the achievement of statutory objectives during the accounting year, programs implemented by the Foundation, the number and categories of Foundation users, the amount of finances used for the compensation of administrative expenses.

(2) Any person shall have access to the reports on Foundation activities.

Chapter VI

CESSATION OF FOUNDATION ACTIVITIES

Article 34. Cessation of Foundation Activities

(1) Activities of the Foundation shall be ceased in case of its voluntary or obliged liquidation.

(2) The order of cessation of foundation activities in case of its voluntary liquidation shall be established by the founder and envisaged by the Foundation Statute.

(3) Obligated liquidation shall be exercised on the basis of judicial decision.

Article 35. Obligated Liquidation of the Foundation

The Foundation may be liquidated on the demand of the Ministry of Justice on the basis of judicial decision:

(a) if the annual value of its property is less than the value of its initial property;

(b) if it deviates from the statutory objectives in its activities;

(c) if its aims or applied means become illegal or contradict the public order or moral norms, or if its actions cause damage to the principles of a lawful State, or the sovereignty, independence, or territorial integrity of the Republic of Moldova;

(d) in the case envisaged by Article 22, point (2) of this law.

Article 36. Order of Liquidation of the Foundation

(1) The body that adopted the decision on the liquidation of the Foundation shall form the Commission on Liquidation and determine the order and terms of liquidation in accordance with the Civil Code and this law.

(2) The Commission on Liquidation shall publish information on the liquidation of the Foundation, which should include:

(a) the names of members of the Commission on Liquidation and location of the Foundation;

(b) the order and terms of liquidation of the Foundation;

(c) the deadline for the creditors' claims; the term must be no less than two months since the day of publishing information on the liquidation of the Foundation;

(d) invitation for the creditors to submit the evidences of their claims. The creditors who are known shall be invited individually.

(3) The Commission on Liquidation shall take measures in order to find debtors, to exact credits, informing the debtors about the liquidation of the Foundation in writing.

(4) After the term for submission of creditors' claims expires, the Commission on Liquidation shall compose a midterm liquidation balance, which should include information on the Foundation's property at the time of liquidation, list of all creditors' claims, as well as the results of their consideration.

(5) If the funds of the Foundation at the time of liquidation are not enough for the repayment of all debts to creditors, the Commission on Liquidation shall sell the property of the Foundation.

(6) Upon the repayment of debts to all the creditors, the Commission on Liquidation shall compose liquidation balance which shall be approved by the body authorized for this action according to the Foundation Statute.

(7) The property remained after the liquidation of the Foundation and repayment of debts shall be used in compliance with the Foundation Statute; in the event that the Statute does not include corresponding provisions, the property shall be used for the implementation of statutory objectives of the Foundation. The said property shall be used by means of its transfer to a similar in terms of statutory objectives foundation in accordance with the decision on liquidation. The decision concerning the use of the remained property shall be announced.

(8) The members of the Commission on Liquidation shall bear solidary responsibility for the damage caused by them.

Chapter VII

CONCLUDING AND TRANSITIONAL PROVISIONS

Article 37.

(1) The foundations that were registered before the enactment of this law shall be re-registered during one year. In this case they shall preserve the right to have their titles, symbols, bank accounts and other requisites; the date of the factual establishment of the foundation shall be inserted in the Certificate of Registration. The foundations that failed to be re-registered during one year since the day of the enactment of this law shall be considered as self-liquidated and excluded from the corresponding register on the basis of the decision of the Ministry of Justice.

(2) Noncommercial organizations that are not foundations, though having the word “foundation” in their titles, must exclude this word from their titles during one year. In case that they do not execute the provisions of this point, the title shall be changed in the due course of law on the demand of the Ministry of Justice.

(3) The Certification Commission established in compliance with Article 35 of the Law on Civic Associations shall be authorized to exercise certification of foundations.

(4) The Government should:

in six-month term create the State register of non-commercial organizations, whose holder shall be the Ministry of Justice. The existing register of civic associations should be included in the aforementioned register as its component;

in one-year term bring its legal statutory acts in conformity to this law.

