

18 GCA BUSINESS STRUCTURE & FUNCTION
CH. 10 RELIGIOUS AND NONPROFIT CORPORATIONS

PART 2
SPECIAL CORPORATE FORMS

CHAPTER 10
RELIGIOUS AND NONPROFIT CORPORATIONS

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§ 10101. Nonprofit Corporations.

Any number of persons, associated together for any lawful purpose other than pecuniary profit, may incorporate their said association, as provided in this Chapter.

SOURCE: CC § 500. All **SOURCE** references in this Chapter are to the appropriate sections of the Civil Code as found in the Civil Code, 1970 Edition, unless otherwise noted.

§ 10102. Religious Corporations. Corporation sole.

For the administration of the temporalities of any religious denomination, society, or church, and the management of the estates and properties thereof, it shall be lawful for the bishop, chief priest, or presiding elder of any such religious denomination, society, or church to become a corporation sole unless inconsistent with the rules, regulations, or discipline of his religious denomination, society, or church or forbidden by competent authority thereof.

SOURCE: CC § 501.

§ 10103. Articles of Incorporation.

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In order to become a corporation sole, the bishop, chief priest, or presiding elder of any religious denomination, society, or church must file with the Director of Revenue & Taxation articles of incorporation setting forth the following facts:

(a) That he is the bishop, chief priest, or presiding elder of his religious denomination, society, or church and that he desires to become a corporation sole.

(b) That the rules, regulations and discipline of his religious denomination, society, or church are not inconsistent with his becoming a corporation sole;

(c) That as such bishop, chief priest, or presiding elder he is charged with the administration of the temporalities and the management of the estates and properties of his religious denomination, society, or church within his territorial jurisdiction, describing it;

(d) The manner in which any vacancy occurring in the office of bishop, chief priest, or presiding elder is required to be filled according to the rules, regulations, or discipline of the religious denomination, society, or church to which he belongs;

(e) The place where the principal office of the corporation sole is to be established and located, which place must be within Guam.

(f) The fee for the filing of the articles of association or articles of incorporation of a non-profit association *shall* be Fifty Dollars (\$50.00).

SOURCE: CC § 502. Subsection (f) added by P.L. 29-002:V:I:64 (May 18, 2007).

§ 10104. Verification of Articles.

The articles of incorporation must be verified before filing by the bishop, chief priest, or presiding elder, as the case may be, and accompanied by a copy of the commission, certificate of election, or letters of appointment of such bishop, chief priest, or presiding elder, duly certified to be correct by any notary public or clerk of a court of record.

SOURCE: CC § 503.

§ 10105. Property to be Held in Trust.

From and after the filing with the Director of Revenue & Taxation of the said articles of incorporation, verified by affidavit or affirmation as

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aforesaid and accompanied by the copy of the commission, certificate of election, of letters of appointment of the bishop, chief priest, or presiding elder, duly certified as prescribed in § 10104, such bishop, chief priest, or presiding elder, as the case may be, shall become a corporation sole, and all temporalities, estates and properties of the religious denomination, society, or church theretofore administered or managed by him as such bishop, chief priest, or presiding elder shall be held in trust by him as a corporation sole for the use, purpose, behoof, and sole benefit of his religious denomination, society, or church, including hospitals, schools, colleges, orphan asylums, parsonages, and cemeteries thereof. For the filing of such articles of incorporation the Director of Revenue & Taxation shall collect Twelve Dollars and Fifty cents (\$12.50).

SOURCE: CC § 504.

§ 10106. Successors, Commissions, or Certificates of Election.

The successors in office of any bishop, chief priest, or presiding elder incorporated as a corporation sole shall become the corporation sole on accession to office, and shall be permitted to transact business as such on filing with the Director of Revenue & Taxation a copy of their commissions, certificates of election, or letters of appointment duly certified to be correct by any notary public or clerk of a court of record.

For filing of every such copy of a commission, certificate, or letters the said Director of Revenue & Taxation shall collect the sum of Five Dollars (\$5.00).

During a vacancy in the office of bishop, chief priest, or presiding elder of any church incorporated as a corporation sole, the person or persons authorized and empowered by the rules, regulations, or discipline of the religious denomination, society, or church represented by the corporation sole to administer the temporalities and manage the estates and property of the corporation sole during the vacancy shall exercise all the power and authority of the corporation sole during such vacancy.

SOURCE: CC § 505.

§ 10107. Purchase, Sale, etc., of Property.

Any corporation sole may purchase and hold real estate and personal property for its church, charitable, benevolent, or educational purposes, and may receive bequests or gifts for such purposes. Such corporation may mortgage or sell real property held by it upon obtaining an order for that

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purpose from the Superior Court; but before making the order proof must be made to the satisfaction of the court that notice of the application for leave to mortgage or sell has been given by publication or otherwise in such manner and for such time as said court or the judge thereof may have directed, and that it is to the interest of the corporation that leave to mortgage or sell should be granted.

The application for leave to mortgage or sell must be made by petition, duly verified by the bishop, chief priest, or presiding elder, acting as corporation sole, and may be opposed by any member of the religious denomination, society, or church represented by the corporation sole; Provided, however, that in cases where the rules, regulations, and discipline of the religious denomination, society, or church concerned, represented by such corporation sole, regulate the methods of acquiring, holding, selling, and mortgaging real estate and personal property, such rules, regulations, and discipline shall control and the intervention of the courts shall not be necessary.

SOURCE: CC § 506.

§ 10108. Incorporation of Societies, Orders, etc.

Any religious society or religious order, or any diocese, synod, or district organization of any church, unless forbidden by the constitution, rules, regulations, or discipline of the religious order, society, or church of which it is a part, or by competent authority, may upon the written consent of two-thirds (2/3) of the membership, or by an affirmative vote of two-thirds (2/3) of the membership had at a regular meeting, incorporate for the administration of its temporalities or for the management of its properties or estates by filing with the Director of Revenue & Taxation articles of incorporation verified by the affidavit or affirmation of the presiding officer, secretary, or clerk or other member of such religious society, religious order, or diocese, synod, or district organization of the church setting forth the following facts:

(a) That the religious society, religious order, or district organization is a religious society or religious order or diocese, synod, or district organization of some church;

(b) That two-thirds (2/3) of its membership have given their written consent or have voted to incorporate at a regular meeting of the body;

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(c) That the incorporation of the religious society, religious order, diocese, synod or district organization of the church desiring to incorporate is not forbidden by competent authority or by the constitution, rules, regulations, or discipline of the society, church, or order of which it is a part;

(d) That the religious society or religious order or diocese, synod, or district organization of the church desires to incorporate for the administration of its temporalities or the management of its properties or estates;

(e) The place where the principal office of the corporation is to be established and located, which place must be within Guam;

(f) The names and residences of the directors or trustees elected by the religious society or order, or the diocese, synod, or district organization of the church to serve for the first year or such other times as may be prescribed by the laws of the society or order, or of the diocese, synod or district organization of the church, the board of directors or trustees to be *not* less than five (5) nor *more* than fifteen (15). For the filing of such articles of incorporation, the Director of Revenue & Taxation *shall* collect Twenty-five Dollars (\$25.00).

SOURCE: CC § 507. Subsection (f) amended by P.L. 29-002:V:I:64 (May 18, 2007).

§ 10109. Bylaws.

Bylaws for the government of the corporation not inconsistent with law or with the constitution, bylaws, rules, regulations, or discipline of the religious society, religious order, or church of which the corporation forms a part may be adopted or amended at any regular meeting called for the purpose by the incorporated religious society or religious order or by any convention, synod, or other legal representative of the church in and for the district.

SOURCE: CC § 508.

§ 10110. Right to Administer Passes to the Corporation.

The right to administer all temporalities and all property held or owned by a religious order or society, or by the diocese, synod, or district organization of any religious denomination or church shall, on its incorporation, be held in trust for the use, purpose, behoof, and benefit of the

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religious society or order so incorporated or the church of which the diocese, synod, or district organization is an organized and constituent part.

SOURCE: CC § 509.

§ 10111. Purchase of Real Estate.

Such corporations shall have the right to purchase, hold, mortgage, or sell real estate for its church, charitable, benevolent, or educational purposes by and with the consent of a majority of its membership.

SOURCE: CC § 510.

§ 10112. Religious Corporations to Hold Land.

It shall be lawful for all religious associations, of whatever sect or denomination, whether incorporated in Guam or in some other country, or not incorporated at all, to hold land in Guam upon which to build churches, parsonages, or educational or charitable institutions.

SOURCE: CC § 511.

§ 10113. Nonincorporated Associations.

Such religious institutions, if not incorporated, shall hold the land in the name of three trustees for the use of such associations; the trustees shall be selected by the directing body in Guam for such associations, and vacancies occurring among the trustees by death, resignation, or other cause shall be filled in the same manner as the original selection.

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