PREAMBLE: The following Rules are hereby adopted by the Secretary of State by the authority granted him in Miss. Code Ann. § 79-11-504 (1972). The Business Regulation & Enforcement Division of the Office of the Secretary of State has been vested with the authority to regulate charities as provided in Miss. Code Ann. §§ 79-11-501 through 79-11-529 (1972). These Rules supersede all rules heretofore adopted and from this date shall be generally applicable to the administration of the Charitable Solicitations Act, and the procedure and practice of the Business Regulation & Enforcement Division in accordance herewith. The adoption of these Rules represents a finding by the Secretary of State that such Rules are necessary and appropriate for the public interest and for the protection of contributors and are consistent with the purposes fairly intended by the policy and provisions of the Charitable Solicitations Act. These Rules are intended to supplement the statutory provisions of the Charitable Solicitations Act and should not be considered as replacing or superseding any provision concerning filings, registrations, applications, or any other requirement contained therein.

Article 1

§ 101 – Definitions. Add the following definitions:

(D) "Charitable sales promotion" shall mean an advertising or sales campaign, conducted by a commercial co-venturer, which represents that the purchase or use of goods or services offered by the commercial co-venturer will benefit, in whole or in part, a Charitable Organization or purpose.

(E) "Commercial Co-venturer" shall mean any person or entity who is regularly and primarily engaged in the production, trade, sale, or commerce of goods other than in connection with the raising or solicitation of funds, assets, or other property for charitable organizations or charitable purposes, who for indirect compensation (limited to goodwill or tax benefits) and not for direct compensation (including contractually arranged fees, commissions or other monetary remuneration), and for no more than sixty (60) days over a twelve (12) month period (the "charitable sales promotion" period), conducts, promotes, underwrites, arranges, markets, sponsors or advertises a sale, performance, or event of any kind which will benefit, to any extent, a Charitable Organization.

A person or entity who contracts with a Charitable Organization to benefit that charity to any extent, and who receives only indirect compensation limited to goodwill or tax benefits as a result of that contractual agreement, is considered neither a commercial co-venturer nor a professional fund-raiser so long as neither the person (or entity) nor the Charitable Organization conducts, promotes, underwrites, arranges, markets, sponsors, or advertises the relationship to the public during the contract period.

§ 103 – Filing materials.

All papers, forms or information required to be filed with the Division may be filed electronically as permitted by the Division, through the mails or otherwise. The date on which papers, forms or other documents are actually received by the Division shall be the date of filing thereof. An application is not considered complete and will not be further processed until all required documentation has been received by the Division.

§ 111 – Interpretations by the Division.

Pursuant to §79-11-504(b) of the Act, the Division may respond to written inquiries concerning interpretations of the Act or the rules promulgated thereunder, provided sufficient relevant facts are given and the situation is not hypothetical. The Division may refuse to respond to any inquiry. The Division shall impose a fee of one hundred dollars ($100) for each interpretive opinion it issues in response to such inquiries.

Article 2

§ 201 – Registration statement.

In order to apply for registration as a Charitable Organization pursuant to §79-11-503 of the Act, the following must be submitted to the Division:

(A) The Unified Registration Statement;

(B) The non-refundable $50.00 registration fee;

(C) Copies of contracts between the Charitable Organization and any Professional Fund-Raisers relating to financial or other compensation or profit to be derived by the Professional Fund-Raisers; (D) With the initial registration only, a copy of the current charter, articles of incorporation, bylaws and/or any other instrument of organization and any federal tax exemption determination letter from the Internal Revenue Service or notification of any rescission of, challenge to, or investigation of the Charitable Organization's federal tax exemption;

(E) A financial report and other information and documents as required by Section 79-11-507 of the Act; and (F) An alternate address, different than that of the address of the Charitable Organization for which registration is sought, for each of the president, chief executive officer or executive director (or equivalent thereof), and chief financial officer or treasurer (or equivalent thereof) of the Charitable Organization. Because these addresses are available to the public upon request, the Division recommends that home addresses not be used.

§ 205 – Renewal.

In order to renew the Certificate of Registration, the following must be submitted to the Division on or before one year from the date of the Certificate of Registration in order to renew:

(A) The Unified Registration Statement;

(B) The $50.00 non-refundable renewal fee;

(C) Copies of contracts not already on file with the Division between the Charitable Organization and any Professional Fund-Raisers relating to financial compensation or profit to be derived by the Professional Fund-Raisers;

(D) A financial report and other information and documents as required by Section 79-11-507 of the Act;

(E) An alternate address, different than that of the address of the Charitable Organization for which renewal is sought, for each of the president, chief executive officer or executive director (or equivalent thereof), and chief financial officer or treasurer (or equivalent thereof) of the Charitable Organization. Because these addresses are available to the public upon request, the Division recommends that home addresses not be used; and

(F) A notarized statement of solicitations must be submitted with the Registration Statement (Form URS) if the renewal is late. When the renewal is received after the expiration of the Certificate of Registration, a statement detailing the solicitations made during the period of non-registration must be submitted. The statement must contain the donations pledged and donations received from Mississippi residents. If no solicitations were made, the statement must affirm that no solicitations were made during the period of non-registration. For purposes of this subsection, the period of non-registration shall mean the date on which the Certificate of Registration expired through the date on which the Division receives the complete renewal package. A renewal is not considered complete and will not be further processed until the Division has received all the required documentation, including the statement of solicitations.

§ 207 – Notice of exemption.

Any Charitable Organization claiming an exemption from registration pursuant to § 79-11-505 of the Act must, prior to any solicitations, file with the Division a properly completed Notice of Exemption (on Secretary of State Form CE) along with the documentation required by such form and a processing fee of fifty dollars ($50). The Division shall review the Notice and may request additional information from the Organization in order to make a determination. The Division shall notify the Organization of its determination within sixty (60) days of the filing of the Notice.

Upon finding that the Charitable Organization qualifies for an exemption, the Division will issue the Organization a Certificate of Exemption which shall remain in effect until the Division is notified that the Organization is no longer soliciting contributions, or that the Organization's status has changed such that registration would be required. Upon finding that the Charitable Organization does not qualify for an exemption, the Division shall notify the Organization of this determination and the Organization shall be required to file a registration statement as provided in Section 201 of these Rules within thirty (30) days of receipt of such notice. Any change to information on file with the Division should be made within thirty (30) days of said change.

§ 209 – Termination of registration or cessation of fundraising activities within the State.

(A) A registered Charitable Organization may terminate its registration by submitting a Notice of Termination or a letter requesting termination to the Division within thirty (30) days of ceasing activities in the state.

(B) A registered Charitable Organization which chooses to either terminate its registration or not renew its registration must submit a final report to the Division within thirty (30) days of the date of termination or expiration, respectively. The final report must contain the following:

(1) For a Charitable Organization which has ceased operations and sold or distributed all or substantially all of its assets:

(a) A list of officers and trustees of the Charitable Organization, including their addresses and telephone numbers, which shall be different from the address of the Charitable Organization;

(b) A financial statement meeting the criteria of Section 79-11-507 of the Act;

(c) If the Charitable Organization is a domestic corporation, a filed, stamped copy of the corporation's Articles of Dissolution filed with the Mississippi Secretary of State Business Services Division meeting the criteria of Section 79-11-337 of the Mississippi Code;

(d) If the Charitable Organization is a foreign corporation, a filed, stamped copy of the corporation's Articles of Dissolution filed with the secretary of state (or other state agency performing this function) of the Charitable Organization's state of incorporation and/or other terminating documents as filed with the appropriate regulator in the Charitable Organization's state of incorporation; and

(e) A sworn statement signed by an officer of the Charitable Organization providing details of the final distribution of assets. This statement shall indicate the name or names and addresses of the party or parties that received the distributed assets, along

with such parties' state of organization and whether the parties are registered as a charity in any state and/or have obtained tax-exempt 501(c)(3) status with the IRS.

(2) For all other Charitable Organizations, foreign or domestic, which opt not to renew for any other reason:

(a) A financial statement meeting the criteria of Section 79-11-507 of the Act; and

(b) A sworn and dated statement signed by an officer of the Charitable Organization certifying that the Organization has ceased charitable solicitations within the State.

Article 3

§ 317 –Commercial Co-venturers.

(A) A Commercial Co-venturer engaging in a charitable sales promotion is required to file with the Secretary of State a notice of the promotion no less than thirty (30) days prior to the start of said promotion. Such notice must include a copy of the contract between the Co-venturer and the Charitable Organization.

(B) The Secretary of State also requires a Commercial Co-venturer to file a financial accounting of the charitable sales promotion no later than thirty (30) days after the conclusion of said promotion. This accounting shall include the following:

(a) The number of units of goods or services sold in Mississippi;

(b) The amount of gross sales in Mississippi;

(c) The amount of those gross sales paid by the co-venturer to the Charitable Organization; and

(d) In the case of a multi-state, national or international campaign, the percentage of total sales in Mississippi paid to the charity.

Article 4

§ 417 – Order to be filed upon completion of hearing.

After all evidence is heard or received and the hearing is completed, the Hearing Officer shall, within a reasonable time thereafter, prepare and file proposed written findings of fact and conclusions of law and a proposed Decision and Final Order based thereon. The Secretary shall review the findings of fact and conclusions of law of the hearing officer, and may accept, modify, or reject, in whole or in part, the findings of fact and conclusions of law. The Secretary

shall thereafter issue a Final Order, a copy of which shall be sent promptly, via certified mail, return receipt requested, to all Parties who appeared at the administrative hearing, or to their attorney(s) or authorized representative(s).

Article 5 [reserved]