

**CALIFORNIA DEPARTMENT OF JUSTICE**  
**TITLE 11. LAW**  
**DIVISION 1. ATTORNEY GENERAL**  
**CHAPTER 4. SUPERVISION OF TRUSTEES AND FUNDRAISERS FOR**  
**CHARITABLE PURPOSES ACT and**  
**CHAPTER 15. ATTORNEY GENERAL REGULATIONS REGARDING**  
**ADMINISTRATIVE ENFORCEMENT OF THE SUPERVISION OF TRUSTEES AND**  
**FUNDRAISERS FOR CHARITABLE PURPOSES ACT**  
**TEXT OF PROPOSED REGULATIONS**

The original text published in the California Code of Regulations has no underline. Changes are illustrated by [blue underline](#) for proposed insertions and ~~red strikethrough~~ for proposed deletions.

**Chapter 4. Supervision of Trustees and Fundraisers for Charitable Purposes Act**

**Article 1. Registration, Reporting, and General Supervision of Trustees and Fundraisers**

**§ 300. Initial Registration.**

- (a) Every charitable corporation, unincorporated association, trustee or other person subject to the registration requirements of that act entitled the “Supervision of Trustees and Fundraisers for Charitable Purposes Act” (Article 7, Chapter 6, Part 2, Division 3, Title 2, of the Government Code commencing with Section 12580, hereafter “Act”) shall file with the Attorney General a copy of the articles of incorporation and bylaws, trust agreement, decree of distribution or other instrument governing its operation, as provided [in Government Code section 12585 and](#) below. [Trustee includes a platform charity as defined in Government Code section 12599.9.](#) Filing of the Initial Registration Form, the supporting documents required by that form, and the required registration fee of \$50 shall constitute the initial registration. Required information and supplemental documents identified in the Initial Registration Form that are not available at the time of filing of the form may be submitted within ninety (90) days of submittal of the form.
- (b) An Initial Registration Form (“Form CT-1” Rev. ~~02/2021~~[01/2023](#)), hereby incorporated by reference, and supplemental documents identified in that form shall be submitted to the Registry of Charitable Trusts.
- (c) The registrant will be assigned a registration number (CT number) upon completion of the registration process.

[\(d\) The registration requirements for a commercial fundraiser for charitable purposes, fundraising counsel for charitable purposes, and commercial coventurer are set forth in](#)

Government Code sections 12599, 12599.1, and 12599.2, and section 313 of these regulations. The registration requirements for a charitable fundraising platform are set forth in Government Code section 12599.9 and section 315 of these regulations. Although a commercial fundraiser for charitable purposes, fundraising counsel for charitable purposes, commercial coventurer, and charitable fundraising platform are trustees, they are not required as part of initial registration to file a copy of the articles of incorporation and bylaws, trust agreement, decree of distribution or other instrument governing their operation.

**Note:** Authority cited: Sections ~~12584~~, 12585, 12586, ~~and~~ 12587 and 12599.10, Government Code. Reference: Sections 12581, 12583, 12584, 12585, 12586, 12587, ~~and~~ 12598, 12599, 12599.1, 12599.2, 12599.9 and 12599.10, Government Code; and Section 5227, Corporations Code.

### **§ 300.1. Educational Institution Exemption.**

(a) Educational institutions are exempt from the filing, registration, and reporting provisions of the Act. “Educational institution” means that term as defined in Corporations Code section 10251, any public school, unincorporated association, or any nonprofit corporation that meets all of the following criteria:

- (1) ~~p~~Primarily presents formal instruction~~;~~;
- (2) ~~m~~Maintains a regular faculty and curriculum~~;~~;
- (3) ~~h~~Has a regularly enrolled body of students~~;~~ and
- (4) ~~h~~Has either physical or virtual classroom facilities.

(b) “Formal instruction” or “curriculum” may include, but is not limited to, any of the following:

- (1) A program that teaches the arts (including, but not limited to, dance, drama, and music), cultural studies, a foreign language, geography, language arts (including, but not limited to, the alphabet), math (including, but not limited to, elementary numbers and puzzle solving), practical life and sensorial skills, or science (including, but not limited to, basic science and nature studies).

(c) An entity that primarily provides custodial care for children and not formal instruction is not an educational institution for purposes of this section. Even if such entity has some educational activities, if the primary purpose of the program is not the presentation of formal instruction, it is

not an educational institution.

(d) Designation as an “educational institution” or “school” by the Internal Revenue Service (IRS) and/or the Franchise Tax Board (FTB) does not determine whether the organization is exempt from registration and reporting with the Attorney General’s Registry of Charitable Trusts.

**Note:** Authority cited: Sections 12585, [12586](#) and 12587, Government Code. Reference: Section 12583, Government Code.

### **§ 300.2. Government Exemption.**

(a) Governments in the United States and their agencies and subdivisions are exempt from the filing, registration, and reporting provisions of the Act. Public benefit corporations may fall under this exemption if they meet all of the following criteria:

- (1) The bylaws or articles show that the public benefit corporation was founded by government, to benefit government and its constituents, and that at dissolution all funds are transferred to the founding government,
- (2) The bylaws or articles demonstrate that government has the right to nominate or appoint members of the board, and
- (3) The founding government has the ability to prevent the loss of charitable assets through inspection rights, the right to conduct audits, or to obtain regular financial reports.

**Note:** Authority cited: Sections 12585, [12586](#) and 12587, Government Code. Reference: Section 12583, Government Code.

### **§ 301. Periodic Written Reports.**

[\(a\)](#) Except as otherwise provided in the Act, every charitable corporation, unincorporated association, trustee, or other person subject to the reporting requirements of the Act shall also file with the Attorney General periodic written reports, under penalty of perjury, setting forth information as to the nature of the assets held for charitable purposes and the administration thereof by such corporation, unincorporated association, trustee, or other person.

[\(b\)](#) Except as otherwise provided in these regulations, the following reports must be filed with

the Registry of Charitable Trusts annually by all registrants: (1) the Annual Registration Renewal Fee Report, (“Form RRF-1” Rev. ~~02/2021~~[01/2023](#)), hereby incorporated by reference, ~~which must be filed with the Registry of Charitable Trusts annually by all registered charities~~ and (2) Internal Revenue Service Form 990, 990-PF, 990-EZ, or 1120, together with all attachments and schedules as applicable, in the same form as filed with the Internal Revenue Service. Schedule B [to Internal Revenue Service Form 990](#) is not required. At the time of filing the annual renewal of registration form (Form RRF-1), the registrant must submit a fee, as set forth in section ~~311~~[306](#).

~~(c) Organizations~~ [A registrant](#) whose revenue falls below the threshold for filing IRS Form 990-EZ, shall file Form RRF-1 with the Registry [of Charitable Trusts](#), together with the Annual Treasurer’s Report (“Form CT-TR-1” Orig. 09/2017), hereby incorporated by reference, sufficient to identify and account for assets, liabilities, income and expenses.

~~(d) A charitable organization~~ [registrant](#) that is not exempt from taxation under federal law shall use Internal Revenue Service Form 990 or 1120 to comply with the reporting provisions of the ~~Supervision of Trustees and Fundraisers for Charitable Purposes~~ Act. The form shall include, at the top of the page, in 10-point type, all capital letters, “THIS ORGANIZATION IS NOT EXEMPT FROM TAXATION.”

~~(e) Registration~~ [Reporting](#) requirements for ~~a commercial fundraisers~~ for charitable purposes, fundraising counsel for charitable purposes, and commercial coventurers are set forth in section ~~308~~[313](#) of these regulations. [Reporting requirements for a charitable fundraising platform and additional reporting requirements for a platform charity are set forth in section 315 of these regulations.](#)

~~(f) The reporting and registration renewal requirements in the Act and Article 1 of these regulations apply to any unregistered person or entity for the time period that registration was required.~~

**Note:** Authority cited: Sections 12586, ~~and~~ 12587 [and 12599.10](#), Government Code. Reference: Sections 12581, 12582, [12582.1](#), 12583, 12586, 12587, 12599, 12599.1, 12599.2, ~~and~~ 12599.8, [12599.9 and 12599.10](#), Government Code.

### **§ 302. Place of Filing.**

All instruments, reports or other data required to be filed pursuant to these regulations or

pursuant to the provisions of the Act shall be filed with the Registry of Charitable Trusts in the [Office of the Attorney General, Sacramento, California.](#)

**Note:** Authority cited: Sections [12585](#), 12586, ~~and 12587~~ [and 12599.10](#), Government Code.

Reference: Sections [12584](#), 12585, 12586, 12587, 12599, 12599.1, ~~and 12599.2~~, [12599.9, and 12599.10](#), Government Code.

### **§ 303. Filing Forms.**

All periodic written reports required to be filed under the provisions of section 12586 of the Government Code and section 301 of these regulations shall be filed with the Registry of Charitable Trusts, and include: (1) the Annual Registration Renewal Fee Report (“Form RRF-1” Rev. ~~02/2021~~[01/2023](#)); and (2) Internal Revenue Service Form 990, 990-EZ, 990-PF, 1120, or Form CT-TR-1, as applicable.

**Note:** Authority cited: Sections 12586 and 12587, Government Code. Reference: Sections 12581, 12583, 12586 and 12587, Government Code.

### **§ 304. Time of Filing Reports.**

The first such periodic report shall be filed as required by ~~paragraph (d) of section 12586 of the~~ Government Code [section 12586, subdivision \(d\)](#).

**Note:** Authority cited: Sections 12586 and 12587, Government Code. Reference: Sections 12581, 12583, 12586 and 12587, Government Code.

### **§ 305. Annual Filing of Reports.**

After the first periodic report is filed, as required by section 304 of these regulations, periodic written reports shall thereafter be filed on an annual basis unless specifically required or permitted to be filed on other than an annual basis as set forth in these regulations, or when filing has been suspended by the Attorney General pursuant to Government Code section 12586. The time for filing any periodic report subsequent to the first periodic report shall be no later than four months and fifteen days after the organization’s accounting period ends (May 15 for

calendar-year filers) ~~subsequent to the filing of the first report~~, but in no event less than once annually, unless for good cause extension of such annual filing has been granted by the Attorney General, or otherwise excused. If the Internal Revenue Service grants an extension to file the Form 990, 990-PF, 990-EZ, or 1120, that extension will be honored by the Registry of Charitable Trusts for purposes of filing the Form 990, 990-PF, 990-EZ, or 1120, and the Annual Registration Renewal Fee Report (“Form RRF-1” Rev. ~~02/2021~~[01/2023](#)) with the Registry of Charitable Trusts. The Form RRF-1 and Form 990, 990-PF, 990-EZ, 1120, or Form CT-TR-1 shall be filed simultaneously with the Registry of Charitable Trusts.

**Note:** Authority cited: Sections 12586 and 12587, Government Code. Reference: Sections 12581, 12582, [12582.1](#), 12583, 12586 and 12587, Government Code.

**§ ~~311~~[306](#). Annual Registration Fee.**

(a) No form or report from any charitable corporation, unincorporated association, trustee or other person required to register or file a periodic report shall be accepted for filing unless accompanied by the appropriate fee. [Trustee includes a platform charity as defined by Government Code section 12599.9](#). Filing and processing fees shall be paid by registrants at the time of filing as follows:

- (1) ~~a~~[A](#) \$50 initial registration fee;
- (2) ~~a~~[A](#)n annual registration renewal fee, the amount of which shall be determined based on the registrant’s total revenue for the preceding fiscal year, as follows:

<b>Total Revenue</b>	<b>Fee</b>
Less than \$50,000	\$25
Between \$50,000 and \$100,000	\$50
Between \$100,001 and \$250,000	\$75
Between \$250,001 and \$1 million	\$100
Between \$1,000,001 and \$5 million	\$200
Between \$5,000,001 and \$20 million	\$400
Between \$20,000,001 and \$100 million	\$800
Between \$100,000,001 and \$500 million	\$1000

Greater than \$500 million

\$1200

(b) This section does not apply to commercial fundraisers for charitable purposes, as defined by Government Code section 12599, fundraising counsel for charitable purposes, as defined by Government Code section 12599.1, ~~or~~ commercial coventurers, as defined by Government Code section 12599.2, and charitable fundraising platforms, as defined by Government Code section 12599.9.

**Note:** Authority cited: Sections 12586, ~~and~~ 12587, and 12599.10, Government Code. Reference: Sections 12585, 12586, 12587, 12599, 12599.1 ~~and~~ 12599.2, 12599.9 and 12599.10, Government Code.

**§ ~~306~~307. Contents of Reports.**

(a) Periodic reports shall be executed under penalty of perjury and shall set forth in detail all of the information required by the applicable forms set forth in these regulations. Incomplete or incorrect reports will not be accepted as meeting the requirements of the law.

(b) A copy of an account filed by a trustee in a court having jurisdiction over the trust shall not be accepted in lieu of a report on official forms unless such court accounting is identical in form and content with the official forms and is compatible without alteration with electronic data processing equipment in the same manner as reports on official forms.

(c) When requested by the Attorney General any periodic report shall be supplemented to include such additional information as the Attorney General deems necessary to enable the Attorney General to ascertain whether the corporation, trust or other relationship is being properly administered.

**Note:** Authority cited: Sections 12586 and 12587, Government Code. Reference: Sections 12581, 12586 and 12587, Government Code.

**~~§ 307. Extended Reporting Period.~~**

*Repealed*

**§ ~~312.1308~~308. Board or Trustee Review of Executive Compensation.**

The board of directors or an authorized committee of the board of a charitable corporation or unincorporated association and all trustees of a charitable trust shall review and approve the compensation, including benefits, of all of the following: every person, regardless of title, with powers, duties, or responsibilities comparable to the president, chief executive officer, treasurer, or chief financial officer. The review shall be conducted in accordance with Government Code section 12586, [subdivision](#) (g).

**Note:** Authority cited: Sections 12586 and 12587, Government Code. Reference: Section 12586, Government Code.

**§ ~~309. No Activity Report.~~**

*Repealed*

**§ ~~310~~309. Public Inspection of Charitable Trust Records.**

(a) The register, copies of instruments and the reports filed with the Attorney General, except as provided in subdivision (b) and pursuant to Government Code section 12590, shall be open to public inspection at the Registry of Charitable Trusts in the [e](#)Office of the Attorney General, Sacramento, California, at such reasonable times as the Attorney General may determine. Such inspection shall at all times be subject to the control and supervision of an employee of the Office of the Attorney General.

(b) Donor information exempt from public inspection pursuant to Internal Revenue Code section 6104 (d)(3)(A) shall be maintained as confidential by the Attorney General and shall not be disclosed except as follows:

- (1) In a court or administrative proceeding brought pursuant to the Attorney General's charitable trust enforcement responsibilities; or
- (2) In response to a search warrant.

**Note:** Authority cited: Sections 12587 and 12590, Government Code. Reference: Section 12590, Government Code.



**§ ~~312~~310. Use of Annual Registration Fee.**

Annual registration fees paid pursuant to Government Code section 12587 and section ~~311~~306 of ~~this chapter~~these regulations, registration or renewal fees paid pursuant to Government Code sections 12599, 12599.1, ~~and~~12599.2, and 12599.9, and the Registry of Charitable Trusts Fund established pursuant to Government Code section 12587.1, shall be used to operate and maintain the Attorney General’s Registry of Charitable Trusts, to provide public access via the Internet to reports filed with the Registry of Charitable Trusts in the ~~o~~Office of the Attorney General, Sacramento, California, and to enforce the registration and reporting provisions.

**Note:** Authority cited: Sections 12586, ~~and~~12587 and 12599.10, Government Code. Reference: Sections 12585, 12586, 12587, 12587.1, 12599, 12599.1, ~~and~~12599.2 and 12599.9, Government Code.

**§ ~~313~~311. Address of Record.**

Every registrant and applicant is responsible for keeping the Registry of Charitable Trusts informed of the registrant’s or applicant’s current address. Any notice, order or document issued by the Attorney General shall be deemed properly served if mailed to the registrant’s or applicant’s address of record. The address of record is the address listed on the most recent registration or renewal form filed with the Registry unless the registrant or applicant has subsequently notified the Registry of a change of address in writing.

**Note:** Authority cited: Sections ~~12584~~,12585, 12586~~(a)~~,~~12586(b)~~, ~~and~~12587; and 12599.10, Government Code. Reference: Sections 12584, 12594, 12598~~(a)~~, 12599, 12599.1 ~~and~~ 12599.2, 12599.9 and 12599.10, Government Code.

**§ ~~999.9.4~~312. Registrant Must Be In Good Standing to Operate or Solicit.**

A person or entity subject to the registration requirements of ~~Government Code section 12580-et seq.~~the Act must be registered and in good standing with the Registry of Charitable Trusts to operate or solicit for charitable purposes in California. A registration that is delinquent, suspended or revoked is not in good standing, and is prohibited from engaging in conduct for which registration is required including, but not limited to solicitation for charitable purposes.

**Note:** Authority cited: Sections 12581, ~~12584~~, 12585, 12586, 12587, 12598, ~~12598(e)~~, ~~12599~~, ~~12599.1 and 12599.2~~, and 12599.10, Government Code. Reference: Sections 11400 et seq., 11500 et seq., 12581, 12585, 12586, ~~and~~ 12586.1, 12591.1, 12598, 12599, 12599.1, 12599.2, 12599.9 and 12599.10, Government Code.

**§ ~~308~~313. Registration, Annual Filing, and Notice Requirements for Commercial Fundraisers for Charitable Purposes, Fundraising Counsel for Charitable Purposes, and Commercial Coventurers.**

Every commercial fundraiser for charitable purposes, fundraising counsel for charitable purposes, and commercial coventurer that is subject to the Act must register with the Attorney General ~~prior to~~before soliciting any funds in California, and annually on or before January 15 of each year. The registration requirements and fees are set forth in this section. Each registrant will be assigned a registration number upon completion of the registration process.

(a) A “commercial fundraiser for charitable purposes,” as defined in Government Code section 12599, must submit the following at the time of initial registration and annual renewal:

- (1) A completed Commercial Fundraiser for Charitable Purposes Annual Registration Form (“Form CT-1CF” Rev. ~~02/2021~~01/2023), hereby incorporated by reference.
- (2) \$500 by check, electronically, or other means of payment prescribed by the Attorney General.
- (3) The original of a properly executed \$25,000 surety bond form in the registrant’s name, together with a signed Registry of Charitable Trusts Surety Bond Form (“Form CT-4CF” Rev. 09/2017), hereby incorporated by reference; or completion of the Deposit by Assignment in Lieu of Commercial Fundraiser for Charitable Purposes Surety Bond Form (“Form CT-8CF” Rev. 09/2017), hereby incorporated by reference; and Receipt for Notice of Assignment in Lieu of Commercial Fundraiser for Charitable Purposes Surety Bond Form (“Form CT-9CF” Rev. 09/2017), hereby incorporated by reference, together with the original passbook or certificate of deposit indicating \$25,000 is held in the Attorney General’s name.
- (4) An annual financial report as described in Government Code section 12599, subdivision (d). The forms for the annual financial report include the Commercial

Fundraiser for Charitable Purposes (“Form CT-2CF” Rev. ~~02/2020~~[01/2023](#)), hereby incorporated by reference; the Commercial Fundraiser for Charitable Purposes/Thrift Store Operations (“Form CT-2TCF” Rev. ~~02/2020~~[01/2023](#)), hereby incorporated by reference; and the Commercial Fundraiser for Charitable Purposes/Vehicle Donation Program (“Form CT-2VCF” Rev. ~~02/2020~~[01/2023](#)), hereby incorporated by reference. The annual financial reports must be filed on or before January 30 of each year and report all revenue raised nationwide; ~~reporting is not restricted to revenue raised in California.~~

(b) A “fundraising counsel for charitable purposes,” as defined in Government Code section 12599.1, must submit the following at the time of initial registration and annual renewal:

- (1) A completed Fundraising Counsel for Charitable Purposes Annual Registration Form (“Form CT-3CF” Rev. ~~02/2021~~[01/2023](#)), hereby incorporated by reference.
- (2) \$500 by check, electronically, or other means of payment prescribed by the Attorney General.

(c) A “commercial coventurer,” as defined in Government Code section 12599.2, unless exempted by Government Code section 12599.2, subdivision (b), shall submit the following at the time of initial registration and annual renewal:

- (1) A completed and signed Commercial Coventurer Annual Registration Form (“Form CT-5CF” Rev. ~~02/2021~~[01/2023](#)), hereby incorporated by reference.
- (2) \$500 by check, electronically, or other means of payment prescribed by the Attorney General.

(3) If required to register and report pursuant to Government Code section 12599.2, subdivision (c), the annual financial reports shall be filed on the Commercial Coventurer Annual Financial Report Form (“Form CT-6CF” Rev. ~~02/2020~~[01/2023](#)), hereby incorporated by reference. The annual financial reports must be filed on or before January 30 of each year.

(d) Every commercial fundraiser for charitable purposes and every fundraising counsel for charitable purposes shall file the notice required by Government Code sections 12599 and 12599.1. Commercial fundraisers shall file the Notice of Intent to Solicit for Charitable Purposes - Commercial Fundraiser for Charitable Purposes Form (“Form CT-10CF” Rev. ~~09/2017~~[01/2023](#)), hereby incorporated by reference. Fundraising counsel shall file the Notice of Intent to Provide Services Related to Charitable Solicitation - Fundraising Counsel for Charitable

Purposes Form (“Form CT-11CF” Rev. ~~09/2017~~[01/2023](#)), hereby incorporated by reference. The forms shall be filed with the Registry of Charitable Trusts in the ~~e~~Office of the Attorney General, Sacramento, California.

(e) Each of the above-identified forms filed with the Attorney General shall be signed under penalty of perjury.

(f) The above registration and reporting requirements apply to any unregistered person or entity for the time period that registration was required.

**Note:** Authority cited: Sections 12586, and 12587, ~~12599, 12599.1 and 12599.2~~, Government Code. Reference: Sections 12587, 12599, 12599.1, 12599.2, 12599.3 and 12599.5, Government Code.

### **§ 314. Definitions Regarding Charitable Fundraising Platforms and Platform Charities.**

As used in Government Code sections 12599.9 and 12599.10 and these regulations:

(a) “Commercial charitable fundraising platform” means any person, corporation, unincorporated association or other legal entity that uses the internet to provide an internet website, service, or other platform to persons in this state, and performs, permits or otherwise enables acts of solicitation to occur, as described in Government Code section 12599.9, subdivision (a)(1)(A).

(b) “Conspicuous” means:

(1) The information disclosed is located adjacent to the content that is being explained to prevent a likelihood of deception, confusion, or misunderstanding.

(2) The information disclosed is in the same or larger type than the content being explained, with optional formatting that clearly calls attention to the information, such as bold, italics, capitalization, and using a more noticeable font or color.

(3) When hyperlinks are permitted, the hyperlink selected is adjacent to the content that is being explained in the same or larger type, with optional formatting that clearly calls attention to the hyperlink, and the information disclosed by hyperlink is immediately viewable.

(c) “Consulting charitable fundraising platform” means any person, corporation, unincorporated association or other legal entity that uses the internet to provide an internet website, service, or

other platform to persons in this state, and performs, permits or otherwise enables acts of solicitation to occur, as described in Government Code section 12599.9, subdivision (a)(1)(E).

(d) “Coventuring charitable fundraising platform” means any person, corporation, unincorporated association or other legal entity that uses the internet to provide an internet website, service, or other platform to persons in this state, and performs, permits or otherwise enables acts of solicitation to occur, as described in Government Code section 12599.9, subdivision (a)(1)(D).

(e) “Digital payment processing fee” means a fee incurred by a charitable fundraising platform or platform charity from a payment processor, credit card network, or a bank to accept and process payments of donations or recommended donations made online via credit card or debit card, or bank accounts.

(f) “Fee” means any amount that is charged or asked by a charitable fundraising platform, platform charity, or a vendor that provides services to a charitable fundraising platform or platform charity, for donations or recommended donations made pursuant to the acts of solicitation described in Government Code section 12599.9, subdivision (a)(1) or (5). A fee includes amounts deducted from or added to donations or recommended donations. When donations are made, any amount from that donation that is not passed onto recipient charitable organizations or other charitable organizations constitutes a fee. Examples of a fee include distribution, platform, service, technology, or transaction fees to receive or process a donation, digital payment processing fees, and tips requested to cover expenses incurred by a charitable fundraising platform. “Fee” does not include the registration or registration renewal fee imposed by the Attorney General.

(g) “Marketing charitable fundraising platform” means any person, corporation, unincorporated association or other legal entity that uses the internet to provide an internet website, service, or other platform to persons in this state, and performs, permits or otherwise enables acts of solicitation to occur, as described in Government Code section 12599.9, subdivision (a)(1)(C).

(h) “May Not Operate or Solicit for Charitable Purposes List” means the electronic list regularly updated and published by the Attorney General’s Registry of Charitable Trusts on the Attorney General’s website that lists organizations prohibited from operating or soliciting in California for charitable purposes.

(i) “Peer-to-peer charitable fundraising platform” means any person, corporation, unincorporated association or other legal entity that uses the internet to provide an internet website, service, or other platform to persons in this state, and performs, permits or otherwise enables acts of solicitation to occur, as described in Government Code section 12599.9, subdivision (a)(1)(B).

Note: Authority cited: Sections 12586, 12587, and 12599.10, Government Code. Reference: Sections 12599.9 and 12599.10, Government Code.

### **§ 315. Registration and Filing Requirements for Charitable Fundraising Platforms and Platform Charities.**

(a) A charitable fundraising platform, shall register with the Attorney General before soliciting, permitting, or otherwise enabling acts of solicitation. A charitable fundraising platform will be assigned a registration number and shall submit the following at the time of initial registration:

(1) A completed Form PL-1: Initial Registration for Charitable Fundraising Platforms (“Form PL-1” Orig. 01/2023), hereby incorporated by reference.

(2) A \$625 registration fee.

(b) A charitable fundraising platform shall renew its registration annually on or before January 15 of each year if, during the current calendar year, a charitable fundraising platform will perform, permit, or otherwise enable any acts of solicitation, or will receive, hold, control, or send donations or grants of recommended donations based on acts of solicitation from the current or prior years, including through a partnership with a platform charity or another charitable fundraising platform. A charitable fundraising platform shall submit the following at the time of registration renewal.

(1) A completed Form PL-2: Registration Renewal for Charitable Fundraising Platforms (“Form PL-2” Orig. 01/2023), hereby incorporated by reference, as prescribed by the Attorney General.

(2) A \$625 registration renewal fee.

(c) A platform charity shall register as a trustee, as set forth in section 300 of these regulations, and file annual reports, as set forth in sections 301 to 307 of these regulations.

(d) A platform charity shall file a completed Form PL-3: Notification from Platform Charities (“Form PL-3” Orig. 01/2023), hereby incorporated by reference, when the platform charity

enters into a partnership with a charitable fundraising platform to facilitate acts of solicitation on that charitable fundraising platform. The notification shall be filed no later than 10 days after the partnership was entered, unless notification was previously provided through registration of the platform charity as a trustee, or the registration of the charitable fundraising platform.

(e) A charitable fundraising platform or platform charity shall file an annual report with the Attorney General, as described in Government Code section 12599.9, subdivision (c), on or before July 15 of each year for fundraising activities of the preceding calendar year. A completed annual report shall be filed on Form PL-4: Annual Report for Charitable Fundraising Platforms or Platform Charities (“Form PL-4” Orig. 01/2023), hereby incorporated by reference. If a charitable fundraising platform does not renew registration for the current calendar year, the Form PF-4 shall still be filed for fundraising activities of the preceding calendar year.

(f) When a registrant charitable fundraising platform partners with a platform charity or another charitable fundraising platform (collectively “partner”) to perform, permit, or otherwise enable acts of solicitation by or through the registrant’s charitable fundraising platform, a registrant charitable fundraising platform’s Form PL-4 may be filed by the partner on behalf of the registrant charitable fundraising platform when all of the following are met:

(1) The charitable fundraising platform’s Form PL-2, which was completely and timely filed on or before January 15 of the same calendar year, specified the charitable fundraising platform was eligible to have its Form PL-4 filed by its partner, and provided authority for the partner to submit the Form PL-4.

(2) The charitable fundraising platform examines and signs the Form PL-4, under oath, before it is filed by the partner.

(3) The charitable fundraising platform was not a consulting charitable fundraising platform during the year for which the Form PL-4 is being filed.

(4) The charitable fundraising platform did not act as a partner to facilitate solicitations on other charitable fundraising platforms during the year for which the Form PL-4 is being filed.

(5) The charitable fundraising platform had only one partner during the year for which the Form PL-4 is being filed.

(g) When a charitable fundraising platform or platform charity is required to submit information on Form PF-4 that it reasonably deems, in good faith, to be confidential or a trade secret, the

information shall be submitted in an attachment that can be separated from other information in the filing. An explanation shall be provided by the charitable fundraising platform or platform charity explaining why the information is reasonably deemed, in good faith, to be confidential or a trade secret. If the Attorney General finds the information to be incorrectly deemed confidential or a trade secret, the Form PF-4 shall be amended to make the correction, and the error serves as a basis for an administrative action under Article 3 of these regulations. When information is reasonably deemed, in good faith, to be confidential or a trade secret, and it is separately submitted in an attachment to the Form PF-4, the information shall not be made available for public inspection, and the Attorney General shall not disclose the information except as follows:

(1) In an investigation or law enforcement action pursuant to the Attorney General's charitable trust enforcement responsibilities.

(2) In response to a subpoena or search warrant.

(h) The above registration and filing requirements apply to an unregistered person or entity for the time period that registration was required.

**Note:** Authority cited: Sections 12586, 12587, 12590, and 12599.10, Government Code.

Reference: Sections 12586, 12590, 12599.9 and 12599.10, Government Code.

### **§ 316. Good Standing of Recipient Charitable Organizations or Other Charitable Organizations.**

(a) To determine good standing with the Attorney General of a recipient charitable organization or other charitable organization, a charitable fundraising platform or platform charity may rely on the May Not Operate or Solicit for Charitable Purposes List. When a recipient charitable organization or other charitable organization is on the May Not Operate or Solicit for Charitable Purposes List, it is not in good standing with the Attorney General for purposes of Government Code section 12599.9, subdivision (d)(2). When a recipient charitable organization or other charitable organization is not on the May Not Operate or Solicit for Charitable Purposes List, it is deemed in good standing with the Attorney General for purposes of Government Code section 12599.9, subdivision (d)(2).



(b) Unless good standing is otherwise verified through a manual search of the Registry of Charitable Trusts database on the Attorney General’s website, a charitable fundraising platform or platform charity shall not solicit, permit, or otherwise enable solicitations, or receive, hold, control, or send funds from donations for a recipient charitable organization or other charitable organization on the most recent May Not Operate or Solicit for Charitable Purposes List. But a charitable fundraising platform or platform charity shall have a five business day grace period to comply with this requirement for a recipient charitable organization or other charitable organization on the most recent May Not Operate or Solicit for Charitable Purposes List that was not on the second most recent May Not Operate or Solicit for Charitable Purposes List. The grace period begins the day the most recent May Not Operate or Solicit for Charitable Purposes List is published by the Attorney General, and ends five business days thereafter.

**Note:** Authority cited: Sections 12587 and 12599.10, Government Code. Reference: Section 12599.9, Government Code.

**§ 317. Disclosures in Solicitations for Charitable Fundraising Platforms and Platform Charities.**

For acts of solicitation involving commercial charitable fundraising platforms or peer-to-peer charitable fundraising platforms, a charitable fundraising platform or platform charity that allows persons to designate or restrict how donations may be used by a recipient charitable organization or that allows peer-to-peer charitable fundraising, shall, before persons can complete a donation, conspicuously disclose that donations or grants of recommended donations may be used by a recipient charitable organization on an unrestricted basis, regardless of designations or restrictions made by donors or persons engaging in peer-to-peer charitable fundraising.

**Note:** Authority cited: Sections 12587 and 12599.10, Government Code. Reference: Sections 12599.6 and 12599.9, Government Code.

**§ 318. Consent from Recipient Charitable Organizations for Charitable Fundraising Platforms and Platform Charities.**

(a) An agreement between a recipient charitable organization and a charitable fundraising platform or platform charity, in which the recipient charitable organization provides written consent for the charitable fundraising platform or platform charity to use its name in a solicitation on or through a charitable fundraising platform, shall comply with all of the following requirements:

(1) The agreement shall comply with Government Code section 12599.9, subdivisions (f)(1) and (h), and sections 320 and 321 of these regulations.

(2) The agreement may be entered into electronically, as required by Government Code section 12599.10, subdivision (a)(3).

(3) For an agreement seeking written consent for more than one charitable fundraising platform, all charitable fundraising platforms shall be identified, and a recipient charitable organization shall be able to select the charitable fundraising platforms for which it gives or does not give consent.

(4) The agreement shall specify the fees deducted from or added to a donation or recommended donation, that are charged or retained by each charitable fundraising platform, platform charity, or any other partnering vendor, including digital payment processing fees.

(5) The agreement shall specify the time period for sending donated funds for each charitable fundraising platform, which shall comply with Government Code section 12599.9, subdivision (f)(1), and section 320 of these regulations.

(6) Unless peer-to-peer charitable fundraising is involved, the agreement shall allow a recipient charitable organization to approve information in the solicitation about the recipient charitable organization, and if not approved, the information about the recipient charitable organization shall be removed from the solicitation.

(7) The agreement shall allow a recipient charitable organization to acknowledge persons who made donations, engaged in peer-to-peer charitable fundraising, or supported the recipient charitable organization, and specify any other terms regarding the sharing or use of information provided by such persons, should they choose to share their information with a recipient charitable organization.

(b) When a recipient charitable organization makes a written request for removal, as described in Government Code section 12599.9, subdivision (f)(2)(C), the charitable fundraising platform or

platform charity shall promptly verify the request by requesting contact information from the recipient charitable organization, unless already provided. If the recipient charitable organization does not provide the requested contact information, the charitable fundraising platform or platform charity shall use the information sources specified in Government Code section 12599.9, subdivision (f)(2)(A), to promptly verify the request.

**Note:** Authority cited: Sections 12587 and 12599.10, Government Code. Reference: Sections 12599.6, 12599.9, and 12599.10, Government Code.

### **§ 319. Tax Donation Receipts from Charitable Fundraising Platforms and Platform Charities.**

For acts of solicitation involving commercial charitable fundraising platforms or peer-to-peer charitable fundraising platforms, a charitable fundraising platform or platform charity shall promptly send a tax donation receipt to donors after donations are made, in accordance with Business and Professions Code sections 17510.3 and 17510.4. For purposes of this section and Government Code section 12599.9, subdivision (g), “promptly” means no later than five business days of a donation being made.

**Note:** Authority cited: Sections 12587 and 12599.10, Government Code. Reference: Sections 12599.9 and 12599.10, Government Code; Sections 17510.3 and 17510.4, Business and Professions Code.

### **§ 320. Lengths of Time for Sending Donations by Charitable Fundraising Platforms and Platform Charities.**

(a) For acts of solicitation involving commercial charitable fundraising platforms or peer-to-peer charitable fundraising platforms, donations, and grants of recommended donations, shall be promptly sent by a charitable fundraising platform or platform charity in compliance with all of the following:

(1) When donations or recommended donations are made directly to a consenting recipient charitable organization by a donor using a platform, and the acts of solicitation are concurrent for less than 100 recipient charitable organizations, the donations, or

grants of recommended donations, shall be sent to the recipient charitable organization no later than 15 days after they are made, unless the recipient charitable organization is not eligible to be sent the funds. When the acts of solicitation are concurrent for 100 or more recipient charitable organizations, the donations, or grants of recommended donations, shall be sent to the consenting recipient charitable organization no later than 30 days after they are made, unless the recipient charitable organization is not eligible to be sent the funds.

(2) When donations or recommended donations are made directly to a non-consenting recipient charitable organization by a donor using a platform, and the acts of solicitation are concurrent for less than 100 recipient charitable organizations, the donations, or grants of recommended donations, shall be sent to the recipient charitable organization no later than 30 days after they were made, unless the recipient charitable organization is not eligible to be sent the funds. When the acts of solicitation are concurrent for 100 or more recipient charitable organizations, the donations, or grants of recommended donations, shall be sent to the non-consenting recipient charitable organization no later than 45 days after they were made, unless the recipient charitable organization is not eligible to be sent the funds.

(3) When donations or recommended donations are made to a charitable fundraising platform or platform charity by a donor using a platform and the acts of solicitation are concurrent for less than 100 recipient charitable organizations, the donations, or grants of recommended donations, shall be sent to a consenting recipient charitable organization no later than 30 days after they were made, unless the recipient charitable organization is not eligible to be sent the funds. When the acts of solicitation are concurrent for 100 or more recipient charitable organizations, the donations or grants of recommended donations shall be sent to the consenting recipient charitable organization no later than 45 days after they were made, unless the recipient charitable organization is not eligible to be sent the funds.

(4) When donations or recommended donations are made to a charitable fundraising platform or platform charity by a donor using a platform and the acts of solicitation are concurrent for less than 100 recipient charitable organizations, the donations, or grants of recommended donations, shall be sent to a non-consenting recipient charitable

organization no later than 45 days after they were made, unless the recipient charitable organization is not eligible to be sent the funds. When the acts of solicitation are concurrent for 100 or more recipient charitable organizations, donations or grants of recommended donations shall be sent to the non-consenting recipient charitable organization no later than 60 days after they were made, unless the recipient charitable organization is not eligible to be sent the funds.

(5) When donations are made to a person engaging in peer-to-peer charitable fundraising by a donor using a platform, donations shall be sent to this person no later than 30 days after the donations were made. The charitable fundraising platform shall also send a written notice to this person of section 323 of these regulations, and to the recipient charitable organization of the distribution of donations to this person and the person's contact information, which shall occur no later than five business days after distributing the first donation to this person. But notification to a recipient charitable organization is not required when solicitations from a person engaging in peer-to-peer charitable fundraising do not reference a recipient charitable organization.

(b) For acts of solicitation involving a marketing charitable fundraising platform, donations or grants of recommended donations made by a charitable fundraising platform, platform charity, or other third party person, and not subject to any minimum threshold amounts before donations are sent, shall be sent to a recipient charitable organization on a quarterly basis or more frequently, unless the recipient charitable organization is not eligible to be sent the funds. For purposes of this section, "quarterly basis" means sending donations or grants of recommended donations, based on purchases or other activity performed by persons who use the charitable fundraising platform, no later than 15 days after the end of a 90-day period established by a charitable fundraising platform or platform charity that constitutes a quarter. But if donations or grants of recommended donations are subject to minimum threshold amounts before donations are sent, such minimum threshold amounts shall not exceed ten dollars (\$10.00), as disclosed pursuant to Government Code section 12599.9, subdivision (e)(2) and (3), and the donations or grants of recommended donations shall be sent to a recipient charitable organization on a quarterly basis or more frequently once the minimum amount is reached, unless the recipient charitable organization is not eligible to be sent the funds. If the minimum threshold amount is not reached after four consecutive quarters, the donations or grants of recommended donations shall be sent

to a recipient charitable organization no later than 15 days after the fourth quarter ends, unless the recipient charitable organization is not eligible to be sent the funds, as disclosed pursuant to Government Code section 12599.9, subdivision (e)(2) and (3).

(c) For acts of solicitation involving commercial charitable fundraising platforms, peer-to-peer charitable fundraising platforms, or marketing charitable fundraising platforms, the determination by a charitable fundraising platform or platform charity as to whether a recipient charitable organization is eligible to be sent donations or grants of recommended donations shall be made within the time period for when donations or grants of recommended donations must be sent. If it has been determined that a recipient charitable organization is not eligible, the charitable fundraising platform or platform charity shall notify donors, or, when applicable, persons who made purchases or performed other activity that caused donations or grants of recommended donations to be made, in writing no later than 15 days after the determination of eligibility, and request them to recommend an alternate recipient charitable organization. Written notification may be sent electronically. If an alternate is recommended, the charitable fundraising platform or platform charity shall send the donations or grants of recommended donations to the alternate recipient charitable organization no later than 30 days after the date an alternate was recommended, unless the charitable fundraising platform or platform charity determines the alternate is not eligible, which must be determined no later than 15 days after the alternate was recommended. If an alternate is not recommended no later than 30 days after written notification was sent, the charitable fundraising platform or platform charity shall select an alternate recipient charitable organization, and send the donations or grants of recommended donations to the alternate no later than 15 days after an alternate was not recommended. If an alternate was recommended and determined to be not eligible, the charitable fundraising platform or platform charity shall select another alternate recipient charitable organization, and send the donations or grants of recommended donations to that alternate no later than 15 days after the determination of eligibility.

(d) For acts of solicitation involving coventuring charitable fundraising platforms, donations or grants of recommended donations made by a charitable fundraising platform, and not subject to any minimum threshold amounts before donations are sent, shall be sent to a recipient charitable organization on a quarterly basis or more frequently, unless the recipient charitable organization is not eligible to be sent the funds. But if donations or grants of recommended donations are

subject to minimum threshold amounts, the minimum amounts shall not exceed ten dollars (\$10.00), and the donations or grants of recommended donations shall be sent to a recipient charitable organization on a quarterly basis or more frequently once the minimum threshold amount is reached, unless the recipient charitable organization is not eligible to be sent the funds. If the minimum threshold amount is not reached after four consecutive quarters, the donations or grants of recommended donations shall be sent to a recipient charitable organization no later than 15 days after the fourth quarter ends, unless the recipient charitable organization is not eligible to be sent the funds. The determination by a charitable fundraising platform or platform charity as to whether a recipient charitable organization is eligible to be sent donations or grants of recommended donations shall be made within the time period for when donations or grants of recommended donations must be sent. If it has been determined that a recipient charitable organization is not eligible, the charitable fundraising platform or platform charity shall then select an alternate recipient charitable organization, and send the donations or grants of recommended donations to the alternate no later than 30 days after the determination of eligibility.

(e) For acts of solicitation involving consulting charitable fundraising platforms, donations shall be promptly sent to the charitable organization using the charitable fundraising platform, but no later than five business days after the donation was made, unless the charitable organization is not eligible to be sent the funds. The determination by a charitable fundraising platform as to whether a charitable organization is eligible to be sent donations shall be made within the time period for when donations must be sent. If it has been determined that a charitable organization is not eligible, the charitable fundraising platform shall notify donors in writing no later than 15 days after the determination of eligibility, and request them to recommend an alternate charitable organization. Written notification may be sent electronically. If the donor recommends an alternate, the charitable fundraising platform shall send the donations to the alternate charitable organization no later than 30 days after the date the donor recommends an alternate, unless the charitable fundraising platform determines the alternate is not eligible, which must be determined no later than 15 days after the donor recommends an alternate. If the donor did not recommend an alternate no later than 30 days after written notification was sent, the charitable fundraising platform shall select an alternate charitable organization, and send the donations to the alternate no later than 15 days after the donor did not recommend an alternate. If an alternate

was recommended and determined to be not eligible, the charitable fundraising platform shall select another alternate charitable organization, and send the donations to that alternate no later than 15 days after the determination of eligibility.

Note: Authority cited: Sections 12587 and 12599.10, Government Code. Reference: Sections 12599.9 and 12599.10, Government Code.

### **§ 321. Information Required When Sending Donations by Charitable Fundraising Platforms and Platform Charities.**

(a) For acts of solicitation involving commercial charitable fundraising platforms or peer-to-peer charitable fundraising platforms, a charitable fundraising platform or platform charity shall provide, at a minimum, the following information when sending donations or grants of recommended donations to a recipient charitable organization:

(1) The legal name of the charitable fundraising platform through which a donation or recommended donation was made.

(2) The date each donation or recommended donation was made by the donor, and the date donations or grants of recommended donations were sent.

(3) The amount of each donation or recommended donation before fees were imposed, the amount of the fees imposed and by whom, and the amount of each donation or grant of a recommended donation sent after fees were imposed.

(4) For each donation or recommended donation, the name and contact information of the donor, unless the donor chose not to share their information or, when applicable, a recipient charitable organization has not given prior written consent for using its name or information in a solicitation. For purposes of this section, “contact information” means, at a minimum, the person’s name and e-mail address. If the e-mail address is unknown and a telephone number is known, provide the telephone number.

(5) The name and contact information of persons engaging in peer-to-peer charitable fundraising, unless they chose not to share their information or, when applicable, a recipient charitable organization has not given prior written consent for using its name or information in a solicitation.



(6) When donors or persons engaging in peer-to-peer charitable fundraising designate or restrict how donations may be used by a recipient charitable organization, information on how the funds may be used.

(b) For acts of solicitation involving marketing charitable fundraising platforms, a charitable fundraising platform or platform charity shall provide, at a minimum, the following information when sending donations or grants of recommended donations to a recipient charitable organization:

(1) Information about the acts of solicitation that caused a donation or recommend donation to be made.

(2) The amount of each donation or grant of a recommended donation, with an accounting of how it was calculated, including any fees that were imposed and by whom, if any.

(3) For each donation or recommended donation, the name and contact information of the donor, unless the donor chose not to share their information or, when applicable, a recipient charitable organization has not given prior written consent for using its name or information in a solicitation.

(4) Information about persons who made purchases or performed other activity that caused a donation or grant of a recommended donation to be made, unless they chose not to share their information or, when applicable, a recipient charitable organization has not given prior written consent for using its name or information in a solicitation.

(c) For acts of solicitation involving coventuring charitable fundraising platforms, a charitable fundraising platform shall provide, at a minimum, the following information when sending donations or grants of recommended donations to recipient charitable organizations:

(1) Information about the acts of solicitation that caused the donation or recommended donation to be made.

(2) The amount of each donation or grant of a recommended donation, with an accounting of how it was calculated, including any fees that were imposed and by whom, if any.

(d) For acts of solicitation involving consulting charitable fundraising platforms, a charitable fundraising platform shall provide, at a minimum, the following information when sending donations to charitable organizations:

- (1) The date each donation was made by the donor, and the date donations were sent.
- (2) The amount of each donation before fees were imposed, the fees imposed and by whom, and the donation amount sent after fees were imposed.

Note: Authority cited: Sections 12587 and 12599.10, Government Code. Reference: Sections 12599.9 and 12599.10, Government Code.

**§ 322. Notifications to Donors or Persons When Sending Donations by Charitable Fundraising Platforms and Platform Charities.**

(a) For acts of solicitation involving commercial charitable fundraising platforms, a charitable fundraising platform or platform charity shall notify donors in writing when their donations, or grants of recommended donations, were sent to recipient charitable organizations no later than 15 days after the donation or grant of recommended donation was sent. Written notification may be provided electronically. Written notification is not required when donors affirmatively request not to be notified.

(b) For acts of solicitation involving peer-to-peer charitable fundraising platforms, a charitable fundraising platform or platform charity shall notify donors in writing when their donations, or grants of their recommended donations, were sent to recipient charitable organizations or to persons engaging in peer-to-peer charitable fundraising no later than 15 days after the donation or grant of recommended donation was sent. Written notification may be provided electronically. Written notification is not required when donors affirmatively requested not to be notified.

(c) For acts of solicitation involving marketing charitable fundraising platforms, a charitable fundraising platform or platform charity shall provide written notification to persons who made purchases or performed other activity which caused a donation or grant of recommended donation to be made, when the donation or grant of recommended donation made by the charitable fundraising platform, platform charity, or other third party person was sent to the recipient charitable organization. Written notification shall be provided no later than 15 days after the donation or grant of recommended donation was sent, and may be provided electronically. Written notification is not required when persons who made purchases or performed other activity affirmatively requested not to be notified.

Note: Authority cited: Sections 12587 and 12599.10, Government Code. Reference: Sections 12599.9 and 12599.10, Government Code.

**§ 323. Handling of Donations by Persons Engaging in Peer-to-Peer Charitable Fundraising.**

When persons engaged in peer-to-peer charitable fundraising are sent donations from a peer-to-peer charitable fundraising platform, these persons shall not divert or otherwise misuse the donations, and shall promptly send the donated funds to the recipient charitable organization referenced in solicitations no later than five business days after receipt. When solicitations from persons engaged in peer-to-peer charitable fundraising do not reference a recipient charitable organization, they shall not divert or otherwise misuse the donations, and shall promptly identify and contact a charitable organization to receive the funds no later than five business days after receipt.

Note: Authority cited: Sections 12587 and 12599.10, Government Code. Reference: Sections 12581, 12582, 12598, 12599.6 and 12599.9, Government Code.

**Article 2. Notices and Requests to the Attorney General**

**§ ~~999.1328~~. General Provisions and Definitions for Notices and Requests.**

(a) Giving Notice to and Submitting Requests to Attorney General; When Notice or Request is Deemed “Filed with Attorney General.”

For purposes of giving notice to the Attorney General or submitting requests for approval or other action to the Attorney General pursuant to ~~any of the subsections contained in sections 999.2 through 999.5~~ Article 2 of these regulations, all notices and requests shall be ~~submitted in writing at the office listed below which is located nearest to the principal office of the corporation on whose behalf the notice or request is submitted~~ provided in writing and submitted electronically, as prescribed on the Attorney General’s website.

~~ATTORNEY GENERAL, CHARITABLE TRUSTS SECTION  
455 GOLDEN GATE AVENUE, SUITE 11000  
SAN FRANCISCO, CALIFORNIA 94102-7004~~

~~ATTORNEY GENERAL, CHARITABLE TRUSTS SECTION  
300 SOUTH SPRING STREET  
LOS ANGELES, CALIFORNIA 90013-1230~~

~~ATTORNEY GENERAL, CHARITABLE TRUSTS SECTION  
1300 I STREET  
P.O. BOX 944255~~

~~SACRAMENTO, CALIFORNIA 94244-2550~~ Written notices or requests shall be deemed filed with the Attorney General when the notices or requests are received at the Office of the Attorney General, during normal business hours, with the information required by sections ~~999.2329~~, subdivision (f), ~~999.3330~~, subdivision (e), and ~~999.4 and 999.5~~ 331 of these regulations. The Attorney General will consider notices or requests received after 5:00 p.m. on a business day, or at any time on a weekend or holiday, to be filed on the following business day. A notice that does not contain all of the required information is incomplete and not deemed filed.

(b) Attorney General's Acknowledgment of Receipt of Notice or Request.

~~A conformed copy of the notice or request to the Attorney General, or of the transmittal letter accompanying such notice or request, along with a self-addressed, postage prepaid envelope may be submitted with the original, to be stamped "Received" with the date of receipt stamped thereon and returned to the sender.~~ The Attorney General shall acknowledge receipt of the notice or request by e-mailing the sender. This e-mail shall not be construed to mean that the notice is complete.

(c) Definition of "Material Facts" for Purposes of Disclosure to Attorney General.

Every notice or request to the Attorney General pursuant to Article 2 of these regulations shall include all material facts. ~~Unless otherwise indicated, wherever disclosure of "material facts" to the Attorney General is required pursuant to the subsections contained in sections 999.1 through 999.5 of these regulations, material facts shall~~ "Material facts" means facts that are important, significant or essential to a reasonable person in deciding whether to engage or not engage in the particular action, including known or anticipated opposition to the proposed action. For a transaction that involves a potential direct or indirect financial benefit to a person affiliated with a charitable organization or trust, material facts also includes a description of the services or

goods to be provided to or by the ~~corporation~~[charitable organization or trust](#) pursuant to the transaction, the price for such services or goods to be paid by or to the ~~corporation~~[charitable organization or trust](#), the estimated fair market value of the goods or services, the benefit such transaction will confer upon the ~~corporation~~[charitable organization or trust](#), whether the ~~board of directors of the corporation~~[governing body or trustee](#) has approved the transaction, the factual basis of the ~~board's~~[governing body or trustee's](#) determination if it has approved the transaction, the disclosure made ~~to the board~~ by the interested ~~director~~[person](#), and a description of the alternative transactions, if any, considered by the ~~board~~[governing body or trustee](#), and why any such alternative transactions were not adopted. [A notice that fails to include all material facts is incomplete.](#)

(d) Response by Attorney General to Request for Approval of Self-Dealing Transactions, Loans and Guaranty Agreements, Articles, Amendments to Articles of Incorporation.

The Attorney General shall respond to requests for approval of self-dealing transactions, loans and guaranty agreements, and amendments to the articles of incorporation by issuing to the requesting person either a written statement of approval of the proposed action, a written statement of disapproval of the proposed action, or a written statement that the Attorney General declines to comment on the proposed action. In addition, the Attorney General may provide such comments in writing concerning the proposed action as the Attorney General finds appropriate under the circumstances. As a matter of internal policy, the Attorney General will attempt to respond to requests for approval of self-dealing transactions, loans and guaranty agreements, and amendments to the articles of incorporation within 60 days after receipt of all material facts related to the proposed action.

(e) Public Files, Notices, and Requests for Approval by Attorney General To Be Maintained in Public Files; Attorney General's Responses To Be Maintained in Public Files.

A "Public File" is the file of a ~~nonprofit corporation~~[charitable organization or trustee](#) which contains public documents, including registration and financial reporting forms filed pursuant to Government Code sections 12585 and 12586, and which is maintained at the Registry of Charitable Trusts, Office of the Attorney General, P.O. Box 903447, Sacramento, California 94203-4470. A public file excludes donor information exempt from public inspection pursuant to Internal Revenue Code section 6104 (d)(3)(A) [and section 309 of these regulations, and confidential or trade secret information from a charitable fundraising platform or platform](#)

[charity pursuant to section 315, subdivision \(g\), of these regulations.](#)

All notices and requests for approval submitted to the Attorney General pursuant to ~~the subsections of sections 999.2 through 999.5~~ [Article 2](#) of these regulations shall become a part of the Public File of the ~~corporation~~ [charitable organization or trustee](#) affected by the proposed action. In the discretion of the Attorney General, exceptions shall be made in the case of documents of a confidential or personal nature (i.e. individual tax returns, legitimate trade secret information, personal resumes, personal loan applications, etc.), where the ~~corporation~~ [charitable organization, trustee,](#) or person submitting the confidential documents separately designates and requests that such documents not be maintained in the Public File.

The Attorney General's responses to notices and requests for approval issued pursuant to ~~the subsections of sections 999.2 through 999.5~~ [Article 2](#) of these regulations shall become a part of the Public File of the corporation affected by the proposed action.

(f) Mutual Benefit Corporations; Application of Regulations Limited to Assets Held in Charitable Trust.

For purposes of applying ~~the subsections of sections 999.1 and 999.3~~ [Article 2](#) of these regulations to mutual benefit corporations, these regulations apply only to the extent that a mutual benefit corporation holds assets in charitable trust.

(g) Commencement of Statute of Limitations for Self-Dealing Transactions.

The two-year Statute of Limitations for an action seeking remedies for a self-dealing transaction pursuant to Corporations Code sections 5233, [subdivision \(e\)](#), 7238 and 9243, [subdivision \(e\)](#), shall commence to run from the date that the written Notice of the Self-Dealing Transaction is filed with the Attorney General, and any such action brought after the date marking the expiration of the second year after such filing shall be barred. "Filed with the Attorney General" shall mean the time when the written notice is received ~~at one of the addresses of the Attorney General listed in subsection 999.1~~ [pursuant to subdivision \(a\)](#) ~~of these regulations~~. "Year" shall mean a 365/366 day calendar year, as the case may be.

**Note:** Authority cited: Sections [5233, 5820, 5914\(b\), and 5918, 5920, 7820 and 9230,](#) Corporations Code; [Section 12598, Government Code.](#) Reference: 5142, 5223, 5225, 5226, 5233, 5236, 5238~~(e)(3)~~, 5617, ~~5820~~ [5813.5](#), 5913, 5914~~(b)~~, ~~5918~~ [5920](#), 6010, 6510~~(d)~~, 6611~~(a)~~, 6612~~(a)~~, 6613~~(e)~~, 6617~~(b)~~, 6716~~(b)~~, ~~6716(e)~~, 6721~~(a)~~, ~~6721(b)~~, 7142, 7223, 7225, 7238, 7616,

7913, 8010, 8510, 8611, 8612, 8613, 8616, 8723, ~~9230~~[9633, 9640](#) and 9680, Corporations Code.

**§ ~~999.2329~~. Public Benefit Corporations.**

(a) Written Notice to Attorney General of Self-Dealing Transaction.

Corporations Code section 5233, [subdivision](#) (e), provides that an action under section 5233, [subdivision](#) (c), seeking remedies for a self-dealing transaction must be filed within two years after written notice setting forth the material facts of the transaction and the director's interest is filed with the Attorney General in accordance with regulations adopted by the Attorney General. For purposes of section 5233, [subdivision](#) (e), a written notice of a self-dealing transaction shall be deemed filed with the Attorney General when it is submitted in accordance with ~~sub~~section ~~999.1328~~, [subdivision](#) (a), of these regulations.

The written notice of a self-dealing transaction to the Attorney General shall contain the following:

(1) A letter signed on behalf of the corporation by an authorized director or officer thereof, or by or on behalf of a director or officer of the corporation setting forth a detailed description of the self-dealing transaction, the extent to which any director has a material financial interest in the self-dealing transaction, and all material facts concerning the self-dealing transaction.

“Material facts” are defined in ~~sub~~section ~~999.1328~~, [subdivision](#) (c), of these regulations.

(2) A copy of the corporation's current financial statement as of a date within ninety days preceding the filing of the notice or request, except to the extent already on file with the Registry of Charitable Trusts.

(3) A copy of the articles of incorporation and amendments thereto, except to the extent already on file with the Registry of Charitable Trusts.

(b) Written Request for Attorney General's Approval of Self-Dealing Transaction.

Corporations Code section 5233, [subdivision](#) (d), provides that no remedies shall be granted in any action for a self-dealing transaction if the Attorney General or the court has approved the transaction before or after it was consummated.

A request for approval by the Attorney General of a self-dealing transaction shall be submitted in writing in accordance with ~~sub~~section ~~999.1328~~, [subdivision](#) (a), of these regulations. A request for approval by the Attorney General of a self-dealing transaction shall contain the following:

(1) A letter signed on behalf of the corporation by an authorized director or officer thereof, or by or on behalf of a director of the corporation, setting forth a detailed description of the self-dealing transaction, the extent to which any director has a material financial interest in the self-dealing transaction, and all material facts concerning the self-dealing transaction. “Material facts” are defined in ~~subsection 999.1~~[328, subdivision \(c\)](#), of these regulations.

(2) A copy of the corporation’s current financial statement as of a date within ninety days preceding the filing of the notice or request, except to the extent already on file with the Registry of Charitable Trusts.

(3) A copy of the articles of incorporation and amendments thereto, except to the extent already on file with the Registry of Charitable Trusts.

(4) A copy of the bylaws and amendments thereto, except to the extent already on file with the Registry of Charitable Trusts.

(5) Copies of all minutes of meetings of the board of directors and committees of the board of directors that reflect any discussions or evaluations of the self-dealing transaction.

(6) A letter signed by the interested director setting forth a description of the director’s material financial interest in the self-dealing transaction, listing all material facts, as defined in ~~subsection 999.1~~[328, subdivision \(c\)](#), of these regulations, concerning the transaction, and all facts disclosed by the interested director to the board of directors concerning the transaction. (Note: Disclosure of this information in the corporation’s letter, pursuant to ~~subsection 999.2~~[subdivision \(b\)\(1\)](#), may eliminate the need for the letter from the interested director, to the extent the information in the interested director’s letter would duplicate information in the corporation’s letter.)

(7) The Attorney General may require submission of additional information by the corporation and its directors in order to complete an analysis of the self-dealing transaction.

(c) Attorney General’s Approval of Loans or Guarantees to a Director.

Corporations Code section 5236 prohibits a public benefit corporation from making any loan or guaranty to any director or officer, unless approved by the Attorney General.

For purposes of section 5236, a request for the Attorney General’s approval of a loan or guaranty



to a director or officer shall be submitted in writing in accordance with ~~subsection 999.1~~subsection 328, subdivision (a), of these regulations.

The written request for Attorney General's approval of a loan or guaranty shall contain the following:

- (1) A letter signed on behalf of the corporation by an authorized director or officer thereof, or by or on behalf of a director or officer of the corporation, setting forth a detailed description of the loan or guaranty and all material facts concerning the loan or guaranty. "Material facts" are defined in ~~subsection 999.1~~subsection 328, subdivision (c), of these regulations.
  - (2) Copies of the loan or guaranty agreement, note and related security agreements;
  - (3) A copy of the corporation's current financial statement as of a date within ninety days preceding the filing of the notice or request, except to the extent already on file with the Registry of Charitable Trusts.
  - (4) A copy of the articles of incorporation and amendments thereto, except to the extent already on file with the Registry of Charitable Trusts.
  - (5) A copy of the bylaws and amendments thereto, except to the extent already on file with the Registry of Charitable Trusts.
  - (6) Copies of all minutes of meetings of the board of directors and committees of the board of directors that reflect any discussions or evaluations of the loan or guaranty.
  - (7) A letter signed by the interested director setting forth a description of the director's material financial interest in the loan or guaranty, listing all material facts, as defined in ~~subsection 999.1~~subsection 328, subdivision (c), of these regulations, concerning the transaction, and all facts disclosed by the interested director to the board of directors concerning the transaction. (Note: Disclosure of this information in the corporation's letter, pursuant to ~~subsection 999.2~~subdivision (c)(1), may eliminate the need for the letter from the interested director, to the extent the information in the interested director's letter would duplicate information in the corporation's letter.)
  - (8) The Attorney General may require submission of additional information by the corporation and its directors in order to complete an analysis of the loan or guaranty.
- (d) Request for Attorney General's Ruling on Amendment of Corporate Articles of Incorporation.

Corporations Code section 5820 provides that the Attorney General may, at the corporation's request, give rulings as to whether the Attorney General will or may oppose a proposed amendment to the articles of incorporations, as inconsistent with or proscribed by the requirement of a charitable trust.

For purposes of section 5820, a request for the Attorney General's ruling on a proposed amendment to the articles of incorporation shall be submitted in writing in accordance with section ~~999.1328~~, [subdivision \(a\)](#), of these regulations.

The written request for the Attorney General's ruling shall contain the following:

- (1) A letter signed on behalf of the corporation by any officer or director thereof setting forth a detailed description of the proposed amendment to the articles of incorporation and all material facts concerning the amendment. Material facts shall include the reasons for the amendment, the benefit such amendment will confer upon the corporation, whether the board of directors has approved the amendment, and the criteria used by the board to evaluate and approve the amendment.
  - (2) A copy of the corporation's current financial statement as of a date within ninety days preceding the filing of the notice or request, except to the extent already on file with the Registry of Charitable Trusts.
  - (3) A copy of the articles of incorporation and amendments thereto, except to the extent already on file with the Registry of Charitable Trusts.
  - (4) A copy of the bylaws and amendments thereto, except to the extent already on file with the Registry of Charitable Trusts.
  - (5) Copies of all minutes of meetings of the board of directors and committees of the board of directors that reflect any discussions or evaluations of the article amendment to the articles of incorporation.
  - (6) The Attorney General may require submission of additional information by the corporation and its directors in order to complete an analysis of the article amendment.
- (e) Giving Notice to the Attorney General; Attorney General's Involvement.

The following sections of the Corporations Code provide for the involvement of the Attorney General, and, where appropriate, for notice to the Attorney General, in certain actions and proceedings by, or relating to, a public benefit corporation:

~~Corp. Code §~~ [Corporations Code section 5142](#) (action for breach of trust)  
~~Corp. Code §~~ [Corporations Code section 5223](#) (removal for fraud)  
~~Corp. Code §~~ [Corporations Code section 5225](#) (deadlock)  
~~Corp. Code §~~ [Corporations Code section 5226](#) (resignation by last director)  
~~Corp. Code §~~ [Corporations Code section 5233](#) (self-dealing)  
~~Corp. Code §~~ [Corporations Code section 5236](#) (loan to a director or officer)  
~~Corp. Code §~~ [Corporations Code section 5238, subdivision \(c\)\(3\)](#) (indemnity)  
~~Corp. Code §~~ [Corporations Code section 5617, subdivision \(b\)](#) (validity of election)  
[Corporations Code section 5813.5, subdivision \(b\) \(conversion\)](#)  
~~Corp. Code §~~ [Corporations Code section 5913](#) (sale of assets)  
~~Corp. Code §~~ [Corporations Code section 5914](#) (proposed transfer of health facilities)  
~~Corp. Code §~~ [Corporations Code section 5920](#) (proposed transfer of health facilities)  
~~Corp. Code §~~ [Corporations Code section 6010](#) (merger)  
~~Corp. Code §§~~ [Corporations Code sections 6510, subdivision \(d\), 6716, subdivisions \(b\) and \(c\)](#)  
(involuntary dissolution)  
~~Corp. Code §§~~ [Corporations Code sections 6611, subdivision \(a\), 6612, subdivision \(a\), 6613, subdivision \(c\), 6617, subdivision \(b\), 6716, subdivisions \(b\) and \(c\)](#) (voluntary dissolution)  
~~Corp. Code §~~ [Corporations Code section 6721, subdivisions \(a\) and \(b\)](#) (recovery of distribution)

Communications and notices to the Attorney General pursuant to the foregoing sections shall be submitted in writing in accordance with ~~subsection 999.1328, subdivision (a),~~ of these regulations.

In addition to the information required in the Corporations Code and in these regulations for communications and notices to the Attorney General under specific circumstances, notice to the Attorney General pursuant to the foregoing sections of the Corporations Code shall contain written information sufficient to enable the Attorney General to review and evaluate the action or proceeding, the time, date and place at which the action or proceeding will occur, or has occurred, and a statement indicating whether an approval, ruling, waiver or other action by the Attorney General is sought.

**Note:** Authority cited: Sections [5233, 5820, 5914\(b\), and 5918 and 5920](#), Corporations Code;

[Section 12598, Government Code](#). Reference: Sections 5142, 5223, 5225, 5226, 5233, 5236, 5238~~(e)(3)~~, 5617, ~~5820~~[5813.5](#), 5913, 5914, ~~5918~~[5920](#), 6010, 6510~~(d)~~, 6611~~(a)~~, 6612~~(a)~~, 6613~~(e)~~, 6617~~(b)~~, 6716~~(b) and (e)~~ and 6721~~(a) and (b)~~, Corporations Code.

**§ ~~999.3330~~. Mutual Benefit Corporations.**

(a) Written Notice to Attorney General of Self-Dealing Transaction. Corporations Code section 7238 provides that where a mutual benefit corporation holds assets in charitable trust, the conduct of its directors shall be governed by the standards of conduct for directors of public benefit corporations, in respect to the assets held in charitable trust. Thus, Corporations Code section 7238 applies the provisions of section 5233 to self-dealing transactions by a mutual benefit corporation in respect to assets held in charitable trust.

Corporations Code section 5233, [subdivision](#) (e), provides that an action under section 5233, [subdivision](#) (c), seeking remedies for a self-dealing transaction must be filed within two years after written notice setting forth the material facts of the transaction and the director's interest is filed with the Attorney General in accordance with regulations adopted by the Attorney General. For purposes of sections 7238 and 5233, [subdivision](#) (e), a written notice of a self-dealing transaction shall be deemed filed with the Attorney General when the written notice of the self-dealing transaction is submitted in accordance with ~~subsection 999.1328~~, [subdivision](#) (a), of these regulations.

The written notice of a self-dealing transaction to the Attorney General shall contain the following:

- (1) A letter signed on behalf of the corporation by an authorized director or officer thereof, or by or on behalf of a director or officer of the corporation, setting forth a detailed description of the self-dealing transaction, the extent to which any director has a material financial interest in the self-dealing transaction, and all material facts concerning the self-dealing transaction. "Material facts" are defined in ~~subsection 999.1328~~, [subdivision](#) (c), of these regulations.
- (2) A copy of the corporation's current financial statement as of a date within ninety days preceding the filing of the notice or request, except to the extent already on file with the Registry of Charitable Trusts.
- (3) A copy of the articles of incorporation and amendments thereto, except to the extent

already on file with the Registry of Charitable Trusts.

(b) Written Request for Attorney General’s Approval of Self-Dealing Transaction. Corporations Code section 7238 provides that where a mutual benefit corporation holds assets in charitable trust, the conduct of its directors shall be governed by the standards of conduct for directors of public benefit corporations in respect to the assets held in charitable trust. Thus, Corporations Code section 7238 applies the provisions of section 5233 to self-dealing transactions by a mutual benefit corporation in respect to assets held in charitable trust.

Corporations Code section 5233, [subdivision \(d\)](#), provides that no remedies shall be granted in any action for a self-dealing transaction if the Attorney General or the court has approved the transaction before or after it was consummated.

A request for approval by the Attorney General of a self-dealing transaction shall be submitted in writing in accordance with ~~sub~~section ~~999.1328~~, [subdivision \(a\)](#), of these regulations.

A request for approval by the Attorney General of a self-dealing transaction shall contain the following:

- (1) A letter signed on behalf of the corporation by an authorized director or officer thereof, or by or on behalf of a director of the corporation, setting forth a detailed description of the self-dealing transaction, the extent to which any director has a material financial interest in the self-dealing transaction, and all material facts concerning the self-dealing transaction. “Material facts” are defined in ~~sub~~section ~~999.1328~~, [subdivision \(c\)](#), of these regulations.
- (2) A copy of the corporation’s current financial statement as of a date within ninety days preceding the filing of the notice or request, except to the extent already on file with the Registry of Charitable Trusts.
- (3) A copy of the articles of incorporation and amendments thereto, except to the extent already on file with the Registry of Charitable Trusts.
- (4) A copy of the bylaws and amendments thereto, except to the extent already on file with the Registry of Charitable Trusts.
- (5) Copies of all minutes of meetings of the board of directors and committees of the board of directors that reflect any discussions or evaluations of the self-dealing transaction.
- (6) A letter signed by the interested director setting forth a description of the director’s

material financial interest in the self-dealing transaction, listing all material facts, as defined in [subsection 999.1328, subdivision \(c\)](#), of these regulations, concerning the transaction, and all facts disclosed by the interested director to the board of directors concerning the transaction. (Note: Disclosure of this information in the corporation's letter, pursuant to [subsection 999.3 subdivision \(b\)\(1\)](#), may eliminate the need for the letter from the interested director to the extent the information in the interested director's letter would duplicate information in the corporation's letter.)

(7) The Attorney General may require submission of additional information by the corporation and its directors in order to complete analysis of the self-dealing transaction.

(c) Attorney General's Approval of Loans or Guaranties to a Director. Corporations Code section 7238 provides that where a mutual benefit corporation holds assets in charitable trust, the conduct of its directors shall be governed by the standards of conduct for directors of public benefit corporations in respect to the assets held in charitable trust. Thus, Corporations Code section 7238 applies the provisions of section 5236 to director or officer loans or guaranties by a mutual benefit corporation, if such loans or guaranties consist of, or are secured by, assets held in charitable trust.

Corporations Code section 5236 prohibits a public benefit corporation from making any loan or guaranty to any director or officer, unless approved by the Attorney General.

For purposes of sections 7238 and 5236, a request for the Attorney General's approval of a loan or guaranty to a director or officer shall be submitted in writing in accordance with [subsection 999.1328, subdivision \(a\)](#), of these regulations.

The written request for Attorney General's approval of a loan or guaranty shall contain the following:

- (1) A letter signed on behalf of the corporation by an authorized director or officer thereof, or by or on behalf of a director or officer of the corporation, setting forth a detailed description of the loan or guaranty and all material facts concerning the loan or guaranty. "Material facts" are defined in [subsection 999.1328, subdivision \(c\)](#), of these regulations.
- (2) Copies of the loan or guaranty agreement, note and related security agreements.
- (3) A copy of the corporation's current financial statement as of a date within ninety days preceding the filing of the notice or request, except to the extent already on file with the

Registry of Charitable Trusts.

(4) A copy of the articles of incorporation and amendments thereto, except to the extent already on file with the Registry of Charitable Trusts.

(5) A copy of the bylaws and amendments thereto, except to the extent already on file with the Registry of Charitable Trusts.

(6) Copies of all minutes of meetings of the board of directors and committees of the board of directors that reflect any discussions or evaluations of the loan or guaranty.

(7) A letter signed by the interested director setting forth a description of the director's material financial interest in the loan or guaranty, listing all material facts, as defined in ~~subsection 999.1328, subdivision~~ (c), of these regulations, concerning the transaction and all facts disclosed by the interested director to the board of directors concerning the transaction. (Note: Disclosure of this information in the corporation's letter, pursuant to ~~subsection 999.3subdivision~~ (c)(1), may eliminate the need for the letter from the interested director to the extent the information in the interested director's letter would duplicate information in the corporation's letter.)

(8) The Attorney General may require submission of additional information by the corporation and its directors in order to complete an analysis of the loan or guaranty.

(d) Request for Attorney General's Ruling on Amendment of Corporate Articles of Incorporation. Corporations Code section 7820 provides that the Attorney General may, at the corporation's request, give rulings as to whether the Attorney General will or may oppose a proposed amendment to the articles of incorporation, as inconsistent with, or proscribed by, the requirement of a charitable trust.

For purposes of section 7820, a request for the Attorney General's ruling on a proposed amendment to the articles of incorporation shall be submitted in writing in accordance with ~~subsection 999.1328, subdivision~~ (a), of these regulations.

The written request for the Attorney General's ruling shall contain the following:

(1) A letter signed on behalf of the corporation by any officer or director thereof setting forth a detailed description of the proposed amendment to the articles of incorporation and all material facts concerning the amendment. Material facts shall include the reasons for the amendment, the benefit the amendment will confer upon the corporation, whether the board of directors has approved the amendment, and the criteria used by the board to

evaluate and approve the amendment.

(2) A copy of the corporation's current financial statement as of a date within ninety days preceding the filing of the notice or request, except to the extent already on file with the Registry of Charitable Trusts.

(3) A copy of the articles of incorporation and amendments thereto, except to the extent already on file with the Registry of Charitable Trusts.

(4) A copy of the bylaws and amendments thereto, except to the extent already on file with the Registry of Charitable Trusts.

(5) Copies of all minutes of meetings of the board of directors and committees of the board of directors, that reflect any discussions or evaluations of the amendments to the articles of incorporation.

(6) The Attorney General may require submission of additional information by the corporation and its directors in order to complete an analysis of the amendments to the articles of incorporation.

(e) Giving Notice to the Attorney General; Attorney General's Involvement. The following sections of the Corporations Code provide for the involvement of the Attorney General, and, where appropriate, for notice to the Attorney General, in certain actions and proceedings by or relating to a mutual benefit corporation:

~~Corp. Code §~~ [Corporations Code section 7142, subdivision \(a\)](#) (action for breach of charitable trust)

~~Corp. Code §~~ [Corporations Code section 7223, subdivision \(b\)](#) (action to remove director for fraud)

~~Corp. Code §~~ [Corporations Code section 7225, subdivision \(c\)](#) (appointment of provisional director where board deadlocked)

~~Corp. Code §~~ [Corporations Code section 5233 \(through §section 7238\)](#) (self-dealing)

~~Corp. Code §~~ [Corporations Code section 5236 \(through §section 7238\)](#) (loan to a director or officer)

~~Corp. Code §~~ [Corporations Code section 7238, subdivision \(c\)\(3\) \(through section 7238\)](#) (indemnity)

~~Corp. Code §~~ [Corporations Code section 7616, subdivision \(b\)](#) (action to determine validity of



election)

~~Corp. Code §~~ [Corporations Code section](#) 7913 (disposal or sale of assets)

~~Corp. Code §~~ [Corporations Code section](#) 8010 (merger with public benefit, religious corporation)

~~Corp. Code §§~~ [Corporations Code sections](#) 8510, [subdivision](#) (e), 8611, [subdivision](#) (a), 8612, [subdivision](#) (a), 8613, [subdivision](#) (~~ac~~), 8617, [subdivision](#) (b), 8716, [subdivisions](#) (b) and (c) (dissolution)

~~Corp. Code §~~ [Corporations Code section](#) 8723, [subdivision](#) (b) (suit against corporation after dissolution)

Communications and notices to the Attorney General pursuant to the foregoing sections shall be submitted in writing in accordance with ~~subsection 999.4328, subdivision~~ [\(a\)](#), of these regulations.

In addition to the information required in the Corporations Code and in these regulations for communications and notices to the Attorney General under specific circumstances, notice to the Attorney General pursuant to the foregoing sections of the Corporations Code shall contain written information sufficient to enable the Attorney General to review and evaluate the action or proceeding, the time, date and place at which the action or proceeding will occur, or has occurred, and a statement indicating whether an approval, ruling, waiver or other action by the Attorney General is sought.

**Note:** Authority ~~and references~~ cited: [Section 7820, Corporations Code; Section 12598, Government Code. Reference:](#) Sections 7142, 7223, 7225, 7238, 7616, 7913, 8010, 8510, 8611, 8612, 8613, 8617, 8716, 8723, Corporations Code.

### **§ ~~999.4331~~. Religious Corporations.**

Giving Notice of dissolution to the Attorney General.

Communications and notices to the Attorney General pursuant to Corporations Code sections [9633 \(disposal or sale of assets\), 9640 \(mergers\), and 9680 \(dissolution\)](#) shall be submitted in writing in accordance with subsection ~~999.4328, subdivision~~ [\(a\)](#), of these regulations.

In addition to the information required in the Corporations Code and in these regulations for communications and notices to the Attorney General under specific circumstances, notice to the

Attorney General pursuant to section 9680 of the Corporations Code shall contain written information sufficient to enable the Attorney General to review and evaluate the disposition of assets pursuant to the dissolution.

**Note:** Authority ~~and references~~ cited: [Section 9230, Corporations Code; Section 12598, Government Code](#). Reference: Sections ~~9230, 9633, 9640 and~~ 9680~~(a) and (e)~~, Corporations Code.

### **Article 3. Administrative Enforcement of the Supervision of Trustees and Fundraisers for Charitable Purposes Act**

#### **§ ~~999.6336~~. Violations of ~~Government Code Section 12580 et seq~~ the Supervision of Trustees and Fundraisers for Charitable Purposes Act.**

(a) The Attorney General may take administrative action for violations of ~~section 12580 et seq. of the Government Code~~ [the Act and Chapter 4 of these regulations](#), including but not limited to:

(1) ~~r~~Refuse to register, or revoke or suspend the registration of a charitable corporation, trustee, commercial fundraiser [for charitable purposes](#), fundraising counsel [for charitable purposes](#), ~~or commercial~~ [coventurer, charitable fundraising platform, or platform charity](#) for reasons specified in section 12598, subdivision (e), of the Government Code, and sections 339 to 341, and 344 of these regulations.

(2) ~~i~~Issue a cease and desist order against any person or entity for reasons specified in section 12591.1, subdivision (b), of the Government Code, and section 337 of these regulations.

(3) ~~i~~Impose a penalty on any person or entity for reasons specified in section 12591.1, subdivision (c), of the Government Code and section 338 of these regulations.

(b) When an administrative action is taken, the Attorney General shall provide a written notice specifying the reasons for the action.

(c) An appeal of the Attorney General's administrative action must be filed within 30 calendar days of the date of the written notice or the right to appeal is waived and the notice becomes the final order of the Attorney General.

(1) The appeal must be in writing and must include: the name and entity affiliation (if any), address and telephone number of the person appealing, the registration number (if

any) and a statement of the basis of appeal.

(2) Notice of the hearing date, time and place shall be provided in accordance with the procedures set out in Chapter 5 (commencing with section 11500) of Part 1 of Division 3 of Title 2 of the Government Code. The failure of the person or entity to appear at the time and place of the hearing shall be deemed a withdrawal of the appeal, and the written notice of the administrative action shall constitute the Attorney General's final order subject to no further administrative review.

(d) All hearings provided for under this regulation shall be conducted by an administrative hearing officer appointed by the Attorney General. The hearing officer shall not have participated in the decision concerning the administrative action that is the subject of the hearing and is otherwise subject to the disqualification provisions of sections 11425.30 and 11425.40 of the Government Code.

(e) All hearings under this regulation shall be conducted in accordance with the procedures set out in Chapter 5 (commencing with section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, except for provisions requiring the designation of administrative law judges.

(f) Except as otherwise prohibited by law, the Attorney General may delegate any of the powers and duties under sections 12598, subdivision (e), and 12591.1, subdivisions (b) and (c), of the Government Code and under these regulations to Department of Justice staff.

**Note:** Authority cited: Sections 12581, ~~12584~~, 12585, 12586, 12587, ~~and~~ 12598 [and 12599.10](#), Government Code. Reference: Sections 11400 et seq., 11500 et seq., 12581, 12581.2, 12584, 12586, 12588, 12591, 12591.1, 12595, 12596, 12597, 12598(~~e~~), 12599, 12599.1, 12599.2, [12599.3](#), [12599.5](#), 12599.6, 12599.7 ~~and~~ 12599.8, [12599.9 and 12599.10](#) Government Code; Sections 17510, 17510.2, 17510.25, 17510.3, 17510.4, 17510.5, 17510.8, 17510.85 and 17510.9, Business and Professions Code; and Sections 5142, 5230, 5231, 5232, 5233, 5235, 5236, 5237, 5238, 6215, 7231, 7233, 7236, 7237 and 7238, Corporations Code.

**§ ~~314~~[337](#). Grounds for Issuance of Cease and Desist Order.**

(a) The grounds upon which a cease and desist order may be issued include, but are not limited to, the following:

(1) Refusal or failure, after notice, to produce records of the organization or to disclose

information required to be disclosed.

(2) Making a material false statement in an application, statement or report required to be filed.

(3) Failure to file a financial report, or filing an incomplete financial report.

(4) Engaging in any act prohibited pursuant to Government Code section 12599.6, [other provisions of the Act, and Chapter 4 of these regulations](#).

(5) Engaging in any act that requires registration under ~~Government Code section 12580 et seq.~~ [the Act](#) if unregistered, delinquent, suspended or revoked. Such acts include but are not limited to, solicitation for charitable purposes.

(b) Violation of a cease and desist order constitutes disobedience of or resistance to a lawful order pursuant to Government Code section 11455.10. The Attorney General may pursue a contempt sanction for violations pursuant to Government Code section 11455.20, in addition to any other remedy otherwise available to the Attorney General.

**Note:** Authority cited: Sections 12581, ~~12584~~, 12585, [12586](#), 12587, ~~and 12598~~, [and 12599.10](#), Government Code. Reference: Sections 11400 et seq., 11500 et seq., 12581, 12581.2, 12584, 12585, 12586, 12588, 12591, 12591.1, 12595, 12596, 12597, [12598](#), 12599, 12599.1, 12599.2, [12599.3](#), [12599.5](#), 12599.6, ~~and 12599.7~~, [12599.8](#), [12599.9](#) and [12599.10](#), Government Code; Sections 17510, 17510.2, 17510.25, 17510.3, 17510.4, 17510.5, 17510.8, 17510.85 and 17510.9, Business and Professions Code; and Sections 5142, 5230, 5231, 5232, 5233, 5235, 5236, 5237, 5238, 5250, 6215, 6320, 7231, 7233, 7236, 7237 and 7238, Corporations Code.

### **§ ~~315~~[338](#). Imposition of Penalty.**

(a) The Attorney General may assess a penalty pursuant to Government Code section 12591.1, not to exceed \$1,000 for each act or omission that constitutes a violation. To assess a penalty, the Attorney General shall serve a written notice by certified mail that states the basis of the violation and the amount of the penalty.

(1) For violations of Government Code section 12586.1, subdivisions (c), (d), (e) or (f), the notice must be mailed at least 30 days before the penalty becomes effective. The notice shall advise the recipient how to correct or appeal the violation. If the recipient provides documentation to the Attorney General within 30 days that the violation has

been corrected the penalty will not be imposed.

(2) For other violations, the notice shall be mailed at least 5 days before the penalty becomes effective. When the violation occurs in connection with a solicitation for charitable purposes, each call, mailing or request constitutes a separate violation regardless of whether it results in a donation.

(3) If the act or omission that constitutes a violation is ongoing, the notice may include a statement that penalties shall continue to accrue at a rate of \$100 per day for each day until the violation is corrected. The notice shall advise the recipient how to correct the violation and how to inform the Attorney General that the violation has been corrected. When the Attorney General determines that the violation has been corrected, the Attorney General shall issue a written notice identifying the beginning and ending dates of the violation along with the total amount of the penalty.

(b) Appeals shall be made in accordance with ~~California Code of Regulations, title 11,~~ section ~~999.6336~~, subdivision (c), [of these regulations](#). Unless a timely appeal has been filed, all penalties must be paid within 30 days of the issuance of the notice setting forth the amount of the penalty, unless the Attorney General has agreed to a later date in writing.

**Note:** Authority cited: Sections 12581, ~~12584~~, 12585, [12586](#), 12587, ~~and~~ 12598 [and 12599.10](#), Government Code. Reference: Sections 11400 et seq., 11500 et seq., 12581, 12581.2, 12584, 12585, 12586, 12588, 12591, 12591.1, 12595, 12596, 12597, [12598](#), 12599, 12599.1, 12599.2, [12599.3](#), [12599.5](#), 12599.6 ~~and~~ 12599.7, [12599.8](#), [12599.9](#) [and 12599.10](#), Government Code; Sections 17510, 17510.2, 17510.25, 17510.3, 17510.4, 17510.5, 17510.8, 17510.85 and 17510.9, Business and Professions Code; and Sections 5142, 5230, 5231, 5232, 5233, 5235, 5236, 5237, 5238, 6215, 7231, 7233, 7236, 7237 and 7238, Corporations Code.

**§ ~~999.9339~~. Grounds for Refusal, Revocation or Suspension.**

The grounds for which a registration may be refused, suspended or revoked include, but are not limited to:

(a) Misuse of charitable assets.

(b) False or misleading statements and/or conduct in connection with a solicitation for charitable purposes, including any conduct in violation of section 17510 et seq. of the Business and

Professions Code and sections [12599.6](#) and [12599.9, subdivision \(e\)](#), of the Government Code.

(c) False or misleading statements in a document required by law to be filed with a government agency, including the annual registration and renewal reports filed with the Attorney General and informational returns filed with the Internal Revenue Service and Franchise Tax Board. The omission of material information in response to a question in a document required by law to be filed with a government agency constitutes a false or misleading statement.

(d) Failure to comply with the ~~S~~standards of ~~C~~conduct for nonprofit corporations in sections 5230 through ~~5239~~[60](#) and 7230 through 7238 of the Corporations Code.

(e) Failure to prepare annual financial statements using generally accepted accounting principles that are audited by an independent certified public accountant in conformity with generally accepted auditing standards, as required by section 12586, subdivision (e), of the Government Code.

(f) Failure to produce records in response to a subpoena or written request from the Attorney General.

(g) An adverse action by a governmental entity related to the operation of a ~~charity~~[charitable corporation, trustee, commercial fundraiser for charitable purposes, fundraising counsel for charitable purposes, commercial coventurer, charitable fundraising platform, platform charity or a person or entity that performs the functions of such registrants regardless of title](#), or the conduct of a solicitation for charitable purposes, including misuse of charitable assets and unlawful or misleading conduct related to solicitation for charitable purposes.

(1) An adverse action by a governmental entity includes, but is not limited to, suspension, revocation or denial of registration, civil or criminal judgment, assessment of a fine, administrative or civil penalty, entry of assurance of voluntary compliance or enforceable settlement agreement or an equivalent action regardless of its title.

(2) This includes any entity that has an officer, director or key employee, or is owned or operated by a person who was the subject of an adverse action or who owned or operated such an entity or was directly involved in such actions.

**Note:** Authority cited: Sections 12581, ~~12584~~, 12585, 12586, 12587, ~~and 12598~~, and [12599.10](#), Government Code. Reference: Sections 11400 et seq., 11500 et seq., 11425.10~~(a)(7)~~, 11425.60, 11517, 11518.5, 11519, 12581, 12581.2, 12584, 12585, 12586, 12588, 12591, 12591.1, 12595,

12596, 12597, [12598](#), 12599, 12599.1, 12599.2, [12599.3](#), [12599.5](#), 12599.6, ~~and~~ 12599.7, [12599.9](#) and [12599.10](#), Government Code; Sections 17510, 17510.2, 17510.25, 17510.3, 17510.4, 17510.5, 17510.8, 17510.85 and 17510.9, Business and Professions Code; and Sections 5142, 5230, 5231, 5232, 5233, 5235, 5236, 5237, 5238, [5239](#), [5240](#), [5260](#), 6215, 7231, 7233, 7236, 7237 and 7238, Corporations Code.

**§ ~~999.9.2340~~. Refusal to Renew Registration.**

(a) The Attorney General may refuse to renew the registration of any registrant that has:

- (1) Failed to file a document with the Attorney General as required by law.
- (2) Failed to pay fees or late fees.
- (3) Failed to file the periodic written reports required by ~~California Code of Regulations, title 11,~~ section 301 [of these regulations](#).
- (4) Been the subject of an adverse action by a governmental entity related to the operation of a ~~charity~~[charitable corporation, trustee, commercial fundraiser for charitable purposes, fundraising counsel for charitable purposes, commercial coventurer, charitable fundraising platform, platform charity, or a person or entity that performs the functions of such registrants regardless of title](#), or the conduct of a solicitation for charitable purposes, including misuse of charitable assets and unlawful or misleading conduct related to solicitation for charitable purposes.

(A) An adverse action by a governmental entity includes, but is not limited to, suspension, revocation or denial of registration, civil or criminal judgment, assessment of a fine, administrative or civil penalty, entry of assurance of voluntary compliance or enforceable settlement agreement or an equivalent action regardless of its title.

(B) This includes any entity that has an officer, director, or key employee, or which is owned or operated by a person who was the subject of an adverse action or who owned or operated such an entity, or was directly involved in such actions.

(b) Every registrant that is the subject of an adverse action by a governmental entity other than the California Attorney General must provide written notice to the Attorney General of the adverse action. The notice must be made within 30 days of the action or prior to renewing the registration, whichever is sooner.

(c) A registrant whose renewal has been refused may appeal the refusal in the manner prescribed by ~~section 999.6 et seq.~~ [Article 3 of these regulations](#).

**Note:** Authority cited: Sections 12581, ~~12584~~, 12585, 12586, 12587, ~~and 12598~~, [and 12599.10](#), Government Code. Reference: Sections 11400 et seq., 11500 et seq., [12581](#), 12584, 12585, 12586, 12586.1, 12588, 12589, 12590, 12591, [12598](#), 12599, 12599.1, ~~and 12599.2~~, [12599.9 and 12599.10](#), Government Code.

**§ ~~999.9.1341~~. Automatic Suspension.**

(a) A registration shall be automatically suspended if any of the following occur:

(1) The ~~organization's~~ [registrant's](#) tax-exempt status is suspended or revoked by the Internal Revenue Service or Franchise Tax Board.

(2) The registrant fails to file the periodic written reports [or pay the fee](#) required by ~~California Code of Regulations, title 11~~, sections 301 [to 307 of these regulations](#); for three consecutive years.

(3) A corporation's corporate status is suspended or revoked by the California Secretary of State.

(4) Failure of a commercial fundraiser for charitable purposes to maintain a valid bond or cash deposit in the amount required by law.

(5) Failure of a commercial fundraiser for charitable purposes, fundraising counsel for charitable purposes or commercial coventurer to file a completed annual registration form, including the payment of the required fees, on or before January 15. This provision does not apply to a commercial coventurer that meets the exemption requirements of Government Code section 12599.2, [subdivision \(b\)](#).

(6) Failure of a commercial fundraiser for charitable purposes or a commercial coventurer to file completed annual financial reports on or before January 30. This provision does not apply to a commercial coventurer that meets the exemption requirements of Government Code section 12599.2, [subdivision \(b\)](#).

[\(7\) Failure of a charitable fundraising platform to file a completed annual registration renewal form, including payment of the required fee, on or before January 15, when registration renewal is required.](#)



(8) Failure of a charitable fundraising platform or platform charity to file a completed annual report on or before July 15, when the report is required.

- (b) Prior to suspending the registration, the Attorney General shall mail a notice to the registrant. The notice shall identify the reason for the suspension and shall provide information to the registrant about what is needed to resolve the suspension. If the Attorney General does not receive the information needed to resolve the suspension within 30 days of the issuance of the notice, the registration is suspended.
- (c) A registrant must notify the Attorney General in writing within 10 days of any change in its tax-exempt status or corporate status.
- (d) A registration that has been continuously suspended for one year pursuant to this regulation shall be automatically revoked.
- (e) A registrant whose registration has been automatically suspended may appeal the suspension in the manner prescribed by ~~section 999.6 et seq.~~ Article 3 of these regulations; however, the suspension shall remain in effect while the appeal is pending.
- (f) The registration of any person or entity that fails to timely pay a penalty shall be automatically suspended until the fine is paid and no registration shall be renewed until the fine is paid.
- (g) The Attorney General may stay or set aside, in writing, the suspension order and may require the registrant to comply with specific terms and conditions to stay or set aside the suspension order.
- (h) The suspension will remain in effect until the Attorney General notifies the organization in writing that the suspension has been set aside.

**Note:** Authority cited: Sections 12581, ~~12584~~, 12585, 12586, 12587, ~~12597 and~~ 12598; and 12599.10, Government Code. Reference: Sections 11400 et seq., 11500 et seq., 12581, 12584, 12585, 12586, 12597, 12598, 12599, 12599.1, 12599.2, ~~and~~ 12599.5, 12599.9 and 12599.10, Government Code; Sections 2205, 5008.6, 6810, 8810 and 6910, Corporations Code; and Section 23775, Revenue and Taxation Code.

**§ ~~999.7342~~. Review of Hearing Officer's Proposed Decision.**

- (a) Within 15 days after service of the hearing officer's proposed decision as provided for in

Chapter 5 (commencing with section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, any party to an administrative action may file a written brief served on all parties seeking review by the Attorney General of the proposed decision. Failure of a party to timely file such a brief waives the party's right to such a review.

(b) Briefing Procedure

(1) No later than 15 days after service of the written brief requesting review of the proposed decision, an opposition to the request (if any) must be filed and served on the parties.

(2) The parties' briefing may address the following:

(A) Whether the facts stated in the proposed decision are consistent with the evidence presented;

(B) Whether the proposed decision contains an accurate statement and/or application of the law; and

(C) Whether additional evidence exists that could not, with reasonable diligence, have been discovered and presented at the administrative hearing.

(3) The Attorney General may in the Attorney General's discretion upon a showing of good cause, extend the time requirements set forth herein unless irreparable harm would result from granting such an extension.

**Note:** Authority cited: Sections 12581, ~~12584~~, 12585, 12586, and 12587, [12598 and 12599.10](#) Government Code. Reference: Sections 11400 et seq., 11500 et seq., 11517, 11518.5, 11519, 12581, 12581.2, 12584, 12586, 12588, 12591, 12591.1, 12595, 12596, 12597, 12598(e), 12599, 12599.1, 12599.2, [12599.3](#), [12599.5](#), 12599.6, 12599.7, ~~and~~ 12599.8, [12599.9 and 12599.10](#), Government Code; Sections 17510, 17510.2, 17510.25, 17510.3, 17510.4, 17510.5, 17510.8, 17510.85 and 17510.9, Business and Professions Code; and Sections 5142, 5230, 5231, 5232, 5233, 5235, 5236, 5237, 5238, 6215, 7231, 7233, 7236, 7237 and 7238, Corporations Code.

**§ ~~999.8343~~. Final Attorney General Decisions.**

(a) Upon completion of the briefing process or after 15 days of service of the proposed decision, the Attorney General may do any of the following:

(1) Adopt the proposed decision in its entirety.

(2) Reduce or otherwise mitigate the proposed decision in its entirety.

(3) Make technical or non-substantive changes, which do not affect the factual or legal

basis of the proposed decision and adopt it as the final decision.

(4) Non-adopt the proposed decision. If the proposed decision is not adopted, the Attorney General may decide the case upon the record, including the transcript, or may refer the case back to the hearing officer to take additional evidence. If the case is remanded back to the hearing officer for taking additional evidence, another proposed decision shall be prepared based upon this additional evidence. The proposed decision shall be subject to the review and adoption procedures set out in these regulations.

(A) Before deciding any case on the record, the Attorney General shall give the parties the opportunity to present further written argument.

(B) If the record and/or the parties' arguments reveal the need for additional evidence, the Attorney General in the Attorney General's discretion may order the taking of additional evidence either by the Attorney General or by the hearing officer. Following the receipt of any additional evidence, the Attorney General may require further written or oral argument before deeming the case submitted for final decision.

(b) The proposed decision shall be deemed adopted by the Attorney General 100 days after service of the proposed decision by the hearing officer, unless within that time: (1) the Attorney General notifies the parties that the proposed decision is or is not adopted or is otherwise modified, or (2) the matter is referred to the hearing officer to take additional evidence.

(c) The decision shall become effective 30 days after it is mailed to the parties, unless reconsideration of the decision is ordered within that time or the Attorney General orders that the decision shall become effective sooner.

(d) The Attorney General may designate as precedent the decision or any part thereof that contains a significant legal or policy determination that is likely to recur.

(1) Once a decision is designated as precedent, parties may cite to such decisions in their briefs to the Attorney General, hearing officer, and the courts.

(2) If the Attorney General decides to designate precedent decisions under this regulation, then an index of significant legal and policy determinations made in these decisions shall be maintained and made available to the public at the Charitable Trust Registry as well as publicized annually in the California Regulatory Notice Register. The index shall be maintained at least annually, unless no precedent decisions have been designated since

the last preceding update.

**Note:** Authority cited: Sections 12581, ~~12584~~, 12585, 12586, 12587, ~~and~~ 12598 [and 12599.10](#), Government Code. Reference: Sections 11400 et seq., 11500 et seq., 11425.10~~(a)(7)~~, 11425.60, 11517, 11518.5, 11519, 12581, 12581.2, 12584, 12586, 12588, 12591, 12591.1, 12595, 12596, 12597, 12598~~(e)~~, 12599, 12599.1, 12599.2, [12599.3](#), [12599.5](#), 12599.6, 12599.7, ~~and~~ 12599.8, [12599.9](#) [and 12599.10](#), Government Code; Sections 17510, 17510.2, 17510.25, 17510.3, 17510.4, 17510.5, 17510.8, 17510.85 and 17510.9, Business and Professions Code; and Sections 5142, 5230, 5231, 5232, 5233, 5235, 5236, 5237, 5238, 6215, 7231, 7233, 7236, 7237 and 7238, Corporations Code.

**§ ~~316~~[344](#). Suspension of Registration.**

(a) If the Attorney General assesses penalties under section ~~315~~[338](#) [of these regulations](#), the Attorney General may suspend the registration of that person or entity in accordance with the procedures set forth in ~~section 999.6 et seq. of Title 11 of the California Code of Regulations~~[Article 3 of these regulations](#).

(b) The registration of any person or entity that fails to timely pay a penalty shall be automatically suspended until the penalty is paid and no registration shall be renewed until the penalty is paid.

**Note:** Authority cited: Sections 12581, ~~12584~~, 12585, [12586](#), 12587, ~~and~~ 12598 [and 12599.10](#), Government Code. Reference: Sections 11400 et seq., 11500 et seq., 12581, 12581.2, 12584, 12585, 12586, 12588, 12591, 12591.1, 12595, 12596, 12597, [12598](#), 12599, 12599.1, 12599.2, [12599.3](#), [12599.5](#), 12599.6 ~~and~~ 12599.7, [12599.8](#), [12599.9](#) [and 12599.10](#), Government Code; Sections 17510, 17510.2, 17510.25, 17510.3, 17510.4, 17510.5, 17510.8, 17510.85 and 17510.9, Business and Professions Code; and Sections 5142, 5230, 5231, 5232, 5233, 5235, 5236, 5237, 5238, 6215, 7231, 7233, 7236, 7237 and 7238, Corporations Code.

**§ ~~999.9~~[345](#). Disclosure and Restrictions on Use of Charitable Assets After Suspension or Revocation of Registration.**

(a) Within 30 days of the revocation of a registration, the registrant shall provide an accounting

of all charitable assets within the registrant's possession, custody or control for 180 days prior to the effective date of the order, unless the Attorney General specifies a different period of time in the order. The Attorney General may require the registrant to provide an accounting of all charitable assets received, held or distributed by the registrant for a period of up to 10 years before the effective date of the suspension or revocation.

(b) A registrant that has been suspended or revoked may not distribute or expend any charitable assets or assets subject to a charitable trust without the written approval of the Attorney General. Members of the board of directors or any person directly involved in distributing or expending charitable assets may be held personally liable in a civil action brought by the Attorney General for any charitable assets or assets subject to a charitable trust that are distributed or expended in violation of this regulation.

(c) The Attorney General may direct a registrant whose registration has been suspended or revoked to distribute some or all of its charitable assets or assets subject to a charitable trust to another charitable organization or into a blocked bank account.

**Note:** Authority cited: Sections 12581, ~~12584~~, 12585, 12586, 12587, 12598, ~~12599, 12599.1, 12599.2 and 12599.7~~, and 12599.10, Government Code. Reference: Sections 11400 et seq., 11500 et seq., 12581, 12584, 12585, 12586, and 12596, 12598, 12599, 12599.1, 12599.2, 12599.7, 12599.9 and 12599.10, Government Code.

#### **§ ~~999.9.5346~~. Reinstatement.**

A revoked registrant may petition the Attorney General for reinstatement after ~~the~~an ~~O~~orders of ~~R~~revocation has become final. The petition shall be in writing and must establish that the petitioner is entitled to the relief sought. If the Attorney General, in the Attorney General's discretion, determines there is no threat to the public or to charitable assets, the Attorney General may grant or deny the petition for reinstatement. The Attorney General may impose terms and conditions as a condition of reinstatement.

**Note:** Authority cited: Sections 12581, ~~12584~~, 12585, 12586, 12587, ~~and 12598~~, and 12599.10, Government Code. Reference: Sections 11400 et seq., 11500 et seq. and 11522, 12581, 12584, 12585, 12586, 12596, 12598, 12599, 12599.1, 12599.2, 12599.7, 12599.9 and 12599.10,

Government Code.

**Chapter 15. Attorney General ~~Regulations Regarding Administrative Enforcement of the Supervision of Trustees and Fundraisers for Charitable Purposes Act~~Review of Changes of Control Involving Health Care Facilities**