Michael Watson
SECRETARY OF STATE

POST OFFICE BOX 136
JACKSON MISSISSIPPI 39205-0136
TELEPHONE (601) 359-1633
WWW.SOS.MS.GOV

GENERAL DUTIES AND RESPONSIBILITIES FOLLOWING THE FORMATION OF A MISSISSIPPI NONPROFIT CORPORATION

Organizational Meeting

1. After incorporation, if initial directors are named in the Articles of Incorporation, the directors must hold an organizational meeting at the call of a majority of the directors to complete organization of the corporation by appointing officers and carrying on other business brought before the meeting.

2. If initial directors are *not* named in the Articles of Incorporation, the incorporator(s) must hold an organizational meeting at the call of a majority of the incorporators:

    a. To elect directors and complete the organization of the corporation (including adopting by-laws for the operation of the Corporation); **OR**

    b. To elect a board of directors who must complete the organization of the corporation (including adopting by-laws for the operation of the Corporation).

IT IS IMPERATIVE THAT THE ORGANIZATIONAL MEETING TAKE PLACE WITHIN TWO YEARS OF THE DATE OF INCORPORATION AS REQUIRED BY SECTION 180 OF THE MISSISSIPPI CONSTITUTION. IF THIS REQUIREMENT IS NOT MET, A COURT MAY DETERMINE THE CORPORATION'S CHARTER IS VOID.

Additional Registration as a Charity May Be Required

If the Corporation plans on soliciting contributions from the public through any means, including the Internet, it may be required to register with the Secretary of State's Office prior to beginning its solicitation efforts. This registration is separate and in addition to any required filings with the Secretary of State's Business Services Division. Please consult a private attorney or contact the Secretary of State's Securities and Charities Enforcement Division at (601) 359-1350 for more information regarding whether the Corporation must register with the Secretary of State.

NOTE: Bona fide duly constituted religious organizations (i.e., churches) need not register with the Secretary of State, nor are they required to receive a certificate of exemption prior to commencing solicitations. If your organization is unsure of whether or not it meets this requirement, you may write the Securities and Charities Enforcement Division for a written opinion
PURSUANT TO SECTIONS § 79-11-501 ET SEQ. OF THE MISSISSIPPI CODE, ANY SOLICITATIONS MADE BY AN ORGANIZATION WHICH HAS NEITHER REGISTERED WITH THE SECRETARY OF STATE NOR RECEIVED A CERTIFICATE OF EXEMPTION FROM THE SECRETARY OF STATE ARE

ILLEGAL. ORGANIZATIONS IN VIOLATION OF THE LAW MAY BE SUBJECT TO AN ADMINISTRATIVE PENALTY OF UP TO TWENTY-FIVE THOUSAND DOLLARS ($25,000) FOR EACH VIOLATION.

State Tax Commission Registration

a. The Corporation must register with the Mississippi State Tax Commission ("MSTC"). Visit the MSTC website at http://www.mstc.state.ms.us for more information.

b. Certain nonprofit corporations may qualify for tax-exempt status under Mississippi law. Please contact the MSTC or consult a tax advisor for further information on obtaining tax-exempt status.

Obtaining 501(c)(3) Tax-Exempt Status

If the Corporation is organized and operated exclusively for a charitable, religious, or educational purpose, it may also qualify for federal tax-exempt status under Section 501(c)(3) of the Internal Revenue Code. See http://www.irs.gov or consult a tax advisor for further information on obtaining tax-exempt status.

Federal Employee Identification Number

The Corporation must obtain a Federal Employer Identification Number from the Internal Revenue Service. See http://www.irs.gov for more information.

Unemployment Insurance Registration

If the Corporation has employee(s), the Corporation must register for unemployment insurance with the Mississippi Department of Employment Security. If you are not sure about the need for unemployment insurance, seek professional financial or legal advice. Additional information can be found online at: http://www.mdes.ms.gov.

Recordkeeping Requirements

Once the Corporation is formed, it is required to keep records of a number of matters, including but not limited to appropriate accounting records, the minutes of all meetings of the Corporation's members and board of directors, and a list of members. For a full list of records which are required to be maintained by the Corporation, see Section 79-11-283 of the Mississippi Code. You may access the Mississippi Code free of charge by visiting the Secretary of State's website at http://www.sos.state.ms.us/ed_pubs/mscode/ .

State and Federal Registration of Trademarks and Service Marks

If the Corporation will be selling products or providing services in Mississippi and will be using a logo or other mark to advertise them, the Corporation may want to register its trademark(s) or service mark(s) with the Mississippi Secretary of State and/or the U.S. Patent and Trademark Office. For more information on state registration of trademarks and service marks, please visit the Secretary of State's Business Services Division website by visiting http://www.sos.ms.gov and selecting the "Business Services" option. Alternately, you may call the Business Services Division at (601) 359-1633. For information regarding federal trademark or service mark registration, visit the website of the U.S. Patent and Trademark Office at http://www.uspto.gov/.

This guide only provides general basic information on some of the legal and practical issues to consider when forming a Mississippi Nonprofit Corporation. The guide is not a substitute for professional advice. The Secretary of State strongly advises persons contemplating starting a business to engage the services of private legal, financial, and tax advisors.

If we can be of further assistance to you please call us at (601) 359-1633 between the hours of 8:00 a.m. and 5:00 p.m. (Central Time) Monday through Friday.