October 1, 2018

CERTIFICATE OF TAX EXEMPTION NO. 1232-18

CERTIFICATE OF TAX EXEMPTION
issued to

KFF CORPORATION LENDING INVESTORS
038 Legaspi corner Zamora Street, Cebu City
TIN: 000-000-000-000

This certifies that the donation under the Deed of Donation dated November 20, 2017, executed by the KFF CORPORATION LENDING INVESTORS in favor of:

Name of Donee	TIN	Address
KFF FOUNDATION, INC.	000-000-000-000	Legaspi St. corner Zamora St., Cebu City

Covering the following property:

Date	Transfer Certificate of Title	Area (sq.m.)	Location
November 20, 2017	107-2017003575	(Lot 1-A) — 231 (Lot 1-B) — 249	038 Legaspi. corner P. Zamora Sts., Cebu City
Total		**480**	

being a donation made in favor of a **social welfare** corporation is exempt from the payment of the donor's tax pursuant to Section 101 (A) (2) [1] of the Tax Code of 1997, as amended, subject to the condition that not more than thirty percent (30%) of said gift shall be used by the donee for administration purposes. Such condition shall be annotated on the Transfer Certificate of Title because failure to comply with said condition shall subject the donation to donor's tax.

Moreover, Section 185 of Regulations No. 26, otherwise known as the Revised Documentary Stamp Tax Regulations, implementing Title VII of the Tax Code, provides that conveyances of realties not in connection with a sale, to trustees or other persons without

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consideration are not taxable. Accordingly, the Deed of Donation is likewise not subject to the documentary stamp tax prescribed under Section 196 of the Tax Code, as amended, but only to the documentary stamp tax of P15.00 [2] imposed under Section 188 of the same Code.

This Certificate of Tax Exemption is being issued on the basis of the facts and documents as represented and submitted. However, if upon investigation, the BIR ascertains that the facts are different, then this Certificate shall be considered null and void.

Issued this 1st day of October, 2018.

(SGD.) CAESAR R. DULAY
Commissioner of Internal Revenue

Footnotes

1. As renumbered by Republic Act No. 10963.
2. The old DST rate of P15.00 was used since the donation took place prior to the effectivity of R.A. No. 10963.

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