Republic of the Philippines
Department of Finance
Securities and Exchange Commission
SEC Building, EDSA, Greenhills, Mandaluyong City

10 July 2014

Atty. Glicerio P. Santos IV
Head Legal Counsel
Iglesia ni Cristo (Church of Christ)
Legal Department
No. 1 Central Ave., New Era, Quezon City,
Philippines 1107

SEC OGC Opinion No. 14-18

Dear Atty. Santos:

This refers to your letter dated 30 June 2014 addressed to Chairperson Teresita J. Herbosa and which was referred to this office for the issuance of an opinion. You request confirmation of your view that the corporate term of the Iglesia ni Cristo (Church of Christ) (Church) is perpetual based on the following grounds:

1. Both the Corporation Law (Act 1459) and the Corporation Code of the Philippines (Batas Pambansa Blg. 68) do not provide for a term of existence of religious corporations;

2. The Articles of Incorporation of the Church does not provide for any corporate term; and

3. It was not the intention of Bro. Felix Y. Manalo[1] to limit the existence of the Church when he caused its registration with the government on July 27, 1914.

You stated that the Church is a religious corporation duly registered with the Bureau of Commerce, Division Archives, Patents, Copyright and Trade Marks, Executive Office on 27 July 1914. The purpose of the Church is for the religious worship and the dissemination and propagation of the Christian faith and teachings as they are written in the Holy Scriptures.

We opine as follows:

The corporate term of a religious corporation is not required to be specified in its articles of incorporation under the old Corporation Law, the applicable law when the Church was incorporated on 27 July 1914.[2] While the present Corporation Code provides

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[1] Bro. Felix Y. Manalo is the Church's first Executive Minister or Presiding Elder.
[2] Certificate of Corporate Filing/Information dated 26 February 2007.

a term for corporations in general, this does not apply to religious corporations.[3] The Corporation Code has specific provisions for religious corporations, set out in Title XIII on Special Corporations, particularly on Sections 110 and 116, both of which do not provide for a term of existence of religious corporations, whether classified as corporation sole or religious society.[4] The law never intended to limit the corporate life of religious corporations. Hence, they may be allowed to exist *perpetually*.[5]

It must also be noted that religious corporations may limit their corporate term by providing a specific term in their articles of incorporation. However, absent such specification, it shall be understood that the corporation intended to exist for an indefinite period.[6]

Here, the corporate term of the Church is perpetual since there is no corporate term specified in its articles of incorporation.

This Opinion is based solely on the facts disclosed in the query and relevant solely to the particular issues raised therein. It shall likewise be understood that the foregoing shall not be used in the nature of a standing rule binding upon the Commission in other cases or upon the courts. If, upon investigation, it will be disclosed that the facts relied upon are different, this opinion shall be rendered void.

Please be guided accordingly.

Very truly yours,

CAMILO S. CORREA
General Counsel

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[3] SEC Opinion No. 04-11 dated 10 January 2011 addressed to Atty. Francis Dignadice.
[4] *Ibid.*.
[5] *Ibid.*, citing SEC Opinion dated 23 October 1995 addressed to the United Evangelical Church of the Philippines, SEC Opinion dated 15 May 1991 addressed to Atty. Eduardo D. Estores, and SEC Opinion dated 10 December 1981 addressed to Benjamin Teodoro.
[6] *Ibid.*