Board of Commissioners

RESOLUTION NO. 788
Series of 2006

AMENDING CERTAIN PROVISIONS OF THE 2004 RULES ON REGISTRATION AND SUPERVISION OF HOMEOWNERS ASSOCIATIONS (Board Resolution No. R-771, S. 2004)

WHEREAS, a number of groups of homeowners associations have expressed appeals for the amendment of certain provisions of the 2004 Rules on Registration and Supervision of Homeowners Associations;

WHEREAS, the Board deems it to the best interest of all homeowners associations to re-examine and reconsider the proposals;

WHEREFORE, the Board of Commissioners hereby resolves to amend the following provisions of Board Resolution No. R-771, Series of 2004:

Rule IX

"Section 1. Segregation. - A group of members of a homeowners association may, ***after conducting among themselves a referendum with prior notice to the affected mother homeowners association and the Regional Office of the HLURB,*** form a new association by filing a verified petition with said Regional Office x x x."

Rule XII

"Section 3. Homeowners Association books to be kept. – Every homeowners association shall keep and carefully preserve a ***book or*** record of all transactions and minutes of all meetings of members, or of the board of directors or trustees, in which shall be set forth in detail the time and agenda for holding the meeting, how authorized, the notice given, whether the meeting was regular or special, if special its object, those present and absent, and every act done or ordered done at the meeting."

When books or records are required to be produced and examined upon proper petition before the HLURB, a certified true copy of the same shall be produced by the Association Secretary."

Rule XIII

"Section 1. Annual Report. – Within forty five (45) days from the close of the accounting period, the homeowners association shall submit to the Regional Office the following books and documents concerning its operations during the preceding accounting period:

a. General information sheet; and,

b. Most recently audited financial statement.

[c. Certified true copy of the membership book and the minutes book as certified by the association secretary;]"

"x x x"

Rule XV

"Section 1. ***Treasurer's Bond. – The treasurer of the homeowners association, before assumption of his/her office, shall file a treasurer's bond to guarantee the faithful and effective performance of his/her duties and responsibilities.*** The premium of such treasurer's bond may be sourced from the operating expenses of the homeowners associations in an amount equivalent to the association's cash assets and its equivalent at the time of assumption to office of the officers concerned."

"Section 2. Failure to post *treasurer's bond.* – If the treasurer of the homeowners association fails to post the required bond, he/she may nonetheless perform his/her official functions, except that disbursement of the funds of the homeowners association shall be at the instance of the board of directors or trustees."

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Rule XVI

"Section 5. Involuntary Dissolution. – A homeowners association may be dissolved by the Regional Office upon its prior investigation or the filing of a verified complaint, after proper notice and hearing, on the following grounds provided by existing laws, rules and regulations:

a. ***When the homeowners association has violated against a provision of an act for its creation or renewal;***

b. ***When it has forfeited its privileges and franchises by continuous inoperation or non-user for a period of at least five (5) years;***

c. ***When it has committed or omitted an act which amounts to a surrender of its corporate rights, privileges, or franchises;***

d. ***When it has misused a right, privilege or franchise conferred upon it by law or when it has exercised a right, privilege or franchise in contravention of law."***

APPROVED, 11 January 2006, Manila.

THE HONORABLE NOLIN. DE CASTRO
Vice-President of the Philippines & HUDCC Chairman

AUGUSTO B. SANTOS
Director General, NEDA

ROMULO Q. FABUL
Commissioner and
Chief Executive Officer

Undersecretary, DOJ

TERESITA A. DESIERTO
Commissioner

EDUARDO R. SOLIMAN, JR.
Undersecretary, DILG

JESUS YAP PANG
Commissioner

JOEL T. JACOB
DPWH

Attested by:

CHARITO B. LANSANG
Board Secretary