Guide to Fill-up the  
Cooperative Model of Articles of Cooperation and By-laws

A. ARTICLES OF COOPERATION

1. Write the complete name of the cooperative as indicated in the approved Name Reservation Slip/Notice on the space provided after the phrase “Articles of Cooperation of” and, on the space in Article I “Name of Cooperative”.

   Article II. Type and Purpose/s – Indicate the type of cooperative in accordance with Article 23 (1) of RA 9520 and enumerate the specific business/service to be undertaken by the cooperative. If applicable, allied/related undertakings should be specified. These undertakings are necessary and incidental to the specific business/service of the cooperative. Note: Add additional blanks if necessary.

2. Article V. Term of Existence – Fill up the blank with words and the parenthesis with numeric value of the desired period, which should not exceed fifty (50) years.

3. Article VI. Common Bond of Membership
   Indicate only one (1) bond of membership on the 1st blank as enumerated below:
   - Residential, members working and/or residing in the same place
   - Institutional, members consist of employees, workers and/or officers of a particular institution
   - Associational, members come from a registered and/or recognized association, group, club, fraternity, and other similar aggregation. Recognized association means legitimate aggregation of persons which is publicly known in a particular community and able to present certification from applicable government entity.
   - Occupational, members come from same or allied profession or occupation

   In case the common bond of membership is associational or institutional, the specific coverage of the association or institution must be indicated with certainty to ensure that the proposed cooperative shall recruit members only from the association or institution with identified area of operation. For 2nd space, indicate specific membership in the example below.

   On 2nd blank, the cooperative should indicate further to delimit their common bond of membership by specifying the appropriate field of membership.

   Example, A Homeowners association within Blue Ridge Subdivision in Quezon City cannot recruit members beyond such subdivision. Also, the CDA Central Office Employees Cooperative cannot recruit members from CDA Extension Offices’ Employees.

4. Article VII. Area of Operation - Indicate in the first blank the place where the cooperative shall recruit members. Fill up the second blank with complete principal/head office address of the proposed coop indicating the number/unit/floor, street, barangay, city/municipality, district, province, and zip code. The principal office shall be within the area of operation.

5. Article VIII. Names and Addresses of Cooperators - Fill-up the complete names and postal addresses of all cooperators.
6. Article IX. Board of Directors
   a. Fill-up the number of board of directors the minimum of which is five (5) but not more than fifteen (15). It is recommended to prescribe odd number in determining the number of member of the board of directors.
   b. Enumerate the names of the elected board of directors

7. Article X. Capitalization
   a. Indicate in the first blank (in words and figure) the total authorized capital as prescribed by the cooperative.
   b. Indicate in the second blank (in words and figure) the total number of shares
   c. Indicate the amount of par value (in words and figure) of each share. The par value of a share capital should not be more than One Thousand Pesos (Php 1,000.00). The par value shall be divisible by one peso (Php1.00). In case the cooperative opt to offer preferred share capital the wordings of Article X shall be as follows:

   Article X
   Capitalization
   That the Authorized Share Capital of this Cooperative is _____________________________ PESOS (Php__________), divided into:
   a) _____________________________ (_____ ) common shares with a par value of _____________________________ (Php _____) per share; and
   b) _____________________________ (_____ ) preferred shares with a par value of _____________________________ (Php _____) per share.”

d. When Preferred Shares is prescribed in the articles of cooperation, a corresponding provision on associate membership shall be provided in the by-laws.

8. Article XI. Subscribed and Paid-up Share Capital
   a. Indicate in the first blank (in words and figure) the amount of total subscribed capital which should not be less than twenty five percent (25%) of the authorized capital
   b. Indicate in the second blank (in words and figure) the amount of total paid-up capital which should not be less than twenty five percent (25%) of the total subscribed share capital

   The schedule of subscribed and paid-up capital of cooperative with preferred share capital shall be as follows:

   ARTICLE XI
   Subscribed and Paid-up Share Capital
   That the amount of _____________________________ (Php__________) of the authorized share capital has been subscribed, and _____________________________ (Php__________) of the total subscription has been paid, by the following members-subscribers:

   A. Common Share Capital Subscribers

<table>
<thead>
<tr>
<th>Names</th>
<th>No. of Subscribe d Shares</th>
<th>Amount of Subscribed Shares</th>
<th>No. of Paid-up Shares</th>
<th>Amount of Paid-up Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</table>
B. Preferred Share Capital Subscribers:

<table>
<thead>
<tr>
<th>Names</th>
<th>No. of Subscribed Shares</th>
<th>Amount of Subscribed Shares</th>
<th>No. of Paid-up Shares</th>
<th>Amount of Paid-up Shares</th>
</tr>
</thead>
</table>

9. Certification Clause - The name of the elected treasurer shall be indicated in the first blank. Also, specify the date, month, year, and place of execution of the articles. The list of cooperators with their corresponding signature must likewise be completely provided. In case of amendment by substitution, the Treasurer may be appointed.

10. Witnesses - two credible witnesses neither of whom is privy to the document in the spaces provided indicating their printed name and signature to attest in the execution of the articles.

11. Acknowledgment - Just fill up the matrix with required information. Other blanks shall be accomplished by the notary public.

**General Instruction:** The Articles of Cooperation being a contract between the cooperative and the Authority, the following must be observed:

1. All organizers(cooperators) must affix their signatures on the margin of each and every page thereof except the page where the names and signatures of cooperators are provided;
2. All four (4) copies of the articles of cooperation to be submitted to CDA shall bear original signatures;
3. No photocopy of documents shall be accepted;
4. The paper must be in 8.5”x 13” or 8.5”x 14” and the font type and size is Bookman Old Style 12;
5. Four (4) copies of documents must be submitted in separate folders; and
6. The use of metallic objects in fastening the documents is not allowed.

Proof of Identity in the acknowledgment portion shall refer to any competent evidence of identification or document for identification as determined by notary public. Competent evidence of identity shall refer to: a) at least one current identification document issued by an official agency bearing the photograph and signature of the individual; or b) the oath or affirmation of one credible witness not privy to the instrument or transaction who is personally known to the notary public and personally knows the individual, or of two credible witnesses neither of whom is privy to the document or transaction who each personally knows the individual and shows to the notary public documentary identification.

B. **TREASURER’S AFFIDAVIT**

1. Indicate the complete name of the treasurer, name of cooperative, capitalization which must tally with the figures provided in the articles of cooperation and total membership fees received;
2. The Treasurer should indicate the date, place of execution and affix his/her signature in the document; and
3. The *jurat is to be filled-up by the notary public.*
C. **BY-LAWS**

1. **Title** – The first blank should indicate the full name of the cooperative as indicated in the approved Name Verification Slip/Reservation Notice.

2. **Article II, Section 1** – Indicate in the space provided regular or associate or both whichever is applicable.

   A *regular member* is one who has complied with all the membership requirements and entitled to all the rights and privileges of membership.

   An *associate member* is one who has no right to vote nor be voted upon and shall be entitled only to such rights and privileges as the by-laws may provide.

3. **Article II, Section 2** – Indicate in the space the field of membership of the cooperative which should be consistent with the common bond as provided for in the articles of cooperation.

   Example. For residential, field of membership should be residents of Barangay 103; For institutional, field of membership should be employees of ABC Corporation; For Associational, field of membership should be members of CDE Association; and for occupational, field of membership should be merchandiser/promoter, etc.

   It is required to prescribe additional section if the cooperative opted to have associate members in their bylaws.

4. **Article II, Section 3.d**, the blank should indicate other requirements the cooperative may deem necessary, otherwise delete the blank.

5. **Article II, Section 4**, indicate in words and number the days within which the BOD should approve or deny the application for membership in the cooperative. Likewise, indicate in the succeeding paragraph the required membership fee by stating the amount in words and in pesos.

6. **Article II, Section 6**, indicate the number of shares subscribed and the corresponding number of shares to be paid by the member upon approval of application for membership.

7. **Article II Section 7**, the cooperative may add other duties and responsibilities of a member provided it is not contrary to law, morals, public interest, etc etc.

8. **Article II Section 8**, in case the cooperative provides for associate membership, Section 8 shall have sub-section 8.1 Regular Members and sub-section 8.2, Associate Members. The following provision shall be included among others under Section 8.2 “Has preference in the payment of interest on share capital and in the distribution of the net assets of the Cooperative in case of liquidation”.

   Article III Section 2, indicate powers to be delegated to a smaller body.

9. **Article IV - Section 1**, indicate in words and numerals the number of Board of Directors in the cooperative. The number must be consistent with the provision of the Articles.

10. **Article IV –Section 4 and Section 5**, the cooperative may provide for term limitation. If so, indicate the number of years as term limit and the consecutive terms a BOD member may be disqualified as such in running for the same office.

11. **Article V - Section 1**, indicate the number of members which should be at least three (3) of the Audit Committee.

12. **Article V - Section 3**, indicate the number of members which should be at least three (3) of the Election Committee.

13. **Article V - Section 5**, indicate the number of members which should be at least three (3) of the Education and Training Committee.

14. **Article V - Section 7**, indicate the number of members which should be at least three (3) of the Mediation and Conciliation Committee.

15. **Article V - Section 9**, indicate the number of members which should be at least three (3) of the Ethics Committee.
Note: Coop may also prescribe/constitute other committees peculiar to the type of coop e.g. credit committee, production, consumer, etc.

16. Article VII - Section 2, indicate the a. percentage and its peso value of the monthly income, b. the minimum percentage in the interest on capital and patronage refund, and c. minimum percentage of the value of the goods/service acquired from the cooperative, will be allocated to the provision on continuous capital build-up in the cooperative.

17. Article VIII Section 1.a, indicate the primary business/services of the cooperative in accordance with the purpose stated in the articles of cooperation of the cooperative.

Proponent may also provide additional sections to indicate the specific operational concepts and procedures that will be undertaken by the cooperative. The same should highlight the significant terminology and framework that will be prescribed.

18. Article IX - Section 1(a-d), the cooperative shall fix the percentage allocated for all Statutory Reserves in accordance with the provision of Article 86, RA 9520.

The second paragraph will not apply to cooperatives existing for more than five (5) years.

19. Article XII - Indicate the day, month, year and, place the By-laws was executed and adopted and indicating the names and signatures of those who took part in the adoption thereof. It is suggested that the list of other adopting members must be provided in separate sheet of paper as proof majority adopted thereon.

Note: a. The authorized officer must initial all items with erasure or superimposition to validate changes made thereon.

b. For new cooperative at least majority of members including the cooperators shall sign on the certification portion. For existing cooperative applying for amendment by substitution, at least majority of the Board of Directors shall sign in the certification portion.