MEMORANDUM CIRCULAR NO. 2013-09
Series of 2013

TO: ALL CONCERNED

SUBJECT: POLICY ON NETWORTH REQUIREMENT FOR THE ORGANIZATION OF A SUBSIDIARY COOPERATIVE PURSUANT TO SECTION 2 (2), RULE II OF RULES AND REGULATIONS IMPLEMENTING CERTAIN PROVISIONS OF R.A. 9520

DATE: 07 FEBRUARY 2013

Section 2 (2) of Rule II, of Rules and Regulations Implementing Certain Provisions of R.A. 9520, requires that in order for a parent cooperative to organize a subsidiary cooperative, it must have a net worth of at least Ten Million (P10,000,000.00) Pesos as shown in its latest audited financial statements;

In view of the foregoing premises, a parent cooperative may organize more than one (1) subsidiary cooperatives provided that for every subsidiary cooperative, the parent cooperative must have a net worth of Ten Million (P10,000,000.00) Pesos in its latest audited financial statements [e.g. one subsidiary cooperative = Ten Million (P10,000,000.00) Pesos, two subsidiary cooperatives = Twenty Million (P20,000,000.00) Pesos, etc.], in addition to the other requirements as provided under Section 2, Rule II of IRR of R.A. 9520.

For information and guidance.

APPROVED per CDA Board Resolution No. 050, s-2013 dated February 7, 2013,
Quezon City, Philippines.

For the Board of Administrators
By:

Chairman
EXCERPTS FROM THE
MINUTES OF SPECIAL MEETING
OF THE CDA BOARD OF ADMINISTRATORS HELD ON FEBRUARY 7, 2013
Makati Palace Hotel, Makati City

PRESENT:
Hon. Emmanuel M. Santiaguel, Ph.D. - Chairman/Presiding Officer
Hon. Nelson B. Alindogan - Administrator
Hon. Mercedes D. Castillo - Administrator
Hon. Eulogio T. Castillo, Ph.D. - Administrator

ALSO PRESENT:
Atty. Niel A. Santillan - Executive Director

RESOLUTION NO. 050, s-2013

Upon motion of Adm. Mercedes D. Castillo duly seconded by Adm. Nelson B.
Alindogan, be it RESOLVED as it is hereby RESOLVED to approve the Memo Circular on
Policy on Networth for the Organization of a Subsidiary Cooperative pursuant to Section 2(2),

APPROVED.

This is to certify that the foregoing is true and correct from the minutes of the CDA Board of
Administrators’ Special Meeting.

MARY GRACE I. CINCO
Acting Board Secretary IV

ATTESTED:

EMMANUEL M. SANTIAGUEL, Ph.D.
Chairman