

## **ARTICLES OF COOPERATION**

### **OF**

### **\_\_\_\_\_ CREDIT SURETY FUND COOPERATIVE**

#### **KNOW ALL MEN BY THESE PRESENTS:**

We, the undersigned duly authorized representatives of the Local Government Unit (LGU), Government Financial Institutions (GFIs), our respective Cooperatives, Non-Government Organizations (NGOs), and other institutions, all of legal age and Filipino citizens, have voluntarily agreed to organize a Credit Surety Fund Cooperative, pursuant to the Republic Act No. 10744, otherwise known as the Credit Surety Fund Cooperative Act of 2015 (CSF Cooperative Act), and its implementing rules and regulations (IRR).

AND WE HEREBY CERTIFY:

#### **ARTICLE I NAME OF THE COOPERATIVE**

That the name of this Credit Surety Fund (CSF) Cooperative shall be \_\_\_\_\_ (the "CSF Cooperative");

#### **ARTICLE II PURPOSE**

That the primary and exclusive purpose for which this cooperative is organized is to administer the CSF which is used to provide credit enhancement support by way of issuing surety cover to secure loans of qualified Micro Small and Medium Enterprises (MSMEs) and cooperative/NGO borrowers in lieu of hard collaterals;

#### **ARTICLE III POWERS AND CAPACITIES**

That the powers, rights and capacities of this CSF Cooperative are those prescribed under the IRR of the CSF Cooperative Act, to wit:

1. To the exclusive use of its registered name;
2. To sue and be sued;
3. Of succession;
4. To amend its Articles of Cooperation in accordance with the IRR of Republic Act 10744;
5. To adopt Bylaws not contrary to law, morals or public policy, and to amend and repeal the same;
6. To act as surety for loans obtained from lending banks by qualified borrowers;
7. To acquire, receive, hold, sell, lease, or otherwise deal with such real and personal property as the transaction of the lawful affairs of the

- CSF Cooperative may reasonably and necessarily require, subject to the limitations prescribed by the law and the Constitution;
- 8. To enter into merger or consolidation;
  - 9. To form/join federations of CSF Cooperatives;
  - 10. To accept and receive grants, investments and contributions;
  - 11. To administer its funds and invest in trust accounts and similar investments as allowed by law; and
  - 12. To exercise such other powers as may be essential or necessary to carry out its purpose or purposes.

**ARTICLE IV**  
**TERM OF EXISTENCE**

That the term for which said Cooperative shall exist is \_\_\_\_\_ years (shall not exceed fifty (50) years) from the date of its registration;

**ARTICLE V**  
**AREA OF OPERATION**

That this Cooperative shall conduct its business and admit members from \_\_\_\_\_(City/Province) and, its principal office shall be located in \_\_\_\_\_;

**ARTICLE VI**  
**NAME, ADDRESS AND REPRESENTATIVES OF COOPERATORS**

That the original member- registrants, their addresses and the name of their authorized or alternate representatives are as follows:

COOPERATORS		ADDRESS OF COOPERATORS	NAME OF REPRESENTATIVES
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

**ARTICLE VII**  
**BOARD OF DIRECTORS**

That the number of directors of the cooperative shall be \_\_\_\_\_; and the names, nationalities and residence of said directors are as follows:

	NAME	NATIONALITY	RESIDENCE
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

**ARTICLE VIII**  
**COMMON BOND OF MEMBERSHIP**

That the common bond of membership of this Cooperative shall be Associational and shall be opened to duly registered cooperatives, non-government organizations, willing to patronize the services of this CSF Cooperative, and possess all the qualifications and none of the disqualifications provided for in the Bylaws. The CSF Cooperative membership also includes local government units, government financial institutions, government agencies and other entities, by virtue of their monetary contributions and other support to the CSF Cooperative;

**ARTICLE IX**  
**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.

**ARTICLE X**  
**SUBSCRIBED AND PAID-UP SHARE CAPITAL & CONTRIBUTION**

That of the authorized share capital, the amount of \_\_\_\_\_ PESOS (₱ \_\_\_\_\_), has been subscribed, and \_\_\_\_\_ (Php\_\_\_\_\_) of the total subscription has been paid by the following original member-subscribers:

A. Common Shares

Member Subscribers	Contribution	Subscribed Share Capital		Paid-Up Share Capital		CSF Restricted Capital for Surety
		No. of Shares	Amount	No. of Shares	Amount	
	TOTAL					

B. Preferred Shares

Member Subscribers	Contribution	Subscribed Share Capital		Paid-Up Share Capital		CSF Restricted Capital for Surety
		No. of Shares	Amount	No. of Shares	Amount	
	TOTAL					

ARTICLE XI  
TREASURER’S CLAUSE

BE IT KNOWN THAT: \_\_\_\_\_ has been elected as Treasurer of this CSF Cooperative to act as such until his successor shall have been duly appointed and qualified in accordance with the Bylaws. As such Treasurer, he is authorized to receive payments and issue receipts for investments, contributions, share capital subscriptions and other revenues, and to pay obligations for and in the name of this CSF Cooperative.

IN WITNESS WHEREOF, we have hereunto signed our names this \_\_\_\_\_ day of \_\_\_\_\_ in \_\_\_\_\_, Philippines.

Name of Cooperators	Authorized Representatives	Signature

SIGNED IN THE PRESENCE OF:

\_\_\_\_\_  
Signature over Printed Name      Signature over Printed Name

ACKNOWLEDGMENT

Republic of the Philippines)  
\_\_\_\_\_ ) S.S.

Before me, a Notary Public for and in the Province/City/Municipality of \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ the following persons personally appeared with their competent evidence of identification as indicated opposite their respective names:

Name of Representative	Organization	Proof of Identity	Identification No.

All known to me to be the same persons who executed the foregoing Articles of Cooperation, and acknowledged to me that the same is their free will and voluntary deed.

This instrument known as Articles of Cooperation of the CSF Cooperative, consists of \_\_\_\_\_ pages including this page where the acknowledgment is written signed by parties and their instrumental witnesses on each and every page thereof.

WITNESS my hand and seal this day and place first above mentioned.

Notary Public

Doc. No. : \_\_\_\_\_  
Page No.: \_\_\_\_\_  
Book No.: \_\_\_\_\_  
Series of \_\_\_\_\_