

Memorandum Circular No. 2021-03

Series of 2021

**REGULATORY RELIEF IN THE
CONDUCT OF GENERAL ASSEMBLY
MEETINGS FOR THE CALENDAR
YEAR 2021 DUE TO THE COVID-19
PANDEMIC**



All types and categories of cooperatives registered with the Authority may either conduct or cancel their general assembly meetings, subject to these guidelines





A.Cooperatives who opt to proceed with their Annual General Assembly Meetings and Election of Officers for the calendar year 2021 must conduct the same not later than **September 30, 2021.**





1. For cooperatives whose areas of operations are classified under GCQ:

- Face-to-face or physical mass gatherings are **strictly prohibited**;
- May use **videoconferencing**





1. For cooperatives whose areas of operations are classified under GCQ:

GA meetings may be conducted in any of the following manner:

- ❖ **Simultaneously**, wherein meetings are held on the **same day**; or
- ❖ **Sequentially**, wherein meetings are held for a **certain number of days** and adjournment will be done on the last day.





The conduct of sequential General Assembly meeting shall **not exceed sixty (60) days** from the opening of the meeting up to its adjournment.



1. For cooperatives whose areas of operations are classified under GCQ:

The cooperative shall submit the following documents, via electronic mail (e-mail), to the CDA Regional Office having jurisdiction over the cooperative, **at least ten (10) days prior** to the conduct of the meeting:





1. For cooperatives whose areas of operations are classified under GCQ:

d.1 Letter signed by the Chairperson and/or the Chief Executive Officer/General Manager of the cooperative, with the following details:

d.1.1 Date/s of GA meeting/s

d.1.2 Total number of members

d.1.3 Quorum requirement;

d.1.4 Agenda; and

d.1.5 Statement certifying that the items under No.11.0. of CDA Memorandum Circular No. 2020-10 have been taken into account.

d.2. Board Resolution

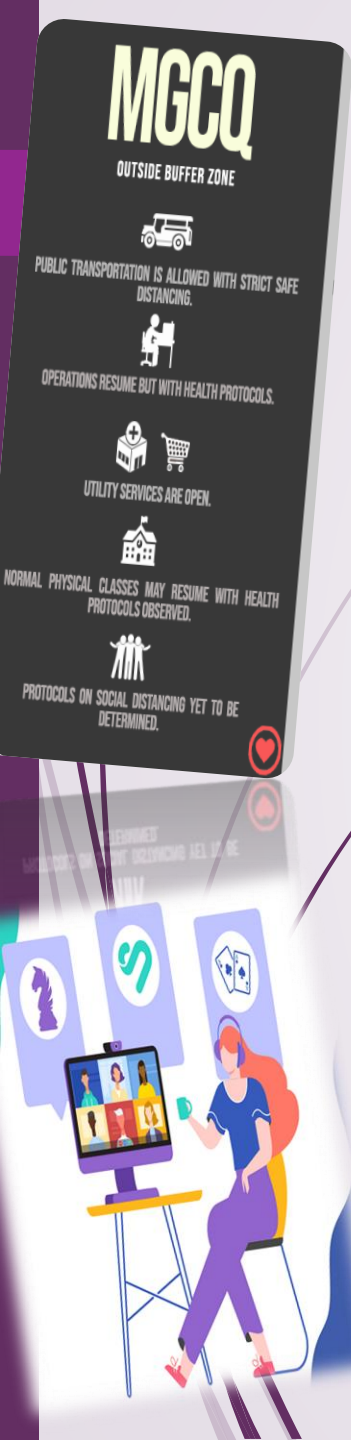




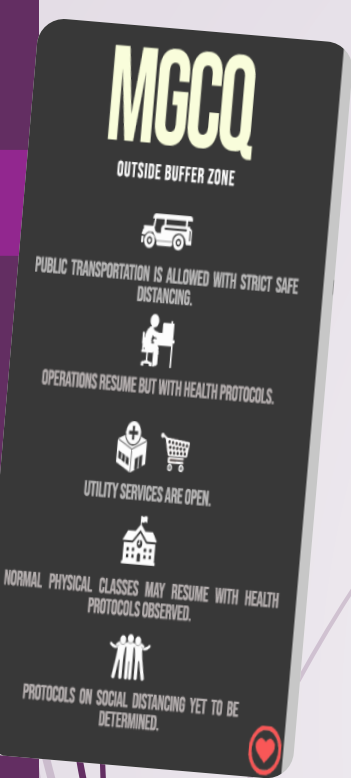
2. For cooperatives whose areas of operations are classified under MGCQ:

➤ **Face-to-face or physical attendance**, subject to the strict observance of the above-quoted provisions of IATF Resolution No. 88;





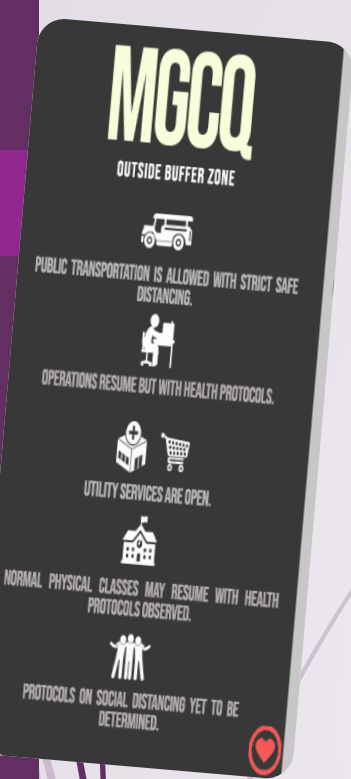
2. For cooperatives whose areas of operations are classified under MGCQ:
- **Videoconferencing, and**
 - **Combination of videoconferencing and physical attendance.**



2. For cooperatives whose areas of operations are classified under MGCQ:

- ❖ **Simultaneously**, wherein meetings are held on the same day; or
- ❖ **Sequentially**, wherein meetings are held for a certain number of days and adjournment will be done on the last day.





The conduct of sequential General Assembly meeting shall **not exceed sixty (60) days** from the opening of the meeting up to its adjournment.





2. For cooperatives whose areas of operations are classified under MGCQ:

The cooperative shall submit the following documents, via electronic mail (e-mail), to the CDA Regional Office having jurisdiction over the cooperative, **at least ten (10) days prior** to the conduct of the meeting:



2. For cooperatives whose areas of operations are classified under MGCQ:

- Letter signed by the Chairperson and/or the Chief Executive Officer/General Manager of the cooperative, with the following details:
 - ✓ Area where the GA meeting will be conducted which is placed under MGCQ as certified by the local government unit concerned;
 - ✓ Venue of the GA meeting(s) which can accommodate all of its members in accordance with Sec. 8(5) of the above subject resolution;



2. For cooperatives whose areas of operations are classified under MGCQ:

- ✓ Date/s of GA meeting/s
- ✓ Total number of members
- ✓ Quorum requirement;
- ✓ Agenda; and
- ✓ Statement certifying that the items under No.11.0. of CDA Memorandum Circular No. 2020-0 have been taken into account.

➤ Board resolution



3. For cooperatives whose areas of operations are classified under either **GCQ** or **MGCQ**, prior to the conduct of election of officers, the Election Rules and Guidelines shall be amended to include the manner of casting the members' votes, the procedures for canvassing of votes and declaration of winners. It shall also include provisions on ensuring the security and integrity of the ballots/votes cast prior to the canvassing of votes and declaration of winners. All proposed additional or new provisions to the cooperative's Election Rules and Guidelines shall first be presented to the general assembly for their discussion and may immediately implement the same after the GA's approval.



The amendment shall be presented to the general assembly for approval, as stated under item no. 10.0 of CDA MC No. 2020-10, with the following options:

- a. If **Simultaneously**, conducting the GA meeting and election in **one day**, the proposed amendments to Election Rules and Guidelines shall first be presented and discussed to the general assembly for approval, and shall take effect immediately and may be used;



The amendment shall be presented to the general assembly for approval, as stated under item no. 10.0 of CDA MC No. 2020-10, with the following options:

b.If **Sequentially**, conducting the GA meeting and election, shall present to every group the proposed amendments to the Election Rules and Guidelines and shall hold the conduct of elections of officers on a **separate day**, adopting the approved amended guidelines.




4. Cooperatives are encouraged to amend their by-laws for the purpose of formally adopting and permanently putting into effect their chosen mode of conducting GA meetings and ensure compliance with the voting requirements under Item no. 11.0 of CDA MC No. 2020-10.

MEMORANDUM CIRCULAR NO. 2021-06

Series of 2021

**SUPPLEMENTAL GUIDELINES TO
MC NO. 2021-03 TITLED
"REGULATORY RELIEF IN THE
CONDUCT OF GENERAL
ASSEMBLY MEETINGS
FOR 2021 DUE TO THE
COVID-19 PANDEMIC"**



This Circular is being issued to clarify and supplement certain relief measures for cooperatives in order to **facilitate the conduct of general assembly meetings and cause the approval of the needed policies, guidelines, internal rules and regulations.**




Section I. Conduct of Annual General Assembly Meetings (AGA) in Accordance with the By-Laws

Cooperatives who intend and are able to conduct their AGA in the manner provided in their by-laws are not covered by this Guidelines. Hence, those cooperatives need not submit a request for relief as required under MC No. 2021-03.




Section II. Conduct of Referendum by Cooperatives

1. In order to facilitate the conduct of elections of officers by cooperatives, a **referendum may be held to approve the new election rules and guidelines prior to the date of the annual general assembly meeting.**
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Section II. Conduct of Referendum by Cooperatives

2. Cooperatives are also allowed to hold a referendum for the purpose of seeking the approval of the general assembly on proposed **policies, rules, and guidelines**, upon submission of the following requirements to the CDA regional office who has jurisdiction over the cooperative:


- a. Letter-request duly signed by the Chairperson, Chief Executive Officer or General Manager, indicating the number of members entitled to vote (METV)/members in good standing (MIGS);
- b. Board resolution; and
- c. Copy of the proposed policy or policies for ratification.




The Authority shall act on the request within **seven (7) working days** from receipt thereof. Cooperatives who filed a request should wait for the action of the Authority before proceeding with the referendum.




3. For cooperatives who have conducted their general assembly meetings but failed to muster the required votes to approve the proposed amendments to the Articles of Cooperation and By-Laws (AC/BL), a referendum may be held for the purpose.




4. In the conduct of referendum, the proposed amendments for ratification by the general assembly should be thoroughly explained to the METV/MIGS.




5. Conduct of actual referendum should be by secret ballot or similar means to preserve the integrity of the process.



6.If a referendum cannot be done house-to-house, other electronic means, such as online forms and videoconferencing survey, registered mail and other similar means, may be adopted for as long as all the members entitled to vote are able to participate.



7. The number of members who **participated in the referendum should at least equivalent to the quorum requirement**, otherwise the referendum shall be considered null and void and the proposed policies, rules, and guidelines cannot be implemented.





8. In case the referendum is for the purpose of amending the AC/BL, the required number of **affirmative votes should not be less than the 2/3 of members entitled to vote**; otherwise, the proposed amendments to the AC/BL cannot be implemented.




Section III. Use of Facebook Live as an Extension of Videoconferencing Platform


Use of **Facebook Live** as an **extension** for conducting videoconferencing during the general assembly meeting is **allowed**, provided that the following conditions are met:





1. The cooperative shall create a separate facebook closed group for members in good standing (MIGS)/entitled to vote and non-MIGS/not entitled to vote. In the MIGS/METV group, a poll survey shall be conducted to determine the number of members who will attend the videoconferencing and the facebook live.




2.If the number of MIGS/METV members who want to attend the videoconferencing exceeds the maximum subscription, sequential general assembly may be adopted by the cooperative.



3. In the facebook closed group for MIGS/METV who opt to participate via facebook live, votes shall be cast via poll survey in their group chat. In the non-MIGS/not entitled to vote group, a facebook closed group may be created to broadcast the proceedings of the meeting (FB live). It will also be utilized in the discussion, comments, and suggestions about the proceedings of the meeting (group chat).




4. All members shall have a facebook account using the official email address of the cooperative.




5. The poll survey shall be conducted in two avenues, the first in the videoconferencing platform and the other, in the facebook group chat for MIGS/METV. The total votes cast shall be counted in both surveys.





Section IV. Election of Officers



In order to retain the one-half plus one of the set of the members of the board of directors' term of office as set forth in its By-laws, the cooperative shall have the following options, subject to the approval of the general assembly in a referendum:



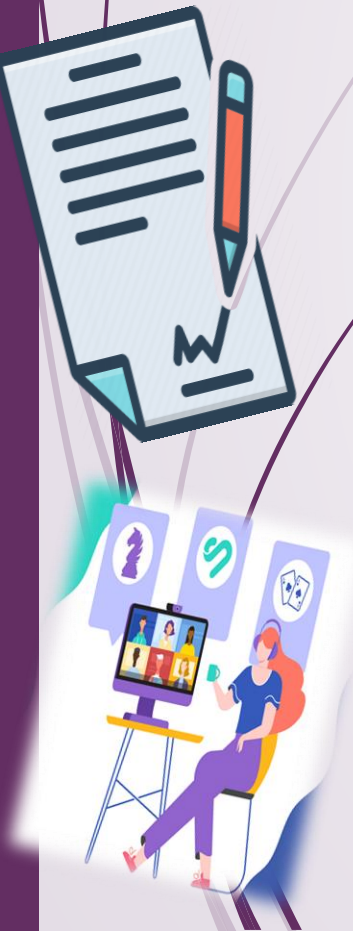
1. All elected officers whose original term of office ends on CY 2021 shall have an extension of one (1) year of service; or



2. All elected officers whose original term of office ends in 2020/2021 shall step down. The one-half plus one set of the members of the board who shall obtain the highest number of votes in the election to be conducted for CY 2021 shall serve for two (2) years and the remaining half of the elected directors shall serve for one (1) year.



B.Cooperatives who opt to cancel their Annual General Assembly Meetings for the calendar year 2021 shall observe the following:



1. Submit the following requirements to the CDA Regional Office having jurisdiction over the cooperative not later than **June 30, 2021:**



a. Letter signed by the Chairperson and/or the Chief Executive Officer/General Manager of the cooperative, supported by a duly notarized board resolution, requesting for the approval of its decision to cancel the conduct of its annual GA meeting, setting forth the **reason(s) for its non-holding;**



b. Proof of due notice to its members on the cancellation of its GA meeting, stating therein the reason(s) therefor, which must be made at least 15 days prior to sending of the letter-request to the Authority for the cancellation of the said activity.



CDA Regional Office
shall act on the request
within 10 days from receipt,
otherwise, the same shall
be deemed approved.




Section V. Cancellation of the Conduct of the Annual General Assembly Meeting (MC No, 2021-06)

1. The following are the valid grounds for the cancellation of the AGA:
 - a. Security concerns;
 - b. Majority of members are not knowledgeable or have no access in the internet, as shown by a survey conducted or any other similar documents;
 - c. Majority of members cannot participate in the general assembly meeting as evidenced by a survey conducted;



Section V. Cancellation of the Conduct of the Annual General Assembly Meeting

1. The following are the valid grounds for the cancellation of the AGA:
 - d. The cooperative has a pending case in court relative to leadership dispute;
 - e. Cooperatives where majority of the members are frontliners; and
 - f. All other circumstances analogous to the foregoing.



2. Cooperatives may engage cooperative external auditors to audit their 2020 Financial Statements, subject to the confirmation of the general assembly in the next annual general assembly meeting.



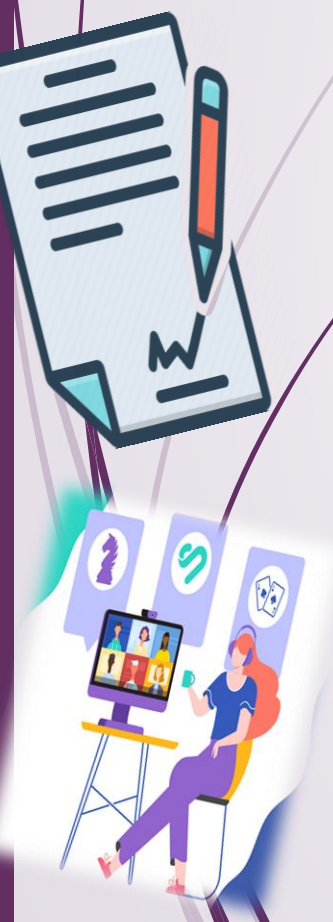
2.Cooperatives who were allowed by the CDA Regional Office **not to hold** their GA meetings shall operate on a **re-enacted budget of CY 2020.**



3. Incumbent officers shall serve on a hold-over capacity notwithstanding any provisions on disqualification in their by-laws until the conduct of the next regular GA meeting and election of officers.

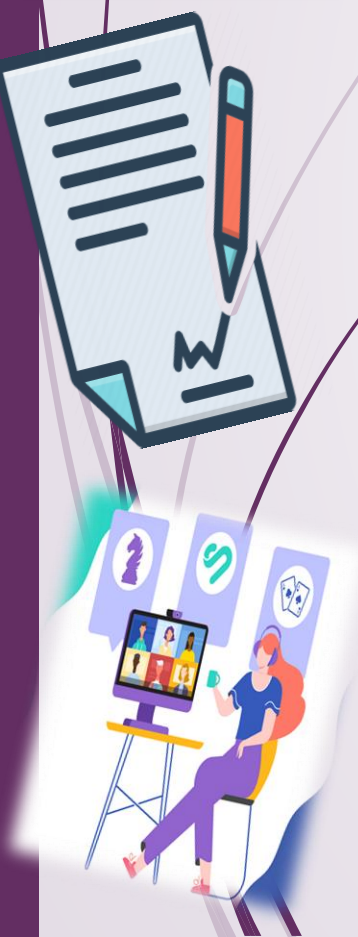


C. Miscellaneous Provisions:

1. Cooperatives who have already conducted their regular or annual general assembly meetings in accordance with their by-laws prior to the effectivity of this memorandum circular shall inform such fact to the CDA Regional Office not later than March 31, 2021, through a letter signed by the Chairperson/Manager.
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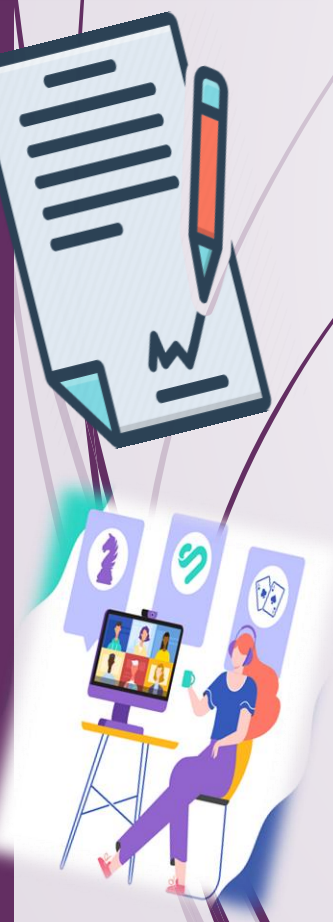
C. Miscellaneous Provisions:

2. Cooperatives who need to hold GA meetings for the purpose of amending their Articles of Cooperation and By-Laws (ACBL) to comply with regulations, but are unable to do so due to restrictions imposed, may be allowed to hold **referendums** upon submission of a letter-request, signed by the Chairperson/Chief Executive Officer or General Manager and a board resolution, subject to the approval of the Authority.
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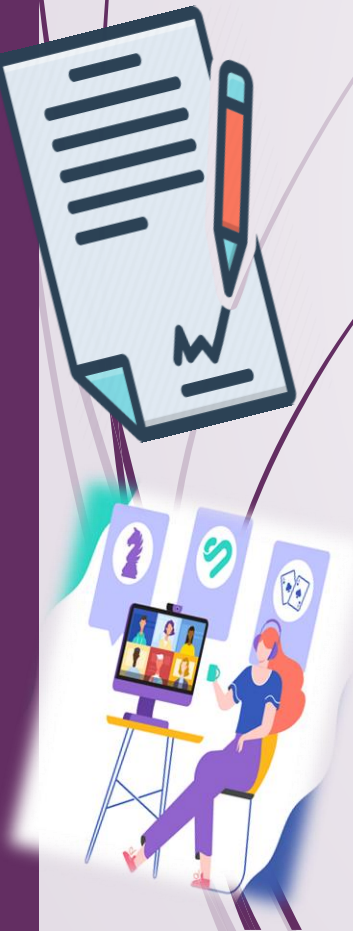
C. Miscellaneous Provisions:

3. The cooperative may conduct special general assembly meetings subject to the declaration of the IATF and concerned LGU but must always observe minimum health protocols.



C. Miscellaneous Provisions:

4. Cooperatives shall, at all times, be reminded to observe and comply with the minimum public health protocols during the conduct of their general assembly meetings, whether physical and/or virtual, in order to ensure the safety of their members during the duration of the MGCQ.






D. Sanctions:


Failure or non-compliance with any of the above conditions by a cooperative as reported by a member(s) or a third party as well as non-submission of any of the requirements enumerated herein **shall be a ground for disqualification to run for re-election for the next two (2) succeeding elections**, after due process of law, for the erring member(s) of the Board of Directors and different committees, to any of the positions in the cooperative.





Section VI. Miscellaneous Provisions

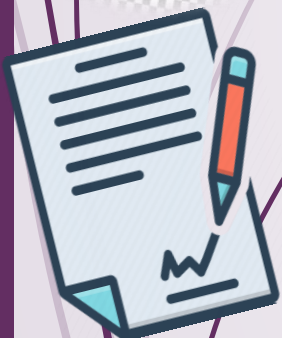
1. Any violation of this Circular shall be subject to sanctions provided in CDA MC No. 2021-03. This is intended to punish officers who violate the provisions of the same, especially on the cancellation of general assembly meetings when the majority of members actually desire otherwise.
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2.Cooperatives are encouraged to wait for the opportunity to conduct their annual/regular general assembly meetings since the relief extends up to September 30, 2021. This will avoid the officers being sanctioned for failure to submit a request for cancellation by June 30, 2021.



All CDA Regional Offices must endeavor to inform and disseminate this Memorandum to cooperatives of all types and categories within their jurisdiction.





Section VII. Separability Clause

Whenever any part of this Circular is declared unconstitutional or inconsistent with existing laws by a competent court, the remaining provisions of this Circular not affected thereby shall remain in full force and effect.



Section VIII. Effectivity

This Circular shall take effect immediately after filing with the Office of the National Administrative Register (ONAR).



This Circular shall take effect immediately after its filing with the Office of the National Administrative Register (ONAR).





Approved per BOD Resolution No.
036, S-2021 dated February 3, 2021.

Date: February 9, 2021

For the Board of Directors:

By:

ORLANDO R. RAVANERA

Chairperson





Approved per BOD Resolution No.
109 S-2021 dated March 9 2021.

Date: March 23, 2021

For the Board of Directors:

ORLANDO R. RAVANERA
Chairperson



Thank you!