



# COOPERATIVE DEVELOPMENT AUTHORITY

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CITY LAW CENTER  
OFFICE of the NATIONAL ADMINISTRATIVE REGISTER  
Administrative Rules and Regulations

**R** JUL 11 2024 **D** 24-0742  
ONAR Registration \_\_\_\_\_ BY: *[Signature]*  
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## MEMORANDUM CIRCULAR NO. 2024- 17 Series of 2024

**SUBJECT: AMENDMENTS AND SUPPLEMENTS TO MEMORANDUM CIRCULAR NO. 2022-07 ON THE GUIDELINES IN THE CONDUCT OF A CDA SUPERVISED GENERAL/REPRESENTATIVE ASSEMBLY MEETING BY THE AUTHORITY**

To ensure the effective implementation of the regulatory powers of the Authority in the calling of Special General Assembly Meeting of cooperatives, the following amendments and supplements to CDA Memorandum-Circular No. 2022-07 are hereby prescribed:

1. Section 5 shall now be read as follows:

**Section 5. Review of Petition.** The Authority, prior to the issuance of the Order to call for a General/Representative Assembly meeting, shall review the petition filed under Section 4 (b) hereof. The petition must be verified and the ten percent (10%) of all members entitled to vote shall be based on the records of the cooperative as of the date of filing and accompanied by proof of prior filing of such petition with the Board of Directors and its refusal to call the meeting as well as the payment of filing fee.

The Board of Directors, after finding the petition sufficient in form and substance, shall be directed to submit the list of members entitled to vote as of the date of filing. Should there be discrepancies in the list of members provided in the petition and the members provided by the Board of Directors, a clarificatory hearing shall be conducted within a period of fifteen (15) days before the Authority makes a decision through the issuance of an Order.

2. Section 8 shall now be read as follows:

**Section 8. Notice of Meeting.** A notice of meeting shall be served by the Secretary to all members of record as provided in the bylaws at least one (1) week before the said meeting in case of failure to conduct the regular meeting. It shall include the date, the time and agenda thereof, minutes of meeting of the last general/representative meeting, consolidated reports of the board of directors and committees, audited financial statements and other documents which will provide the members with adequate information to intelligently participate in the proceedings. However, when the issue involves legitimacy of leadership when there are two (2) sets of officers in a cooperative, notice of meeting may be sent through their respective secretaries who shall be responsible for disseminating the notices after the members entitled to vote have been verified.

In case the petition is for a special meeting to discuss urgent issues and failure or refusal of the Board of Directors to issue such Notice, the Authority may issue the same based on available records of members entitled to vote within the period provided in the bylaws of the cooperative. It may also issue a

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general Notice to all members through any means such as but not limited to publication, radio and television, social media and internet.

The union and/or federation to which the cooperative is a member may assist in the determination of members entitled to vote of the cooperative based on its records and in the issuance and service of the Notice.

Notice may be waived expressly or impliedly by the members, provided that attendance to the meeting shall constitute a waiver of notice.

3. A new Section 9 shall be inserted to provide as follows:

**Section 9. Mode of Conduct of the Supervised Meeting.** The meeting may be made face to face or through videoconferencing and/or a combination of both, regardless of absence of an express provision in the bylaws of the cooperative concerned.

4. Section 10 is further amended to now read as follows:

**Section 10. Who shall preside at the meeting.** The Chairperson or the Vice Chairperson shall preside at the meeting called for by the Authority. If the Chairperson or Vice Chairperson refuse to preside over the meeting, the Authority may issue an order for other officers or any representative from the petitioning members to act as presiding officer. When the purpose of the meeting is to render investigation or examination results, the CDA may preside over the meeting. However, when the issue involves legitimacy of leadership when there are two (2) sets of officers in a cooperative, a CDA representative may be allowed to preside at the General/Representative Assembly meeting until a new presiding officer is determined by the attendees to the meeting. In such a case, the CDA representative shall be empowered to exercise the following powers as the presiding officer:

- a. Set the ground rules specifically on the conduct of the meeting;
- b. Request assistance from deputized law enforcement agencies or the local government unit concerned for security purposes as may be necessary; and
- c. Such other powers and functions which may be deemed necessary to ensure the successful conduct of the supervised meeting, to be prescribed in an Order issued by the Authority.

5. Section 12 is also amended to read as follows:

**Section 12. Quorum.** Unless otherwise provided in the bylaws, the quorum for General/Representative Assembly meetings shall consist of at least 25% of all members entitled to vote. In case of cooperative banks, the quorum shall be as provided for under Article 99 of RA No. 9520. In the case of electric cooperatives, a quorum, unless otherwise provided in the bylaws, shall consist of 5% of all members entitled to vote.

In case of failure or refusal of the Board of Directors to cooperate, especially in the determination of members entitled to vote, the most recent record of meeting of the cooperative shall be used as basis in determining the quorum. The petitioning members shall assist in determining who are members of the cooperative in the attendance for the purpose of determining quorum. In this case, all legitimate members determined in the attendance sheet shall be presumed as entitled to vote after verification of their membership.

6. Section 13 is further amended to read as follows:

**Section 13. Voting System.** Only members entitled to vote shall be qualified to vote in the General Assembly Meeting. Members entitled to vote in a primary cooperative shall be entitled to only one (1) vote and no proxy voting is allowed. In case of Representative Assembly Meeting, the delegates as provided in the bylaws shall be qualified to vote. Provided that in the refusal of the cooperative Board of Directors to cooperate in determining the legitimate delegates, all members who attend and represent themselves to be delegates shall be presumed as qualified to vote after verification of their membership.

Members of secondary or tertiary cooperatives shall have one (1) basic vote and as many incentive votes as provided for in the bylaws but not to exceed five (5) votes. The votes cast by the delegate shall be deemed as votes cast by the members thereof. No proxy and/or cumulative voting shall be allowed. However, the bylaws of a secondary or tertiary cooperative may provide for voting by proxy.

7. A new Section on liability of Board of Directors and other Officers is hereby inserted to provide as follows:

**Section 16. Liability of the Board of Directors and other Officers of the cooperative.** Board of Directors and other officers of the cooperative who refuse to cooperate with the Authority in the conduct of the meeting called under this Guidelines such as but not limited to:

- a) omission or refusal to furnish any information, report or other document;
- b) providing information, reports or other documents to the Authority which the person knows to be false or misleading; and
- c) failure to comply with an order or written instruction issued or given by the Authority

shall be liable for administrative sanctions in accordance with the Omnibus Rules of Procedures of CDA through the issuance of Notice of Charge without need of further investigation.

They may also be held liable for direct or indirect contempt and punished under the penal provisions of R.A. No. 9520 and such other applicable laws and regulations.

8. Sections 9 and 16 are hereby deleted.

9. A new Section on Appeals is hereby inserted to provide as follows:

**Section 17. Appeals.** An appeal may be taken by either or both of the concerned parties to the CDA Board on the resolution, decision, or final order of the CDA Office that completely disposes of the petition filed under Section 4 (b) within a period of fifteen (15) days from receipt of the resolution, decision or final order appealed from by:

- a. Filing a Notice of Appeal;
- b. Furnishing copies of said Notice of Appeal together with the Appellant's Memorandum to opposing party/ies and counsel/s; and
- c. Payment of appeal fee following the approved schedule of fees where the decision/resolution was issued.

The CDA Board shall render its decision on appeal before it no more than thirty (30) days from receipt thereof. The Decision of the CDA Board shall be final and executory.

10. **Separability Clause.** If for any reason, any provisions of this Guidelines is declared null and void or unconstitutional, the other provisions hereof which are not affected thereby shall continue to be in full force and effect.
11. **Repealing Clause.** All previous circulars and/or Guidelines issued by the Authority which are inconsistent with this Guidelines are hereby repealed or modified accordingly.
12. **Effectivity.** This Guidelines shall take effect immediately following its complete publication in the Official Gazette or a newspaper of general circulation in the Philippines.

Approved per BOD Resolution No. 356 S-2024 dated May 8, 2024.

Issued this 2nd day of July 2024.

For the Board of Directors:

By:

  
USEC. JOSEPH B. ENCABO  
Chairman