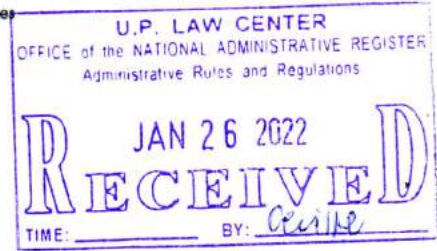




COOPERATIVE DEVELOPMENT AUTHORITY

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MEMORANDUM CIRCULAR NO. 2022- 01
Series of 2022.

TO : ALL COOPERATIVES

SUBJECT : REGULATORY RELIEF IN THE CONDUCT OF ANNUAL REGULAR GENERAL ASSEMBLY MEETINGS FOR THE CALENDAR YEAR 2022 DUE TO THE COVID-19 PANDEMIC

Pursuant to the rule-making power of the Authority under Section 4(a) of RA No. 11364, the following Guidelines is hereby issued:

Section 1. Coverage

This Guidelines shall cover all types and categories of cooperatives, except electric cooperatives for which separate guidelines shall be issued by the Authority. Cooperatives who intend and can conduct their 2022 Annual Regular General Assembly Meeting (ARGAM) in accordance with their by-laws are also not covered by this Guidelines.

Section 2. General Guidelines

Notwithstanding the provisions of their by-laws, cooperatives registered with the Authority shall conduct their Annual Regular General Assembly Meeting, subject to the guidelines stated hereunder:

1. Cooperatives shall conduct their Annual Regular General Assembly Meeting and election of officers not later than September 30, 2022, through any of the following means:
 - a) Face-to-face or physical mass gatherings, subject to the guidelines, limitations, and restrictions issued by the Inter-Agency Task Force (IATF) for the Management of Emerging Infectious Diseases;
 - b) Through videoconferencing, applying CDA MC No. 2020-10, S-2020: *Provided, however,* that the cooperative's existing/available subscription to the videoconferencing platform can accommodate the number of member-attendees, and *Provided further,* that the provisions under item 9.0 of the said MC shall not be applied to primary cooperatives, as the one man, one vote system of voting shall be applied; or
 - c) Combination of videoconferencing and physical attendance.



Facebook live may be used as an extension of videoconferencing platform, subject to the provision of Section 3 of MC 2021-06.

2. Notwithstanding the provisions of the cooperative's by-laws, meetings may be conducted through any of the following modes:
 - a) Simultaneously, wherein the meetings are held on the same day; or
 - b) Sequentially, wherein the meetings are held for a certain number of days and adjournment will be done on the last day.

The conduct of sequential general assembly meetings shall not exceed sixty (60) days from the opening of the meeting up to its adjournment.

Section 3. Requirements

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

1. Letter signed by the Chairperson and/or the Chief Executive Officer/General Manager of the cooperative, informing the Authority that it will conduct its Annual Regular General Assembly meeting with the following details:
 - a. Date/s of GA meeting/s
 - b. Manner of conducting the meeting
 - c. Venue/s where the ARGAM will be conducted, in case of physical attendance or a combination of videoconferencing and physical attendance
 - d. Total number of members
 - e. Quorum requirement;
 - f. Agenda; and
 - g. In case of videoconferencing or a combination of videoconferencing and physical attendance, a statement certifying that the cooperative has adopted policies and procedures in the conduct of videoconferencing taking into account the following:
 1. The number of members of the cooperative and their location;
 2. Urgency and importance of the matters to be discussed and voted upon in the meeting;
 3. Manner of verifying the identity of the members in the meeting and who among the said members are entitled to vote;
 4. Procedure to enable members to vote during the meeting, including ensuring the protection of the integrity and secrecy of the votes;
 5. Procedure in documenting and recording the meetings, either through video or audio, as well as the accessibility of said recordings later on, if requested by a member, and ensuring at the same time the security of said recordings.
 6. Ensure that data storage equipment or facility is available in order to preserve the videoconferencing recordings
 7. Ensure that suitable equipment and facilities are available for the conduct of meeting by videoconferencing, such as reliable and strong internet connection capable of supporting numerous simultaneous connections.
 8. Ensure that the attendees are able to clearly hear and see the other participants during the course of the meeting and that attendees are able to communicate and understand each other;
 9. Ensure that the video recordings of the meeting are within the actual time of the said meeting without any interruption. Should there be an interruption, the

recording shall restart from the point where it stopped, stating the time and fact of stoppage or interruption

10. Procedure in obtaining the attendance of participants in the meeting; and
 11. Other matters to address administrative, technical, or logistical concerns for an effective and efficient videoconferencing meeting.
2. Board resolution resolving to inform the Authority that its cooperative is availing of the regulatory relief. For this purpose, the meeting of the BOD may be conducted through videoconferencing, even if not included in the bylaws or policies of the cooperative, but subject to the rules on sending of notices, quorum, and voting requirements as provided for in the by-laws.

The CDA Head/Regional Office shall act on the request within three (3) days from receipt, otherwise, the same shall be deemed approved.

Section 4. Election Rules and Guidelines

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 approved by the general assembly and may immediately implement the same after the GA's approval.

The amendment shall be approved by the general assembly in the following manner:

1. For cooperatives conducting their 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 in the first part of their actual GA meeting. If approved, the amendments shall take effect immediately and may be used during the second part (election) of the activity;
2. For cooperatives who opted to conduct their meetings sequentially, it shall first present to every group the proposed amendments to the Election Rules and Guidelines, stating the manner of voting of the members, and shall hold the conduct of elections of officers on a separate day, adopting the approved amended guidelines.
3. Cooperative may use referendum as a mode of approving the election rules and guidelines, subject to the submission of the following requirements to the CDA Head/Regional Office who has jurisdiction over the cooperative:
 - a. Duly signed letter-request by the Chairperson or Chief Executive Officer or General Manager, indicating the number of members entitled to vote (METV) or members in good standing (MIGS);
 - b. Board resolution; and
 - c. Copy of 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 taken before proceeding with the referendum.

In no case, however, shall the amendments to the Election Rules and Guidelines include changes which are already specifically provided for in the by-laws and for which the proper amendment process is required.

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.

Section 5. Election of Officers

In case all the positions of the Board of Directors are vacant and in order to retain the one-half plus one term of office of the Board of Directors as set forth in its By-laws, 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 2022 shall serve for two (2) years and the remaining half of the elected directors and officers shall serve for one (1) year.

Section 6. Postponement / Rescheduling of Annual Regular General Assembly Meetings

If after availing the relief, the scheduled ARGAM cannot be conducted due to the issuance of stricter restrictions by the IATF, the cooperative may postpone/reschedule the ARGAM, subject to the submission of the following to the CDA Head/Regional Office via *e-mail* at least three (3) days prior to the scheduled GA:

- a. Letter signed by the Chairperson and/or the Chief Executive Officer/General Manager of the cooperative, supported by a board resolution, informing the Authority of its decision to postpone the conduct of its annual GA meeting due to the restrictions imposed by the Government and stating therein the new date of GA meeting which shall not be later than September 30, 2022;
- b. Proof of prohibition imposed by the local government unit(s), if applicable.
- c. Proof of due notice to its members on the postponement/rescheduling of its ARGAM, stating therein the reason(s) thereof.

Section 7. 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, through a letter signed by the Chairperson/Manager.
2. The cooperative may conduct special general assembly meetings, subject to the declaration of the IATF and concerned LGU and the observance of minimum health protocols.

Section 8. Sanctions

Failure of a cooperative to conduct the ARGAM, without justifiable reason, as well as non-compliance to any of the above conditions, as reported by a member or a third party, or non-submission of any of the requirements enumerated herein, shall be a ground for

disqualification of the erring member(s) of the Board of Directors and different committees, to run for re-election on the next two (2) succeeding elections, to any position in the cooperative, after due process of law.

It may also be a ground for the invalidity of the conducted ARGAM, after due process. Pending the resolution, all decisions made during the General Assembly shall be held in abeyance.

Section 9. Information Dissemination

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


Section 10. Effectivity.

This Circular shall take effect after fifteen (15) days following the completion of its publication in the Official Gazette and filing of copy thereof with the Office of National Administrative Register (ONAR).

Approved per BOD Resolution No. 005, S-2022 dated January 12, 2022.

Issued this 26th day of January 2022, Quezon City.

For the Board of Directors


USEC JOSEPH B. ENCABO
Chairman 