

**SALIENT PROVISION OF RA  
9520  
ITS IMPLEMENTING RULES  
AND REGULATION AND  
OTHER ISSUANCES**

***ACCOUNTING AND  
AUDITING RELATED  
PROVISIONS***

**RA 9520 PROVISION**

- ❖ ARTICLE 29 : LIABILITY OF MEMBERS**
  - A MEMBER SHALL BE LIABLE FOR THE DEBTS OF THE COOPERATIVE TO THE EXTENT OF HIS CONTRIBUTION TO THE SHARE CAPITAL OF THE COOPERATIVE**

❖ **ARTICLE 30 : TERMINATION OF MEMBERSHIP**

**-- SUBJECT TO THE BY-LAWS OF THE COOPERATIVE, THE WITHDRAWING MEMBER SHALL BE ENTITLED TO A REFUND OF SHARE CAPITAL CONTRIBUTION AND ALL OTHER INTEREST OF THE COOPERATIVE. PROVIDED THAT SUCH REFUND SHALL NOT BE MADE IF UPON SUCH PAYMENT THE VALUE OF ASSET OF THE COOPERATIVE WOULD BE LESS THAN THE AGREGATE AMOUNT OF ITS DEBTS AND LIABILITIES EXCLUSIVE OF HIS SHARE CAPITAL CONTRIBUTION**

❖ **ARTICLE 31: REFUND OF INTEREST**

**-- ALL SUMS COMPUTED IN ACCORDANCE WITH THE BY-LAWS TO BE DUE FROM A COOPERATIVE TO A FORMER MEMBER SHALL BE PAID TO HIM EITHER BY THE COOPERATIVE OR THE TRANSFEREE AS THE CASE MAY BE, IN ACCORDANCE WITH THIS CODE**

❖ **ARTICLE 38 : POWERS OF THE BOARD OF DIRECTORS**  
**--- THE BOARD OF DIRECTORS SHALL BE RESPONSIBLE FOR THE STRATEGIC PLANNING, DIRECTION SETTING AND POLICY FORMULATION ACTIVITIES OF THE COOPERATIVES**

❖ **ACTICLE 39 (3)**  
**-- THE MEMBER OF THE BOARD OF DIRECTORS SHALL NOT HOLD ANY OTHER POSITION DIRECTLY INVOLVED IN THE DAY TO DAY OPERATION AND MANAGEMENT OF THE COOPERATIVE**

❖ **ARTICLE 39 (4) :**

**--- ANY PERSON ENGAGED IN A BUSINESS SIMILAR TO THAT OF THE COOPERATIVE OR WHO IN ANY WAY HAS CONFLICT OF INTEREST WITH IT IS DISQUALIFIED FROM ELECTION AS A DIRECTOR OF SAID COOPERATIVE**

❖ **ARTICLE 45 : LIABILITY OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS**

**--- XXX LIABLE FOR THE DAMAGES AND SHALL BE ACCOUNTABLE FOR DOUBLE THE PROFITS WHICH OTHERWISE WOULD HAVE ACCRUED TO THE COOPERATIVE**

❖ **ARTICLE 46 : COMPENSATION**

**-- XXX PROVIDED HOWEVER, THAT THE DIRECTORS SHALL NOT BE ENTITLED TO ANY PER DIEMS WHEN, IN THE PRECEDING CALENDAR YEAR:**

**A) COOPERATIVE HAS REPORTED A NET LOSS**

**B) HAD A DIVIDEND RATE LESS THAN THE OFFICIAL INFLATION RATE FOR THE SAME YEAR**

❖ **ARTICLE 52 : BOOKS TO BE KEPT OPEN**

**\* COPY OF THE COOPERATIVE CODE, ITS IRR AND OTHER RELATED LAWS**

**\* ARTICLES OF COOPERATION & BY-LAWS**

**\* REGISTER OF MEMBERSHIP**

**\* MINUTES OF MEETINGS**

**\* SHARE BOOK**

**\* FINANCIAL STATEMENTS**

**\* OTHER DOCS**

**❖ ARTICLE 53 : REPORTS**

**-- ANNUAL SUBMISSION OF THE FOLLOWING**

- \* CAPR**
- \* SOCIAL AUDIT REPORT**
- \* FINANCIAL AUDIT REPORT**
- \* PERFORMANCE REPORT**
- \* LIST OF OFFICERS AND TRAINING UNDERTAKEN/COMPLETED**

**❖ ARTICLE 56 : BONDING OF ACCOUNTABLE OFFICER  
-- ANY OFFICER FUNDS, SECURITIES OR PROPERTY ON BEHALF OF THE COOPERATIVE HANDLING**

- ❖ **ARTICLE 58 : INSTRUMENT FOR SALARY OR WAGE DEDUCTION**
  - > **MEMBER TO EXECUTE AN INSTRUMENT**
  - > **EMPLOYER TO REMIT THE DEDUCTED AMOUNT WITHIN 10 DAYS**

## **ISSUANCES OF CDA**

- ❖ **ACCREDITATION OF EXTERNAL AUDITOR**
- ❖ **SUBMISSION OF CAPR AND OTHER REPORTS WITHIN 120 DAYS AFTER THE END OF EACH CALENDAR DAY**

## **IMPEMENTING RULES AND REGULATION**

- ❖ **RULE 3 : MULTI-PURPOSE COOPERATIVE**
- ❖ **RULE 10: CAPITALIZATION**
- ❖ **RULE 11 : SOCIAL AUDIT OF  
COOPERATIVES**
- ❖ **CDA-BIR JOINT REGULATIONS TO  
IMPLEMENT ARTICLE 60 & 61**
- ❖ **JOINT IC-CDA-SEC MEMORANDUM  
SERCULAR NO. 01-2010**
- ❖ **BLGF MEMORANDUM CIRCULAR NO. 31-  
2009**
- ❖ **DILG MEMORANDUM CIRCULAR NO. 2010-  
120**

# **THANK YOU**