

**[CDA MEMORANDUM CIRCULAR NO. 2013-10,
February 07, 2013]**

**AMENDMENT TO MC NO. 2011-05, S-2011 (PAR 4) AND MC NO.
2011-18, S. 2011, SECTION 3 (PAR 2)**

The Authority issued last February 22, 2011, MC No. 2011-05, S-2011 (Limitation on Share Capital Holdings) and last June 7, 2011, MC No. 2011-18, S-2011 (Revised Guidelines in the Registration of Cooperative Federation and Union).

The fourth paragraph of MC No. 2011-05, S-2011 is hereby amended to read as follows:

"No member in the primary cooperative shall own more than ten percent (10%) of the total subscribed share capital of the aforesaid cooperative.
In the case of Secondary and Tertiary Cooperatives, no member should own more than Ten Percent (10%) of the Total Subscribed Share Capital of the Cooperative Federation/Union."

In addition, Paragraph 2, Section 3 of MC No. 2011-18, S-2011 is likewise hereby amended to read as follows:

"2. Paid-up capital – The minimum paid-up share capital for any proposed federation/union shall be, as follows:

Category	Federation	Union
2.1. Secondary	Php 500,000.00	None
2.2. Tertiary	Php 5,000,000.00 or feasibility study requirement whichever is higher	None

However, for purposes of registration of a federation, the capital requirement stated in the feasibility study may also be followed but in no case shall the paid-up share capital of a federation be less than the amounts stated above. **Provided, that no member of Secondary and Tertiary cooperatives should own more than Ten Percent (10%) of the Total Subscribed Share Capital of the Cooperative."**

The minimum number of members in a Secondary or Tertiary Cooperative as mentioned in Section 3 paragraph 1 of MC No. 2011-18, S-2011 shall conform always with the Ten Percent (10%) limitation on capital share holdings.

For information and guidance.

APPROVED per CDA Board Resolution No. 045, s-2013 dated February 7, 2013, Quezon City, Philippines.