

**[ CDA MEMORANDUM CIRCULAR NO. 2011-04,  
February 22, 2011 ]**

**LEGAL INTERPRETATION OF ARTICLE 42 OF THE PHILIPPINE  
COOPERATIVE CODE OF 2008 (REPUBLIC ACT NO. 9520)**

Article 42 of the Philippine Cooperative Code of 2008 provides:

*"Article 42. Officers of the Cooperative. The board of directors shall elect among themselves the chairperson and vice-chairperson, and elect or appoint other officers of the cooperative from outside of the board in accordance with their by-laws. All officers shall serve during good behavior and shall not be removed except for cause after due hearing. Loss of confidence shall not be a valid ground for removal unless evidenced by acts or omission causing loss of confidence in the honesty and integrity of such officer. **No two (2) or more persons with relationship up to the third civil degree of consanguinity or affinity** nor shall any person engaged in a business similar to that of the cooperative nor who in any other manner has interests in conflict with the cooperative **shall serve as an appointive officer.**"*

A. Officers of the Cooperative as provided under Art. 5 (11) of RA 9520:

- (1) Members of the Board of the Directors;
- (2) Members of the different committee created by the general assembly;
- (3) General Manager or the Chief Executive Officer;
- (4) Secretary;
- (5) Treasurer ; and
- (6) Members holding other positions as may be provided for the by-laws of the cooperative.

B. Officers elected by the General Assembly:

- (1) Members of the Board of Directors; and
- (2) Members of the Audit and Election Committee.

C. Officers appointed by the Board of Directors:

- (1) Treasurer;
- (2) Secretary;
- (3) Members of the Mediation and Conciliation Committee;