

**[OTC MEMORANDUM CIRCULAR NO. 2014-03-004,
March 03, 2014]**

**GUIDELINES ON THE ISSUANCE OF CERTIFICATE OF GOOD
STANDING TO TRANSPORT SERVICE COOPERATIVES**

*Adopted: 03 March 2014
Date Filed: 13 August 2014*

Pursuant to the provisions of Republic Act No. 9520, Executive Order No. 898 series of 1983 and other related laws and issuances, the Office of Transportation Cooperative (OTC) hereby obliges the following guidelines governing the issuance of Certificate of Good Standing (CGS) to accredited transport cooperatives:

I. GENERAL OBJECTIVE

Certificate of Good Standing (CGS) is a proof-document that generally states and projects the operational status and condition of the transport cooperative CGS holder. It is likewise a tool that manifests that the transport cooperative is authentically protecting its members and resources, preserving the organization and carrying out its purposes/objectives, among others.

In line with its mandate and supervisory functions; OTC adopts this administration mechanism for purposes, not limited to:

- a. Set the requisites and parameters for CGS entitlement and issuances as provided for in the Cooperative Code of the Philippines of 2008 (RA 9520) and its Implementing Rules and Regulations, the Charter of the Office of Transportation Cooperatives (EO 898 series of 1983) and its issued Administrative Order 2000-01, and other related laws/issuances; and
- b. Re-enforce the administrative and supervisory responsibilities of the Agency and its concerned units to ensure proper observance and implementation of this Guidelines.
- c. Establish the significance of CGS for the availment of and/or access to privileges, incentives and assistance accorded to transport service cooperatives by other concerned government institutions;

II. COVERAGE AND SCOPE

Subject to compliance with the prescribed requirements, the issuance of certificate of good standing shall cover all transport cooperatives accredited with OTC that are active and currently operating.

III. USES/PURPOSES OF CGS

The Certificate of Good Standing (CGS) shall entitle the transport cooperative holder to enjoy and/or access the rights, privileges, benefits, assistance and incentives

accorded by the Cooperative Law and other related laws and issuances. It is a prerequisite or essential document needed in the facilitation of the transport cooperative's transactions with the Land Transportation Franchising and Regulatory Board (LTFRB) and the Land Transportation Office (LTO) for road transport and Maritime Industry Authority (MARINA) for water transport as embodied in the respective Memorandum of Agreements of these institutions with OTC. The Certificate may likewise be utilized by its TC-holder as a material aid/tool to support applications or proposals for financial/technical grants/aids/assistance from other government and non-government institutions.

IV. GENERAL QUALIFICATION FOR AVAILMENT

Except for newly-accredited transport cooperative, which gets an automatic CGS after the approval and issuance of its accreditation certificate with OTC, a CGS may only be issued to accredited transport cooperative that is on active/operating status/condition.

V. DOCUMENTARY REQUIREMENTS

The requesting/applicant Transport Cooperative shall submit a letter-request or accomplished request form duly signed by the TC Chairman or authorized alternate representative with the following supporting documents:

- a. Audited Financial Statements of the preceding year;
- b. Minutes of the General Assembly Meeting for the current/preceding year;
- c. Updated Bond of Accountable Officers;
- d. Duly accomplished OTC Annual Report;
- e. Affidavit of Authenticity of Documents Submitted; and
- f. Summary Report on TC Members Profile as per OTC Board Resolution No. 2013-05-09

For a transport cooperative that failed to renew its CGS for one (1) year and above preceding the current application, OTC may also require justification/ explanation letter/write-up to the TC-applicant subject to denial or approval of the approving authority. The cooperative shall be required to act on the deficiency/ies to be rectified based on the approved timeline to be set by OTC and subject for compliance monitoring. Habitual/persistent repetition of justifying deficiency in documents shall not be tolerated and shall be the basis for non-issuance of CGS.

Subject to consultations and upon approval/confirmation of the OTC Board, the Agency may also require in the future, additional non-regular or special document/s, if necessary, in aid of policy or special program formulation.

VI. PROCEDURES

a. Filing of Application

The TC-applicant, thru mail or personal filing, should submit the written request, together with the documents enumerated in Section V - a to f.

For personal filing, the TC-applicant representative, after registering with the Customer Help-Desk Officer, shall be directed to the Office of the Chairman (OC) to file/submit the required documents. The receiving staff should note whether the requesting party representative shall wait for the release of the CGS, come back for