

[**CDA, September 12, 2000**]

**REVISED RULES OF PROCEDURE OF THE COOPERATIVE
DEVELOPMENT AUTHORITY IN THE EXERCISE OF ITS QUASI-
JUDICIAL FUNCTIONS**

Pursuant to the provisions of Section 3 of Republic Act No. 6939 and the powers vested in it by existing laws, the Cooperative Development Authority hereby promulgates the following rules governing the pleading, practice and procedure before it or any its officers:

RULE 1

Title and Construction

SECTION 1. Title of the Rules — These Rules shall be known and cited as the Rules of Procedure of the CDA in the exercise of its quasi-judicial functions.

SECTION 2. Applicability of the Rules — These Rules shall be applicable to all petitions and/or complaints brought before the Authority.

SECTION 3. Construction — These rules shall be liberally construed in order to promote the growth and viability of cooperatives, preserve harmony and instill the cooperative way of life within and among cooperatives and to achieve a just and expeditious resolution of every action brought before the Authority.

SECTION 4. Definition of Terms — The following words or terms shall mean:

- a. **Authority** — refers to the Cooperative Development Authority and its Extension Offices.
- b. **Code** — shall refer to Republic Act No. 6938, otherwise known as the Cooperative Code of the Philippines.
- c. **Cooperative Laws** — shall refer to the Code, Republic Act No. 6939, the Rules and Regulation Implementing the Cooperative Code and other issuances of the Authority.
- d. **Cooperatives** — shall refer to the duly registered primary, secondary and tertiary cooperatives.
- e. **Hearing Officers** — The Legal Officers and other qualified employees of the Authority as are authorized to conduct hearings and investigations of cases and/or complaints brought before the Authority.

RULE 2
Powers and Jurisdiction of the Authority

SECTION 1. Express Powers — The Authority may exercise such powers as are provided under Republic Act No. 6939 and such other powers as expressly stated in the Code.

SECTION 2. Inherent Powers — When performing its statutory functions, the Authority and its Hearing Officers shall have the inherent power to:

- a. Preserve and enforce order during the hearing of a case;
- b. Enforce order in all proceedings brought before it or any of its offices or hearing officers under its Authority;
- c. Compel compliance with its orders and processes;
- d. Compel the attendance of persons to testify in any petition or complaint pending before it and compel the production of documents relevant to such cases; and
- e. Administer or cause to be administered oaths in a petition or complaint pending before it.

SECTION 3. Exclusive Jurisdiction — The Authority shall have the exclusive jurisdiction over the following petitions and cases brought before it:

- a. Petitions for the approval of amendments to the articles of cooperation and/or by-laws of a cooperative;
- b. Petitions for the division, merger or consolidation of cooperatives;
- c. Petitions concerning the exercise of the rights of the members of a cooperative including the conduct of a financial audit;
- d. Petitions to hold a regular or special general assembly meeting and/or elections of directors, officers of committee members of a cooperative;
- e. Petitions for the removal of a director, officer or committee member of a cooperative;
- f. Petitions for the voluntary dissolution of a cooperative;
- g. Petitions for the suspension, revocation or cancellation of a certificate of registration of a cooperative for grounds stated in Articles 68 and 69 of the Code;
- h. Petitions for the liquidation of a cooperative;

- i. Petitions to compel the filing of the annual report and audited financial statements of a cooperative; and
- j. Disputes concerning the internal affairs of cooperatives, such as but not limited to the rights and privileges of its members; the rules and procedures of meetings of the general assembly, board of directors and committees; the election and qualifications of officers, directors and committee members; the allocation and distribution of surpluses and all other matters, subject to Art. 121 of the Code and the applicable provisions of the cooperative by-laws.

Provided, however, all petitions under subsections (f), (g), and (h) shall be governed by the Manual on Dissolution, Liquidation and Cancellation of Cooperatives.

SECTION 4. Referral to Other Government Agencies — Complaints which call for reliefs that can be fully acted/granted by other government agencies or which fall within their exclusive jurisdiction shall be referred to the appropriate agency.

RULE 3

Disqualification of Administrators, Directors and Hearing Officers

SECTION 1. Disqualifications of Administrators and Hearing Officers — (a) No Administrator or Hearing Officer shall take part in any proceeding wherein he, his spouse or child is related to any party, or counsel, if any, within the fourth civil degree of consanguinity or affinity, or in which he has publicly expressed prejudgment of the case as may be shown by clear and convincing proof.

(b) No Administrator or Hearing Officer shall take part in any proceeding in the case if he was formerly a member of the cooperative involved in such case, or its federation or union.

(c) An Administrator or Hearing Officer may, in the exercise of his own discretion, inhibit himself from taking part in any proceeding in the case for just or valid reasons other than those mentioned above.

SECTION 2. Lack of Hearing Officer — IN CASE a Hearing Officer be disqualified from the proceedings or inhibits himself from acting on a case, the Authority shall appoint another to act as Hearing Officer for the case, upon recommendation of the Director of the Legal and Registration Department.

RULE 4

Venue

All complaints and petitions shall be filed before the Regional Office of the Authority which has jurisdiction over the cooperative.

RULE 5

Parties

SECTION 1. Who May Be Parties — Any member of a duly registered cooperatives, their federations or unions may be a party to a complaint.

SECTION 2. Parties in Interest — All actions filed with the Authority must be prosecuted and defended in the name of the real parties in interest.

SECTION 3. Designation of Parties — A party requesting relief shall be referred to as the Petitioner or Complainant. Any party being complained of or against whom a claim or interest is directed shall be referred to as the Respondent.

RULE 6

Commencement of Proceedings

SECTION 1. Commencement of Proceedings by a Party — (a) Any natural person or cooperative may initiate a proceeding before the Authority, by filing a verified complaint containing his personal circumstances as well as those of the respondent, the jurisdictional facts and a concise statement of the ultimate facts constituting the causes of action and the relief sought.

(b) The complaint must likewise show that it has undergone the grievance mechanisms outlined in the cooperative's by-laws or with the federation or union to which the cooperative belongs, except when the dispute is between a primary and a secondary or tertiary cooperative.

SECTION 2. Any complaint filed with the Authority not containing the requirements as stated in Section 1 of this Rule shall be dismissed.

SECTION 3. Commencement of Action by the Authority — In cases where the Authority is authorized to initiate proceedings, the Authority shall issue an order for a hearing reciting therein the purpose for which the hearing is called for and concise statement of the facts giving rise thereto. Copies of such order shall be served upon persons or cooperatives having interest in the matter or who may be affected thereby.

RULE 7

Pleadings

SECTION 1. Form of Pleadings — All pleadings filed before the Authority may be handwritten or typewritten on bond paper and shall be written in either English or Filipino.

Every complaint, motion or other pleading must be filed in [at least] two (2) copies with the Authority. However, where there are more than one respondent, there shall be filed as many additional signed copies of the said pleadings as there are additional respondents.

SECTION 2. How Filed — The documents referred to in the preceding Section SHALL be filed with the Legal Officer of CDA Regional Office or the Legal Division of the CDA Central Office, whichever has jurisdiction over the case personally or by registered mail. In case of the latter, the

date of mailing shall be considered the date of filing, and the envelope thereof shall be attached to the records of the case.

SECTION 3. Verification — The complaint and the answer shall be verified. Such verification shall be in the form of an affidavit that the petitioner/complainant or respondent had read the pleading and the allegations therein are true and correct of his own knowledge and belief.

SECTION 4. Certification — The complainant/petitioner or principal party shall certify under oath in the complaint or other initiatory pleading asserting a claim for relief, or in a sworn certification annexed thereto and simultaneously filed therewith: (i) That he has not thereto commenced any action or filed any claim involving the same issues in any court, tribunal or agency and, to the best of his knowledge, no such other action or claim is pending therein; (ii) If there is such other pending action or claim, a complete statement of the present status thereof; and (iii) if he should thereafter learn that the same or similar action or claim has been filed or is pending, he shall report the fact within five (5) days therefrom to the Authority.

Failure to comply with the foregoing requirements shall not be curable by mere amendment of the complaint or other initiatory pleading but shall cause the dismissal of the petition without prejudice. The submission of a false certification or non-compliance with any of the undertaking therein shall constitute indirect contempt of court, without prejudice to the corresponding administrative and criminal actions. If the acts of the party or his counsel clearly constitute willfull and deliberate forum shopping, the same shall be ground for summary dismissal with prejudice and shall constitute direct contempt, as well as cause for administrative sanctions.

SECTION 5. Docket Fees — A complaint or petition shall be deemed filed only after payment of docket fees in accordance with the Revised Schedule of Fees hereto attached.

SECTION 6. Docket, Assignment of Numbers and Case Name — (a) Upon the filing of a complaint, the Legal Office or the Legal Division shall docket the same and assign a number. The numbering must be consecutive according to the date it was filed, must bear the year, and prefixed as follows:

- a. CO — Legal Division, Central Office
- b. DAG — Dagupan Extension Office
- c. TUG — Tuguegarao Extension Office
- d. BAD — Baguio Extension Office
- e. SFR — San Fernando (Pampanga) Extension Office
- f. NCR — Manila Extension Office
- g. CAL — Calamba Extension Office
- h. NAG — Naga Extension Office
- i. ILO — Iloilo Extension Office
- j. CBU — Cebu Extension Office
- k. TAC — Tacloban Extension Office
- l. CDO — Cagayan De Oro Extension Office
- m. PAG — Pagadian Extension Office