PROPOSED AMENDMENTS TO THE PALECO ARTICLES OF COOPERATION AND BY-LAWS			
Item No.	**CURRENT ACBL** (Words to be stricken are underlined)	**PROPOSED AMENDMENTS** (Words inserted or added underlined)	**REMARKS**
1.	**Title of AC and Art. I (Name of the Cooperative)** Amended Articles of Cooperation of the Palawan Electric Cooperative (PALECO)	**Title of ACBL and Art. I (Name of the Cooperative)** Amended Articles of Cooperation of the Palawan Electric Cooperative.	Acronym of registered name PALECO is removed to be consistent with the registered name with BIR.
2.		**ARTICLE III GOALS** 1. To provide quality electric service and prompt action to their request; 2. To attain total customer satisfaction; 3. To acquire/ upgrade distribution system and facilities, infrastructures and logistics; 4. To innovate policies, system (ICTS) and procedures toward operational efficiency; 5. To maintain financial stability and sound fiscal management; 6. To develop a strong and competent organization resulting to positive corporate image; 7. To enhance human resources competence satisfaction and productivity	Additional: The additional provision is in compliance with RA 9520. Such provision is also indicated in the CDA Model By-Laws.
3.		**ARTICLE IV POWERS AND CAPACITIES** That the powers, rights and capacities of this Cooperative are those prescribed under Article 9 of Republic Act 9520. 1. To the exclusive use of its registered name; 2. To sue and be sued; 3. Of succession; 4. To amend its articles of cooperation in accordance with the provisions of RA 9520 and RA 10531; 5. To adopt by-laws not contrary to law, morals or public policy, and to amend and repeal the same in accordance with RA 9520 and RA 10531; 6. To purchase, receive, take or grant, hold, convey, sell, lease, pledge, mortgage, and otherwise deal with such real and personal property as the transaction of the lawful affairs of the Cooperative may reasonably and necessarily require, subject to the limitations prescribed by law and the Constitution; 7. To enter into division, merger, or consolidation, as provided under RA 9520 and RA 10531; 8. To form subsidiary Cooperatives and join federations or unions, as provided in this Code; 9. To avail of loans, be entitled to credit and to accept and receive grants, donations and assistance	Additional: The additional provision is in compliance with RA 9520. Such provision is also indicated in the CDA Model By-Laws.

		from foreign and domestic sources subject to the conditions of said loans, credits, grants, donations or assistance that will not undermine the autonomy of the Cooperative. The Authority, upon written request, shall provide necessary assistance in the documentary requirements for the loans, credit, grants, donations and other financial support; 10. To avail preferential rights granted to cooperatives under RA 7160, otherwise known as the Local Government Code, and other laws, particularly those in the grant of franchises to establish, construct, operate and maintain ferries, wharves, markets or slaughters houses and to lease public utilities, including access to extension and on-site research services and facilities related to agriculture and fishery activities; and 11. To exercise such other powers granted under RA 9520 and RA 10531 or necessary to carry out its purposes as stated in this Articles of Cooperation.	
4.	**Title of By-Laws (Name of the Cooperative)** Amended Articles of Cooperation of the Palawan Electric Cooperative (PALECO) **KNOW ALL MEN BY THESE PRESENTS:** We, the undersigned, Filipino citizens and residents of the Province of Palawan, Philippines, representing majority members of the Palawan Electric Cooperative (PALECO), a service Cooperative herein after referred to as a Cooperative, do hereby adopt these amended By-Laws.	**Title of By-Laws (Name of the Cooperative)** Amended Articles of Cooperation of the Palawan Electric Cooperative **KNOW ALL MEN BY THESE PRESENTS:** We, the undersigned, Filipino citizens and residents of the Province of Palawan, Philippines, representing majority members of the Palawan Electric Cooperative, a service Cooperative herein after referred to as a Cooperative, do hereby adopt these amended By-Laws.	Acronym of registered name PALECO is removed to be consistent with the registered name with BIR.
	ARTICLE II MEMBERSHIP	**ARTICLE II** MEMBERSHIP	
5.		**Section 3. *Qualifications for Membership.*** **1. Regular Members** a. Filipino citizen of legal age; b. Must pay the prescribed membership fee; c. Must have attended the Pre-membership Education Seminar (PMES); d. Must pay at least 25% of the subscribed share capital; and e. Must have an electric service connection **2. Associate Members** a. Must be an institution or entity, or their authorized representative and those that do not fall under Article II, Section 3, 1(a.) b. Must pay the prescribed	Additional: The additional provision is in compliance with RA 9520. Such provision is also indicated in the CDA Model By-Laws.

		membership fee; c. Must have attended the Pre-membership Education Seminar (PMES) d. Must pay at least 25% of the subscribed share capital; and e. Must have an electric service connection	
6.		**Section 4. Requirements for Membership.** A member must have complied with the following requirements: a. Approved application for membership b. Certificate of Attendance of the prescribed Pre-Membership Education Seminar (PMES); c. Secured Tax Identification Number (TIN) d. Subscribed and paid the required minimum share capital and membership fee; and e. Availed the electric service connection	Additional: The additional provision is in compliance with RA 9520. Such provision is also indicated in the CDA Model By-Laws.
7.	**Section 3.** *Application for Membership*. The applicant for membership shall: a. Fill out the prescribed form; b. Pay the membership fee as prescribed by the Board of Directors; c. Subscribe a minimum of twelve (12) shares and shall initially pay at least three (3) shares and the value of one (1) share is One Hundred Pesos (P100.00) but shall not exceed ten percent (10%) of the subscribed share capital of the Cooperative; d. Undergo the prescribed membership education seminar; e. Pledge to undertake the responsibilities as member and join the continuous capital build-up program of the Cooperative. f. Avail of the service connection of the Cooperative as soon as electric service is available in the area; and g. Patronize other services and/or products of the Cooperative soon as these are available.	**Section 5.Application for Membership.** The duly accomplished form shall be submitted to the Board of Directors who shall act upon the application within forty-five (45) days from the date of filing. In case of disapproval, the applicant shall be notified in writing of the action taken on his application. The Board of Directors shall devise a form for the purpose which shall, aside from the personal data of the applicant, include the duties of a member to participate in all programs including but not limited to capital build-up and savings mobilization of PALECO and, such other information as may be deemed necessary. The application form for membership shall include an undertaking to uphold the By-laws, policies, guidelines, rules and regulations promulgated by the Board of Directors and the general assembly. No application for membership shall be given due course if not accompanied with a membership fee of One Hundred Pesos only (Php 100.00), which shall be refunded to the applicant in case of rejection.	The provision is being proposed in compliance with RA 9520; Such provision is also indicated in the CDA Model By-Laws.
8.	**Section 4.** *Approval of Application*. The application for membership shall be submitted to the Board for its consideration.Thus the rights, privileges and benefits shall commence from the date of such membership approval. The applicant shall be notified in writing of the action taken on his application	**Section 6. Appeal.** In case membership was refused or denied by the Board of Directors, the applicant may appeal to the Ad hoc Committee created by the board within ten (10) working days upon receipt of notice of disapproval. The Ad hoc Committee shall decide appeals on membership application within Thirty (30) days upon receipt thereof and such decision is final. Failure of the Ad hoc Committee to act within the prescribed period, shall mean approval of the appeal	The provision is being proposed in compliance with the RA 9520; Such provision is also indicated in the CDA Model By-Laws. The existing provision (Section 4. approval of application) is already incorporated in the proposed Section 5.
9.		**Section 7. Minimum Share Capital Requirement**. An applicant for **regular or associate membership** shall subscribe a minimum of Twelve (12) shares at One	The additional section is being proposed to harmonize with the CDA model By-laws.

		Hundred Pesos (PhP100.00) per share and shall initially pay at least 25% of the subscribed share capital. However, no member shall own or hold more than ten percent (10%) of the total subscribed share capital of PALECO.	
10.	**Section 5.** *Duties of a Member.* Every member shall have the following duties: a. Participate in the capital build-up program of the Cooperative	**Section 8. Duties of a Member.** Every member shall have the following duties: a. Pay the installment of his/her share capital subscription as it falls due and to participate in the capital build-up program, membership education programs and other activities and affairs of PALECO; … *(no further revision)*	The provision is being proposed in compliance with the RA 9520; Such provision is also indicated in the CDA Model By-Laws.
11.	**Section 6.** *Rights and Privileges of a Member.* a. Regular Member - every regular member of good standing shall enjoy the following rights and privileges: 1. To participate in the deliberations of any issues brought during assembly meetings, whether regular or special and vote on all matters brought before such meeting; 2. To vote in a district election; 3. To seek any elective position, subject to the provisions of Section 7, Article II and Sections 2, 3 and 4 Article IV both of these By-Laws; 4. To inspect and examine the books of accounts, the minutebooks, the share capital register, and other records of the Cooperative during reasonable office hours; and 5. To exercise such rights and privileges of membership as stated in the Philippine Cooperative Code. **b.** Associate Member – every associate member shall enjoy all the rights and privileges as enumerated under Section 6a except paragraphs 2 and 3.	**Section 9. Rights and Privileges of a Member.** A member shall have the following rights and privileges: a. Regular Member 1. Attend general membership meetings; 2. To vote and be voted upon in the district election; 3. Seek any elective position subject to the provisions of Section 11, Article II and Sections 3, 4 and 5 Article IV both of these By-Laws; 4. Participate and vote on all matters deliberated upon during general assembly meetings; 5. Avail of the services of the Cooperative, subject to certain conditions as may be prescribed by the board of directors; 6. Inspect and examine the books of accounts, the audited financial statements, the minute books, the share register and other records of the Cooperative during reasonable office hours; 7. Secure copies of PALECO's records/documents pertaining to own account information; 8. Participate in the continuing education and other training programs of PALECO; and 9. Exercise such other rights and privileges as may be granted by the General Assembly. b. Associate Member Every associate member shall enjoy all the rights and privileges as enumerated under Section 9a except paragraphs 2, 3, 4 and 8.	The additional rights and privileges of member are patterned after the CDA Model By-Laws; and IRR of RA 9520 (Philippine Cooperative Code of 2008)

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<tr><td>12.</td><td>Section 7.Member in Good Standing/Member Entitled to Vote. A member in good standing shall refer to one who is a regular member and has complied with all the requisites for membership. One who possesses all the qualifications and none of the disqualifications provided in the Cooperative By-Laws as ascertained by the Board of Directors and has the right to vote and be voted upon. Further,

a. Has no unsettled or outstanding obligations to the Cooperative at least three (3) months prior to the filing of his certificate of candidacy;
b. Has not been apprehended for pilferage of electricity by the Cooperative. A mere apprehension of electric pilferage by the Cooperative, even without conviction for such offense by the court, shall be a valid ground for disqualification; and
c. Has not been removed for cause as Director or as employee from the electric cooperative.</td><td>Section 10.Member Entitled to Vote. Any regular member who meets the following conditions is considered a member entitled to vote:

a. Has paid the membership fee and the value of the minimum shares required for membership;
b. Has not been delinquent in the payment of share capital subscriptions.
c. Has completed the continuing education program prescribed by the board; and
d. Has patronized the businesses of PALECO and participated actively and constructively in its affairs and undertakings.

Failure of the member to meet any of the above conditions shall mean suspension of voting until the same have been lifted upon the determination of the board of directors.

Consequently, a member entitled to vote shall have the following additional rights:

a. Participate and vote on all matters deliberated upon during general assembly meetings;
b. Seek any elective or appointive position, subject to the provisions of these Revised By-laws, PALECO’s Election Code, and the Philippine Cooperative Code of 2008; and
c. Such other rights and privileges as may be provided by the general assembly.</td><td>Members Entitled to Vote is being proposed to have different conditions from Members in Good standing as the former should have lighter conditions than the latter.

Further, Member in Good standing has to have heavier or stricter conditions since it’s part of the qualifications for elective and appointive positions

The proposed provision is patterned in the CDA model By-Laws.</td></tr>
<tr><td>13.</td><td>Section 7.Member in Good Standing/Member Entitled to Vote. A member in good standingshall refer to one who is a regular member and has complied with all the requisites for membership. One who possesses all the qualifications and none of the disqualifications provided in the Cooperative By-Laws as ascertained by the Board of Directorsand has the right to vote and be voted upon. Further,

a. Has no unsettled or outstanding obligations to the Cooperative at least three (3) months prior to the filing of his certificate of candidacy;
b. Has not been apprehended for pilferage of electricity by the Cooperative. A mere apprehension of electric pilferage by the Cooperative, even without conviction for such offense by the court, shall be a valid ground for disqualification; and
c. Has not been removed for cause as Director or as employee from the electric cooperative.</td><td>Section 11 Member in Good Standing. Any member who meets the following conditions is considered a member in good standing:

a. Has not been delinquent in the payment of share capital subscriptions and no unsettled or outstanding obligations to PALECO whether personal or through commercial or industrial connections as owner or co-owner or authorized representative three (3) months prior to the filing of the certificate of candidacy or submission of application; no unsettled or outstanding power bills, cash advances, disallowances (including NEA audit findings) and materials and equipment issuances reckoned from the time of filing of candidacy of incumbent member of the board;
b. Has not been apprehended by PALECO for pilferage of electricity; and
c. Has not been removed for cause as director or as employee from any electric cooperative.</td><td>In compliance with NEA Memo. No. 2016-017</td></tr>
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14.	**Section 8.** *Liability of Members.* …	**Section 12. Liability of Members.** …	*No proposed revision except for the Section No.*
15.	**Section 9.** *Termination of Membership* … The decision of the Board shall be communicated to the removed member at his official address registered with the Cooperative and shall be appealable within thirty (30) days from receipt thereof to the general assembly whose decision shall be final. The general assembly may create an Appeal and Grievance Committee whose members shall serve for a period of one (1) year and shall decide appeals on membership termination. The Committee is given thirty (30) days from receipt thereof to decide on the appeal. Failure to decide within the prescribed period, the appeal is deemed approved in favor of the member. Pending a decision of the Committee, the membership remains in force.	**Section 13. Termination of Membership** …	This part of the provision is removed and included in the **Section 14. Manner of Involuntary Termination**
16.		**Section 14. Manner of Involuntary Termination.** The Board of Directors shall notify in writing the member who is being considered for termination and shall give him/her the opportunity to be heard. The written decision of the Board of Directors shall be communicated in person or by registered mail to said member and is appealable within thirty (30) days from receipt thereof to the General Assembly or Appeal and Grievance Committee/Membership Committee, as the case may be, whose decision shall be final.	The provision is being proposed in compliance with the RA 9520; Such provision is also indicated in the CDA Model By-Laws.
17.	**Section 10.** *Appraisal and Payment of Member's Interest upon Withdrawal or Removal* …	**Section 15. Appraisal and Payment of Member's Interest upon Withdrawal or Removal** …	*No proposed revision except for the Section No.*
18.	**Section 11.** *Appraisal and Payment of Member's Interest upon Withdrawal or Removal* …	**Section 16. Appraisal and Payment of Member's Interest upon Withdrawal or Removal** …	*No proposed revision except for the Section No.*
19.	**ARTICLE III** ~~THE GENERAL ASSEMBLY~~	**ARTICLE III** **ADMINISTRATION**	The proposed title is patterned after the CDA Model By-Laws
20.	**Section 1.** *General Assembly (GA).* The General Assembly shall be composed of the members entitled to vote, duly assembled and constituting a quorum.	**Section 1. General Assembly (GA).** The General Assembly shall be composed of the members entitled to vote, duly assembled and constituting a quorum and is the highest policy-making body of the Cooperative.	Patterned after the CDA Model By-Laws.
21.	**Section 2.** Powers of the General Assembly.	**Section 2. Powers of the General Assembly.** The General Assembly sitting as a body shall have the following powers:	Patterned after the CDA Model By-Laws.
22.		**Section 3. Meetings.** Meetings of the General Assembly may be regular or special. They may be conducted through physical attendance and videoconferencing simultaneously or sequentially provided the series of district assemblies shall not exceed	*Additional:* The additional section is being proposed to enable to adopt and permanently put into effect the chosen

		60 days from the opening of the meeting up to its adjournment. All proceedings and businesses undertaken within PALECO's powers or authority at any meeting constituting a quorum shall be valid. Regular and associate members are required to attend the meetings purposely to exercise all their rights and obligations. Their attendance and voting participation shall be duly recorded	mode and manner of conducting general assembly meetings during fortuitous events or *force majeure* or analogous circumstances
23.	*Section 3. ~~Annual~~ General Assembly Meeting*. There shall be one (1) general assembly meeting of the Cooperative each year which shall be held every third Saturday of May at a place within the franchise area and at a time designated by the Board.	**Section 4. Regular General Assembly Meeting**. There shall be one (1) general assembly meeting of the Cooperative each year which shall be held every third Saturday of May at a place within the franchise area may it be via simultaneous, sequential and/or hybrid set-up and at a time designated by the Board.	The term "Regular" replacing "Annual" is patterned after the CDA Model By-Laws. The manner of conducting meeting (may it be via simultaneous, sequential and/or hybrid set-up) has been approved by the GA last 43rd AGMA
24.	*Section 4. Special General Assembly Meeting*. The Board of Directors may, by a majority vote of all its members, call a special general assembly meeting at any time to consider urgent matters requiring immediate membership decision. The Board of Directors through a resolution must likewise call a special general assembly meeting within one (1) month from receipt of a written request from: a. b. c. d.	**Section 5. Special General Assembly Meeting**. The Board of Directors may, by a majority vote of all its members, call a special general assembly meeting at any time to consider urgent matters requiring immediate membership decision may it be via simultaneous, sequential and/or hybrid set-up. The Board of Directors through a resolution must likewise call a special general assembly meeting within one (1) month from receipt of a written request from: a. b. c. d.	The manner of conducting meeting (may it be via simultaneous, sequential and/or hybrid set-up) has been approved by the GA last 43rd AGMA
25.	*Section 5. Notice of Meeting*. All notices of meetings shall be in and shall include the date, time, place, and agenda thereof stated therein.	**Section 6. Notice of Meeting.** All notices of meetings shall be in writing or through electronic means and shall include the date, time, place, and agenda thereof stated therein.	Additional: This provision emphasizes the use of electronic means.
26.	*Section 6. Agenda*. As far as practicable, the order of business for a regular meeting shall include the following: a. Call to order; b. Proof of due notice and determination of quorum to transact business; c. Consideration of the minutes of the last general assembly meeting; d. Consideration of the consolidated reports of the Board, the committees and the officers including audited financial statements of the condition and operation and the annual report of the Cooperative's affairs; e. Unfinished business; f. New business; g. Adjournment.	**Section 7. Order of Business**. As far as practicable, the order of business for a regular meeting shall include the following: a. Call to order; b. Proof of due notice and determination of quorum to transact business; c. Reading, consideration and approval of the minutes of the last general assembly meeting; d. Consideration and approval of the consolidated reports of the Board, the committees and the officers including audited financial statements of the condition and operation and the annual report of the Cooperative's affairs; e. Unfinished business; f. New business; g. Announcements; and h. Adjournment.	The proposed title and additional provisions are patterned after the CDA Model By-Laws.
27.	Section 7. *Quorum for General Assembly Meeting*.	**Section 8. *Quorum for General Assembly Meeting*...**	*No proposed revision except for the Section No.*

28.	*Section 8. Manner of Voting*. A member of the Cooperative entitled to vote shall have only one (1) vote regardless of his share capital contribution. No member shall vote by proxy.	**Section 9. *Voting System.*** Only members entitled to vote shall be qualified to participate and vote in any General Assembly meeting. A member is entitled to one vote only regardless of the number of shares he/she owns. Election or removal of Directors and Committee members shall be by secret ballot. Action on all matters shall be in any manner that will truly and correctly reflect the will of the membership. No proxy and/or cumulative voting shall be allowed.	The proposed title and additional provisions are patterned after the CDA Model By-Laws.
29.	Section 9. *Fiscal Year...*	**Section 10. *Fiscal Year.***..	*No proposed revision except for the Section No.*
	ARTICLE IV BOARD OF DIRECTORS	**ARTICLE IV** BOARD OF DIRECTORS	
30.	Section 2.*Responsibility*. The business and affairs of the Cooperative shall be the responsibility of the Board of Directors. As the policy-making body of the Cooperative, the Board of Directors shall formulate and enact policies, rules and regulations for the general welfare of the Cooperative and its members to ensure the efficient and effective delivery of products, services and facilities to its coverage areas through resolutions; review and present to the GA the developmental plans and investment programs prepared by the management and staff; and exercise their powers and other duties as provided by these By-laws. a. The directors shall be elected by districts through secret balloting. b. The term of office of the members of the Board shall not exceed three (3) years; however, they shall be eligible for re-election. Newly elected directors must undergo trainings and seminars prescribed by the Cooperative Development Authority	**Section 2. *Functions and Responsibilities.*** The direction and affairs of PALECO are vested in the board of directors. As its policy-making body, the board shall have the following functions and responsibilities: a. Provide governance and over-all policy direction; b. To promulgate policies, rules and regulations necessary for the viable and progressive operation of PALECO and the exercise of its cooperative power and capacities; c. Formulate development plan; d. Review the annual plan and budget and recommend its approval to the general assembly; e. Evaluate the capability and qualification of an external auditor, and recommend the engagement of its services for approval of the general assembly; f. Accept the appointment of a general manager, execute a performance management contract and decide on the issuance of permanent appointment, imposition of administrative penalties and/or preventive action, suspension or termination of the service of the general manager in accordance with the guidelines of NEA; g. Review, monitor and evaluate the effectiveness of PALECO's programs, projects and activities; h. Formulate and review PALECO's vision, mission and goals; i. Establish risk management system; j. Establish performance evaluation system at all levels; k. Review and approve the organizational and operational structures; l. Appoint the secretary, the treasurer, and the members of the Mediation and Conciliation Committee, Governance and Ethics Committee, Education and Training Committee, Gender and Development	NEA Institutional Advisory No. 03 (National Electrification Administration, 2005) Articles 37 and 38 (Republic Act 9520, 2009) Election Code, Section 2.2, attached to Memorandum No. 2014-019 (National Electrification Administration, 2014) RA 9520 Revised IRR, Part I, Rule 7, Section 4.1 (Cooperative Development Authority, 2015) Code of Governance for Electric Cooperatives, Article V, Sections 1 to 3, attached to Memorandum No. 2020-001, (National Electrification Administration, 2020) Memorandum Circular No. 2021-02 (Cooperative Development Authority, 2021) Institutional Advisory No. 42 (National Electrification Administration, 2022) Memorandum No. 2021-55 (National Electrification Administration, 2021) Provision a and b is already incorporated in the proposed additional Section 4- Election of Directors.

		Committee, other officers and GAD's focal person as specified in the Code and these By-laws; m. Adopt a compensation and benefit scheme as well as a competitive selection and promotion process, professional development program and succession plan; n. Call, schedule and provide appropriation for the conduct of elections and annual meetings in accordance with these By-Laws, *PALECO's Election Code* and the rules and regulations of NEA and CDA; o. Decide election-related cases involving the Election Committee and its members; p. Act on the recommendation of the Governance and Ethics Committee on cases involving violations of the *Code of Governance and Ethical Standards* and on the report of the Gender and Development Committee; q. Ensure proper implementation of PALECO's policies and procedures, and compliance with the regulations and statutory requirements of CDA, NEA and other government agencies; r. Report the performance and achievements of PALECO to the general assembly; s. Present to the general assembly policies which require confirmation as provided under the law, these By-laws and other regulations; t. Present financial, social and performance reports to the general assembly; and u. Perform such other functions as may be prescribed by these By-laws or authorized by the general assembly.	
31.	**Section 3.** *Qualifications and Disqualifications of Directors and Officers* … h. In case of incumbent Board seeking for re-election, he or she should have attended/undergone all the required trainings as provided for by Rule 7, Section 5, paragraph A of the Rules and Regulations Implementing Certain Provisions of RA 9520. For newly elected Board, he/she shall undergo such training requirements within 12 months from the beginning of his/her term as Board. Non-compliance with the training requirements within the prescribed period shall be considered grounds for disqualification or suspension from Office until such time that he/ she has complied with all the trainings	**Section 3. Qualifications and Disqualifications of Directors** … h. In case of incumbent Board seeking for re-election, he or she should have attended/undergone all the required trainings as provided for by Rule 7, Section 5, paragraph A of the Rules and Regulations Implementing Certain Provisions of RA 9520. For newly elected Board, he/she shall undergo such training requirements within 18 months from the beginning of his/her term as Board. Non-compliance with the training requirements within the prescribed period shall be considered grounds for disqualification or suspension from Office until such time that he/ she has complied with all the trainings	The 18 months period is in compliance with the CDA MC 2015-09 Sections 4 and 6 paragraph 4 amending the MC 2013-02 which also included in the proposed amendments of bylaws.

	required for the position. **…** has any of the following disqualifications: 1. … 2. … 3. Such person has been convicted by final judgment of a crime involving moral turpitude; 4. … 5. … 6. … 7. An employee of the Cooperative	required for the position. **…** has any of the following disqualifications: 1. … 2. … 3. Such person has been convicted by final judgment of a crime involving moral turpitude, financial and/or property accountability; 4. … 5. … 6. … 7. An employee of the Cooperative or holding any other position directly involved in the day-to-day operation and management of PALECO**;** and 8. Having been absent for six(6) consecutive meetings or in more than twenty-five percent (25%) of all meetings within the 12-month period unless with valid excuse as approved by the board;	Additional: The provision is being proposed in compliance with the RA 9520; Such provision is also indicated in the CDA Model By-Laws. Provision for the absences is required by the CDA to be part of the By-Laws to be submitted through the ECOOPRIS.
32.		**Section 4. Election of Directors.** The members of the Board of Directors shall be elected by secret ballot from each district by members entitled to vote. Unless earlier removed for cause, or have resigned or become incapacitated, they shall hold office for a term not exceeding three (3) years or until their successors shall have been elected and qualified, however, they shall be eligible for re-election.	Additional: The provision is being proposed in compliance with the RA 9520; Such provision is also indicated in the CDA Model By-Laws.
33.	**Section 4**. *Continuing Qualification Requirements...*	**Section 5. Continuing Qualification Requirements...**	*No proposed revision except for the Section No.*
34.	**Section 5.***Officers and their Duties*. The Board of Directors shall convene within ten (10) days after the regular assembly meeting to elect by secret ballot from among themselves the Chairperson and the Vice-Chairperson and to appoint the Secretary and Treasurer. The Secretary and Treasurershould not be a member of the Board but should come from the pool of members in good standing, and must be a Representative or Delegate of the district. The appointed officers shall hold office for a term of one (1) year or until their successors shall have been appointed and actually assumed the functions of their positions. The Board of Directors shall have the following functions and responsibilities: a. Provide general policy direction; b. Formulate the strategic development plan; c. Determine and prescribe the organizational and operational structure; d. Review the Annual Plan and Budget and recommend for the approval of the GA; e. Establish policies and procedures for the effective operation and ensure	**Section 6. Election of Officers within the Board.** The Board of Directors shall convene within ten (10) days after the regular assembly meeting to elect by secret ballot from among themselves the Chairperson and the Vice-Chairperson and to appoint the Secretary and Treasurer. The Secretary and Treasurer should not be a member of the Board but should come from the pool of members in good standing, and must be a Representative or Delegate of the district. The appointed officers shall hold office for a term of three (3) years or until their successors shall have been appointed and actually assumed the functions of their positions.	Additional: ART. 42 of RA 9520 Philippine Cooperative Code of 2008. The function and responsibilities of Board of Directors under Section 5 are removed but instead enumerated in the proposed Article IV, Section 2. The proposed provisions are patterned in the CDA model By-Laws.

	properimplementation of such; f. Evaluate the capability and qualification and recommend to the GA the engagement of the services of the External Auditor; g. Appoint the members of the Mediation/Conciliation and Ethics Committees and other Officers as specified in these By-laws, the Philippine Cooperative Code, and other law; h. Declare the members entitled to vote; i. Decide election related cases involving the Election Committee and its members; j. Act on the recommendation of the Ethics Committee on cases involving violations of Code of Governance and Ethical Standards; and k. Perform such other functions as may be prescribed in the By-laws or authorized by the General Assembly.	The following shall be the duties and responsibilities of the above-mentioned positions:	
	5.1 Chairman. The Chairman shall have the following powers and functions: a. Presides over all meetings of the General Assembly and the Board; b. ... c. Exercise other powers and perform such other duties as may be prescribed by the Board.	*6.1* **Chairperson.** Being the principal officer of PALECO, the chairperson shall have the following functions and responsibilities**:** a. Set and prepare the agenda for board meetings in coordination with the other members of the board of directors, the general manager and the secretary; b. Preside over all meetings of the general assembly and the board; c. ... d. Perform such other functions as may be authorized by the Board or by the General Assembly.	The functions and responsibilities of officers are patterned after the CDA Model By-Laws derived from the Section 4 of IRR of RA 9520.
	5.2 Vice-Chairman. In the absence of the Chairman, the Vice-Chairman shall preside the meeting. The Vice-Chairman may also perform such other duties that may be assigned to him by the Board. The Vice-Chairman shall also be the Ex-Officio Chairman of the Education and Training Committee. In case of permanent disability, resignation, death or removal of the Chairman, the Vice-Chairman shall assume the position.	*6.2* **Vice-Chairperson**. The vice-chairperson shall: a. Perform all duties and functions of the chairperson in the absence of the latter; b. Act as chairperson of the Education and Training Committee; and c. Perform such other duties as may be delegated by the board.	
	5.3. Secretary. The Secretary shall be responsible for: a. Keeping the minutes of the meetings of the members and of the Board in books provided for that purposes and kept in a secured file in the office of the Cooperative; b. Seeing that all notices are duly given in accordance with these By-Laws or as required by law; c. The safekeeping of the Corporate Books and records and the seal of	*6.3* **Secretary**. The Secretary shall: a. Serve notice of all meetings of the board of directors and the general assembly and certify the presence of quorum; b. Attend all meetings and ensure that their procedures are followed and in compliance with existing rules and regulations; c. Record, prepare and maintain records of all minutes of meetings of the board and the general	

	the Cooperative to all certificates of membership and certificates of share capital prior to the issue thereof, and to all documents, the execution of which in behalf of the Cooperative under its seal as duly authorized in accordance with provisions of these By-Laws; d. Keeping the list of membership subscription agreement and the share and transfer book; e. Keepinga register of the names and post office addresses of all members; f. Signing with the Chairman the certificate of membership, subscription agreements and share certificates, the issue of which shall have been authorized by the Board or the members; g. Keeping on file at all times a complete copy of the Articles of Cooperation and By-Laws of the Cooperative, containing all amendments thereto, and at the expense of the Cooperative, furnishing a copy of the By-Laws and all amendments thereto to any member upon request; h. Perform the duties of the Treasurer in case of the latter's absence or inability to perform his duties; and i. In general, performing all duties incident to the office of the Secretary and such other duties as from time to time may be assigned to him by the Board. 5.4. Treasurer. The Treasurer shall be responsible for: a. Assuring proper custody of all funds and securities of the Cooperative; b. Assuring the proper receipt of and the issuance of receipts for all monies due and payable to the Cooperative and for the deposit of all such monies in the name of the Cooperative in such bank or banks shall be selected by the Board; c. The general performance of all dutiesincident to the office of the Treasurer and such other duties as from time to time may be assigned to him by the Board; and d. Performing the duties of the Secretary in the latter's absence or inability to perform his duties.	assembly; d. Ensure that the necessary actions and decisions of the board are transmitted to the management for compliance and implementation; e. Serve as custodian ofPALECO's sealand ensure that all documents affixed with its seal are duly authorized; f. Keep an updated and complete registry of all members; g. Issue and certify the list of members who are entitled to vote as determined by the board; h. Prepare and issue certificates of membership, subscription agreements and share certificates, and maintain the share and transfer book; i. Keep a complete copy including amendments of PALECO's Articles of Cooperation and By-Laws on file at all times and furnish any member requesting a copy at the expense of PALECO; j. Keep copies of the treasurer's reports and other reports; and k. Perform other functions as authorized by the board. 6.4 **Treasurer**. The treasurer shall: a. Ensure that all monies due and payable to PALECO are properly receipted and deposited in its name in accordance with the policies set by the board of directors; b. Have custody of funds, securities, and documentations relating to assets, liabilities, income and expenditures; c. Monitor and review the financial management operations of PALECO subject to such limitations and control as may be prescribed by the board; d. Keep complete records of cash transactions; e. Ensure maintenance of a petty cash fund; f. Maintain a daily cash position report; and g. Perform such other functions as authorized by the board.	
35.	**Section 6.** *Liabilities of Directors, Officers, and Committee Members.*	**Section 7. Liabilities of Directors, Officers, and Committee Members.**	*No proposed revision except for the Section No.*
36.	**Section 7.***Reports.* …	**Section 8. Reports.** …	*No proposed revision except for the Section No.*

37.	**Section 8.***Board Meetings*. a. The regular Board meetings shall be held every first Friday of each month in order to transact business. The Secretary shall send written notice to the directors at least five (5) days prior to the regular meeting, stating the time, place and date of the meeting together with the matters to be taken up. b. Special meeting of the Board may be called by the Chairman or in his absence, by the Vice-Chairman, or by a majority of the directors when necessary. The call for special meeting shall be addressed and delivered to the Secretary, who shall notify the directors of the time, place and date of the meeting and the matters to be taken up at least three (3) days prior to the date of the meeting.	**Section 9.Board Meetings**. Meetings may be conducted face-to-face and/or virtually provided the rules on sending of notices, quorum and voting requirements are complied with. a. The regular Board meetings shall be held every first Friday of each month in order to transact business. The Secretary shall send written notice or through electronic means to the directors at least five (5) days prior to the regular meeting, stating the time, place and date of the meeting together with the matters to be taken up. b. Special meeting of the Board may be called by the Chairperson or in his absence, by the Vice-Chairperson or by a majority of the directors when necessary. The call for special meeting shall be addressed and delivered to the Secretary, who shall notify the directors of the time, place and date of the meeting and the matters to be taken up at least three (3) days prior to the date of the meeting.	Additional: Virtual meetings and use of technology are proposed in this provision. Also, terminologies Chairperson and Vice-Chairperson replacing Chairman and Vice-Chairman
38.	**Section 9.** *Quorum in Board Meetings***.** Majority of the Board of Directors shall be the quorum to validly transact business.	**Section 10. Quorum in Board Meetings.** Majority of the Board of Directors shall be the quorum to validly transact business. Any decision or action taken by the majority members of the Board of Directors in a meeting duly assembled shall be a valid Cooperative act.	Additional: The provision is being proposed in compliance with the RA 9520; Such provision is also indicated in the CDA Model By-Laws.
39.	**Section 10.** *Compensation*. …	**Section 11. Compensation.** …	*No proposed revision except for the Section No.*
40.	**Section 11.***Vacancies.* …	**Section 12. Vacancies.** **…**	*No proposed revision except for the Section No.*
41.	**Section 12.** *Removal* …	**Section 13. Removal.** **…**	*No proposed revision except for the section no.*
42.	**ARTICLE V** COMMITTEES OF THE COOPERATIVE	**ARTICLE V** COMMITTEES	The proposed title and additional provisions are patterned after the CDA Model By-Laws.
43.	**Section 1.** *Committees.* The Cooperative shall have the following standing committees: a. Election Committee. b. Audit Committee. c. Mediation and Conciliation Committee d. Ethics Committee e. Education and Training Committee f. District Electrification Committee DEC)	**Section 1. Mandatory** *Committees.* The General Assembly shall elect the members of the following committees: 1. Election; and 2. Audit While the board of directors shall appoint the following committees: 1. Mediation and Conciliation 2. Ethics 3. Education and Training 4. Gender and Development (GAD)	Article 43 (2) (Republic Act 9520, 2009) Memorandum Circular No. 2011-07 (Cooperative Development Authority, 2011) Memorandum Circular No. 2013-22, Section 6.a (Cooperative Development Authority, 2013) RA 9520 Revised IRR, Part I, Rule 7, Section 3 (Cooperative Development Authority, 2015) PALECO General Resolution No. 02, 16 November 2019

44.	**Section 2.** *Qualifications of, and Disqualification for, Committee Members.* The qualifications and disqualifications provided for directors shall apply to the members of the different Committees.	**Section 2. Qualifications of, and Disqualifications for, Committee Members.** Any member who has the following qualifications may be appointed by the Board of Directors as member of the Cooperative's Committees: a. A Filipino citizen at least twenty-one (21) years of age but not over seventy (70) years of age on the date of election; b. Must be a member of good standing of the Cooperative as defined in Article II, Section 11 of these By-Laws; c. Must at least be a graduate of a four (4)-year course; d. Must be of good moral character, as maybe established with the submission of a certificate issued by 1) Barangay where the candidate resides, and any of the following: 1) National Bureau of Investigation; 2) Philippine National Police; or 3) Leader of the religious sect where a candidate is affiliated; e. Must be an actual resident and consumer within the Cooperative's franchise area for at least two (2) years immediately preceding the date of the appointment; f. He or she has attended at least two (2) Annual General Membership Assemblies (AGMA) for the last five (5) years immediately preceding the election or appointment; Provided further that no member shall be qualified to be appointed as officers of the Cooperative or continue as officer of the Cooperative if he/she has any of the following disqualifications: a. Such person or his or her spouse is holding an elective position at the time of his or her appointment; b. Such person has been convicted by final judgment of a crime involving moral turpitude, financial and/or property accountability ; c. Such person has been terminated from public office/ government employment or private employment for just cause as defined in Article 282 of the Labor Code. For this purpose, termination from public office shall mean removal; d. Such person is related within the fourth civil degree of consanguinity or affinity to any member of the Board of Directors, Department Manager, NEA appointed Project Supervisors (PS) or Acting General Manager (AGM) and its equivalent or higher position; e. Such person is employed by or has	The requirements are almost the same as those for the Board of Directors, except that the provision requiring Salary Grade 16 has been removed.

		financial interest in a competing enterprise or a business selling electric energy or electric hardware to the Cooperative or doing business with the EC including but not limited to the use of rental of poles. Doing business shall refer to the transactions related to the core or main line of business of the Cooperative which is conveyance of electricity through its distribution utilities; and f. An employee of the Cooperative or holding any other position directly involved in the day-to-day operation and management of PALECO.	
45.	**Section 4.** *Audit Committee.* An Audit Committee composed of three (3) members shall be elected during a general assembly meeting. They shall hold office for a term of three (3) years or until their successors shall have been elected and qualified. Within ten (10) days after their election, they shall elect from among themselves a Chairperson, Vice-Chairperson and a Secretary. No member of the Committee shall hold any other position within the Cooperative during his/her term of office.	**Section 4. Audit Committee…** The Committee shall provide internal audit service, maintain a complete record of its examination and inventory, and submit an audit report quarterly or as may be required by the Board and the General Assembly. The Audit Committee shall be directly accountable and responsible to the General Assembly.	Additional: The provision is being proposed in compliance with the RA 9520; Such provision is also indicated in the CDA Model By-Laws.
46.	**Section 4.1** *Functions of Audit Committee*. Their functions and responsibilities are as follows: a. b. c. d. e. f. ; and g.	**Section 4.1 Functions of Audit Committee…** **…** g. Review, approve or amend the report and recommendation of the Ethics Committee involving violations of the Code of Governance and Ethical Standards if the remaining members of the Board of Directors fail to act on said report and recommendation within a period of thirty (30) days, or the violation is committed by the majority of the Board of Directors; and h. ….	Additional: The provision is being proposed in compliance with the RA 9520; Such provision is also indicated in the CDA Model By-Laws.
47.	**Section 5.1** *Functions of Mediation & Conciliation Committee*. Their functions and responsibilities are as follows: a. b. c. d. e. f. ; and g.	**Section 4.1 Functions of Mediation & Conciliation Committee…** **…** g. Conduct mediation-conciliation proceedings and services; h. Issue the Certificate on Non-Settlement (CNS); i. Act as conciliator-mediator during their term, provided the persons who will mediate are mutually selected by both parties; and j. ….	Additional: The provision is being proposed in compliance with the RA 9520; Such provision is also indicated in the CDA Model By-Laws.
48.	**Section 6.1** *Functions of Ethics Committee*. Their functions and responsibilities are as follows: a. Develop ethical norms and code of conduct to be observed by the members, officers and employees of the Cooperative subject to the approval of the Board of Directors and ratification of the General Assembly; b. Disseminate, promote and implement the	**Section 6.1** *Functions of Ethics Committee*. Their functions and responsibilities are as follows: a. Formulate, develop, implement and monitor code of Governance and Ethical Standards (CGES) to be observed by the members, officers and employees of the Cooperative subject to the approval of the Board of Directors and ratification of the General	Additional: The provision is being proposed in compliance with the RA 9520; Such provision is also indicated in the CDA Model By-Laws.

	approved Code of Conduct and ethical norms; and c. Monitor compliance with universally accepted principles of cooperation, good governance and good values and recommend to the Board of Directors measures to address the gap, if any.	Assembly; b. Conduct initial investigation or inquiry, upon receipt of a complaint involving violations of the CGES; c. Submit report on its recommendation together with the appropriate sanctions, to the Board of Directors for its proper action, or to the remaining members of the Board of Directors, if the violation is committed by any members of the Board. Provided, that if the remaining members of the Board fail to act on the report within a period of thirty (30) days, or the violations is committed by the majority of the Board, the Audit Committee shall act on the same; and d. Perform such other functions as may be prescribed by the By-laws or authorized by the Board of Directors.	
49.	**Section 7.** *Education and Training Committee.* The Education and Training Committee composed of three (3) members shall be appointed by the Board of Directors. Such member shall serve a term of three (3) years. The Vice-Chairman of the Cooperative shall serve as the ex-officio—Chairman of the Committee. The Committee shall be responsible for the planning and implementation of the promotion, education and training activities of the Cooperative.	**Section 7.** *Education and Training Committee.* The Education and Training Committee composed of three (3) members shall be appointed by the Board of Directors. Such member shall serve a term of three (3) years.. The Vice-Chairperson of the Cooperative shall serve as the Chairperson of the Committee. The Committee shall be responsible for the planning and implementation of the promotion, education and training activities of the Cooperative. Within ten (10) days after their appointment, they shall elect from among themselves a Vice-Chairperson and a Secretary	Terminologies Chairperson and Vice-Chairperson replacing Chairman and Vice-Chairman. Additional: The provision is being proposed in compliance with the RA 9520; Such provision is also indicated in the CDA Model By-Laws.
50.		***Section 8. Gender and Development Committee.*** The Gender and Development (GAD) Committee shall be composed of at least three (3) members, provided that at least one member shall come from the Board. Within ten (10) days after their election, they shall elect from among themselves a Chairperson, Vice-Chairperson and a Secretary whose duties will be the same as those provided for the preceding mandatory committees in this By-Laws. **Section 8.1**. The GAD Committee shall have the following functions and responsibilities: a. Conduct gender analysis; b. Develop and recommend policies, programs, strategies, activities and projects responsive to gender and development and gender equality to the board; c. Monitor and assess progress of gender equality in the implementation of GAD programs, activities and projects; d. Submit report to the board; and e. Provide directional guidance.	Proposed additional Section is in compliance with Memorandum Circular No. 2013-22, sections 3 and 7.5 (Cooperative Development Authority, 2013)

		Section 8.2 GAD Focal Person (GFP). The GAD Focal Person shall be designated by the Board upon recommendation of the management. He or she must be an employee of the cooperative and shall perform GFP roles as additional function. The GFP's functions and responsibilities are as follow: a. Coordinates and reviews implementation of GAD programs/activities/projects based on approved plans and budget; b. Prepares performance reports and recommends policy improvements to the GAD Committee; c. Gathers and analyzes gender-related information and other data; and d. Provides administrative services to the GAD Committee. **Section 8.3 GAD Education and Training Program.** The cooperative shall identify GAD and GE-related education and training programs. These shall be included in the annual education and training plan. **Section 8.4 GAD Support Systems and Services.** The Cooperative shall implement other services that address GAD and GE issues and concerns. It shall also develop and establish necessary support systems that will enhance implementation of the GAD and GE services of the cooperative.	
51.	**Section 8.** *District Electrification Committee (DEC).* Each district shall have a District Electrification Committee (DEC) appointed by the Board whose term of office shall be co-terminus with the District Director. The DEC shall assist the Cooperative in formulating and implementing policies and programs and in disseminating information to the member-consumers. The number of members of DEC, its composition and qualification shall be prescribed by the Board.		This provision was removed thru GA Resolution last 43rd AGMA.
52.	***Section 9.*** *Precinct Election Committee.* A Precinct Election Committee (PECOM) composed of a Chairman, a Poll Clerk and a Member shall be appointed by the ELECOM to assist in the election process in the precinct level. PECOMs have the following functions: a. Conduct validation, voting and counting of votes in their respective precincts; b. Act as deputies of the ELECOM in the supervision and control of the election wherein they are assigned; c. Perform other functions as may be assigned by the ELECOM.		This provision is already defined in the PALECO Election Code ART VIII, Section 29
53.	**Section 10.** *Other Committees.* …	**Section 9. Other Committees** …	*No proposed revision except for the Section No.*
54.	**Section 11.** *Compensation* of Committee	**Section 10. Compensation of Committee**	*No proposed revision*

	Members. …	**Members.** …	*except for the Section No.*
55.	**Section <u>12.</u>** *Vacancies.* …	**Section <u>11</u>. Vacancies.** …	*No proposed revision except for the Section No.*
56.	**ARTICLE <u>VII</u>** MANAGEMENT STAFF <u>AND EMPLOYEES</u>	**Article VII** **<u>OFFICERS AND</u> MANAGEMENT STAFF**	The proposed title is patterned after the CDA Model By-Laws
57.		**<u>Section 1.</u>** ***<u>Officers.</u>*** <u>The officers of PALECO who are entrusted with the power of exercising authority, control and discretion while performing their functions and responsibilities shall consist of the following:</u> a. <u>Members of the Board of Directors;</u> b. <u>Secretary;</u> c. <u>Treasurer;</u> d. <u>Members of the committees created by the general assembly</u> i. <u>Election Committee;</u> ii. <u>Audit Committee;</u> iii. <u>Mediation and Conciliation Committee;</u> iv. <u>Ethics Committee;</u> v. <u>Education and Training Committee;</u> vi. <u>Gender and Development Committee;</u> e. <u>General Manager</u>	*Additional:* The proposal is based on the Philippine Cooperative Code of 2009 and its Revised Implementing Rules and Regulations
58.	**Section <u>1</u>.** *Management Staff.* The management staff shall <u>be responsible for the</u> day-to-day operations of <u>the Cooperative, subject to the policies, resolutions, rules and regulations approved</u> by the Board of Directors.	**Section <u>2</u>.** ***Management Staff.*** The <u>core</u> management staff <u>of PALECO composed of the general manager, department managers and area managers</u> shall <u>take charge of its</u> day-to-day operations. <u>Their duties, functions, responsibilities and qualifications as well as those of other employees are defined</u> by the board of directors <u>in PALECO's Position Classification and Pay Plan approved by NEA.</u> <u>Any realignment or reorganization shall be subject to approval of the board and NEA</u>.	The proposed revisions on management staff incorporate the existing provisions of sections 1 (management staff), 5 (employees) and 6 (position classification and pay plan/organizational structure and staffing pattern/qualification standard)
59.	**Section <u>2</u>.** *General Manager* **….**	**Section <u>3</u>. General Manager.**…	*No proposed revision for this section except for the section no.*
60.	**Section <u>3</u>.** *Qualifications of a General Manager*	**Section <u>4</u>.** ***Qualifications of a General Manager***	*No proposed revision for this section except for the section no.*
61.	**Section <u>4.</u>** *<u>Duties and</u> Functions of a General Manager. …*	**Section <u>5.</u>** ***<u>Functions</u> and <u>Responsibilities</u> of a General Manager.*** ….	*No proposed revision for this section except for the section number and title.*
62.	**Section <u>5</u>.***<u>Employees. ….</u>*	**Section <u>6</u>. <u>Employees …</u>**	*No proposed revision for this section except for the section no.*
63.	**Section <u>6</u>.***Position Classification and Pay Plan/Organizational Structure and Staffing Pattern /Qualification Standard…*	**Section <u>7</u>. Position Classification and Pay Plan/Organizational Structure and Staffing Pattern /Qualification Standard...**	*No proposed revision for this section except for the section no.*
64.		**<u>Section 8. Training Requirements.</u>** <u>All officers must undergo at least sixteen (16) hours of training on the fundamentals of cooperatives and another sixteen (16) hours on governance and management of cooperatives within the first half of their term. The Board must also attend Cooperative Management Courses I, II and III; Good Governance; EPIRA 101 and Power Supply Contracting. Failure to undergo the</u>	Memorandum No. 2005-024 (National Electrification Administration, 2005) Article 4 (5) and 44 (Republic Act 9520, 2009) NEA Memorandum No. 2009-011 RA 9520 Revised IRR, Part I,

		prescribed trainings during their term shall be ground for their disqualification as future officer until they have complied with the required trainings.	Rule 7, Sections 5 and 7 (Cooperative Development Authority, 2015) CDA Memorandum Circular No. 2015-09 Cooperative Code of Governance, Article VI, Section 2.3 NEA Memorandum No. 2019-045
65.		**ARTICLE XI** **SETTLEMENT OF DISPUTES** **Section 1. Mediation and Conciliation.** All inter and intra-cooperative disputes shall be settled within the cooperative in accordance with the pertinent Guidelines issued by the Cooperative Development Authority, Art. 137 of Repub;ic Act No. 9520 and its Implementing Rules and Regulations, Alternative Dispute Resolution Act of 2004 and its suppletory laws. **Section 2. Voluntary Arbitration.** Any dispute, controversy or claim arising out of or relating to this By-laws, the cooperative law and related rules, administrative guidelines of the Cooperative Development Authority, including disputes involving members, officers, directors, and committee members, intra-cooperative disputes and related issues shall be exclusively referred to and finally resolved by voluntary arbitration under the institutional rules promulgated by the Cooperative Development Authority, after compliance with the conciliation or mediation mechanisms embodied in the bylaws of the cooperative, and in such other applicable laws.	Additional: The proposed provisions are patterned in the CDA model By-Laws. This replaces the provisions under Section 7 Mediation and Conciliation & Voluntary Arbitration, Art. XI Miscellaneous Provisions
66.	**ARTICLE XI** MISCELLANEOUS PROVISIONS	**ARTICLE XII** **MISCELLANEOUS PROVISIONS**	*No proposed revision for this section except for the article no.*
67.	**Section 7.** Mediation and Conciliation. All inter and intra-cooperative disputes shall be settled within the Cooperative in accordance with the pertinent Guidelines issued by the Cooperative Development Authority, Art. 137 of Republic Act No. 9520 and its Implementing Rules and Regulations, Alternative Dispute Resolution Act of 2004 and its suppletory laws. Voluntary Arbitration. Any dispute, controversy or claim arising out of or relating to these By-Laws, the cooperative law and related rules, administrative guidelines of the Cooperative Development Authority, including disputes involving members, officers, directors, and committee members, intra-cooperative disputes and related issues, and any question regarding the existence,		This is removed and replaced by new provisions in Art. XI, Settlement of Disputes

	interpretation, validity, breach or termination of agreements, or the membership/ general assembly concerns shall be exclusively referred to and finally resolved by voluntary arbitration under the institutional rules promulgated by the Cooperative Development Authority, after compliance with the conciliation or mediation mechanisms embodied in the By-Laws of the Cooperative, and in such other applicable laws. Should such conciliation-mediation proceeding fail, the matter may be settled through voluntary arbitration. For this purpose, an Arbitration Board shall be created composed of three (3) members, two (2) of whom shall each be chosen by the respective parties, and the third shall be chosen by agreement of the contending parties. The decision of the Board shall be final and executory. The Arbitration Board shall automatically cease to exist upon the final resolution of the controversy.		
68.	**Section 8.** *Parliamentary Authority* **….**	**Section 7.** ***Parliamentary Authority***	*No proposed revision for this section except for the section no.*
69.	**ARTICLE XII** AMENDMENTS	**ARTICLE XIII** **AMENDMENTS**	*No proposed revision for this section except for the article no.*

***** No Further Proposed Amendments****