



Republic of the Philippines  
Supreme Court  
Office of the Court Administrator  
Manila

**OCA CIRCULAR NO. 53-2010**

**TO : ALL JUDGES AND CLERKS OF COURT/  
ACCOUNTABLE OFFICERS OF THE FIRST  
AND SECOND LEVEL COURTS**

**SUBJECT: CLARIFICATION ON THE EXEMPTION OF  
THE BAGUIO MARKET VENDORS MULTI-  
PURPOSE COOPERATIVE (BAMARVEMPCO)  
FROM THE PAYMENT OF LEGAL FEES**

Quoted hereunder are significant portions of the Honorable Court's pronouncement in its Decision dated February 26, 2010, in **G.R. No. 165922** (*Re: Baguio Market Vendors Multi-Purpose Cooperative [BAMARVEMPCO], represented by RECTO INSO, Operations Manager, Petitioner, versus, Hon. Iluminada Cabato-Cortes, Executive Judge, Regional Trial Court, Baguio City*), relative to the issue on whether the petitioner's application for extrajudicial foreclosure is exempt from legal fees under Article 62 (6) of Republic Act No. 6938. The Court in denying the petitioner's request for exemption from payment of foreclosure fees, held that:

"XXXX

XXXX

XXXX

XXXX

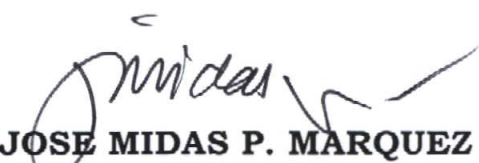
***Petitions for Extrajudicial Foreclosure  
Outside of the Ambit of Article 62(6) of RA 6938***

The scope of the legal fees exemption Article 62(6) of RA 6938 grants to cooperatives is limited to two types of actions, namely: (1) actions brought under RA 6938; and (2) actions brought by the Cooperative Development Authority to enforce the payment of obligations contracted in favor of cooperative. **By simple deduction, it is immediately apparent that Article 62 (6) of RA 6938 is no authority for petitioner to claim exemption from the payment of legal fees in this proceeding because first, the fees imposable on petitioner do not pertain to an action brought under RA 6938 but to a petition for extrajudicial foreclosure of mortgage under Act 3135. Second, petitioner is not the Cooperative Development Authority which can claim exemption only in actions to**

**enforce payments of obligations on behalf of cooperatives.** (emphasis supplied)

For your strict compliance.

April 23, 2010.

  
**JOSE MIDAS P. MARQUEZ**  
Court Administrator