



BANGKO SENTRAL NG PILIPINAS

**OFFICE OF THE DEPUTY GOVERNOR
SUPERVISION AND EXAMINATION SECTOR**

CIRCULAR LETTER NO. CL-2016-073

To : ALL BSP SUPERVISED FINANCIAL INSTITUTIONS

Subject : Advisory on the Term Limits for Independent Directors

Circular No. 749 dated 27 February 2012, as amended, on the "Guidelines in Strengthening Corporate Governance in BSP Supervised Financial Institutions" provides that the maximum term and any "cooling off" period prescribed by the Securities and Exchange Commission (SEC) for independent directors shall likewise apply to BSP Supervised Financial Institutions (BSFIs).

In this regard, please be informed that the SEC issued the attached advisory dated 31 March 2016, on the term limits for Independent Directors (IDs).

Please be guided accordingly.


NESTOR A. ESPENILLA JR.
Deputy Governor

24 August 2016



Republic of the Philippines
Department of Finance
Securities and Exchange Commission
SEC Building, EDSA, Greenhills, Mandaluyong City

**TO : ALL LISTED, PUBLIC AND MUTUAL FUNDS
COMPANIES**

SUBJECT : TERM LIMITS FOR INDEPENDENT DIRECTORS

ADVISORY

Pursuant to SEC Memorandum Circular No. 9, Series of 2011 and SEC Advisory dated 15 March 2015, Independent Directors (IDs) elected in 2012 may be re-elected as such until 2017, when the two (2) year cooling-off period shall commence. However, if there are no suitable replacements, said IDs may be re-elected in 2017 until 2021, at which time, they may no longer be qualified as IDs for the same companies.

Said re-election in 2017 until 2021 shall be with prior written notice and justification to the Commission addressed to the Corporate Governance and Finance Department.

Mandaluyong City, 31 March 2016.


TERESITA J. HERBOSA
Chairperson