



BANGKO SENTRAL NG PILIPINAS

CIRCULAR NO. 1136 Series of 2022

OFFICE OF THE GOVERNOR

Subject: Amendments to the Regulations on Confirmation of the Election/Appointment of Directors/Trustees/Officers

The Monetary Board, in its Resolution No. 159 dated 03 February 2022, approved the amendments to the provisions of the Manual of Regulations for Banks (MORB) and Manual of Regulations for Non-Bank Financial Institutions (MORNBI). The amendments aim to limit the coverage of Bangko Sentral confirmation of appointment of officers of supervised financial institutions and to streamline the documentary requirements in the confirmation of election/appointment of directors/trustees/officers of Bangko Sentral ng Pilipinas supervised financial institutions (BSFI).

Section 1. Sec. 137 of the MORB is hereby amended to read, as follows:

137 CONFIRMATION OF THE ELECTION/APPOINTMENT OF DIRECTORS/OFFICERS; BIO-DATA OF DIRECTORS AND OFFICERS; INTERLOCKING DIRECTORSHIPS AND/OR OFFICERSHIPS; RULES OF PROCEDURES ON ADMINISTRATIVE CASES INVOLVING DIRECTORS AND OFFICERS OF BSFIs

Confirmation of election/appointment of directors/officers.

- a. Confirming authority. The election/appointment of directors/officers shall be subject to confirmation by the following:

Confirming Authority	Position Level
a. Monetary Board	Directors and CEO/President or its equivalent rank, of UBs and KBs including their subsidiary banks, QBs, trust corporations ¹ and NBFIs with trust authority; of other stand-alone banks, QBs and NBFIs with trust authority with total assets of at least P10.0 billion; and of trust corporations with assets under management of at least P10.0 billion.

¹ As defined under Sec. 102-T (Definitions) of the MORNBI-T

48

Confirming Authority	Position Level
b. Financial Supervision Sector (FSS) Committee	Directors and CEO/President or its equivalent rank of other stand-alone banks, QBs and NBFIs with trust authority with total assets of less than P10.0 billion; and of trust corporations ² with assets under management of less than P10.0 billion.
	Heads of the following operating functions: (i) Comptrollership/Finance, (ii) Lending, (iii) Treasury, (iv) Branch Banking and (v) Information Technology, directly reporting to the CEO/President or its equivalent rank or to the foreign bank office, and with the rank of Senior Vice President (SVP) and above, of UBs and KBs.
	Heads of internal audit, risk management and compliance functions, regardless of rank, of banks, QBs and NBFIs with trust authority; and of trust corporations.
	Trust Officer, regardless of rank, of banks/QBs/NBFIs as provided in Sec. 412 (<i>Confirmation of the appointment/designation of trust officer and independent professional</i>).

x x x

However, the confirmation by the Monetary Board/FSS Committee of the election/appointment to abovementioned position levels shall not be required in the following cases:

- (1) x x x
- (2) x x x
- (3) x x x (a) prior Monetary Board confirmation, x x x

Provided, That the subject director/officer has been previously confirmed by the Monetary Board, or if previously confirmed by the FSS Committee of the Bangko Sentral, his/her re-election/promotion/transfer requires the same level of confirming authority as provided in the first paragraph hereof: *Provided* further, That said director/officer has had continuous service within the same BSFI or banking group. This exemption shall apply to directors/officers confirmed by the Bangko Sentral starting 01 January 2011.

The appointment of officers other than those mentioned in the table/matrix shall not be subject to Bangko Sentral confirmation.

For purposes of this Section, x x x

The required certifications and other documentary proof of qualifications for the confirmation of the election/appointment of directors/officers of banks/QBs/NBFI with trust authority/trust corporations are shown in *Appendix 101*. Non-submission of complete documentary requirements within the prescribed period shall be construed as his/her failure to establish his/her qualifications for the position.

x x x

² As defined under Sec. 102-T (Definitions) of the MORNBI-T



Bio-data of directors and officers.

- a. BSFIs shall submit to the appropriate supervising department of the Bangko Sentral a bio-data with ID picture of their (1) directors and officers who are subject to confirmation under this section, or (2) officers below the rank of SVP requiring a different set of minimum qualifications, upon every election/re-election/appointment/promotion in a prescribed form and, for first time directors/officers within a particular bank/banking group whose election/appointment requires Bangko Sentral confirmation, the duly notarized authorization form per *Appendix 80*, within twenty (20) banking days from the date of election/re-election of the directors/meeting of the board of directors in which the officers are appointed/promoted, in accordance with *Appendix 7*.

For SVP and above positions which are not subject to Bangko Sentral confirmation, the BSFI shall submit to the Bangko Sentral within twenty (20) banking days from the date of the appointment/promotion, a letter signed by the CEO/President or its equivalent rank stating that the institution has conducted a fit and proper test on the officer concerned and is taking full responsibility thereon on ensuring that the officer meets the BSP eligibility requirements/qualifications, and the bio-data with ID picture, together with the duly notarized authorization form per *Appendix 80*.

The bio-data shall be updated and submitted in cases of change of name due to change in civil status and change of residential address, within twenty (20) banking days from the date the change occurred.

For other officers below the rank of SVP other than the Trust Officer, heads of internal audit, risk management, and compliance functions regardless of rank, the BSFI shall not be required to submit their bio-data to the Bangko Sentral.

X X X

Section 2. Sec. 136-Q of the MORNBFIs is hereby amended, to read as follows:

136-Q CONFIRMATION OF THE ELECTION/APPOINTMENT OF DIRECTORS AND OFFICERS; BIO-DATA OF DIRECTORS AND OFFICERS; INTERLOCKING DIRECTORSHIPS AND/OR OFFICERSHIPS; RULES OF PROCEDURES ON ADMINISTRATIVE CASES INVOLVING DIRECTORS AND OFFICERS OF BSFIs

X X X

Bio-data of directors and officers.

- a. BSFIs with trust authority shall submit to the appropriate supervising department of the Bangko Sentral a bio-data with ID picture of their (1) directors and officers who are subject to confirmation under this Section, or (2) officers below the rank of Senior Vice President (SVP) requiring a different set of minimum qualifications, upon every election/re-election/appointment/promotion in a prescribed form and, for first-time directors/officers within a particular BSFI with trust authority/group whose election/appointment requires Bangko Sentral confirmation, the duly

notarized authorization form per Appendix Q-44, within twenty (20) business days from the date of election/re-election of the directors/meeting of the board of directors in which the officers are appointed/promoted, in accordance with Appendix Q-3.

For SVP and above positions which are not subject to Bangko Sentral confirmation, the BSFI shall submit to the Bangko Sentral within twenty (20) business days from the date of appointment/promotion, a letter signed by the CEO/President or its equivalent rank stating that the institution has conducted a fit and proper test on the officer concerned and is taking full responsibility thereon on ensuring that the officer meets the BSP eligibility requirements/qualifications, and the bio-data with ID picture, together with the duly notarized authorization form per Appendix Q-44.

The bio-data shall be updated and submitted in cases of change of name due to change in civil status and change of residential address, within twenty (20) business days from the date the change occurred.

For other officers below the rank of SVP other than the Trust Officer, heads of internal audit, risk management, and compliance functions regardless of rank, the BSFI with trust authority shall not be required to submit their bio-data to the Bangko Sentral.

X x x

Section 3. Appendix 101 of the MORB and Appendix Q-58 of the MORNBF, as amended by Circular No. 1129 dated 12 November 2021, are hereby further amended to read, as follows:

**Appendix 101 of the MORB/
Appendix Q-58 of the MORNBF**

Required Certifications and Supporting Documents for the Confirmation of
Election/Appointment of Directors/Officers of Bangko Sentral ng Pilipinas
Supervised Financial Institutions (BSFIs)³

(Appendix to Secs. 137 and 412 on Confirmation of Election/Appointment of
Directors/Officers and Sec. 161 on Chief Compliance Officer) /

(Appendix to Secs. 136-Q (Confirmation of election/appointment of
directors/officers), 161-Q (Chief Compliance Officer), and 412-Q (Confirmation of
the appointment/designation of trust officer and independent professional))

Directors	Chief Executive Officer/President or its equivalent rank, and Other Officers enumerated in Secs. 137, and 412/ Secs. 136-Q, and 412-Q
1. Letter-request for Bangko Sentral confirmation signed by authorized officer ⁴ with an affirmative	1. Letter-request for Bangko Sentral confirmation signed by authorized officer ⁴ with an affirmative

³ To be submitted within twenty (20) banking/business days from date of election/re-election/appointment/promotion to the appropriate department of the FSS.

⁴ Authorized signatory is the Chief Executive Officer (CEO)/President or its equivalent rank of the institution, except for appointment of CEO/President or its equivalent rank, in which case the authorized signatory shall be the Chairman of the Corporate Governance Committee or of the Board of Directors, as may be applicable.

Directors	Chief Executive Officer/President or its equivalent rank, and Other Officers enumerated in Secs. 137, and 412/ Secs. 136-Q, and 412-Q
statement that the institution has conducted a fit and proper test on the subject director/s and is taking full responsibility thereon on ensuring that the director meets the BSP eligibility requirements/qualifications.	statement that the institution has conducted a fit and proper test on the subject officer/s and is taking full responsibility thereon on ensuring that the officer meets the BSP eligibility requirements/qualifications.
<p>2. Secretary's Certification under oath attesting to the following:</p> <p>a) Resolution of the stockholders or board of directors approving the election; and</p> <p>b) For re-elected director, attendance by the director concerned to the board meetings held for the last twelve (12) months covering the term of service, indicating percentage of attendance to board meetings.</p>	<p>2. Secretary's Certification under oath attesting to the following:</p> <p>a) Resolution of the board of directors approving the appointment⁵; and</p> <p>b) For a foreigner appointed as officer, that the corresponding Alien Employment Permit issued by the Department of Labor and Employment was secured.</p>
3. Bio-data with a photograph (2" x 2") taken within the last six (6) months	3. Bio-data with a photograph (2" x 2") taken within the last six (6) months
<p>4. Certification under oath of the subject director that:</p> <p>a) He/She possesses all the qualifications and none of the disqualifications to become a director;</p> <p>b) For first-time directors in a particular bank/banking group as defined in Sec. 137/136-Q:</p> <p>i) He/She has attended the seminar on corporate governance in accordance with the Bangko Sentral-prescribed syllabus on the same, as applicable;</p> <p>ii) He/She received copies of the duties and responsibilities of the board of directors and of a director and that he/she fully understands and accepts the same;</p> <p>c) For a director holding concurrent positions in government/ government owned and controlled corporations (GOCC), that a written permission from the government agency as required by the Civil Service</p>	<p>4. Certification under oath of the subject officer that:</p> <p>a) He/She possesses all the qualifications and none of the disqualifications to become an officer; and</p> <p>b) For an officer holding concurrent positions in government/GOCC, that a written permission from the government agency as required by the Civil Service Commission⁶ allowing him/her to become an officer of the BSFI was obtained and provided to the BSFI.</p>

⁵ In case of foreign bank branches, consularized letter of appointment of the officer concerned from the Head Office and/or Regional Office



Directors	Chief Executive Officer/President or its equivalent rank, and Other Officers enumerated in Secs. 137, and 412/ Secs. 136-Q, and 412-Q
Commission ⁶ allowing him/her to become a director of the BSFI was obtained and provided to the BSFI; and d) For independent directors, he/she is an independent director as defined under Bangko Sentral regulations.	
5. For first-time directors in a particular bank/banking group as defined in Sec. 137/136-Q, duly accomplished and notarized authorization form for querying the Bangko Sentral records for screening applicants and confirming appointments of directors and officers.	5. For first-time officers to be subject to Bangko Sentral confirmation in a particular bank with trust authority/trust corporation/banking group as defined in Sec. 137/ For first-time officers to be subject to Bangko Sentral confirmation in a particular QB/NBFI/with trust authority/trust corporation/banking group as defined in Sec. 136-Q, duly accomplished and notarized authorization form for querying the Bangko Sentral records for screening applicants and confirming appointments of directors and officers.

Section 4. Sec. 135-S of the MORNBF, as amended by Circular No. 1115 dated 23 April 2021, is hereby amended, to read as follows:

135-S ELECTION/APPOINTMENT OF TRUSTEES/OFFICERS

Confirmation of election/appointment of trustees/officers

- a. **Confirming Authority.** The election/appointment of trustees/officers shall be subject to confirmation by the following:

Confirming Authority	Position Level
1. Monetary Board	Trustees and Chief Executive Officer/ President (or its equivalent rank) of NSSLAs with total assets of at least P10.0 billion.
2. Financial Supervision Sector (FSS) Committee	<ul style="list-style-type: none"> • Trustees and Chief Executive Officer/ President (or its equivalent rank) of NSSLAs with total assets of less than P10.0 billion • Heads of internal audit, risk management and compliance functions, regardless of rank, of NSSLAs

X X X

⁶ Unless the director/officer obtain the necessary permission from the proper authority (i.e., the agency head), outside employment or interest in another entity, public or private, is legally restricted under Section 7(b) of Republic Act No. 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees) and Section 18, Rule XIII of the Revised Omnibus Rules on Appointments and Other Personnel Actions

b. x x x

x x x

The appointment of officers other than the abovementioned position levels shall not be subject to Bangko Sentral confirmation.

x x x

Bio-data of Trustees and Officers.

- a. NSSLAs shall submit to the appropriate department of the FSS x x x and for newly-elected trustees/officers within a particular NSSLAs, the duly notarized authorization form per Appendix Q-44, within twenty (20) business days x x x.

For Senior Vice President and above positions which are not subject to Bangko Sentral confirmation, NSSLAs shall submit to the Bangko Sentral within twenty (20) business days from the date of appointment/promotion, a letter signed by the CEO/President or its equivalent rank stating that the institution has conducted a fit and proper test on the officer concerned and is taking full responsibility thereon on ensuring that the officer meets the BSP eligibility requirements/qualifications, and the bio-data with ID picture, together with the duly notarized authorization form per Appendix Q-44.

The bio-data shall be updated and submitted in case of x x x

For officers other than those mentioned in paragraph "a" above, x x x

x x x

Section 5. Appendix S-19 of the MORNBF, as implemented by Circular No. 1115 dated 23 April 2021, is hereby amended, to read as follows:

Appendix S-19

Required Certifications and Supporting Documents for the Confirmation of Election/Appointment of Trustees/Officers of NSSLAs⁷

(Appendix to Sections 134-S on Qualifications of an Officer and Section 135-S on Confirmation of Election/Appointment of Trustees/Officers)

Trustees	Chief Executive Officer/President or its equivalent rank, and Other Officers enumerated in Section 134-S⁸
1. Letter-request for Bangko Sentral confirmation signed by authorized officer ⁹ with an affirmative statement that the institution has conducted a fit and proper test on the subject trustee/s and is taking full	1. Letter-request for Bangko Sentral confirmation signed by authorized officer ⁹ with an affirmative statement that the institution has conducted a fit and proper test on the subject officer/s and is taking full

⁷ To be submitted within twenty (20) business days from date of election/re-election/appointment/promotion to the appropriate department of the FSS.

⁸ Heads of internal audit, risk management and compliance functions, regardless of rank.

⁹ Authorized signatory is the Chief Executive Officer (CEO)/President or its equivalent rank of the institution, except for appointment of CEO/President or its equivalent rank, in which case the authorized signatory shall be the Chairman of the Corporate Governance Committee or of the Board of Trustees, as may be applicable.



Trustees	Chief Executive Officer/President or its equivalent rank, and Other Officers enumerated in Section 134-S^a
responsibility thereon on ensuring that the trustee meets the BSP eligibility requirements/ qualifications.	responsibility thereon on ensuring that the officer meets the BSP eligibility requirements/ qualifications.
2. Secretary's Certification under oath attesting to the following: a) Resolution of the members of the board of trustees approving the election; and b) For re-elected trustee, attendance by the trustee concerned to the board meetings held for the last twelve (12) months covering the term of service, indicating percentage of attendance to board meetings.	2. Secretary's Certification under oath attesting to the following: a) Resolution of the members of the board of trustees approving the election; and b) For a foreigner appointed as officer, that the corresponding Alien Employment Permit issued by the Department of Labor and Employment was secured.
3. Bio-data with a photograph (2" x 2") taken within the last six (6) months	3. Bio-data with a photograph (2" x 2") taken within the last six (6) months
4. Certification under oath of the subject trustee that: a) He/She possesses all the qualifications and none of the disqualifications to become a trustee; b) For first-time trustees in a particular NSSLA as defined in Sec. 134-S: i) He/She has attended the seminar on corporate governance in accordance with the Bangko Sentral-prescribed syllabus on the same, as applicable; ii) He/She received copies of the duties and responsibilities of the board of trustees and of a trustee and that he/she fully understands and accepts the same; c) For a trustee holding concurrent positions in government/government owned and/or -controlled corporations (GOCC), that a written permission from the government agency as required by the Civil Service Commission ¹⁰ allowing him/her to become a trustee of the NSSLA was obtained and provided to the NSSLA; and	4. Certification under oath of the subject officer that: a) He/She possesses all the qualifications and none of the disqualifications to become an officer ; and b) For an officer holding concurrent positions in government/GOCC, that a written permission from the government agency as required by the Civil Service Commission ¹⁸ allowing him/her to become an officer of the NSSLA was obtained and provided to the NSSLA.

¹⁰ Unless the trustee/officer obtain the necessary permission from the proper authority (i.e., the agency head), outside employment or interest in another entity, public or private, is legally restricted under Section 7(b) of Republic Act No. 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees) and Section 18, Rule XIII of the Revised Omnibus Rules on Appointments and Other Personnel Actions

Trustees	Chief Executive Officer/President or its equivalent rank, and Other Officers enumerated in Section 134-S ^a
d) For independent trustee, he/she is an independent trustee as defined under Bangko Sentral regulations.	
5. For first-time trustees in a particular NSSLA as defined in Sec. 134-S, duly accomplished and notarized authorization form for querying the Bangko Sentral records for screening applicants and confirming appointments of directors and officers.	5. For first-time officers to be subject to Bangko Sentral confirmation in a particular NSSLA as defined in Sec. 134-S, duly accomplished and notarized authorization form for querying the Bangko Sentral records for screening applicants and confirming appointments of directors and officers.

Section 6. This Circular shall take effect fifteen (15) calendar days following its publication either in the Official Gazette or in a newspaper of general circulation.

FOR THE MONETARY BOARD:


BENJAMIN E. DIOKNO
Governor

11 February 2022