



Legal Watch

SEC MEMORANDUM CIRCULAR NO. 17, SERIES OF 2026



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SUMMARY

The SEC issued Memorandum Circular No. 17, Series of 2026 (the “Circular”), which prescribes term limits for Broker Directors elected to the board of an Exchange. A Broker Director may be elected for a term of one (1) year, subject to a maximum cumulative period of ten (10) years, whether consecutive or intermittent, in the same Exchange.

The Circular further requires a Broker Director who has served a cumulative term of five (5) years, whether consecutive or intermittent, to observe a one (1) year cooling-off period before being eligible for re-election as a Broker Director. Re-elected Broker Directors may thereafter serve a fresh term of up to five (5) cumulative years, subject to the ten (10)-year maximum cumulative period.

For incumbent Broker Directors who would have been disqualified or required to undergo a cooling-off period by reason of their cumulative years of service, the Circular provides a transitory period allowing them to complete their current term and be eligible for nomination and election as a Broker Director in the two (2) succeeding annual elections.

ACTIONABLE ADVICE

Covered Exchanges should ensure that Broker Directors comply with the maximum cumulative period of ten (10) years, whether consecutive or intermittent, in the same Exchange. Broker Directors who have served a cumulative term of five (5) years should observe the required one (1) year cooling-off period prior to being eligible for re-election. Exchanges should likewise ensure that their Broker Directors, at all times, possess all the qualifications and none of the disqualifications under the Circular and other relevant rules and regulations. Incumbent Broker Directors should also assess the applicability of the Circular’s transitory provisions in relation to their cumulative years of service.

* Agency Name

Securities and Exchange
Commission (SEC)

* Issuance Title

Suspension of the Per Month of
Delay Penalty for Late and Non-
Filing of Reportorial
Requirements under SEC
Memorandum Circular No. 06,
Series of 2024

* Issuance Date

13 May 2026

* Link

<https://www.sec.gov.ph/mc-2026/sec-mc-no-17-series-of-2026term-limit-of-broker-directors-of-an-exchange/>

