

# Bank of Commerce

## Executive Committee Charter

**Committee Name**    **Executive Committee**

**Short Name**        **EXCOM**

**Nature**              Board Committee

**Purpose**              Pursuant to the provisions of the By-laws of Bank of Commerce (Bank), the Board of Directors of the Bank created an Executive Committee (ExCom) that may act on such specific matters within the competence of the Board of Directors, as may be delegated to it in the By-laws or by majority vote of the Board of Directors, except on certain matters expressly reserved by law for stockholders' and/or for the Board of Directors' action.

**Membership**        The ExCom shall be composed of five (5) members, to be appointed by the Board of Directors from among the members of the Board of Directors of the Bank, one of whom will be designated as Chairman, another as Vice-Chairman and the three others, as members.

**Composition, Qualifications and Voting**        *See **Membership** for Composition and Qualifications.*

The presence of at least three (3) members, including the Chairman or the Vice-Chairman, shall constitute a quorum. Every decision of the ExCom shall require the affirmative vote of a majority of all the members of the ExCom. In a meeting where only three (3) members are present, the unanimous vote of the three shall be required for any act or decision of the ExCom, the presence of a quorum notwithstanding.

**Duties and Responsibilities**        The ExCom, by unanimous vote of the Board of Directors of the Bank, is empowered and authorized to perform the following functions:

- a. on credit proposals and ROPA sales proposals :
  - i. evaluate and approve credit proposals and ROPA sales proposals within its authority,
  - ii. evaluate and recommend for Board approval credit proposals and ROPA sales proposals within the Board's authority, and
  - iii. confirm credit proposals and ROPA sales proposals approved by management

pursuant to the approval limits set in Annexes "1" and "2", as may be amended from time to time;

- b. evaluate and approve additions to or reversal of provisions related, but not limited, to :
  - i. expected credit losses based on the results of the Bank's currently approved methodology;
  - ii. allowance for probable losses (APL) on Other Assets (e.g.Meralco deposits, utility deposits and lease arrangement deposits), with P/L impact of Php1 Million and above based on the result of the review of such assets by the Finance & Controllership Group (FCG), and after initial approval of and endorsement by the Senior Executive Team;
  - iii. impairment losses and impairment loss adjustments for ROPA, Non-Loan and Non-ROPA accounts with pending cases, with P/L impact of Php1 Million and above, based on discussions among FCG, Legal Services Division and Acquired Assets Division, and after initial approval and endorsement by the Senior Executive Team
- c. note adjustments on APL and Other Assets, and impairment losses and impairment loss adjustments for ROPA, Non-Loan and Non-ROPA accounts with pending cases, that are below the threshold set above;
- d. endorse write-off of assets to the Board of Directors;
- e. evaluate and recommend to the Board, proposals for the Bank to engage in new products or services, including amendments and enhancements of existing products or services;
- f. evaluate and recommend to the Board, proposals for new policies, including amendments to existing policies;
- g. evaluate and recommend to the Board, proposals to open new branches or relocate existing branches of the Bank;
- h. evaluate and approve the results of performance appraisals of senior management done by the President;
- i. report to the Board of Directors during its regular meetings, matters taken up and approved by ExCom during the month prior to the board meeting; and
- j. such other functions as the Board of Directors may, from time to time delegate to the ExCom.

**Meeting  
Schedule**

The ExCom Chairman shall call a meeting, direct the preparation and approve the agenda, and preside over the meeting. In the absence or non-availability of the Chairman, the Vice-Chairman may perform the Chairman's functions. The ExCom shall meet at least once a month or as often as necessary as may be required by the exigencies of the service.

As a general rule, proposals are taken in a meeting en banc provided that under exceptional circumstances, the Chairman may, upon request deemed meritorious, authorize routing of proposals completely supported by appropriate information, for a decision by referendum.

ExCom meetings may be conducted through modern technology, such as but not limited to, teleconferencing or video conferencing, provided that the ExCom members attending the meeting can actively participate in the deliberations on matters taken. Every ExCom member shall attend in at least fifty percent (50%) of the meetings held within any given year.

**Evaluation and  
Reports**

The ExCom shall review and assess the adequacy of this charter on an annual basis, and recommend any proposed change/s to the Board of Directors for its consideration and approval.

The ExCom shall keep minutes of its meetings, which minutes, together with other documents submitted to the ExCom, shall be kept and preserved in the records of the Bank.