

FIS/BSD/922/16  
August 10, 2016

**All Banks**  
**Addis Ababa**

Dear Sir/Madam;

Subject: **Circular No. BSD/16/2016**

Some banks have requested us to provide them with clarification whether the maximum number of board of directors to be re-elected after a lapse of six consecutive years of services, if a shareholders of a bank wishes to maintain continuity in the board, is determined based on number of board seats of a bank in line with sub-article 10.1.5 of NBE directives No. SBB/62/2015 or based on outgoing board members in line with sub-article 9.2 of NBE directives No. SBB/54/2012.

This is, therefore, to inform you that the number of board members to be re-elected after a lapse of six consecutive years of services shall be determined based on number of board seats of the bank in line with sub-article 10.1.5 of NBE directives No. SBB.62/2015, and sub-article 9.2 of NBE directives No. SBB/54/2012 has no effect as it was repealed by sub-article 14.2 of NBE directives No. SBB/62/2015.

Sincerely Yours,

Solomon Desta  
Director, Banking Supervision Directorate

cc.

H.E. The Governor  
The V/Governor, Financial Institutions Supervision  
➤ Legal Service Directorate  
**National Bank of Ethiopia**