

Republic of Panama  
Superintendency of Banks

May 10, 2005  
Circular No. 028-2005

General Manager

Dear Manager:

Through this means, we wish to advise you that this Superintendency of Banks has received comments from users of banking services regarding the so-called, according to common usage, "inactivity fees" in the savings and checking accounts that have had no movement in a given time period.

In this regard, we remind you that Decree Law No. 9 of 1998, in Article 144, Numeral 10 states:

***"In the contract itself or in a separate document, which, in any event, must be submitted to the user, a detailed description of the amounts that a user of banking services will be charged must be provided, showing the description of the charge and its amount in monetary terms. It is understood that the following are included: credit investigation expenses, application processing, interests for late payment, extra charges, commissions, notary expenses, registration expenses, insurance premiums, surtaxes, and any other charges of similar nature."***

By virtue thereof, this Superintendency of Banks requires that the banking entities make known their charges by placing posters in visible places where customer services are provided. Likewise, when the banking entity resolves to increase said charges it must make it known to its customers in a prudent amount of time before the increase.

We are grateful to the Manager for giving the staff under his charge the corresponding instructions for the observance of this circular.

Sincerely,

Delia Cardenas  
Superintendent