

# TRANSLATION

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**Superintendencia**  
de Bancos de Panamá

## **SUPERINTENDENCY OF BANKS OF PANAMA**

### **COMMUNIQUE**

1. The main responsibility of the Superintendency of Banks is to protect the stability of the Banking System. This requires adequate transparency and good performance of the institutions in the banking sector.
2. The Superintendency of Banks complies with this responsibility within the Panamanian banking system. Our Banking System has appropriate liquidity and solvency levels and our fundamentals are stable. There are no entities representing systemic risks that show signs of financial instability.
3. All information on the system is regularly disclosed in a transparent and current manner through our website, which acts as a reference point for domestic institutions, multilateral organizations and risk rating agencies in conducting their assessments of the system and of individual banks.
4. The banking regulation is issued in accordance with best international practices, as recommended by the Basel Committee on Banking Supervision. Prior consultation with the domestic banking industry ensures the transparency of our regulations. In 2011, the International Monetary fund provided a positive evaluation of our degree of compliance with the Basel international standards on banking supervision and regulation.
5. Since 1970 and throughout the last four decades, the banking legal framework has assigned tasks requiring that information be handled with responsibility, security and good judgment in banking supervision and regulation. This has permitted the growth of the International Banking Center, which is broadly recognized for its security, competitiveness and stability. The seriousness and prestige of the financial entities operating in Panama are the mark of distinction of our Banking System.
6. As with any global banking system, Panama is not immune to its banks being vulnerable to the influx of illicit funds, including money from corruption.
7. It is institutionally important for the Superintendency of Banks to take the appropriate corrective action in its preventive structures and systems, should the case arise. However, it is most important to require the supervised entities to remedy internal control failures that have given place to vulnerabilities.

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8. If in doing this it is determined that there have been breaches to the regulatory and legal framework that establishes strict controls that must be maintained by institutions to prevent the misuse of banking services, the Superintendency of Banks will impose the penalties provided for in its legal framework with the rigor and independence merited by each particular case.
9. Therefore, the Superintendency of Banks reiterates to the general community, and specifically to depositors, that it carries out its duties in strict adherence to legal standards, ethics, responsibility, integrity and transparency. Our actions must eschew any subjective, technically baseless opinion that third parties may espouse on our commitment to our responsibility and the quality thereof.

(signed)  
Alberto Diamond R.  
Superintendent

December 31, 2014.