

TRANSLATION

Republic of Panama Superintendency of Banks

RULE No. 11-2015
(dated 18 August 2015)

“Whereby Article 3 of Rule 2-2012 on Nonbanking Correspondents is Amended”

THE BOARD OF DIRECTORS
in use of its legal powers and,

WHEREAS:

Due to the issuance of Decree Law 2 dated 22 February 2008, the Executive Branch reedited Decree Law 9 dated 26 February 1998 and all of its amendments as a consolidated text, and this text was approved by means of Executive Decree 52 dated 30 April 2008, hereinafter referred to as the Banking Law;

Pursuant to paragraphs 1 and 2 of Article 5 of the Banking Law, safeguarding the soundness and efficiency of the banking system and strengthening and fostering favorable conditions for the development of the Republic of Panama as an International Financial Center are objectives of the Superintendency of Banks;

Pursuant to paragraph 5 of Article 11 of the Banking Law, establishing the administrative interpretation and scope of the legal provisions and regulations on banking matters is a duty of the Board of Directors;

Contracting nonbanking correspondents to provide certain services on behalf of banks is regulated by Rule 2-2012 dated 18 April 2012;

Article 3 of Rule 2-2012 establishes the services banks may offer through nonbanking correspondents;

Rule 6-2011, whereby guidelines on e-banking and related risks are established, defines mobile payment/wallet (smart card) as an e-banking service in which the technological access device consists of an electronic device or the client's mobile phone whose line is linked to the service;

To provide mobile payment/wallet services, it is necessary for mobile phone service providers to act as nonbanking correspondents, taking into consideration that mobile wallet is a mobile phone-related service;

Rule 1-2013, whereby rules on simplified process accounts are provided, establishes that these accounts may be opened through nonbanking correspondents' establishments;

During its working sessions, the Board of Directors determined it necessary and advisable to amend Rule 2-2012 in order to broaden up the services banks may offer through nonbanking correspondents.

RESOLVES:

ARTICLE 1. Article 3 of Rule 2-2012 will read:

“ARTICLE 3. SERVICES. Banks may provide one or more of the following services through a nonbanking correspondent:

1. Cash deposits and withdrawals from checking and savings accounts, as well as the transfer of funds relative to those accounts.
2. Balance inquiries and movements on checking and savings accounts.

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3. Balance inquiries on loans or other credit facilities.
4. Disbursements for credit operations.
5. Payments relative to credit operations.
6. Disbursements and payments from social/welfare programs.
7. Transfer and reception of checks and remittances.
8. Payment for services.
9. Withdrawals with debit cards.
10. Issuance of statements of account.
11. Mobile payment/wallet services through mobile phone companies, which will act as nonbanking correspondents.
12. Opening simplified process accounts in accordance with the current provisions.
13. Other operations and services the Superintendency of Banks may authorize.

The services mentioned in paragraphs 1, 4, 5, 6, 7, and 9 herein will be made within the limits approved by the board of directors of the bank.

The operations to be made through nonbanking correspondents must be made solely and exclusively through electronic terminals connected to the technology platform of the bank, and must be registered in real time.”

ARTICLE 2. ENACTMENT. This Rule shall become effective upon its promulgation.

Given in the city of Panama on the eighteenth (18th) day of August, two thousand fifteen (2015).

FOR COMMUNICATION, PUBLICATION AND ENFORCEMENT.

THE CHAIRMAN,

THE SECRETARY,

Luis Alberto La Rocca

Arturo Gerbaud