

Republic of Panama
Superintendency of Banks of Panama

RULE No. 2-2024
(21st May 2024)

“Whereby Article 12 of Rule No. 8-2010, on Comprehensive Risk Management, is modified”

THE BOARD OF DIRECTORS
in the exercise of its legal powers and,

WHEREAS:

Upon the issuance of Decree Law 2, dated 22nd February 2008, the Executive Branch re-edited Decree Law 9, dated 26th February 1998, along with all its amendments, as a consolidated text. This consolidated text was approved by Executive Decree 52, dated 30th April 2008, hereinafter, referred to as the Banking Law,

In accordance with Article 5(1) and (3) of the Banking Law, the objectives of the Superintendency of Banks include safeguarding the soundness and efficiency of the banking system and promoting public trust in the banking system.

According to Article 11(5) and (10) of the Banking Law, the technical duties of the Board of Directors include establishing the administrative interpretation and scope of the legal stipulations and regulations on banking matters and issuing the technical standards required for compliance with the Law,

Through Rule No. 8-2010, dated 1st December 2010, and its modifications, the provisions on Comprehensive Risk Management are established, enabling banks and banking groups to implement a comprehensive risk management process that allows them to identify, evaluate, monitor, and control or mitigate the different types of risk to which they are exposed in accordance with the size and sophistication of their operations, products, and services,

Through Article 12 of Rule No. 8-2010, the profile of the Head of the risk management unit is established, and

During its working sessions, the Board of Directors determined that it was both necessary and advisable to modify Article 12 of Rule No. 8-2010, with the purpose that banking entities inform the Superintendency about the dismissal, replacement, or resignation of the Head of the risk management unit.

RESOLVES:

ARTICLE 1. Article 12 of Rule No. 8-2010, dated 1st December 2010, will be read as follows:

“ARTICLE 12. PROFILE OF THE HEAD OF THE RISK MANAGEMENT UNIT.

The Head of the Risk Management Unit of the bank shall report to the Risk Committee and comply with at least the following requirements:

- a. Extensive work experience in areas related to the financial sector.
- b. Extensive technical knowledge of comprehensive risk management.

- c. General experience in financial operations.

PARAGRAPH: Banking entities must ensure that they notify the Superintendency when the person in charge of the risk management unit is replaced, dismissed, or voluntarily separate from the position. Likewise, banking entities must ensure they communicate information on the person who will be designated as responsible for the risk management unit and attach the résumé of the person holding the position or the person temporarily designated, as appropriate.”

ARTICLE 2. EFFECTIVE DATE. This Rule shall take effect upon its enactment.

Given in Panama City this twenty-first (21st) day of May, twenty twenty-four (2024).

FOR COMMUNICATION, PUBLICATION, AND ENFORCEMENT.

THE CHAIRPERSON,

THE SECRETARY,

David Alberto Davarro

Adriana Raquel Carles