



December 4, 2006
Circular No. 064-2006

General Manager
Panama City

Reference: Agreement No. 9-2005 of October 19, 2005.

Dear General Manager:

As you know, on October 19, 2005 this Superintendency of Banks issued Agreement No. 9-2005, "whereby Outsourcing is Developed".

On this subject, aiming to attain a greater understanding of the provisions contained in the norm, we hereby clarify the following points regarding the application of Articles 4, 5 and 9 of the mentioned Agreement:

1. Information technology services that do not involve processes that could affect the confidentiality, integrity, availability or safekeeping of the customers' goods, and that do not represent a risk for the bank's subsistence and image, could be outsourced without the previous authorization of the Superintendency of Banks. This only applies to technology services that can be directly supplied by a bank.
2. Whenever an outsourcing contract requires this Superintendency of Banks' previous authorization, pursuant to what is stipulated in Article 4 of Agreement No. 9-2005, it will be necessary to send a draft of the contract of the service or activity to be outsourced before it is signed, for its approval. Nonetheless, the banking entities do not need to include the information concerning the financial conditions of the contract.
3. With the purpose of guaranteeing the provisions contained in Articles No. 5 (Minimum Requirements) and No. 9 (Outsourcing Contract) of the mentioned Agreement; those banking entities that have their information technology processing centers abroad (parent banks, etc.) must have internal service agreements that guarantee the observance of these provisions when they apply.

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

Attentively,

Olegario Barrelier
Superintendent