

June 11, 2020
Circular N° SBP-DR-0211-2020

General Manager

Subject: Rule 5-2020

Dear General Manager:

We wish to inform you hereby that we have issued Rule 5-2020 dated 9 June 2020 “Whereby Articles 39, 41 and 42 of Rule 4-2013 on credit risk management inherent in credit portfolio and off-balance sheet transactions are amended.”

The aforementioned Rule added letters of guarantee issued by the Micro, Small and Medium Enterprise Authority (AMPYME, for its acronym in Spanish) under the Micro and Small Business Financing Program (PROFIMYPE, for its acronym in Spanish) as admissible collateral for the calculation of specific provisions established in Rule 4-2013 on credit risk, in order to support the loans granted by banks to micro and small businesses that apply to said program.

This Rule shall be effective upon its promulgation.

A copy of Rule 5-2020 is enclosed. The text may also be consulted on our website, www.superbancos.gob.pa, Node: Laws & Regulations.

We would greatly appreciate your providing the necessary instructions to your staff for compliance with these provisions.

Best regards,

Amauri A. Castillo
Superintendent

Enc.: A/s

ARV/eh