



Superintendencia
de Bancos de Panamá

TRANSLATION

July 29, 2020
Circular N° SBP-DR-0249-2020

General Manager

Subject: Write Off Applications, in accordance with
Article 27 of Rule 4-2013.

Dear General Manager:

We refer to Rule 4-2013, dated 28 May 2013, "Whereby provisions on credit risk management inherent in credit portfolio and off-balance sheet transactions are established."

In this regard, Article 27 of Rule 4-2013 provides that each bank will write off all mortgages and retail loans secured with property, classified as "loss" in a period not exceeding two years from the date in which they were classified within this category. This article provides also that this period may be extended only once for an additional year with the Superintendent's approval.

In connection with the above, the Superintendency of Banks informs banks that in case of having any "Write off" application, pursuant to the provisions of Article 27 of Rule 4-2013, the banks must make sure of submitting along with the corresponding write off application, attached hereto in an Excel file, the following documents in PDF format:

1. Copy of the page of the appraisal report containing the value of the property;
2. Copy of the page containing the appraisal date and appraiser signature;
3. Legal status of the proceeding to the date of application and proof of the foregoing,

The write off application along with the aforementioned documentation must be submitted to the following e-mail address: gdocumental@superbancos.gob.pa.

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

Best regards,

Digitally signed by [S]
NAME CASTILLO CHANG,
AMAURI ARIEL – ID 8-238-386
Date: 2020.07.29 12:43:06 - 05'00'

Amauri A. Castillo
Superintendent

Enc.: A/s

ARV/eh

"Velando por la solidez del Centro Bancario Internacional"