

Republic of Panama Superintendency of Banks

BOARD OF DIRECTORS' GENERAL RESOLUTION SBP-GJD-0005-2014
(dated 27 May 2014)

“Which authorizes the remittance, as inactive funds, of certified checks and cashier’s checks not identifying either the issuing person or the beneficiary”

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

CONSIDERING:

That due to the issuance of Decree Law 2 dated 22 February 2008, the Executive Branch reedited Decree Law 9 dated 28 February 1998 and all of its amendments as a sole text, and that this text was approved by means of Executive Decree 52 dated 30 April 2008, hereinafter referred to as the Banking Law;

That pursuant to Paragraph 1 of Article 5 of the Banking Law, an objective of the Superintendency of Banks is to safeguard the soundness and efficiency of the banking system;

That pursuant to Paragraph 5 of Article 11 of the Banking Law, the Board of Directors is responsible for establishing, within the administrative sphere, the interpretation and scope of the legal provisions and regulations on banking matters;

That Article 215 of the Banking Law sets forth that all banks shall inform the Superintendency of all property, funds and securities in their possession that have been inactive for five years and belong to persons whose whereabouts are unknown;

That by means of Rule 5-2009 dated 24 June 2009, Article 215 of the Banking Law on Inactive Assets is further developed;

That Rule 5-2009 includes, within the concept of inactive assets, cashier’s checks, certified checks, drafts and wire transfers as well as any other liquid credit not claimed for 5 years in a row, because prior to the issuance of this regulation, banks did not have information on the issuing person or the beneficiary of certified checks or cashier’s checks;

That during the Board of Directors’ working sessions it became obvious and it was necessary and advisable to establish that in the case of certified checks or cashier’s checks issued before Rule 5-2009 and for which there is no identification of the issuing person or beneficiary, the procedures for locating them are inapplicable.

RESOLVES:

ARTICLE 1. CERTIFIED CHECKS AND CASHIER’S CHECKS WITHOUT AN IDENTIFIED ISSUING PERSON OR BENEFICIARY. In the case of certified checks or cashier’s checks retained by the bank as inactive funds and whose issuing person and beneficiary have not been identified, the notification and location proceedings referred

TRANSLATION

Page 2 of 2

General Resolution SBP-GJD-0005-2014

to in Article 3 of Rule 5-2009 dated 24 June 2009 will not be applicable as long as the checks were issued before the enactment of the Rule.

Pursuant to the above, the bank may request the Superintendency's approval to remit those funds to the Banco Nacional de Panamá as inactive funds, as long as the five (5) years established in the Rule have elapsed.

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

Given in the city of Panama on the twenty-seventh (27th) day of May, two thousand fourteen (2014).

LET IT BE KNOWN, PUBLISHED AND ENFORCED.

THE CHAIRMAN,

THE SECRETARY,

Nicolás Ardito Barletta

L.J. Montague Belanger