

Republic of Panama

Superintendency of Banks

Agreement No. 10-2002

(of October 2, 2002)

THE BOARD OF DIRECTORS

In exercise of its legal faculties, and

WHEREAS:

Pursuant to Number 2 of Article 5 of Law Decree 9 of February 26, 1998, this Superintendency of Banks has the function of strengthening and fostering the conditions conducive to Panama's development as an International Financial Center;

Pursuant to Number 7 of Article 16 of Decree Law 9 of February 26, 1998, the Board of Directors of the Superintendency of Banks is responsible for interpreting and establishing the scope, within the administrative realm, of legal and regulatory banking provisions;

Pursuant to Article 140 of Law Decree No. 9 of February 26, 1998, the Superintendency of Banks is responsible for developing, establishing the sense and scope, and interpreting the norms for the Protection of Banking Services Users;

In accordance with Resolution No. 19-2002 of August 29, 2002, all portions of Resolution No. 2 of March 6, 2001 were superseded, maintaining the functions inherent to the Department of Protection of Banking Services Users;

By virtue of Agreement 6-2001, of December 3, 2001, measures were adopted to determine the responsibility for the Protection of Banking Services Users, as well as the procedure to file complaints or denouncements with the Department of Protection of Banking Services Users; and

In the course of work sessions of this Board of Directors with the Superintendent of Banks, there became evident the need and convenience of revising established guidelines and criteria pertaining to the procedure for filing complaints or denouncements of Banking Services Users.

AGREES:

ARTICLE 1: PURVIEW. The Superintendency of Banks shall handle individual or collective complaints filed by the users of banking services over irregularities in the rendering of banking services received from Banks, in accordance with the provisions of Title V – Protection of Banking Services Users, of Law Decree No. 9 of February 26, 1998, as well as denouncements that could ensue over alleged non-compliance of the provisions contained in the aforementioned Law Decree.

ARTICLE 2: DEFINITIONS. For the purposes of the present agreement, the following shall be understood:

Denouncement: Act by means of which the Superintendency of Banks is informed, in writing or verbally, of a fact contrary to the laws, in order for the Superintendency of Banks to proceed to investigate said fact and impose a penalty, if warranted.

Complaint: Accusation filed with the Superintendency of Banks over a matter affecting an individual interest of the complainant or of a plural number of persons.

ARTICLE 3: HOW TO FILE A COMPLAINT AND/OR DENOUNCEMENT.

The complaints and/or denouncements shall be filed in person, either verbally or in writing, with the Superintendency of Banks.

ARTICLE 4: RECORD. Every verbal complaint and/or denouncement, shall entail drawing up a record, which must state:

1. Personal circumstances of the complainant and/or plaintiff;
2. Designation of the Bank;
3. Detailed description of the facts serving as basis for the complaint and/or denouncement;
4. Any other requirement determined by the Superintendent of Banks.

In every case the complainant and/or plaintiff shall submit a photocopy of his or her national personal identification card (cedula) and any available documents related to the facts serving as basis for the complaint and/or denouncement.

ARTICLE 5: SELF-REPRESENTATION. The users and the Banks can act on their own behalf in the proceedings, thus the designation of an attorney is not necessary.

ARTICLE 6: REPRESENTATION THROUGH A THIRD PARTY OR ATTORNEY. In the event that any of the parties is represented by a third party or an attorney, they must submit a power of attorney duly granted in the presence of a Notary . The attorney or third party shall provide an account in support of the claim or his or her principal and the facts on which it is based.

ARTICLE 7: ACCEPTANCE OF THE COMPLAINT AND/OR DENOUNCEMENT. Once the complaint and/or denouncement is filed, the Superintendency of Banks shall review the supporting arguments of the facts and the documentation submitted and, if everything is found in order, it shall accept the complaint and/or denouncement.

The Superintendency of Banks shall determine the procedure to be followed in denouncement cases, in order to conduct the pertinent queries.

ARTICLE 8: REJECTION, CORRECTION, AND DECLINATION OF RESPONSIBILITY.

In cases in which the supporting arguments and the submitted documentation is not in order, the Superintendency of Banks shall order the applicable correction.

When claims are filed outside the purview of the Superintendency of Banks, the complaint and/or denouncement shall be rejected; and in the event that another institution or entity is

responsible for hearing it, the Superintendent of Banks shall relinquish the claim to said institution or entity.

ARTICLE 9: RECORD OF THE COMPLAINT AND/OR DENOUNCEMENT. Every complaint and/or denouncement admitted into the Superintendent of Banks shall give way to the creation of a duly numbered and recorded file.

ARTICLE 10: ACCESS TO FILES. The files shall only be examined by the parties, their attorneys or third parties, duly accredited, showing that they have an interest in or could be affected by said process.

ARTICLE 11: ITEMIZATION. The parties shall not withdraw any documents from the record file, except when an itemization is requested, for which the following requirements shall be met:

1. Written request to the interested party;
2. Authorization by the Superintendent of Banks;
3. The document to be itemized shall be replaced by a duly cross-referenced and authenticated photocopy.

ARTICLE 12: REQUEST FOR INFORMATION FROM THE BANKING ENTITY RESULTING FROM THE COMPLAINT. The Superintendent of Banks shall request to the banking entity against which the complaint has been received, a report, which must be submitted in a term not greater than ten (10) working days, counted as of the notification of the request for information. This term could be extended, upon the bank's request, up to an additional term of ten (10) working days, on account of a cause deemed justifiable by the Superintendent.

ARTICLE 13: DISPOSITION OF THE BANK'S INFORMATION. Upon receipt of the bank's report referred to in the above Article, the report shall be made available to the user. If the user is in disagreement with the Bank, the user shall have a period of ten (10) working days to express it, extendable at the party's request, up to an additional term of ten (10) working days, on account of a cause deemed justifiable by the Superintendent; otherwise, the complaint process shall be terminated and the respective file shall be filed.

ARTICLE 14: SETTLEMENT ACT. In those cases in which the user disagrees with the information received from the Bank, and has thus expressed it within the stipulated term, the Superintendent of Banks shall convene the parties to a Settlement Act between the user and the banking entity.

The holding of the Settlement Act shall be notified to the parties at the address registered in the file with no less than five (5) working days in advance, unless the parties agree to hold the Settlement Act on a specific date in coordination with the Superintendent. In this regard, when the parties agree on a prior date for the Settlement Act, they must previously notify the Superintendent in writing.

ARTICLE 15: HOLDING OF THE SETTLEMENT ACT. The parties are compelled to appear at the Superintendent of Banks on the date and time scheduled to hold the Settlement Act.

The Settlement Act shall be held with both parties on the scheduled date and time. In the event that one of the parties cannot be present on the agreed date, it will justify its non-attendance at least two (2) days in advance of the date of the Settlement Act, in order that a second convening be scheduled and notified.

ARTICLE 16: SECOND CONVENING OF THE SETTLEMENT ACT. If on the date of the second convening of the Settlement Act, the banking entity that did not attend the first convening fails to be present, it shall be deemed that it has breached its obligation of appearing at a Settlement Act. The above does not imply that the process has been terminated and the Superintendency of Banks shall set a new date to hold the Settlement Act.

In the event that the user is the one who for the second time fails to attend the Settlement Act, the above will be deemed as abandonment of the complaint, thus the Settlement effort will be deemed terminated, and directions shall be issued to close the complaint and file the record.

ARTICLE 17: CONDUCT OF THE SETTLEMENT ACT. The Settlement Act shall take place in oral form. The facilitator will inform the parties of what the Law establishes in this regard and will try to settle the parties, in order to propitiate an amicable arrangement between them.

At the Settlement Act, the parties must expose their arguments, charges and explanations, in an accurate, concise and truthful manner, for which they shall have a period of no less than five (5) minutes and not greater than twenty (20) minutes.

ARTICLE 18: BEHAVIOR DURING THE SETTLEMENT ACT. During the conduct of the Settlement Act, the parties must behave with dignity, integrity, decorum, morality and respect, otherwise the Superintendency may:

1. Suspend and cancel the Settlement Act, thus rendering the complaint as concluded, if the fault is committed by the complainant;
2. Issue a written admonition, if the fault is committed by the representative of the banking institution.

ARTICLE 19: CLOSING OF THE SETTLEMENT ACT. Once the Settlement Act is concluded a summary of proceedings will be drawn up stating the following:

1. The intervening parties, User-Bank;
2. The facts on which the claim was based;
3. The facts on which the banking entity is basing its defense;
4. Conduct of the Settlement Act ;
5. Notification that the parties can exercise the right conferred to them by other laws of going to court, in the event that they fail to reach a satisfactory agreement .

6. Signature of the parties that took part in the Settlement Act, attesting to their participation and formal notification.

ARTICLE 20: ACTIONS. All actions undertaken in the process of a claim, complaint, and/or denouncement shall be recorded in writing, except for the Settlement Act.

ARTICLE 21: PENALTIES. If at any stage of a claim, complaint, and/or denouncement, the Superintendency of Banks determines that the Bank has infringed upon the provisions of the Law Decree No. 9 of 1998 and its complementary norms, the applicable penalties shall be imposed as provided in Article 137 of Law Decree No. 9 of 1998.

ARTICLE 22: CLOSURE OF THE COMPLAINT. In accordance with the present Agreement, the complaints will be deemed concluded and directions will be issued to file the record file when:

1. The user is in agreement with the information provided by the Bank.
2. The user fails to attend the second convening, after not attending the first one.
3. The user behaves in an inappropriate manner during the Settlement Act.
4. The user and the banking entity reach a mutual agreement during the conduct of the complaint process.
5. Upon conclusion of the Settlement Act.

Upon conclusion of the complaint proceedings, it shall be directed that the respective record be filed.

ARTICLE 23: STATUTE OF LIMITATION TO FILE A CLAIM, COMPLAINT OR DENOUNCEMENT: Limitation of one (1) year to file any complaint and/or denouncement with the Superintendency of Banks. Said term shall begin as of the date of occurrence of the event originating the claim.

ARTICLE 24: This agreement supersedes Agreement 6-2001 of December 3, 2001 in all its parts.

ARTICLE 25: EFFECTIVE TERM. This Agreement will become effective upon its promulgation.

Given in the city of Panama, on the second (2nd) day of the month of October two thousand two.

PUBLISH AND ENFORCE:

THE PRESIDENT

Jorge W. Altamirano-Duque M.

THE SECRETARY

Joseph Fidanque, Jr.