

*Republic of Panama*  
*Superintendency of Banks*

**Agreement No. 05-2005**  
(of May 18, 2005)

**THE BOARD OF DIRECTORS**  
using its legal authority, and

**WHEREAS:**

According to Numeral 1 of Article 5 of Decree Law No. 9 of February 26, 1998, the Superintendency of Banks is responsible for preserving the soundness and efficiency of the banking system;

According to Numeral 2 of Article 5 of Decree Law No. 9 of February 26, 1998, the Superintendency of Banks is responsible for strengthening and fostering auspicious conditions conducive to the development of Panama as an international financial centre;

According to Numeral 7 of Article 16 of Decree Law No. 9 of February 26, 1998, the Board of Directors must set the interpretation and scope of the legal or regulatory provisions in banking matters in the administrative realm;

According to Article 83 of Decree Law No. 9 of February 26, 1998, any civil or criminal action filed against a Bank or against its directors or officials that is related to the practice of banking activities or that is based on the perpetration of fraudulent felonies, will be made known to the Superintendency;

In work sessions of this Board of Directors with the Superintendency of Banks, the need and convenience of establishing the time period for notifying judicial proceedings to this Superintendency of Banks has been made evident.

**AGREES:**

**ARTICLE 1: APPLICATION SCOPE.** The provisions of this Agreement will apply to Official Banks, General License Banks, International License Banks and Representative Offices.

**ARTICLE 2: TERMS FOR NOTIFYING JUDICIAL PROCEEDINGS.** The notification of judicial proceedings to the Superintendency of Banks, to which Article 83 of Decree Law No. 9 of 1998 makes reference, must be carried out in a time period not greater than fifteen (15) calendar days, counted from the time of notification of the Bank or its directors or officials by judicial authorities.

The notification to this Superintendency of Banks must be accompanied by a copy of the corresponding claim.

**ARTICLE 3: SANCTIONS.** In case of default of the provisions stipulated in this Agreement, the sanctions stipulated in Article 137 of Decree Law No. 9 of 1998 will be applied.

**ARTICLE 4: EFFECT.** This agreement will be in force from the time it is proclaimed.

Given in the city of Panama, on the eighteenth (18th) day of the month of May of two thousand five (2005).

**TO BE RELEASED, PUBLISHED AND FULFILLED.**

THE PRESIDENT,

THE SECRETARY,

Felix B. Maduro

Jorge W. Altamirano-Duque M.