

**RULE No. 009-2009<sup>1</sup>**  
(dated October 22<sup>nd</sup>, 2009)

“By means of which the provisions on Time Deposits and Local Savings Deposits are compiled, adjusted and updated”

**THE BOARD OF DIRECTORS**  
in exercise of its legal powers, and

**WHEREAS:**

That after the issuance of Decree Law No. 2 of February 22<sup>nd</sup>, 2008, the Executive Branch prepared a systematic order in way of a Sole Text of Decree Law 9 of February 28<sup>th</sup>, 1998 and all its amendments, which was approved by means of Executive Decree 52 of April 30<sup>th</sup>, 2008, hereinafter the Banking Law.

That in accordance with numeral 2 of article 5 of the Banking Law, it is function of this Superintendency of Banks to strengthen and foment the proper conditions for the development of Panama as an International Financial Center;

That in accordance with numeral 5 of article 11 of the Banking Law, it corresponds to this Superintendency to determine in the administrative sphere, the interpretation and scope of the legal or regulatory provisions in banking matter;

That Article 1 of Rule No. 1-85 of November 20<sup>th</sup>, 1985, amended by rule No. 10-90 of July 5<sup>th</sup>, 1990 establishes the amount and term for which the Local Time Deposits shall be agreed, restricting the anticipated withdrawal or the anticipated decrease of the same;

That the National Assembly has issued rules in relation to the immigrant visas that imposes as obligatory to enter into a time deposit contract, requirement that does not guarantee the visa will be granted;

That in said cases when the visa is denied, the depositor should be able to withdraw his funds from the bank; if he so desires;

That in work sessions of this Board of Directors, the convenience of compiling, adjusting and updating the provisions on Time Deposits and Local Savings Deposits has been manifested.

**RESOLVES:**

**ARTICLE 1<sup>2</sup>: DOMESTIC FIXED-TERM DEPOSITS.** Except as provided herein, domestic fixed-term deposits shall be agreed for amounts greater than TEN THOUSAND BALBOAS (B/.10,000.00) and for a time period not less than THIRTY (30) days and may not be withdrawn, increased or decreased before the agreed maturity date.

**PROVISO.** In the event of the death of the holder of domestic fixed-term deposits, the appointed beneficiaries will be subject to the clauses established in the fixed-term deposit agreement signed by the holder and to the rules established herein, i.e. the amount of the domestic fixed-term deposits may not be withdrawn, increased or decreased before the agreed maturity date.

If the holder has not appointed beneficiaries, the heirs designated by judicial ruling will be subject to the same provisions.

**ARTICLE 2: EXCEPTION.** Notwithstanding what is provided in the preceding article, the Local Time Deposits may be increased before the agreed-upon maturity date by means of a Rule between the parties, only when the agreed term is the same or greater than ONE (1) year, by means of the capitalization of interests or new contributions to the original sum.

---

<sup>1</sup> This Rule rescinds Rules 1-85 dated 20 November 1985, 1-86 dated 1 April 1986, 38-88 dated 19 December 1988, 4-89 dated 16 March 1989, 10-90 dated 5 July 1990, 4-2000 dated 12 April 2000, and 10-2005 dated 11 November 2005. Amended by Rule 3-2010 dated 3 March 2010 and Rule 5-2018 dated 10 April 2010 (sic) and Rule 12-2018 dated 9 October 2018.

<sup>2</sup> Amended by Article 1 of Rule 5-2018 dated 10 April 2018.

**ARTICLE 3<sup>3</sup>: LOCAL TIME DEPOSITS OPENED FOR MIGRATORY PROCEEDINGS.** In the cases of those Local Time Deposits opened by foreigners to comply with the requirements that the migratory legislation demands, in order to apply for an immigrant visa which have as requirement the opening of a Local Time Deposit, might be withdrawn in advance in the case the account holder desists of the migratory proceeding or when the visa requested has been denied or cancelled, or when the visa was granted the interested party renounces to it. As evidence of the above, the holder shall submit to the bank the note desisting the migratory proceeding duly stamped by the National Service of Migration or the respective resolution issued by the National Service of Migration, whatever corresponds.

Notwithstanding the above, in case of advance withdrawal because of the causes mentioned in this article, the bank may adjust retroactively the interest rate originally agreed in the contract, in order to coincide with an interest rate equal to the period the deposit was in the Bank. The difference resulting from the adjustment may be compensated against the funds paid by the bank.

**ARTICLE 4: CLOSING OF LOCAL TIME DEPOSITS AFTER NOTIFICATION TO THE FINANCIAL ANALYSIS UNIT FOR THE PREVENTION OF MONEY LAUNDERING AND THE FINANCING OF TERRORISM (UAF).** In the cases of the notification of suspicious operations to the Financial Analysis Unit for the Prevention of Money Laundering and the Financing of Terrorism (UAF), in the way provided in Rule No. 12-2005, the banks might at their own discretion cancel in advance the Time Deposits Local or External, of any natural or legal person, provided that the holder(s) of the time deposit is associated directly or indirectly to the suspicious operation object of the report submitted to the UAF.

**ARTICLE 5: PLEDGED DEPOSITS.** In the case of pledged Time Deposits Local or Foreign in favor of a bank, that shall be executed in all or in part to satisfy the obligation guaranteed, the bank might consider the deposit extinct totally or partially, and in consequence, eliminate it from its books on the corresponding proportion.

**ARTICLE 6: OVERNIGHT DEPOSITS.** The Local Time Deposits, commonly known as "overnight" shall be agreed for less than TWENTY FOUR HOURS (24), as long as the amount is no less than ONE HUNDRED THOUSAND BALBOAS (B/.100,000.00).

**ARTICLE 7. LOCAL SAVINGS DEPOSITS.** The following dispositions shall apply to Local Savings Deposits:

1. The banks might set freely the amount of the interest rate on the Local Time Deposits. Nevertheless, they shall indicate the rate of such deposits in the statement of account of their clients.
2. The way and modality for the calculation and the opportunity of interest payment on these deposits shall be of free contract between the parties. In no case the opportunity of capitalizing the interests shall be after the maturity of the quarter.
3. The collect of any charge for scarce or null movement, for inactivity, for inferior balances to the minimum balances, or for maintenance is forbidden.
4. The promotions of drawings, gifts, trips, prizes or other incentives in favor of these deposits, requires previous authorization of this Superintendency of Banks. The interested Banks shall submit in due time the respective plans and programs for the considerations of the case. The Superintendent of Banks shall have knowledge and decide on the requests filed on this particular, in accordance to the regulatory instructions established to this respect by the Superintendency.

**ARTICLE 8<sup>4</sup> CHRISTMAS, SCHOOL OR EDUCATIONAL SAVINGS DEPOSITS.** The funds deposited in so-called "Christmas savings accounts," "school savings accounts," "educational savings accounts" and similar accounts shall be construed as "socio-educational funds" whose purpose is to encourage the habit of saving money among the different sectors of the population. Banks must establish the terms and conditions for this type of savings accounts.

**ARTICLE 9: SPECIAL SAVINGS ACCOUNTS.** In order to motivate the savings and to foster a better return through the savings accounts, the banking entities might establish special savings accounts, on which the parties might agree that the depositor cannot make withdrawals during a specific period of time.

---

<sup>3</sup> Amended by Article 1 of Rule 3-2010 dated 3 March 2010.

<sup>4</sup> Amended by Article 1 of Rule 12-2018 dated 9 October 2018.

**ARTICLE 10: POWERS OF THE SUPERINTENDENCY.** The Superintendency of Banks is empowered to modify the minimum amounts and periods and the maximum rates established by the present Rule.

**ARTICLE 11: SANCTIONS.** The Violations of the provisions of the present Rule shall be sanctioned according to Title IV of the Banking Law.

**ARTICLE 12: ANNULMENT.** The present Rule annuls the Rules No. 1-85 of November 20<sup>th</sup>, 1985; No. 1-86 of April 1<sup>st</sup> of 1986, No. 38-88 of December 19<sup>th</sup>, 1988, No. 4-89 of March 16<sup>th</sup>, 1989, No. 10-90 of July 5<sup>th</sup>, 1990, No. 4-2000 of April 12<sup>th</sup>, 2000 and No. 10-2005 of November 11<sup>th</sup>, 2005.

**ARTICLE 13: VALIDITY.** The present Rule shall go into effect as of its promulgation.

Given in Panama City, on the twenty second (22nd) day of the month of October, two thousand nine (2009).