

TRANSLATION

Republic of Panama Superintendency of Banks

RULE No. 002-2014
(dated 27 May 2014)

“Whereby Article 3 of Rule 5-2009 is amended”

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 26 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 Paragraphs 1 and 2 of Article 5 of the Banking Law, among the objectives of the Superintendency of Banks are to safeguard the soundness and efficiency of the banking system and to strengthen and foster favorable conditions for the development of the Republic of Panama as an international financial center;

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

That Article 215 of the Banking Law indicates that all banks shall inform the Superintendency of any property, funds or 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 was further developed;

That Article 3 of Rule 5-2009 provides that one year before the period of inactivity of the funds expires, the bank must notify the holders of that fact. However, during the localization process, there have been cases in which the bank has been notified of the death of the fund's holder.

That during the Board of Directors' working sessions it became obvious that it was necessary and advisable to amend Article 3 of Rule 5-2009, which establishes the provision for the localization of the holder of inactive funds, goods or securities.

RESOLVES:

ARTICLE 1. Article 3 of Rule 5-2009 shall read as follows:

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“ARTICLE 3. LOCATING THE HOLDER OF INACTIVE FUNDS, GOODS OR SECURITIES. One (1) year before the period of inactivity of the funds, goods or securities expires, the bank must notify the holders of this situation verbally or in writing, pursuant to the provisions herein, using the data or references kept in the bank’s files and retaining evidence of the notification efforts conducted.

In the event that during the localization process, the bank finds out that the holder of the inactive funds, goods or securities is dead, the bank must ascertain if there is any beneficiary designated according to Article 219 of the Banking Law. Otherwise, the bank must submit a document issued by the Civil Registry of the Electoral Court, be that a death certificate or an imprint of the Identity Verification System database, to support reporting these funds as inactive to the Superintendency in order to obtain the approval to remit those funds to the Banco Nacional de Panamá.

PROVISO. These notification efforts shall not be applicable to those accounts whose amounts are equal to or less than twenty balboas (B/.20.00).”

ARTICLE 10. ENACTMENT. This Rule 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,

Nicolas Ardito Barletta

L.J. Montague Belanger