

# TRANSLATION

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## Republic of Panama Superintendency of Banks

**RULE N°. 6-2017**  
(dated 4 July 2017)

**“Whereby new provisions on shared banking are provided”**

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

### **WHEREAS:**

Due to the issuance of Decree Law 2 dated 22 February 2008, the Executive Branch re-edited Decree Law 9 dated 26 February 1998 and all its amendments as a consolidated text, and this text was approved by means of Executive Decree 52 dated 30 April 2008, hereinafter referred to as the Banking Law;

Pursuant to paragraph 1 of Article 5 of the Banking Law, safeguarding the soundness and efficiency of the banking system is one of the objectives of the Superintendency of Banks;

In accordance with paragraph 2 of Article 5 of the Banking Law, strengthening and fostering favorable conditions for the development of the Republic of Panama as an International Financial Center is one of the objectives of the Superintendency of Banks;

Pursuant to subparagraph 5, paragraph I of Article 11 of the Banking Law, establishing the administrative interpretation and scope of the legal provisions and regulations on banking matters is one of the duties of the Board of Directors;

By means of Rule 7-2010 dated 30 November 2010, the provisions on Shared Banking for authorizing two or more banks established in Panama belonging to the same economic group to share offices and/or all of their staffs were updated;

During the Board of Directors' working sessions it was determined to be necessary and advisable to update the scope of the provisions on shared banking for this concept to be applicable to other financial entities established in Panama belonging to the same economic group and wishing to share offices and/or staff.

### **RESOLVES:**

**ARTICLE 1.** The Superintendency of Banks, when it deems it feasible, may grant authorization to two or more banks established in Panama and belonging to the same economic group to share their offices and/or staff (potentially including the general manager or its equivalent senior executive position), in accordance with the criteria established in the article below.

Similarly, the Superintendency of Banks, when it deems it feasible, may grant authorization to one or several banks and one or several financial entities, all of them established in Panama and belonging to the same economic group, to share their offices and/or staff (potentially including the general manager or its equivalent senior executive position), in accordance with the criteria established in the article below.

**ARTICLE 2.** To consider the authorization requests described in the previous article, the Superintendency will take into consideration the following:

- a. Interested parties must be part of or belong to the same economic group;
- b. The authorizations will be granted temporarily or permanently, at the discretion of the Superintendency of Banks, according to the specific circumstances explained in the requests and the characteristics of the interested parties;

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- c. In no case shall joint management be extended to customer service areas and staff (front office): the customer must be able to recognize, clearly and at all times, the bank or entity with which he is conducting operations; and
- d. The products offered to the public and letterheads must clearly identify the bank or entity with which the customer is conducting operations.

**ARTICLE 3.** This Rule rescinds Rule 7-2010 dated 30 November 2010 in its entirety.

**ARTICLE 4.** This Rule shall become effective upon its enactment.

Given in the city of Panama on the fourth (4<sup>th</sup>) day of July, two thousand seventeen (2017).

**FOR COMMUNICATION, PUBLICATION AND ENFORCEMENT.**

**THE CHAIRMAN,**

**THE SECRETARY,**

L. J. Montague Belanger

Nicolas Ardito Barletta