

# Republic of Panama Superintendency of Banks

**RULE N°. 9-2018**  
(dated 26 June 2018)

**“Which amends Article 2 and repeals Article 3 of Rule 4-2008”**

**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 the provisions of paragraph 1 of Article 5 of the Banking Law, safeguarding the soundness and efficiency of the banking system is an objective of the Superintendency of Banks;

According 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 a technical duty of the Board of Directors;

By means of Rule 4-2008 dated 24 July 2008 the Superintendency prescribed new provisions for meeting the legal liquidity ratio;

By means of Rule 2-2018 dated 23 January 2018, the Superintendency established provisions for liquidity risk management and the short-term liquidity coverage ratio;

During its working sessions, the Board of Directors determined it was necessary and advisable to amend Article 2 and repeal Article 3 of Rule 4-2008, since the current liquidity risk management provisions are included in Rule 2-2018.

## **RESOLVES:**

**ARTICLE 1.** Article 2 of Rule 4-2008 shall read:

**ARTICLE 2. BOARD OF DIRECTORS' RESPONSIBILITIES.** The Board of Directors of the Bank will be responsible for approving the strategy, policies and basic practices and reviewing them at least once a year. The Board of Directors shall also ensure that top management records the strategy as policies, rules and procedures, including control and information systems.

The reports submitted to the Board of Directors and Top Management for liquidity risk follow-up and control must be made available to the Superintendency of Banks of Panama

**ARTICLE 2. REPEAL.** This Rule repeals Article 3 of Rule 4-2008 on the Liquidity Risk Assessment Manual.

**ARTICLE 3. ENACTMENT.** This Rule will enter into force on 1 July 2018.

Given in the city of Panama on the twenty-sixth (26<sup>th</sup>) day of June, two thousand eighteen (2018).

## **FOR COMMUNICATION PUBLICATION AND ENFORCEMENT.**

**THE CHAIRMAN,**

**THE SECRETARY,**

Luis Alberto La Rocca

Joseph Fidanque III