

Republic of Panama  
Superintendency of Banks

February 16, 2006  
Circular No. 014-2006

General Manager  
Panama City

***Reference: Acceptance of high denomination bills***

Dear Manager:

We have knowledge that some banking entities are not accepting high denomination bills in the banking transactions performed by users.

Regarding this, we inform you that no Bank in Panama can refuse to accept United States dollars of any denomination, either as payments or as account deposits, given that this currency, as well as its multiples and fractions, is of legal circulation in our country, pursuant to the provisions of article 1171 of the Tax Code.

The above was stipulated in Circulars 035-2000 and 029-2003 as a criterion of this Superintendency, and for this reason it is inadmissible for a banking institution that forms part of Panama's Banking Center to place restraints or obstacles on or to reject the payment or deposit that a user makes with this currency, and even less so if he/she is a customer.

Without anything else in particular, we remain yours.

Attentively,

Delia Cardenas  
Superintendent

/ksg