

**REPUBLIC OF PANAMA
SUPERINTENDENCY OF BANKS**

April 24, 2006
Circular No. 023-2006

General Manager
Panama City

Reference: Declarations of Cash and Quasi-Cash
Transactions. Article 6, Agreement
No.12-2005

Dear General Manager:

As you know, on December 14, 2005 the Superintendency of Banks enacted Agreement No.12-2005, ***"Whereby the guidelines set in Agreement No. 9-2000 of October 23, 2000 are updated, so as to consolidate and strengthen the regulation on the Prevention of the Improper Use of Banking and Trust Services"***.

Article 6 of said standard, "Declarations of Cash or Quasi-Cash Transactions", stipulates the obligation of all banks and all trust corporations to declare, in the forms established for said purpose, the information to which the Article refers. Moreover, Paragraph 3 stipulates that ***"The forms specified in this Agreement must be sent to the Financial Analysis Unit through any means the Superintendency of Banks specifies"***.

In this sense, through this means this Superintendency of Banks notifies that, for the effects of the declarations of cash and quasi-cash transactions, the paper process will be totally replaced by the information technology format, so the banking entities must send the information described in Article 6 of Agreement No. 12-2005 through the Information Transfer System.

By virtue thereof, and so that the banks may customize their systems with the adequate technology, we concede starting today a period of 90 calendar days for the appropriate information technology customization.

Nevertheless, while the systems are customized, the banks must keep the cash and quasi-cash reports in the form being used until now.

It will be up to each entity to notify this Superintendency in writing, within the time period stated above, that its systems are customized and that it will proceed pursuant to what is stated in Article 6 of Agreement No. 12-2005 and this circular.

Those banks whose information technology systems are duly customized to this day must immediately proceed to do the cash and quasi-cash reports pursuant to what Article 6 of Agreement 12-2005 stipulates.

Likewise, we hereby stipulate that at the moment that the Superintendency of Banks or other competent authority requires the information contained in the reports sent by the technology route, the banking entity will certify said information.

We are grateful to the Manager for giving the staff under his charge the corresponding instructions for the fulfillment of this circular.

Attentively,

Delia Cardenas
Superintendent

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