

**REPUBLIC OF PANAMA  
SUPERINTENDENCY OF BANKS**

February 2, 2006  
Circular No. 009-2006

General Manager:  
Panama City

Reference: Waiver, Abandonment or Settlement before  
the Superintendency of Banks

Dear General Manager:

As you know, this Superintendency of Banks processes complaints endorsed by banking service users. Within this processing, the parties can submit a waiver of rights, abandonment or settlement (agreement between the parties), which must comply with the formalities required by the respective legal provisions.

In light of this, we deem it necessary to point out that Law No. 38 of July 31, 2000 rules the waiver of rights, abandonment and settlements (agreement between the parties) as exceptional means to terminate the process, as provided by Article No. 159, which specifies the way the waiver or abandonment must be submitted:

"Article 159: **Both the abandonment and the waiver can be done verbally or in writing.** In the first case, it will be formalized by the appearance of the interested party before the officer in charge of the instruction, who, together with the former, will underwrite the corresponding record, which must be validated by the Office's Secretary or whoever takes his/her place.

**When such proceedings are done in writing, the interested party must submit them personally or authenticate his signature before a Notary or another competent authority".**  
(The bolding and underlining is ours).

Regarding settlements, the Judicial Code as a supplementary rule, in article 1082, stipulates the formalities that must be observed for the submittal of the former. The aforementioned rule states:

"Article 1082 (1068): During any state of the process, including during the Abrogation Resource procedure and within the conditions stipulated in the Civil Code, the parties will be able to settle the lawsuit.

So that the settlement may produce its effects in the process, the document that contains it must accompany the respective request or it must be included as evidence in a document directed at the judge that tries the case.

In both cases the writ must be submitted personally, unless the signatures of the parties in the respective document have been authenticated before a judge or a notary.

The settlement can also be held through a judicial record before the trying judge.

If the settlement requires a license or a judicial authorization, the same judge that tries the case can resolve the request as an incident."

We are grateful to the Manager for giving the staff under his charge the corresponding instructions for the observance of this circular, given that some banks have submitted copies or originals of documents concerning waivers, abandonments and/or settlements, that do not comply with the requirements demanded by the regulations quoted above; situation which keeps the process from being terminated and filed, and forces this Superintendency to keep the process unjustifiably pending decision.

Attentively,

Delia Cardenas  
Superintendent