



January 22, 2014  
Circular N° SBP-DR-0006-2014

General Manager

Subject: Paragraph 3 of Article 193 of the Banking Law

Dear General Manager:

We wish to reiterate hereby the provisions of paragraph 3 of Article 193 of the Banking Law, which states:

**“ARTICLE 193. OBLIGATIONS OF THE BANKS.** Banks have the following obligations:

1. ...
2. ...
3. To abstain from any action impeding the bank client from cancelling his/her relationship with the bank, as long as the client does not default on his/her obligations to the bank.

In compliance with the above provision and as long as the relevant contractual obligations are met, banks must abstain from any action that in any way impedes the bank client from cancelling his/her relationship with the bank, be it by an express refusal or by poor service that creates an impediment to that purpose.

In this sense, banks must avoid the unjustified delay in preparing cancellation memoranda and must also abstain from requiring unnecessary prerequisites that may essentially impede the bank client's efforts to abandon the contractual relationship with the bank.

We would greatly appreciate your providing your staff with the necessary instructions for compliance with the provisions of this Circular.

Best regards,

Alberto Diamond R.  
Superintendent

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