

TRANSLATION

Republic of Panama Superintendency of Banks

FECI RESOLUTION No. 053-2008
(dated 28 May 2008)

THE SUPERINTENDENT OF BANKS
In use of his legal powers and,

CONSIDERING:

That Article 1 of Law 4 dated 17 May 1994 establishes that domestic loans for qualified agricultural and agro-industrial sector exporters of non-traditional products will be entitled to a discount on the interest rate agreed on with the bank or money-lending financial entity, and that said discounts will be reimbursed through the application of withholdings made by banks and financial entities as provided for by Law;

That according to Paragraph 8 of Article 4 of the aforementioned Law 4 of 1994 the Superintendency of Banks will set the specified interest rate discount for loans granted to qualified agricultural and agro-industrial sectors exporter of non-traditional products;

That in virtue of the provisions set forth in Article 11 of Law 4 of 1994, the Executive Branch has enacted Executive Decree No. 74 dated 27 May 2008, whereby Article 3 of Executive Decree 29 dated 8 August 1996 is amended, and whereby a higher, differentiated discount is envisioned when financing the production of the following foodstuffs: Rice, corn, beans, meat (poultry, swine and sheep), and fresh milk;

That by means of FECI Resolution No. 2-2002 dated 21 February 2002, the Superintendency set the discount on interest rate for loans granted to qualified agricultural and agro-industrial sector exporters of non-traditional products at **THREE AND A HALF PERCENT (3.50%)**;

That pursuant to Article 3 of Executive Decree No. 29 dated 8 August 1996, the Superintendency will prescribe the measures needed for the execution of Law 4 dated 17 May 1994 and its regulatory provisions, as well as inform the general public of the discount amount fixed for loans granted to qualified agricultural and agro-industrial sector exporters of non-traditional products;

RESOLVES:

ARTICLE 1: TO SET, as of 1 June 2008, the interest rate discount at **FOUR PERCENT (4.0%)** for loans granted for the production of the following foodstuffs: Rice, corn, beans, meal (poultry, swine and sheep), and fresh milk.

ARTICLE 2: TO MAINTAIN at **THREE AND A HALF PERCENT (3.50%)** the discount set by means of FECI Resolution No. 2-2002 dated 21 February 2002, on the interest rate for loans granted and that will be granted to qualified agricultural and agro-industrial sector exporters of non-traditional products which are not covered in the aforementioned Article.

ARTICLE 3: This resolution is effective upon its promulgation.

Given in the City of Panama on the twenty-eighth (28th) day of May, two thousand eight (2008).

LET IT BE KNOWN, PUBLISHED, AND ENFORCED.

THE SUPERINTENDENT OF BANKS

(original signed)
Olegario Barrelier