

Republic of Panama
Superintendency of Banks

September 13, 1999
CIRCULAR N° 32-99

Mr. General Manager
Office Delivery

Reference: Deadline to communicate choice between
IAS and US-GAAP (Agreement N° 4-99; General
Resolution 3-99; Circular N° 23-99)

Dear Sir:

We would like to remind you that on September 30 expires the deadline to inform this Superintendency the technical accounting standards chosen by the Bank, according to what is established by General Resolution N° 3-99 of June 28 of 1999 and Circular N° 23-99 of May 25, 1999.

As you must know, the Third Chamber of the Supreme Court of Justice decided on August 25, 1999 to temporarily suspend Resolution N° 4-98 of February 19 of 1998 of the Technical Accounting Board of the Ministry of Commerce and Industry, by which said Board adopted as their own and for application in Panama, the IAS issued by the International Accounting Standards Commission.

The contents of the foregoing paragraph does not affect banking regulations, and we take the opportunity to reiterate the total effect of Agreement N° 4-99 of May 11 of 1999 of the Board of Directors of the Superintendency of Banks by which said Board adopted for Banks established in Panama exclusively, the IAS and the US-GAAP as technical Standards for financial report presentation, independently of Resolution No. 4-98 of February 10 of 1998, issued by the Technical Accounting Board of the Ministry of Commerce and Industry.

Not having other communications, I remain,

Yours Sincerely,

Mario L. Romero, Jr.
Superintendent