

# TRANSLATION

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## Republic of Panama Superintendency of Banks

### S.B. RESOLUTION No. 161-2003 (dated 12 November 2003)

#### THE SUPERINTENDENT OF BANKS in use of her legal powers, and

#### CONSIDERING:

That **BANCREDITO (PANAMÁ), S.A.** a corporation organized according to national legislation, filed under Microjacket 196336, Roll 21901, Image 0033 in the Microfilms (Mercantile) Section of the Panamanian Public Registry, holds an International License issued by the National Banking Commission by Resolution 32-87 dated 18 September 1987;

That by S.B. Resolution No. 131-2003 dated 1 September 2003, the Superintendency of Banks resolved to decree the intervention of **BANCREDITO (PANAMÁ), S.A.**, and that later, by S.B. Resolution 144-2003 dated 30 September 2003; the Intervention was extended for an additional period of thirty (30) calendar days;

That pursuant to the provisions of Article 103 of Decree Law 9 of 1998, on 30 October 2003 the appointed Receiver submitted an Intervention Final Report to the Superintendency of Banks containing the relevant aspects of his management, an inventory of assets and liabilities of the Bank and his recommendation on the case;

That in the Intervention Final Report dated 30 October 2003, the Receiver stated that:

- I. The Bank does not have the immediate liquidity to face its obligations.
- II. Due to the nature of the assets, **BANCREDITO (PANAMÁ), S.A.** is unable to generate additional liquidity from them, nor pay off its liabilities with the value of these assets.
- III. The shareholders have not indicated any willingness to provide immediate additional funding to strengthen the financial structure of the Bank.

That after the administrative efforts carried out, the Receiver recommends the compulsory liquidation of **BANCREDITO (PANAMÁ), S.A.**;

That pursuant to Article 115 of Decree Law 9 of 1998, if the Superintendency of Banks deems the compulsory liquidation of a Bank that has been intervened necessary, it will issue a reasoned resolution that will order the bank's administrative liquidation and will appoint one or more liquidators to that effect, and

That pursuant to the provisions set forth in Decree Law 9 of 1998, Article 17, Paragraph 4, the Superintendent of Banks is the official empowered to decree the intervention of banks in cases contemplated by the Decree Law,

#### RESOLVES:

**ARTICLE 1:** To order the Compulsory Administrative Liquidation of **BANCREDITO (PANAMÁ), S.A.** a corporation holding an International License issued by the National Banking Commission by Resolution 32-87 dated 18 September 1987, pursuant to current legal provisions, as of eleven in the morning (11:00 a.m.) on the twelfth (12<sup>th</sup>) of November, 2003.

**ARTICLE 2:** Without prejudice to its power for making new appointments in the future, to appoint Mr. **EDUARDO E. PAZMIÑO U.**, holder of personal identification No. 8-140-742, as Receiver of **BANCREDITO (PANAMÁ), S.A.** to guide the compulsory liquidation process as set forth in Decree Law 9 of 1998.

**ARTICLE 3:** To advise that, pursuant to the provisions of Article 117 of Decree Law 9 of 1998, all interests on the assets in liquidation will cease to accrue as of the

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enactment of this Resolution, except for loans secured by pledge or mortgage. In these cases, the creditors can demand the accrued interests on their principal until bank proceeds are exhausted.

**ARTICLE 4:** To advise that, pursuant to the provisions of Article 119 of Decree Law 9 of 1998, while the Bank is under compulsory liquidation, the prescriptive terms of rights and actions to which the Bank is entitled and the terms in lawsuits or proceedings to which the Bank is a party are understood to be suspended for up to six (6) months.

**ARTICLE 5:** To request depositors and other creditors of **BANCREDITO (PANAMÁ), S.A.** appear before the Bank to file their claims. The depositors and creditors can appear at any time prior to the liquidator issuing his preliminary report, a term that shall not be less than thirty (30) calendar days. The lack of appearance will not affect the assets that are registered in the Bank's records.

**ARTICLE 6:** To advise that as of the date this Resolution is executed, all contracts to which the Bank is a party are terminated and void, pursuant to the provisions of Article 125 of Decree Law 9 of 1998.

**ARTICLE 7:** To advise that the property of **BANCREDITO (PANAMÁ), S.A.** is not susceptible to sequester or embargo, unless based on real property rights, pursuant to the provisions of Article 133 of Decree Law 9 of 1998.

**ARTICLE 8:** To order the placing of a copy of this Resolution in a public and visible place of the main establishment of **BANCREDITO (PANAMÁ), S.A.** for a period of five (5) business days, starting at the time of enactment of the Intervention.

**ARTICLE 9:** To order the publication of this Resolution in a newspaper with nationwide circulation for five (5) business days.

**ARTICLE 10:** The Remedies established by Law can be pursued against this Resolution.

**LEGAL GROUNDS:** Articles 17 (paragraph 4), 115 and following of Decree Law 9 of 1998.

Given in the city of Panama on the twelfth (12<sup>th</sup>) day of November, two thousand three (2003).

**LET IT BE KNOWN, PUBLISHED AND ENFORCED,**

**THE SUPERINTENDENT,**

**Delia Cárdenas**