

TRANSLATION



THE SUPERINTENDENCY OF BANKS

ANNOUNCES:

Pursuant to the provisions of Article 16, paragraph I, subparagraph 4; Article 131 and following articles of Decree Law 9 of 1998, amended by Decree Law 2 of 2008 and re-edited as a consolidated text adopted by Executive Decree 52 of 2008 (Banking Law); and by means of Resolution SBP-0053-2015 dated 10 March 2015, the Superintendency of Banks of Panama ordered the Seizure of Administrative and Operating Control of **BANCA PRIVADA D'ANDORRA (PANAMÁ), S.A.** effective at 2:00 PM on Wednesday, 11 March 2015.

This decision was made by the Superintendency of Banks due to the real possibility that **BANCA PRIVADA D'ANDORRA (PANAMÁ), S.A.** would not have effective access to the majority of the assets needed to meet depositor demands, which could affect the Bank's operations in this Jurisdiction. Most of its liquid assets are in the Group's Bank in Andorra.

In the opinion of the Superintendency, the interests of the bank's depositors are in jeopardy, and it is necessary to proceed with the immediate Seizure of Administrative and Operating Control of **BANCA PRIVADA D'ANDORRA (PANAMÁ), S.A.**, as a result of the actions taken by the United States Department of the Treasury's Financial Crimes Enforcement Network (FINCEN) in indicating that the **BANCA PRIVADA D'ANDORRA** Banking Group is considered a foreign financial institution of primary money laundering concern. The indications point to the Bank's headquarters in the Andorran capital facilitating transactions of persons linked to funds coming from illicit activities, including transactions for organizations in Russia, China and other transactions related to the siphoning off of millions of dollars from the Venezuelan public oil company in exchange for commissions. Considering these facts, the risk to the Banking Group's reputation is materially increased.

It is worth noting that there is no accusation or evidence that the subsidiary **BANCA PRIVADA D'ANDORRA (PANAMÁ), S.A.** is involved in these illegal actions.

Therefore, in order to promote public trust in the Banking System, the Superintendency has made the decision to seize administrative and operating control of the subsidiary **BANCA PRIVADA D'ANDORRA (PANAMÁ), S.A.** and reiterates [that] the decision does not affect the rest of the banks in our Banking Center.

Panama, March 11, 2015